

## รายงานประจำปี 2557



ANNUAL REPORT  
**2014**

บริษัท พรีเมียร์ เทคโนโลยี จำกัด (มหาชน)  
PREMIER TECHNOLOGY PUBLIC COMPANY LIMITED



## VISION

To be leading Thai corporation that enhances society,  
promotes organization and motivates staff to achieve sustainable  
success and harmony

**The Premier Business**

**The Premier People**

**The Premier Society**

**Harmonious Alignment of Success**

## CORE VALUES

To deliver  
quality  
products and  
services

To utilize  
innovation to  
enhance the  
quality of  
life, society and  
the environment

To foster mutual  
prosperity of staff,  
the organization  
and society

To promote  
collaboration  
between  
specialized teams  
to maximize  
efficiency

To act in  
a moral and  
ethical manner  
and uphold  
Thai tradition

### Business

Good for organization, customers,  
shareholders and business partners

- Efficiency & productivity
- Trustworthiness
- Recognition & respect
- Financial strength & profit
- Sustained growth

### People

Good for our people

- Continuous skill development
- High ethical and moral integrity
- Strength and security
- Team work
- Achievement & progress
- Pride and happiness

### Society

Good for society

- Enhance quality of life
- Preserve Environment & conserve natural resource
- Promote moral and ethical behavior
- Preserve Thai's values and culture
- Foster a peaceful society
- Cultivate harmony and happiness

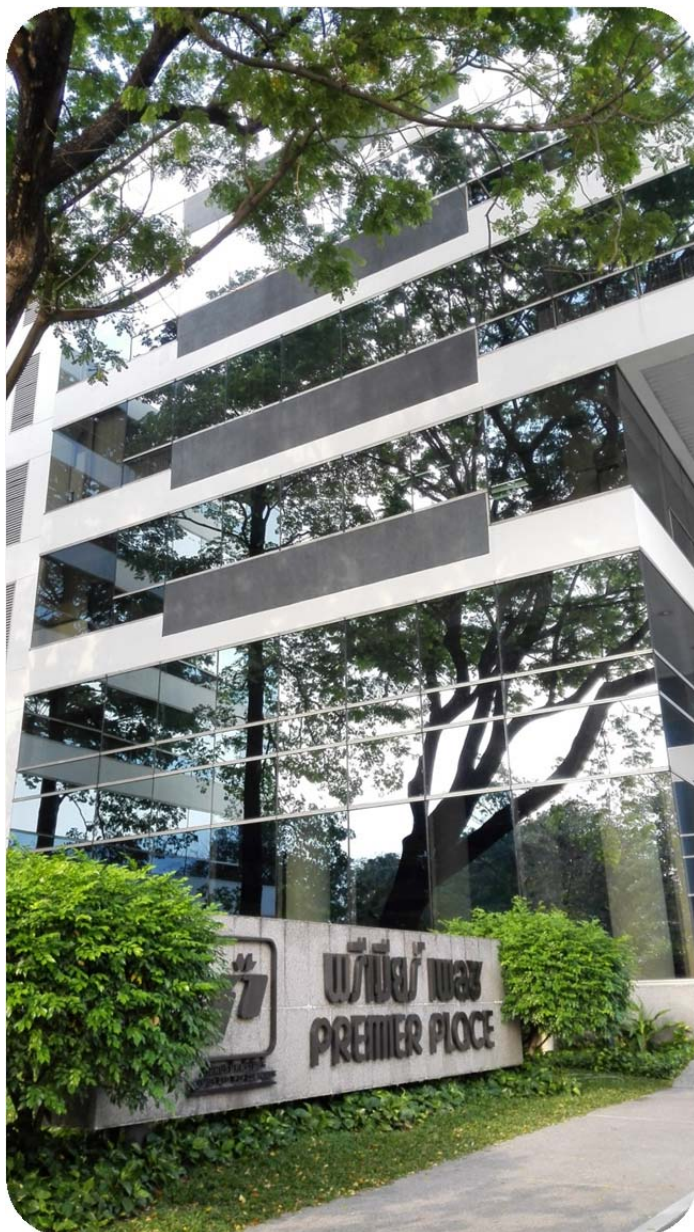
Premier Technology Public Company Limited has core business in investing in the information technology business and also providing office rental. The Company's subsidiary is Datapro Computer Systems Company Limited (DCS), the Total Enterprise Solutions and Services Provider since 1986. DCS has its own developed products and products that have been appointed as distributors of the leading global companies. DCS provides after sales services for all products represented. DCS also provides wide ranges of Information Technology services to support the enterprises' requirements.

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Investor may additionally obtain the information of the issuing Company from its annual filing (Form 56-1) showing in [www.set.or.th](http://www.set.or.th) or in the website of Premier Technology Public Company Limited [www.premier-technology.co.th](http://www.premier-technology.co.th)

## Business Policy and Overview



Premier Technology Public Company Limited, a subsidiary of Premier Group of companies, formerly known as Thai Electronic Industry Company Limited was established on July 9, 1973 and operates the business in the area of manufacturing and distribution of car audio products, home entertainment products, and other electronic devices. The Company registered for transformation to a public Company limited on November 30, 1992 and changed its name to Premier Engineering and Technology Public Company Limited on March 17, 2005.

In the late 2005, the Company adjusted its business trends by investing in the core business of Information Technology via its subsidiary, Datapro Computer Systems Company Limited (DCS), due to continued business expansion and producing benefits for the Company. Then, the Company changed its name to Premier Technology Public Company Limited (PT) on October 27, 2006.

In 2011, the Company has invested in land and buildings, Premier Place Building, and renovated both inside and outside the building for use as an office and backup Data Center to serve the customers of its subsidiary and space for lease.



## Vision and Mission

**Vision** : Focus on the investment in the Information Technology Service Business to serve increasing demand of the local business community.

### Mission

- Continue to enhance the IT Services to cover enterprise wide requirements
- Invest in on going development and certification of local (Thai) resources to enhance quality and professionalism
- Concentrate on high quality customer services to ensure customer success
- Implementation of the principles of good governance

**Major changes and developments during 2012-2014** were as follows:

1) The ownership structure and management or business operations remained significantly in the past three years.

2) The Company has modified the interior and exterior of Premier Place Building since 2012 which have mostly been completed since March 2013. There has been the alteration to the sprinkler systems including the escape stairs pressurization system in order to increase safety, which are completed since November 2014.

3) The Company allocated 12,396 square meters of Premier Place Building space to 10,545 square meters of space for lease. Currently, there are tenants occupying 7,442 square meters which consists of its subsidiary who leases 4,766 square meters of space to operate as the data center services. The rest of the space is other tenants.

4) The Company has been assessed by the Securities and Exchange Commission (SEC) and the Thai Listed Companies Association to the 2014 Annual General Shareholders Meeting (AGM) rated as "excellent" with a score of 100 points by the Company as 1 of 128 companies that received a score of 100 points out of a total of 528 listed companies participated.

5) The Company has been assessed by the Thailand Institute of Directors (IOD) regarding 2014 corporate governance of listed companies. The Company received an average score in the 80-89 percent or "Good" for a period of 3 consecutive years from 2012 - 2014, which scores it received were arranged in "Top Quartile" among companies with Market Capitalization of 1,000 million baht by listed companies that participated in the 2014 survey a total of 550 companies.

6) The Company was certified as a full member of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) on July 4, 2014.

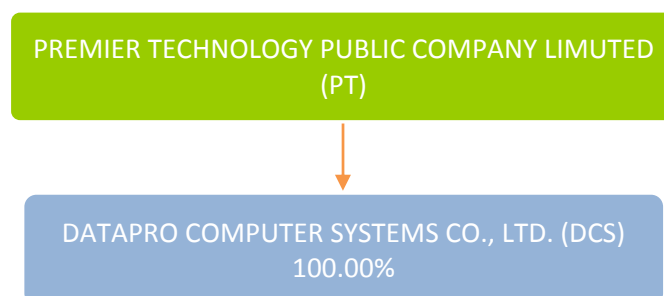
7) The Company has been selected by Thaipat Institute in ranking of sustainability development business on the basis of Environmental, Social and Governance (ESG100). The Company is 1 of 100 companies from 567 listed companies.

8) The Company's subsidiary was selected as provider of various services to the customers, as well as being certified and presented with awards by various organizations, agencies and trade partners, for instance:

- Certified ISO 222301, Business Continuity Management, from Bureau Veritas (Thailand) Company Limited.
- Certified as Gold Partner and Awarded the Commercial Partner of the Year from Cisco Systems (Thailand) Company Limited.
- Awarded IBM Specialty Partner: first in ASEAN for System Storage Specialty Elite Program from IBM Company Limited.
- Earned the trust from the large digital TV media in selection of products and services for Server & Storage and Data Management (Media Content) inclusive.
- Earned the trust from leading companies in Thailand by choosing products and services to increase the potential for Information Technology such as
  - IBM and HP Server & Storage for increasing the server capabilities and capacities including improving to support the adaptive systems
  - Network equipment for organizations and data centers
  - BMC Control M for managing the data volumes in terms of the rendering service in the data centers
  - Visualization Solution for managing the virtual computer systems
  - Security Infrastructure Software
  - Mimix Software for encouraging the creation of the organizations' backup plan in an emergency via the real-time backup software
  - Data centers and emergency management
  - Multimedia Equipment such as projectors, plasma and LCD displays and CCTV for hotels, theaters, large exhibitions including the education department of leading educational institutes
  - Providing service regarding the digital data dissemination for leading educational institutes and renowned hospitals
  - D-Work, human resources management system developed by its subsidiary to render services for major organizations in terms of selling software (software as a service)

- Trusted by the Stock Exchange of Thailand to provide live broadcast of the SET Opportunity Day events held every quarter for a period of 3 consecutive years from 2012 - 2014.
- The Company paid dividend from the operating results of the year 2013 at the rate of 0.25 Baht per share, totaling 35,486,117.75 Baht, in May 2014 and paid interim dividend from the Company's performance of the 6 month period from 1 January 2014 to 30 June 2014 to the shareholders at the rate of 0.12 Baht per share, totaling 17,033,336.52 Baht, in September 2014

### **The shareholding structure of the Company in Subsidiary companies**



### **Relationship with the major shareholders**

- None -

## Nature of Business

### The Revenue Structure

The Revenue Structure of the Company and its subsidiary over the past 3 years is shown below:

Unit: Million Baht

Products/Services	Operator	% of shareholding	2014		2013		2012	
			Revenue	%	Revenue	%	Revenue	%
Revenue from Sales and Services								
- Hardware and Software Product Group	DCS	100.00	1,860.2	72.1	1,927.9	74.3	1,499.7	68.0
- Service Group	DCS	100.00	708.0	27.4	654.7	25.2	697.6	31.6
- Office Rental and Services	PT		12.4	0.5	13.2	2.2	7.9	0.4
Total Revenue from Sales and Services			2,580.6	100.0	2,595.5	100.0	2,205.2	100.0

Remark: DCS means Datapro Computer Systems Co., Ltd.

The Company's core business is to invest in the information technology business and provide office rental. The Company's subsidiary, Datapro Computer Systems Company Limited, operates the business of a Total Enterprise Solution and Service Provider. The subsidiary also has its own developed products and products that have been appointed as their distributors of the leading global companies. In addition, the Company's products and services can be categorized as follows:

1. Hardware Products Group
2. Software Products Group
3. Services Group

1. Hardware Products Group consists of

- 1) IT Products

- Server & Storage from IBM, Dell, Cisco Systems and Hewlett-Packard
- Network Infrastructure and Data Center Infrastructure from Cisco Systems and APC
- Security Infrastructure from Cisco Systems, Allot, Blue Coat, Juniper, Websense, Imperva, A10, F5, Symantec, McAfee, Palo Alto, Dell,



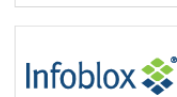
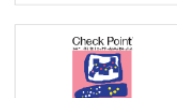
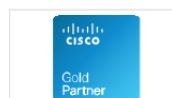
Hewlett-Packard, InfoBlox, FireEye, RSA, Vasco, Gigamon, Riverbed and Check Point

- Voice and Unified Communications Products from Cisco Systems
- Accessories and peripherals such as Data Media Storage Printer from IBM, Dell, Hewlett-Packard and Imation
- UPS from APC

## 2) Multimedia Products

- LCD, DLP and LCOS Projector from Canon, Panasonic and Hitachi
- Visualizer from Aver Media, Elmo and Samsung
- Monitor from Grand view, Dalite, Vertex and Razr.
- CCTV and IP Camera from Canon, LG, Aver Vision, Panasonic and Samsung.
- Interactive Board from Hitachi and Panasonic.
- Accessories for Video Conference from Aver Vision and Panasonic

- Training Response System's Wireless accessories from KV Electronics
- Parts for all multimedia products which is distributed by the Company



## 3) Accessories for Digital Content Products which the Company is the developer.

## 2. Software Products Group consists of

### 1) Business Application Software

- Human Capital Management Software
- Digital Content Management Software

### 2) Operating System and Database

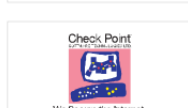
- Software for Database from IBM, Oracle and Microsoft



- Operating Systems from IBM, Hewlett-Packard, Microsoft and Linux

### 3) Tools & Utilities Software

- IT Service Management Software from BMC
- Software for Data Center Automation from BMC
- Software for Mainframe Solution from BMC



- Software for Workload Automation from BMC
- Software for Application and Development Tools from IBM
- Backup & Recovery Software and High Availability Software from Hewlett-Packard, IBM, Oracle, Symantec, CA and Vision
- Software for Infrastructure Management from BMC
- Security Infrastructure Software from Cisco Systems, Allot, Blue Coat, Juniper, Websense, Imperva, A10, F5, Symantec, McAfee, Palo Alto, Dell, Hewlett-Packard, InfoBlox, FireEye, RSA, Vasco, Gigamon, Riverbed and Check Point.
- Software for Email from IBM and Microsoft
- Software for Network Management from Cisco Systems, CA and Solar Wind
- Software for Remote Support from Bomgar
- Virtualization Software from Microsoft and VMWare

### 3. Services Group consists of

- After-Sales service for all products which are developed and distributed by the Company
- SaaS (Software as a Service)
- Data Center & Disaster Recovery Center
- Office Continuity Service
- IT Managed Service
- Annual Maintenance Services
- Preventive Maintenance Services
- Providing consultation on the operating systems of large-scale computer system and a plan for data backup in case of emergency
- Providing data's security testing services for the organizational network
- Providing hardware products, information technology

- equipment and multimedia equipment leasing
- Providing wiring and installation services for network and power supply equipment
- Providing Applications Development services
- Administering and managing database via high-speed networking, such as digital media production and a live broadcast

## **Marketing and Competition**

### **Marketing Policy**

The Company and its subsidiary focus on the marketing strategies by delivering excellent service quality in order to promote the achievement in customers' business operations by means of operating a Total Enterprise Solution and Services Provider to meet customer needs, both existing and new customers. The Company has used hardware and software from the strong product owners always conducting research and development or software developed by its subsidiary for a value add in line with meeting customer requirements. Besides, there are the complete data center and backup data center to support the cloud computing services and a variety of outsourcing services according to customer demand. The Company also equips with the experienced and quality personnel to provide unique services and consulting services in accordance with customer requirements including the current and previous technology.

- **Marketing Strategy**

The Company and its subsidiary place an emphasis on providing customer services to strengthen and create its customer business's accomplishment. Moreover, the sales and marketing team, who is well knowledgeable about products, is able to give customers the product information and provide services in line with individual customer demand effectively. The Company also highlights on creating a good relation with customers and providing long-term services with the following strategies:

- 1) Developing and maintaining the service procedures according to the acceptable international standards, for instance, ISO 20000 Information Technology Service Management, ISO 22301 Business Continuity, and ISO 27001 Information Security
- 2) Creating readiness for attending the market of Cloud Computing Service Provider that equips with the standard computer center, computer hardware, network system, and security system including a Cloud operating system or Software as a Service allowed users pay per use

- 3) Providing durable and complete products and services for covering all areas of customer business
- 4) Expanding its services with a new service type and improving its business models
- 5) Building business alliances with other information technology service providers in order to collaborate on products and services presentations for large-scale organizations and industries in domestic and neighboring countries. Building alliances with major entrepreneurs to be a role model of information technology services rendered, such as, in the areas of hospitals, education, industrial estates, and hotels etc.
- 6) Developing and owning intellectual property for expanding the business of full service providing, for example, in the areas of human resources, and accounting and finance etc.
- 7) Hiring an expert personnel granted certificates which are internationally acceptable to assure and meet customer needs along with creating customer satisfaction
- 8) Associating with educational institutes for planning and improving employee productivity for supporting the services and developing software responding to customer requirements, both domestic and international ones
- 9) Placing an emphasis on the Best Quality Service Provider

- Types of Customers and Target Customers

The target customers of the Company and its subsidiary are private sector organizations and state enterprises, from the medium-scale to large-scale ones, such as financial institutions, service business, insurance business, transportation and communications business, communication and telecommunications business, real estate business, mass communication and advertising business, automotive business, consumer goods business, petrochemical business and garment and textile business etc. The target group was expanded to neighboring countries, in particular, the Union of Myanmar where the Company has invested in the business of providing information technology services for the enterprise, which is currently in the process of being established and expected to be completed in the 2nd quarter of 2015. There are the target customers for expanding the customer base as follows:

- 1) The target customers in the industrial estates by creating alliances with the owners of the industry estates for providing services to the companies and factories within the industry estates.

- 2) A group of foreign customers owned business in Thailand by creating alliances with Foreign Service providers who lack of experienced employees relating to service rendered in Thailand.
- 3) A group of foreign customers requiring specializations by creating alliances with educational institutes for the collaborative development of personnel to develop software responding to demand.
- 4) A group of high technology industries by developing the business model in collaboration with the product owners and specialists for the fast installation for customers.
- 5) The target customers in industries and other service businesses requiring to increase the productivity by creating alliances with distributors for delivering services in line with customer requirements.
- 6) The target customers in healthcare organizations consisting of hospitals, good health centers, and clinics by adopting the application software for deliver services to patients.
- 7) The target customers in heavy industries, such as, cement and steel industries etc. in collaboration with other information technology service providers to arrange the projects.
- 8) A group of foreign customers who require the software services and development in a variety of languages, for instance, the target group in Japan etc.
- 9) A group of international organizations who operate the business in the heavy industry in Thailand and require the outsourcing services comprising of the steel industry and the automotive industry etc.
- 10) The target group who operate the financial industry such as financial institutions for medium and small sized (SME) etc.
- 11) Customers and partners in the Union of Myanmar such as communication and telecommunications business, information technology business, financial business and hotel business etc.

- Distribution and Distribution Channel

With regard to the product and service distributions, the Company directly discusses with customers who are a group of medium to large-scale organizations for presenting and delivering excellent services and products that meet customer needs individually for the maximum efficiency. In addition, the business alliances who continue the collaborative development are considered as the other channel for further distribution.

## **Industry Competition**

The trend for new technologies in the market will continue to be active. In addition, information technology has come to play an important role in the drive for a speedy recovery of the overall economy, especially in the safety of the operating system and data and including business continuity in unusual situations. Organizations must now consider investing in and selecting information technologies to assist them to promptly cope with various events

International Data Corporation (IDC) says about 3rd Platform or data management on cloud computing technology, social media and Big Data that the business sector focus clearly and consistently to be used as a marketing competitive tool to consumers and to streamline the management of information technology systems to be more organized.

In addition, there is still continuous use of social media and mobile communication devices in digital communication, especially large files that require large storage space, management system and network for data transmission.

The above predictions are in line with the subsidiary's business development plan that includes the establishment of a Data Center and a Disaster Recovery Center, as well as a back-up office, which have been operational since 2008 and have been constantly upgraded. Therefore, the subsidiary is well equipped to provide data center services that are capable of handling large amounts of data and to provide cloud computing services with international information security standard, as well as act as back-up data center and office that is located far away from any risk.

The competition in the technology industry in which the Company operates is relatively fierce, both from local and overseas operators. The Company needed to differentiate itself from other operators by becoming a Total Enterprise Solution and Service Provider that maintains quality and standards that are internationally accepted. This has been accomplished through its professional employees who are continuously trained and have much experience. Because of this accomplishment, the Company has been well-recognized by leading organizations for a long time. This is an important strategy that has made the Company one of Thailand's leading information technology providers throughout the past 28 years.

## **Products and Serviced Sourcing**

As the Company is a total information technology services provider, its personnel who provide the services are very important. The Company has invested in building and maintaining efficient personnel by providing both in-house and external training and by building a data center with state of the art equipment which is continuously upgraded for training and development of its work process in the provision of services



to customers. The Company also hires experts in the business and in new technologies to educate its personnel in order to help build the confidence of the customers who uses the Company's services and to develop its human resources in line with the development of new technologies that the customers may require.

The Company is a direct importer and distributor of various well-known leading information technology products of global companies who have a presence in Thailand, such as products from IBM, Hewlett-Packard, Cisco Systems, Panasonic, Canon and Hitachi and software packages from IBM, BMC Software, Oracle, Microsoft and etc., imported from different countries like Japan, U.S.A., France and Great Britain. Moreover, in order to keep pace with changing technology and customer's requirements, the Company has to supply and selection of new products which are quality and be recognized internationally, with the contracting partner with vendors who operate a reliable and recognized by users around the world such as basic software for computer networks' security which increased by multiples to diverse in response to the different use of customers, software for Company's management including software on a cloud computing (Pay per use) such as D-Work system, a human resource's management (Human Capital Management), FileAbility system, a system to store data for the Company, OfficeAbility, a system for communication within the organization etc. In addition, the Company continues to develop the potential of high speed internet technology to broadcast high quality video and audio.

Cloud computing Services are more interesting for the enterprise users in Thailand. The Company is well equipped for such services since the 2010 as the Company is investing to expand computer center to be more modern, equipped with a global technology to save both energy and installation area for computer equipment, also managed the process and procedures by the international standards including ISO 20000, the global provider of technology information, ISO 22301, the continuity of business operations and ISO 27001, information security. The Company is ready to support a full function of cloud computing to several businesses.

During the past 28 years, even though the Company is presently distributing a large variety of products, it has not ceased to add value to these products and provides continuous long-term services to its customers. Therefore, the risk of the Company incurring any loss from the provision of services or from being a distributor of products is low.

### **Incomplete Project**

On December 31, 2014, the subsidiary has had the incomplete projects accounting for 153.09 million Baht.

## Risk Factors

### Risk management framework

The subsidiary had developed risk management system by using the regulations, principles and framework of ISO 31000:29009, also COSO ERM which is the international standard for risk management system, to apply in analyzing and evaluating risk in accordance with the principle, procedures and guidelines.

The subsidiary has appointed risk management committee to stipulate policies and criteria in analyzing risk level and prioritizing risk, which includes analyzing risk that may occur from performing that are not in conform with the anti-corruption policy of Premier Technology Public Co., Ltd. that were promulgate on May 12, 2014. By considering from the assessment of likelihood of risk and the severity of the impact from the risk events, with the purpose to use as measures for the risk management and internal procedure development business group which was appointed from all parts of the organization. As well as used it to analyze, evaluate risk and compile plan in controlling risk that happened to be in an acceptable level. This is done by referring from the risk management policy announcement (dated January 1, 2013) along with determined to continuously review and monitor on a quarterly basis.

Moreover, the subsidiary had announced risk management policy and had compiled risk management handbook on October 27, 2014 to be disseminate to employees to acknowledge and uses this handbook in operating on risk management. Such handbook covers fraud and corruption risk. The Company was officially certified as a full member of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) on July 4, 2014.

In managing such risk will help the organization to be able to enhance the operation and governance to create trustworthiness to stakeholder, improve the efficiency of management system and the flexibility in responding to changes effectively. As well as protect the Company's business, products and services.

### Risk Management Structure and Responsibilities

The board of directors and audit committee are responsible for stipulating policy and governance risk management. Including established Company's significant risk management guideline, where the audit committee evaluates the efficiency of risk management and promotes to create risk management culture within the Company. As well as consider and approve risk appetite & risk tolerance.

Working group for risk management, the subsidiary had announced the appointment of working groups for risk management which can be divided into 2 groups as well as specified their duties and responsibility as follow:

1. Duties of Risk Management Committee

- Specified, suggest, approve and guideline for Company's risk management which consisted of risk management policy, risk management structure, acceptable risk and risk management procedure.
- Support, promote, develop and communicate risk management and internal control to be a continuous procedure, in accordance with the Company's objectives and goals as well as be the organization culture.
- Monitor to ensure that the notice, governance and risk management are in accordance with the risk management policies and handbook as well as proposed to the managing director to consider and approve.
- Arrange the meeting to review operating performance according to the risk management system on a quarterly basis.
- Report significant risk and the results to the board of directors and audit committee at least once a year.
- Specified for the risk management committee to appoint risk management and internal procedure development working group to manage risk. The chairman and the number of working group will base on the appropriateness.

2. The responsibilities of risk management and internal procedure development working group are as follows:

- Identify, evaluate, and compile significant risk management plan and internal plan for each unit those are in accordance with the guideline, as well as the compile Company's risk management policies.
- Support, promote, develop and implement in accordance with the risk management plan and internal control to be efficient, are linked and integrated throughout the organization.
- Evaluate, monitor operating performance in accordance with the significant risk management and internal control plan according to the schedule.
- Arrange the meeting to present the progress and report the operating performance to the risk management working group in order to consider practicing at least once a quarter.

## Risk Management Process

The Company has risk management process by starting from determining risk management process and managing risk according to the impact and likelihood of risk assessment procedure. Determined measure for control and manage risk in accordance with the remedy plan to reduce the impact and likelihood that may be the cause of such risk. Monitor the overview risk management and evaluate risk at least once a year. For the purpose to create confidence that the executives have tools and process in managing risk appropriately, which proceed with efficiently and effectively.

From analyzing and evaluating subsidiary's risk, the working group had separated risk into 3 aspects, which are

- Strategic Risk
- Operational Risk
- Compliance Risk
- Financial Risk

With risk factors that are significant to the target in business operation, which are both internal factors and external factors, including global risks factors that may affect the Company operation, in terms of economic, society and environment. By summarizing risk factors, nature of risk and supporting measures to reduce risk by separating into different aspects as follows:

### **Strategic Risk**

- **Global Risks**
  - ♦ **The disruption or shortage of electric power** that occurred in many countries around the world in the past year, whether a fully developed country like Japan in 2012, Pakistan in 2013 and both India and Republic of the Union of Myanmar in 2014 and affected Thailand in April 2014, including occasional disruption in many countries around the world as well as some region of Thailand. Even though the electric power disruption incidents may not have high tendency to occur within this 1-2 years but will broadly affects the business operation of the Company, trade partner and customers that use the services of Data Center that consume electric all the time in order to provide services and if by any chance there is a severe electric power disruption around the Data Center's area of more than 32 hours, this may cause a halt in the related business as well.

### **Supporting measures to reduce risk**

- The subsidiary selected equipment used in the Data Center that consume less electric but still maintain the efficiency of that devices even the investment in some equipment is high in order to extend the use of the limited energy efficiently if there is any disruption of the power supply in the Data Center area.
- The subsidiary has regularly provided knowledge and information related to an alternative in worthily consuming power together (shared eco-friendly facilities) to customers, trade partner and those who are interested in the information of Data Center. The knowledge and information are provided through seminar, visiting enterprises, disseminate through digital media and social media as well as give information through telephone in order to create understanding about consuming power worthily and to build awareness of the affects that may occur if such situation occurred in Thailand, including give advice in planning collaboratively to support such situation.

- ♦ **Conflicts and political instability in many countries around the world** cause a slowdown in conducting international business of government sector, which the political conflict that often are linked to fraud and corrupt at the countries level resulting in the credibility in conducting business of both private and public sector. The trend of such conflict and instability are high as seen from the news events around the world that are becoming more violence and impact on the economy around such events. This surely impact on the business operation of the subsidiary that risk in unintentionally entering into doing business with stakeholders in the midst of various conflicts and may impact on the reputation and credibility of the Company in long-term.

### **Supporting measures in reducing risk**

Under the philosophy in operating business and good governance in operating business allowing the Company and its subsidiary to emphasized on operating business with transparency, clarity and accountability as well as avoid operating business with complexity in verifying which is the nature in business operation that has been acknowledged and accepted for the past 28 years. The Company then was not effect significantly from such risk.

- ♦ **Progress and Changes in Information Technology** impact on the demand for daily life and operation of business sector at all times and the trend of such

changes is high causing the subsidiary to invest a lot in various aspects such as Hardware equipment, software and skills training both domestic and international continuously. For the purpose of developing personnel to be educated, research and to keep up the pace with the changing technology in order to effectively respond to the demand of business.

#### **Supporting measures to reduce risk**

The subsidiary is the Company that has been operating business for a long time and is accepted by the trade partner, who's the owner of international level technology. Due to the need to be educated, research and to keep up with the pace of the changing technology, the Company has always received well support from trade partner that owns the technology both in terms of hardware equipment, software and skills training.

- ♦ **Internet Threats** with the rapid development are becoming more complex and the increased in the severity of the wider impact in the era of the borderless world that tends to spread quickly; in parallel to the development of IT capabilities and such threats will cause damages to many business as well as may affect the subsidiary's Data Center services that provide services to many customers if attacked by malicious users.

#### **Supporting measures to reduce risk**

- ISO 27001 Standards for Information Security is the supporting measures to reduce risk from being attack through the network system. The subsidiary has process in regularly verifying such standard.
- The subsidiary is well accepted expertise from trade partner that owns the technology dealing network system threats for more than 20 years. This allowed the subsidiary to have experience and expertise in managing such threats to both Company and customers, where such threats can be considered as the Company's business opportunities.

- **Risk from Problem of Fraud and Corruption**

Problem of Fraud and corruption are internal factors, external factors and factors in a macro level that all over the world are aware of, as well as have activities that may risk and that may indicate as fraud and corruption in a board area. Covering from sales, services, employment, procurement, donation, provide support in various form, entertainment and giving and receiving presents, which are activities that occur all the time in operating business and may be the cause of unnecessary higher costs which may greatly affect the Company's reliability reputation if not strictly monitored.



### **Supporting measures to reduce risk**

- The Company has expressed its intention to join Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) in 2013, as well as prepared self-assessment test on anti-corruption measures to be proposed to the Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) to consider. The Company was certified as the member of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) on July 4, 2014.
  - The Company and its subsidiary had stipulated policy and compiled handbook on anti-corruption to submit to the Company's executives and employees in order to adhere as regulations.
  - To specified supporting and promoting anti-corruption activities to be more lucid such as Provide training for all executives and employees in 2015, make short film to be used in communication in the organization through digital since 2014 onwards.
- **Risk from limitation in operating business in Republic of the Union of Myanmar**
    - ♦ **Republic of the Union of Myanmar is still lack of personnel** with experience in Information Technology as the country is still backwardness on the planning of network structure system causing a non-facilitates in the accessibility of information technology of business sector, resulting in the limitation of personnel with knowledge and experience, which may effects the quality of the services of subsidiary.

### **Supporting measurements to reduce risk**

Creating business alliance with Information Technology service provided in the Republic of the Union of Myanmar will help generate agility in recruiting personnel with availability in providing services on behalf of the subsidiary in 2015 onwards.

- ♦ **Limitation on laws** related to selling products by foreign countries until the year 2016 causing the Company to unable to procure some of the products in Republic of the Union of Myanmar and takes time to procure and delivered from the subsidiary causing delay in Republic of the Union of Myanmar customers' business operation or may have to fix the problems by investing in the purchase of products in advance which the subsidiary may have unnecessary cost from purchasing reserve products.

### **Supporting measures to reduce risk**

In creating business alliances with Information Technology service provided in Republic of the Union of Myanmar that have potential in purchasing products to reserve for providing services will help generate the more flexibility in delivering services to customer. The subsidiary have good relationship with several Information Technology trade partner companies in Republic of the Union of Myanmar from selling products through the mentioned trade partner since 2009. The subsidiary then is confidence that such measures can support these risks at one level.

### **Operational Risk**

- **Risk from the form of Information Technology for organization services**

Using Information Technology to support the business operation of medium to large size, which is the subsidiary's main customer group and often have high complexity, which likely become higher. Due to the business competition condition that required dynamically development, especially using Information Technology as a tool to support work and service, users often have more demand during the services, which often affect the managing of cost, personnel and determining appropriate service fees as well as may impact on the reliability of the subsidiary in charging a fair service fees.

### **Supporting measures to reduce risk**

The subsidiary has specified to prepare clearly documents showing service fees and scope of services (Service Catalog) every time as the standard and reference evidence in providing services to customer.

- **Risk from planning for installation service**

Technology instruments for organization are big instruments that have installing pattern that requires preparation in accordance with the set criteria which often found defects in coordinating with the officers related to such preparation and is likely for such situation to occur due to most organization, especially organization with not much experience in using information technology for organization. These organizations were lack of understanding and did not place enough importance on preparedness. This will affect the period of the services causing delay in delivering and receiving services as well as delay on the payment that were scheduled.

### **Supporting measures to reduce risk**

- The subsidiary has determined to prepare manual and checklist of installation services work for related officers both for the Company and the

customers to be able to use as guideline in installing the system. The scheduled will be available in 2015.

- The subsidiary has assigned project manager to coordinate and prepare for both the Company and the customers.

## **Compliance Risk**

- **Risk from regulations related to international trade**

- ♦ **Legal, rules, regulations and other conditions that are related to conducting international business transactions.** The subsidiary is well aware the importance in operating business to be in line and in accordance with the regulations of trade with trading partner countries resulting in a sustainable trade between each other. By the consideration of regulations related to financial transactions, regulations on personnel and international transport etc. As conducting international trade transactions that are not compliance with the regulations may effects the reputation and the images of the organization.

### **Supporting measures to reduce risk**

The subsidiary has assigned its legal department to study and monitor various rules and regulations that are related to trade with the trading partner countries as well as the effects if the practices are not in conform with the rules and regulations for the purpose of using as a guideline in compiling the most comprehensive measures to prevent and support risk that may occur.

- **Risk from Products and Services Sales Contract**

- ♦ Terms and condition of sales contract that is not in conform between the buyer and the seller, resulting in the revision of the terms and condition of the sales contract which takes a lot of time to operate causing a delay in delivering of products and products payment. Such situation is likely to increase, especially with the medium to large sized organization. The main customer group of subsidiary is often have many terms and condition of contracts that are not conform.

### **Supporting measures to reduce risk**

The subsidiary has assigned its legal department to study and review sale contracts to be in line with the requirement of both the buyers and sellers and in accordance with the rules and regulations as well as various laws in order for such contract to have standard, referable and is acceptable.

## **Financial Risk**

- **Risk from proceeding with financial transaction in trading with foreign countries** As the subsidiary has expanded its business into overseas market causing the trade to be made through foreign currency, which in the beginning there might not be a lot of financial transactions that may have financial impact with the Company. Though, the subsidiary has realized the importance of financial risk management planning in order to support the business growth in the future.

### **Supporting measures to reduce risk**

The subsidiary has prepared necessary personnel training plan for implementation of foreign trade by associating with the Department of International Trade Promotion or Ministry of Commerce to recruit personnel at various levels to work in the foreign area and train a suitable course with the work in order to enhance their knowledge, skills, competence and understanding in performing financial transactions with foreign trade accurately.

## General Information

Name of Listed Company	:	Premier Technology Public Company Limited
Company Registration Number	:	0107535000320
Type of Business	:	Investment in Information Technology business And Office Rental
Head Office	:	1 Premier Corporate Park, Soi Premier 2 Srinakarin Road, Nongbon Sub-district, Prawet District, Bangkok 10250
Telephone	:	0-2301-1550
Facsimile	:	0-2398-1188
Homepage	:	<a href="http://www.premier-technology.co.th">www.premier-technology.co.th</a>
Registered Capital	:	142,440,489 Baht
Number of Issued Shares	:	141,944,471 Shares
Company Secretary		
Telephone	:	0-2301-1569
Facsimile	:	0-2748-2063
e-mail	:	<a href="mailto:teerapol@pfc.premier.co.th">teerapol@pfc.premier.co.th</a>
Investor Relation		
Telephone	:	0-2684-8405
Facsimile	:	0-2677-3500
e-mail	:	<a href="mailto:ircontact@premier-technology.co.th">ircontact@premier-technology.co.th</a>

### OVER 10% OF SHARES HELD BY THE COMPANY

Name of Company	:	Datapro Computer Systems Co., Ltd.
Company Registration number	:	0105529045455
Type of Business	:	Total Enterprise Solution and Service Provider
Head Office	:	1 Premier Corporate Park, Soi Premier 2, Srinakarin Road, Nongbon Sub-district, Prawet District, Bangkok 10250
Telephone	:	0-2684-8484
Facsimiles	:	0-2677-3500 - 2
Homepage	:	<a href="http://www.datapro.co.th">www.datapro.co.th</a>
Registered Capital	:	100,000,000 Baht
Number of Issued Shares	:	1,000,000 Shares
Shares held by the Company	:	999,988 Shares

## **OTHER REFERENCES**

### **1) Securities Registrar**

Thailand Securities Depository Co., Ltd.

The Stock Exchange of Thailand Building

No. 62 Rachadapisek Road, Klongtoey Sub-district,

Klongtoey District, Bangkok, 10110

Telephone: 0-2229-2800 Facsimile: 0-2359-1259 Call Center: 0-229-2888

Website: <http://www.tsd.co.th>

Email: TSDCallCenter@set.or.th

### **2) Debenture Holders' Representations**

- None -

### **3) Auditors**

Mrs. Chonlaros Santiasavaraporn with CPA No. 4523, or

Mr. Supachai Phanyawattano with CPA No. 3930, or

Miss Supanee Triyanantakul with CPA No. 4498

EY Office Limited

33<sup>rd</sup> Floor, Lake Rajada Office Complex

193/136-137 Rajadapisek Road, Klongtoey District, Bangkok 10110

Telephone: 0-2264-0777, 0-2661-9190

Facsimile: 0-2264-0789-90, 0-2661-9192

### **4) Financial Advisors**

- None –

### **5) Legal Advisors**

- None –

### **6) Consultant or Manager under Management Contact**

Business Management and Consulting Contract

Premier Fission Capital Co., Ltd.

1 Premier Corporate Park, Soi Premier 2, Srinakarin Road,

Nongbon Sub-district, Prawet District, Bangkok 10250

Telephone: 0-2301-1000

Facsimile: 0-2398-1188



## Securities and Shareholders Information

On December 31, 2014, the Company has registered capital of 142,440,489 Baht, divided to 142,440,489 ordinary shares of 1 Baht at par, and paid-up capital of 141,944,471 Baht, divided to 141,944,471 ordinary shares of 1 Baht at par.

### Shareholders

#### 1) Top 10 Shareholders

(a) Details of the top 10 shareholders whose names are shown in the shareholder register as of December 30, 2014 are as follows:

Name	Number of Shares	Shareholding %
1. Mrs. Vimolthip Phongsathorn - Mrs.Vimolthip Phongsathorn - Mr. Vichien Phongsathorn (spouse)	72,943,923 72,943,883 40	51.39 51.39 0.00
2. Thepthannya Co., Ltd.	4,000,000	2.82
3. Mr. Vithit Pongpirodorn	3,230,100	2.28
4. Mr. Chairat Kovitchindachai	3,166,400	2.23
5. The Nation Multimedia Group PCL	3,000,000	2.11
6. Mr. Phanurangsri Sriwarattha	2,818,800	1.99
7. Mr. Jittiporn Jantarach	2,416,600	1.70
8. Mr. Krit Panarat	2,000,000	1.41
9. Mr. Olarn Apirakaramwong	1,800,000	1.27
10. Mr. Anan Rattanakanon	1,520,000	1.07
<b>TOTAL</b>	<b>96,895,823</b>	<b>68.26</b>

(b) Percent shares in Minor Shareholders (% Free Float): 46.95

(c) Major shareholders who are related persons participating in the Company management are as follows:

Name	Type of Business	Related Persons
1. Mrs. Vimolthip Phongsathorn	-	Mr. Vichien Phongsathorn, her spouse, is Chairman

2) Shareholders of subsidiary: Datapro Computer System Co., Ltd. as of December 31, 2014 are as follows:

<b>Name</b>	<b>Number of Shares</b>	<b>Shareholding %</b>
1. Premier Technology Public Co., Ltd.	999,988	100.00
2. Mr. Vichien Phongsathorn	6	0.00
3. Mr. Viwat Phongsathorn	1	0.00
4. Mrs. Vimolthip Phongsathorn	3	0.00
5. Lieutenant Seri Osathanugrah	1	0.00
6. Mrs. Srisuma Osathanugrah	1	0.00
<b>Total</b>	<b>1,000,000</b>	<b>100.00</b>

3) Agreement between major Shareholders

- None –

#### **Issuance of Other Securities**

- None –

## Dividend Payment Policy

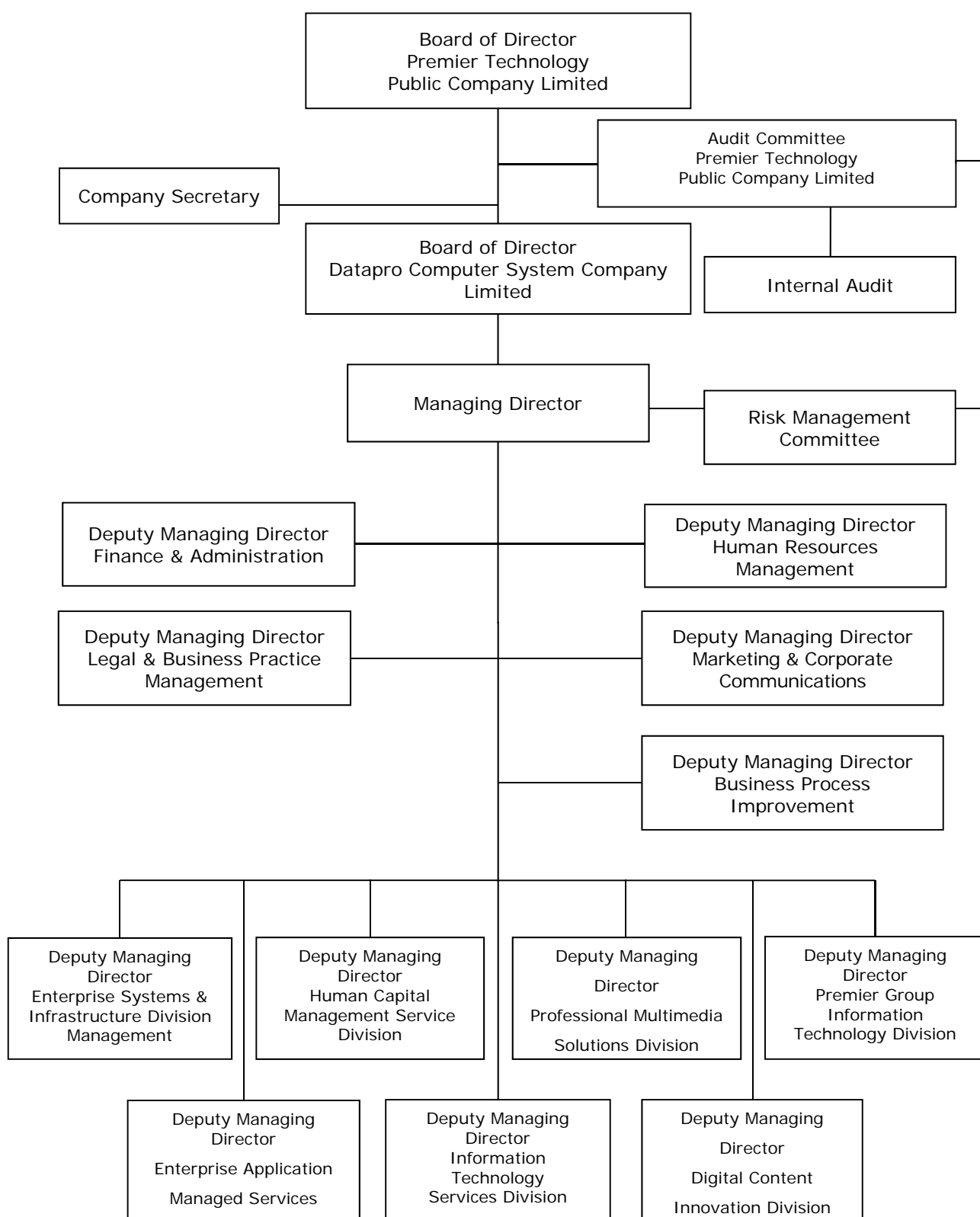
The Company and its subsidiary have policies to pay dividends to the shareholders at a rate of no less than 50% of net profit after income tax and deduction of legal reserves. However, such dividend policies may be changed depending on the companies' investment plans, necessities and appropriateness in the future. The resolution of the Board of Directors to pay dividend must be presented to the shareholders' meeting for approval in advance, except for interim dividend payment where the Board has the authority to authorize such payments, prior to reporting to the shareholders at the next meeting.

Dividend payment from the operating results of the Company to its shareholders from the pass 5 years.

Year	Earnings per share	Dividend per share (Baht)			Dividend payout ratio (%)
		Interim	For the year	Total	
2010	(0.05)	-	0.15	0.15	-
2011	0.32	-	0.20	0.20	62.50
2012	0.20	-	0.15	0.15	75.00
2013	0.58	0.15	0.25	0.40	68.97
2014	0.40	0.12	0.28*	0.40	100.00

\*Remarks: The Board of Directors' Meeting No. 1/2558 On February 20, 2015 has passed the resolution to propose the distribution of dividend for the year 2014 to the Annual Meeting of Shareholders to be held on April 22, 2015 at the rate 0.28 Baht per share.

## Management Structure



### Board of Directors

As at December 31, 2014, the Board of Directors consisted of 9 directors as follows:

Director's Name	Position	Attendance the Meeting/Total Number of Meetings (Times)		
		Board of Director	Audit Committee	Annual General Meeting
1. Mr. Vichien Phongsathorn	Chairman	4/4	-	1/1
2. Mrs. Duangthip Eamrungraj	Director	4/4	-	1/1
3. Mr. Suradej Boonyawatana	Director	4/4	-	1/1
4. Mr. Paritud Bhandhubanyong	Independent Director	4/4	-	1/1
5. Mr. Suchai Vatanatrinakul	Independent Director and Member of the Audit Committee	4/4	6/6	1/1
6. Mr. Katiya Greigarn	Independent Director and Chairman of the Audit Committee	4/4	6/6	1/1
7. Miss Wanna Kolsrichai	Director	4/4	-	1/1
8. Mr. Harin Upa	Director	4/4	-	1/1
9. Miss Naengnoi Chai-onnom *	Independent Director and Member of the Audit Committee	4/4	6/6	-

\* Remarks: Miss Naengnoi Chai-onnom missed the Annual General Meeting since the Company has scheduled the Meeting to overlap with the meeting schedule which has determined in advance.

Mr. Teerapol Juthapornpong, The Company Secretary, acts as Secretary of the Board of Directors and Secretary of the Audit Committee. The Profile of Mr. Teerapol Juthapornpong is presented in Appendix 1.

### Authorized Directors

Mr. Vichien Phongsathorn, Mrs. Duangthip Eamrungraj, Mr. Suradej Boonyawatana, Miss Wanna Kolsrichai and Mr. Harin Upa, with any two of five directors signing jointly with the Company's seal affixed.

### Term of the Board of Directors

At every annual general meeting of shareholders, one-third of the directors must resign. If one-third is not a round number, the number closest thereto shall be the applicable number. The directors to vacate office within the first and second year following Company registration shall draw lots. In subsequent years, the directors

serving the longest shall resign. The directors who vacate office are eligible for re-election by shareholders.

### **Scope of Responsibilities of the Board of Directors**

1. Administer the corporate affairs in compliance with all relevant laws and regulations, the Company's objectives and Articles of Association, including the resolutions of the shareholders' meetings, except for issues where the approval of the shareholders' meeting is required prior to implementation, such as issues that by law requires the resolution of the shareholders' meeting, related transactions, acquisition or sale of substantial assets according to the criteria of the Stock Exchange of Thailand or as determined by other government agencies, etc.

2. Consider and approve major issues, such as policies, plans and budgets, organization structure, authority of the management, corporate governance policies, vision, mission and other issues as prescribed by the Stock Exchange of Thailand or by law annually or when it is necessary.

3. Supervise the management to act in accordance with the approved policies, plans and budgets.

4. Appoint a qualified person who does not possess the prohibited characteristics as specified in the Public Company Limited Act B.E. 2535 (1992), including any amendments thereof, and the securities and exchange laws, as well as related notifications, rules and/or regulations, to replace a director who has vacated office by any reason other than retirement by rotation.

5. Approve the appointment of an Audit Committee and other sub-committees.

6. Install reliable accounting, financial reporting and financial audit systems, as well as oversee the establishment of efficient and effective internal control and internal audit systems.

7. Ensure that the Company has a comprehensive risk management system and process, with effective reporting and monitoring.

8. Report on the execution of the Board of Directors' responsibilities in the preparation of the financial statements, which is to be presented together with the report from the independent auditor in the annual report.

9. Protect fairly the benefits of the major shareholders and minority shareholders according to their rights; provide equitable treatment of major shareholders and other stakeholders with consideration for the avoidance of conflict of interest; ensure operational transparency and the disclosure of sufficient and accurate information.



10. The following transactions can be undertaken only after approval from the shareholders' meeting has been granted. However, it is prescribed that in a transaction where a director or any other person may have a conflict of interest with the Company or its subsidiary (if any) the director is not eligible to vote on the transaction.

(a) Transactions that by law require the resolution of the shareholders' meeting.

(b) Transactions in which directors have an interest and are required by law or SET's requirements to be approved by the shareholders' meeting.

11. The Board of Directors may delegate one or more director(s) or any other person to carry out particular activities on behalf of the Board. However, this delegation excludes the authorization or sub-authorization of the director(s) or appointee(s) in the approval of transactions with potential conflict of interest with the Company or its subsidiary. Approval from the shareholders' meeting is required for related transactions and the acquisition or sales of substantial assets of the Company as stipulated by the requirement of the Capital Market Supervisory Board.

### **Authorities and Responsibilities of Chairman**

Chairman has the authority and duty to manage the affairs of the Company as assigned by the Board of Directors, which includes the following matters and businesses:

(1) Consider the policies, plans and budgets, structure of administration and scope of authorities of the Company for proposal to the Board of Directors for endorsement.

(2) Supervise and monitor the Company's operations to be in accordance with the approved policies, plans and budgets.

(3) Have the power to execute and approve all expenditures within the scope prescribed by the Company's authority manual.

(4) Perform any other duties assigned by the Board of Directors and/or the Audit Committee.

### **Management Team**

The Company has no employees since the Company operates an investment in a subsidiary and hired Premier Fission Capital Company Limited to work in accounting & finance and other supports. The Company has delegated authority and responsibility to the Managing Director for the implementation of policies, strategies and goals of the Company.

### **Authorities and Responsibilities of the Managing Director**

The Managing Director has the authority and duty to carry out normal business practices of the Company as assigned by the Board of Directors, which includes the following transactions or activities:

1. Administer and/or manage the Company's daily activities.
2. Develop and propose policies, plans and budget, organization structure and management authority for approval by the Board of Directors.
3. Operate and manage the Company's businesses according to the approved policies, plans and budgets.
4. Approve budgeted investments of an amount not exceeding 10 Million Baht per project and approve non-budgeted investments or expenses over budget of not more than 2 Million Baht per year.
5. Develop the quality and effectiveness of the organization and personnel continuously.
6. Act as the Company's authorized person in effectively administering its businesses and affairs to achieve the intentions of its objectives, rules, policies, regulations, requirements, orders, resolution of the shareholders' meeting and/or resolution of the Board of Directors' meeting.
7. Monitor and maintain the corporate image.
8. Perform any other duty as assigned by the Board of Directors and/or Audit Committee.

However, the Managing Director's administrative power, including the delegation of such authority to other persons as deemed appropriate, excludes the administrative power or authorization that empowers the Managing Director or the appointee to approve any transaction in which he/she or related persons may have conflicts of interests with the Company or its subsidiary, or any other transaction not carrying out under normal business practice. The approval of such transactions must be proposed for consideration and approval from the Board of Directors' meeting and/or the shareholders' meeting as stipulated in the Articles of Association or by any relevant law.

The list of the executives of the subsidiary that operates the core business: Datapro Computer Systems Co., Ltd. as of December 31, 2014, comprises 11 executives is as follows:



## BUSINESS OPERATION



## CORPORATE SUPPORT



1. **Mr. Harin Upa**  
Managing Director
2. **Mr. Sidthakorn Usanno**  
Deputy Managing Director  
Enterprise Systems & Infrastructure Division
3. **Mr. Akadej Thongpoosawan**  
Deputy Managing Director  
Professional Multimedia Solutions Division
4. **Mr. Chatchai Trakoulchokchai**  
Deputy Managing Director  
Premier Group Information Technology Division
5. **Mr. Mitree Prasan-atikom**  
Deputy Managing Director  
Information Technology Services Division
6. **Mr. Kittipong Gotiwichien**  
Deputy Managing Director  
Digital Content Innovation Division
7. **Mr. Sarun Angkulwaranya**  
Deputy Managing Director  
Human Capital Management Service Division
8. **Mr. Wanchai Sirinijsriwong**  
Deputy Managing Director  
Human Resources Management Division
9. **Mrs. Rawadee Chaisuksant**  
Deputy Managing Director  
Legal & Business Practice Management Division
10. **Mrs. Chantiwa Suwanwitwaj**  
Deputy Managing Director  
Marketing & Corporate Communications Division
11. **Mrs. Charuwan Poomgade**  
Deputy Managing Director  
Business Process Improvement Division

### **Company Secretary**

The Board of Directors appointed Mr. Teerapol Juthapornpong as the Company Secretary as from February 20, 2013 to be responsible for the shareholders' meetings, the Board of Directors' meetings and other Committees, as well as support the implementation of corporate governance to be in accordance with the good corporate governance standard. The Corporate Secretary must have the following qualifications and responsibilities:

#### **Qualifications**

- 1) Must possess basic knowledge of the principles of laws and regulations of regulatory agencies related to the public limited companies laws and the securities and exchange laws.
- 2) Must have knowledge and understanding of the principles of good corporate governance and the good practices in corporate governance.
- 3) Must have knowledge in the various businesses of the Company and good communication skills, which are supplementary qualifications that assist the Company Secretary in efficiently carrying out his duties.

#### **Roles and Responsibilities**

The main roles and responsibilities of the Company Secretary are to support the Board of Directors regarding regulatory requirements. The specific roles and responsibilities of the Company Secretary include the following duties:

- 1) Manage the meetings of the Board of Directors and related committees appointed by the Board and the shareholders' meeting in accordance with the laws, the Company's Articles of Association, the charter of each committee, and good practices.
- 2) Inform the related executives of the resolutions and policies of the Board of Directors and shareholders and monitor the implementation through the Managing Director of such resolutions and policies.
- 3) Provide advice and preliminary recommendations to the Board of Directors and the committees appointed by the Board on statutory matters, regulatory practices and desirable practices related to corporate governance.
- 4) Ensure that the Company Secretary's unit is the center for corporate data, such as the juristic person registration certificate, Memorandum of Association, Articles of Association, shareholder's register and licenses for various types of businesses.
- 5) Supervise the disclosure of information and reports under his responsibility to the regulatory agencies in accordance with the law, regulation and policy on the disclosure of information and news of the Company.

6) Contact and communicate with the general shareholders to inform them of their various rights.

7) Provide news and information to the directors on issues related to the business operations of the Company to support them in the execution of their duties.

8) Arrange for advice to be provided to the newly appointed directors.

### **Remuneration for the Directors and Executives**

The Company has a policy to remunerate the directors and executives at a level that is appropriate with consideration of the Company's performance and by comparison with companies within the same industry, as well as the appropriateness to the duties and responsibilities of each director and executive. The remuneration for the directors is in the form of annual remuneration and meeting allowance while the remuneration of the executives is in the form of salary, bonus and provident fund contribution.

#### **(1) Monetary Remuneration**

##### **a) Remuneration of Director**

##### **1) Premier Technology Public Company Limited**

The Annual General Meeting of Shareholders for 2014 on April 23, 2014 approved the remuneration of directors as follows: -

<b>Remuneration</b>	<b>2014</b>
<u>Meeting Allowance of Board of Directors</u>	
- Chairman (Baht/time)	21,000
- Director (Baht/person/time)	16,000
<u>Meeting Allowance of Audit Committee</u>	
- Chairman of Audit Committee (Baht/time)	21,000
- Audit Committee (Baht/person/time)	16,000
<u>Annual Remuneration</u>	
- Chairman (Baht/year)	260,000
- Chairman of Audit Committee (Baht/year)	260,000
- Director (Baht/person/year)	230,000
Others	.None-

In 2014, the Company paid the remuneration to the Board in form of meeting allowance and annual remuneration due to the amount of attendance the meeting and paid the remuneration to the Audit Committee in form of meeting allowance due to the amount of attendance the meeting as follows.

Name Position	Remuneration of Director (Baht)			
	Meeting Allowance		Annual Remuneration	Total
	Director	Audit Committee		
1. Mr. Vichien Phongsathorn * Chairman	-	-	-	-
2. Mrs. Duangthip Eamrungraj * Director	-	-	-	-
3. Mr. Suradej Boonyawatana* Director	-	-	-	-
4. Mr. Katiya Greigarn Independent Director and Chairman of the Audit Committee	63,000	103,500	260,000	426,500
5. Mr. Suchai Vatanatrinakul Independent Director and Member of the Audit Committee	63,000	79,000	230,000	372,000
6. Miss Naengnoi Chai-onnom * Independent Director and Member of the Audit Committee	63,000	79,000	230,000	372,000
7. Mr. Paritud Bhandhubanyong Independent Director	63,000	-	230,000	293,000
8. Miss Wanna Kolsrichai * Director	-	-	-	-
9. Mr. Harin Upa* Director	-	-	-	-
<b>Total</b>	252,000	261,500	950,000	1,463,500

Remarks: \*Directors do not receive any Directors' remuneration.

2) Datapro Computer Systems Co., Ltd.: subsidiary

- None –

(b) Executives

1) Premier Technology Public Company Limited

- None –

2) Datapro Computer Systems Co., Ltd.: subsidiary

In 2014, the Company paid remuneration in the form of salary and rewards to 11 executives, totaling 23.55 Million Baht

## (2) Other remuneration (if any)

1) Premier Technology Public Co., Ltd.

- None -

2) Subsidiary: Datapro Computer System Co., Ltd.

The Company has established a provident fund for its executives and employees with the contribution of the Company being at the rate 5 percent of the salary. In 2014, the Company made contributions to the provident fund for a total of 11 executives, totaling 1.18 million Baht.

### **(3) Employment of Management and Business Consultant**

The Company and its subsidiary have engaged Premier Fission Capital Co., Ltd. (PFC), a major shareholder of the Company, to provide management and administrative support services to the Company and its subsidiary under a management and consultancy agreement. The scope of services provided by PFC includes management and policy planning, accounting and finance support, business development and investment, system and data, human resources development and public relations.

The purpose of outsourcing the management and administrative support functions is to centralize these functions within the Premier Group of companies. The expenses are shared by group companies according to the amount of services required by each Company, which helps to reduce operating costs, as the companies do not have to recruit additional personnel for the provision of fully comprehensive support services.

The Company and its subsidiary paid management fees to PFC on a monthly basis. PT paid 125,000 Baht per month and DCS paid 480,000 Baht per month. PFC calculated the fees based on the distribution of costs and expenses of the group companies by taking many factors into consideration, namely, the revenue, asset and number of employees of each Company.

Under the terms of the agreement, the Company shall be entitled to terminate the agreement before expiration if PFC fails to perform according to the objectives of the agreement. In such case, PFC shall have no right to demand service fee payable under the remaining term of the agreement or claim for any damage. On expiration of the initial term, the agreement shall be automatically renewed for additional periods of 1 year until it is terminated. The agreement may be terminated by a written notice from either party not less than 90 days prior to the expiration of the current term of the agreement.

However, the agreement with PFC is considered a related transaction that may have conflict of interest. The Company must strictly adhere to its policy, measure and procedure for related transactions. In addition, if PFC proposes to amend the terms of the agreement or the basis for calculating the fees payable by the Company and its subsidiary, the Company shall always present the proposed amendments to the Audit Committee for consideration and approval prior to entering into a new agreement.

### **Human Resource**

The Company assigns the employee's remuneration policy depend on the operating results. As of December 31, 2014, the subsidiary has a total of 423



employees. In 2014, the Company paid total remuneration of 214.2 million Baht to its employees, which included salary, overtime pay, cost of living allowance, rewards, financial support, social security contribution, provident fund contribution and welfare etc.

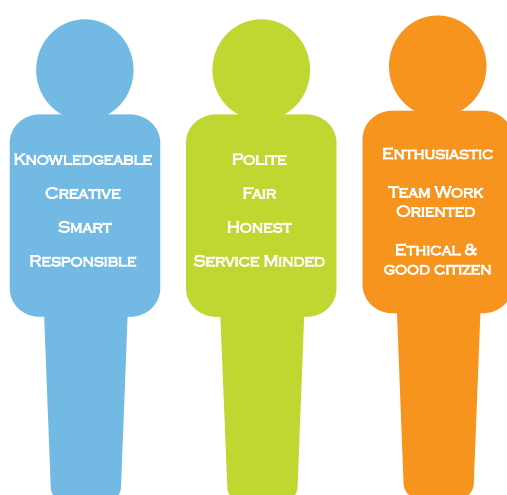
No. of Employee and remuneration in 2014	PT	DCS	Total
Management	- None -		
- Male (Person)		8	8
- Female (Person)		3	3
Operating and Supporting Employee	- None -		
- Male (Person)		262	262
- Female (Person)		147	147
<b>Total Employee (Person)</b>	- None -	423	423
<b>Remuneration (Million Baht)</b>	- None -	214.2	214.2

## Human Resource Development Policy

From the vision and goal to operate a business that provides the best quality services to its customers for the success of the organization over the long-term, the Company has therefore emphasized the continuous development of the quality of its employees in their knowledge, competency and practical skills because it considers its employees to be its strength. The Company has set a guideline for their development according to its corporate culture under the concept “Our People” with the aim of ensuring that its employees have qualities that are appropriate for the provision of good services of high quality so as to assure customer satisfaction.

The Company realizes that human resource development not only is limited to the provision of training but also includes the effective management of human

### OUR PEOPLE



DEDICATED TO SERVICE EXCELLENCE **DCS**

resource development, the preparation of tools, the provision of procedures, and the creation of a working environment that is appropriate for learning by the employees to ensure the maximum development of their capabilities. This is the building and development of high quality human resources for the Company, society and the country in the future.

The Company has prepared a training roadmap as a guideline for the systematic development of its employees that covers and is consistent with the core competency of the organization, as well as managerial/ professional competency and functional competency. The Company has arranged for its

employees and management to receive training from experts in different fields so that they can utilize the knowledge gained to help increase their work efficiency. The training focuses on 3 areas as follows:

1. Our Professional Program - courses designed to develop desirable qualities according to the “Our People” corporate culture.
2. Professional ICT Program - courses designed to develop skills necessary to become a professional in ICT.
3. Leadership Program - courses designed to help develop the leadership skills of the employees.

Moreover, the Company also emphasizes in developing personnel to have technical skills and be accepted for performing task, which will build confidence to customers. The Company encourages and supports employees that perform their task and is certified by the experts from leading organization in Information Technology.

#### Training courses in 2014

Course	No. of attendance
Win-Win Negotiation#1	12
Presentation Delivery#1	15
Personality Development#1	15
Leadership Mindset	18
MS Office Excel 2010	17
Customer Satisfaction#1	16
Our People#1	19
MS Office PowerPoint 2010	14
Proposal Development	14
Our People#2	23
Win-Win Negotiation#2	15
MS Office Word 2010	24
Customer Satisfaction#2	16
Leading Change	14
ICT Industry Overview	17
Problem Solving and Decision Making	21
Communication Skill#1	21
MS Office Outlook 2010	16
Personality Types	18
Managing Gen. Diversity in the Workplace	21
Communication Skill#2	15
Presentation Delivery#2	14
Personality Development#2	14
Customer Satisfaction#3	11
Our People#3	17
Supervisory Skills	15
Happy Monday	14

In 2014, the Company allocated a budget for human resource development (Soft Skills) of 10,840 Baht per person, approximately 52.88 percent of the total number of its employees attended training courses and average hours of employee training is 7.69 hours per year.

## Details of Directors as of December 31, 2014

**1. Mr. Vichien Phongsathorn**  
**Chairman**

**Authorized Director**

**Age: 58 years**

**Date of Appointment:** 30 November 1992



**Educational Background**

- Master's degree of Business Administration  
Rensselaer Polytechnic Institute, Troy,  
New York, U.S.A.
- Bachelor's degree of Nuclear Engineering  
Rensselaer Polytechnic Institute, Troy, New York, U.S.A.

**Percentage of Shareholding (%) :**

- 51.39%

**Relationship with Company's Executive (s) :**

- None

**Working Experiences over the Past 5 Years :**

**Other Listed Companies:**

- 1993 - Present Chairman, Premier Enterprise Public Company Limited
- 2007 - Present Chairman, Premier Marketing Public Company Limited

**Other Business (Non-Listed Companies):**

- 1992 - Present Chairman, Datapro Computer Systems Company Limited
- 2004 - Present Director, Premier Fission Capital Company Limited
- Present Director, Companies in the Premier Group of Companies
- Present President & CEO, Premier Group of Companies
- 1993 - Present Chairman, Yuvabadhana Foundation
- 2011 - Present Chairman, Khonthai Foundation
- 2011 - Present Vice Chairman, Enlive Foundation

2. **Mrs. Duangthip Eamrungraj**  
**Authorized Director**  
**Age: 59 years**  
**Date of Appointment:** 30 November 1992



**Educational Background**

- Executive Master Degree in Consulting and Coaching for Change (CCC), INSEAD, France
- Master's degree of Business Administration Thammasat University
- Bachelor's degree of Mechanical Engineering Chulalongkorn University
- Diploma in Clinical Organizational Psychology INSEAD, France

**Training from Thai Institute of Directors (IOD):**

- Director Accreditation Program (DAP) Course, Batch 22/2004
- Family Business Governance for Sustainability Course, Batch 1/2014

**Percentage of Shareholding (%) :**

- 0.70%

**Relationship with Company's Executive (s) :**

- None

**Working Experiences over the Past 5 Years :**

**Other Listed Companies:**

- 2001 - Present Director, Premier Enterprise Public Company Limited
- 2007 - Present Director, Premier Marketing Public Company Limited
- 2012 - Present Director, Premier Products Public Company Limited

**Other Business (Non-Listed Companies):**

- 2004 - Present Director, Premier Fission Capital Company Limited
- Present Director, Companies in the Premier Group of Companies
- Present Group Corporate Director, Corporate Affairs, Premier Group of Companies
- 2010 - Present Director, Kor. Khon Co., Ltd.
- 1993 - Present Director and Treasurer, Yuvabadhana Foundation
- 2011 - Present Director and Treasurer, Khonthai Foundation
- 2011 - Present Director and Treasurer, Enlive Foundation

3. **Mr. Suradej Boonyawatana**  
**Authorized Director**  
**Age: 64 years**  
**Date of Appointment:** 22 March 2005



**Educational Background**

- Bachelor's degree of Industrial Technology  
Eastern Washington State University, U.S.A.

**Training from Thai Institute of Directors (IOD):**

- Director Accreditation Program (DAP) Course, Batch 19/2004
- Finance for Non-Finance Director (FND) Course, Batch 12/2004
- Director Certification Program (DCP) Course, Batch 97/2007
- Role of the Nomination and Governance Committee (RNG) Course, Batch 1/2011
- Role of the Compensation Committee (RCC) Course, Batch 15/2012
- Anti-Corruption for Executive Program (ACEP) Course, Batch 9/2014
- Role of the Chairman Program (RCP) Course, Batch 34/2014

**Special Training**

- Executive Program, Capital Market Academy (CMA) Batch 19/2014

**Percentage of Shareholding (%) :**

- None

**Relationship with Company's Executive (s) :**

- None

**Working Experiences over the Past 5 Years :**

**Other Listed Companies:**

- 2012 - Present Chairman, Premier Products Public Company Limited
- 2014 - Present Director, Premier Marketing Public Company Limited

**Other Business (Non-Listed Companies):**

- 2004 - Present Director, Premier Fission Capital Company Limited
- Present Director, Companies in the Premier Group of Companies
- Present Chief Executive Officer of the Environmental Business, Premier Group of Companies
- 2011 - Present Vice Chairman, Enlive Foundation

4. **Mr. Paritud Bhandhubanyong**  
**Independent Director**  
**Age: 60 years**  
**Date of Appointment: 22 April 1997**



**Educational Background**

- Doctorate of Metallurgical Engineering  
Tokyo University, Japan
- Master's degree of Business Administration  
Thammasat University
- Master's degree of Industrial Engineering  
Chulalongkorn University
- Bachelor's degree of Industrial Engineering  
Chulalongkorn University

**Training from Thai Institute of Directors (IOD):**

- Director Accreditation Program (DAP) Course, Batch 71/2008
- Director Certification Program (DCP) Course, Batch 105/2008
- Auditing Committee Program (ACP) Course, Batch 36/2011
- Role of the Compensation Committee (RCC) Course, Batch 13/2011
- Successful Formulation and Execution of Strategy (SFE) Course,  
Batch 17/2013
- How to Measure the Success of Corporate Strategy (HMS) Course,  
Batch 2/2013
- Anti-Corruption for Executive Program (ACEP) Course, Batch 9/2014

**Percentage of Shareholding (%) :**

- None

**Relationship with Company's Executive (s) :**

- None

**Working Experiences over the Past 5 Years :**

**Other Listed Companies:**

- 2012 - Present Independent Director and Audit Committee,  
Premier Products Public Company Limited

**Other Business (Non-Listed Companies):**

- 1999 - 2007 Executive Director, National Metal and Materials  
Technology Center
- 2008 - Present Advisor to the President, National Science and  
Technology Development Agency
- 2010 - 2012 Executive Director, Technology Promotion  
Association (Thailand-Japan)
- 2013- Present Executive Director, Education and Special Project  
Development, Panyapiwat Institute of Management (PIM)

5. **Mr. Suchai Vatanatrinnakul**  
**Independent Director and**  
**Member of the Audit Committee**  
**Age: 74 years**  
**Date of Appointment:** 27 January 1997



**Education Background**

- Bachelor's degree of Education  
Srinakarintaraviroj University

**Training from Thai Institute of Directors (IOD):**

- Director Accreditation Program (DAP) Course,  
Batch 38/2005

**Percentage of Shareholding (%) :**

- None

**Relationship with Company's Executive (s) :**

- None

**Working Experiences over the Past 5 Years :**

**Other Listed Companies:**

- 2011- Present Independent Director and Audit Committee,  
Premier Enterprise Public Company Limited

**Other Business (Non-Listed Companies):**

- Present Freelance consultant; design and provide services on  
Compensation Management Salary/Wages Structure  
Employee Benefits and Rewards System
- Present Director, Retail Training Company Limited
- 2013 - Present Advisor to the Board, Social Innovation Foundation



6. **Mr. Katiya Greigarn**  
**Independent Director and**  
**Chairman of the Audit Committee**  
**Age: 62 years**  
**Date of Appointment: 17 March 2005**  
**Date of Appointment as Chairman of the**  
**Audit Committee: 20 December 2013**



**Educational Background**

- Doctorate of Electrical Engineering, University of Missouri-Rolla, U.S.A.
- Master's degree of Electrical Engineering, University of Missouri-Rolla, U.S.A.
- Bachelor's degree of Electrical Engineering, Chulalongkorn University

**Training from Thai Institute of Directors (IOD):**

- Director Accreditation Program (DAP) Course, Batch 37/2005
- Financial Statements for Director (FSD) Course, Batch 3/2008
- Director Certification Program (DCP) Course, Batch 110/2008
- Auditing Committee Program (ACP) Course, Batch 34/2011
- Anti-Corruption for Executive Program (ACEP) Course, Batch 9/2014

**Percentage of Shareholding (%) :**

- None

**Relationship with Company's Executive (s) :**

- None

**Working Experiences over the Past 5 Years :**

**Other Listed Companies:**

- 2007 - Present Independent Director and Chairman of Audit Committee, Premier Marketing Public Company Limited
- 2011 - Present Independent Director and Chairman of Audit Committee, Plannet Communication Asia Public Co., Ltd
- 2012 - Present Independent Director, MK Restaurant Group Public Company Limited

**Other Business (Non-Listed Companies):**

- 1988 - Present Managing Director, KV Electronics Company Limited
- 2002 - Present Director, Chok-Udom Property Company Limited
- 2002 - Present Director, Sub-Udom Property Company Limited
- 2003 - Present Director, Nanotechnology Center (NANOTEC) Ministry of Science and Technology
- 2005 - Present Director, Electrical and Electronics Institute (EEI) Ministry of Industry
- 2008 - Present Director, Viptel Company Limited
- 2008 - Present Director, Makpha Development Company Limited
- 2013 - Present Director, LYNX Corporation Company Limited

7. **Miss Wanna Kolsrichai**  
**Director**  
**Age: 57 years**  
**Date of Appointment:** 16 February 2012

**Educational Background**

- B.A. in Education, Chulalongkorn University
- 

**Training from Thai Institute of Directors (IOD):**

- Director Accreditation Program (DAP) Course, Batch 106/2013
- Director Certification Program (DCP) Course, Batch198/2014



**Percentage of Shareholding (%) :**

- 0.36%

**Relationship with Company's Executive (s) :**

- None

**Working Experiences over the Past 5 Years :**

**Other Listed Companies:**

- None

**Other Business (Non-Listed Companies):**

- 2012 - Present Director, Datapro Computer Systems Company Limited
- Present Director, Companies in the Premier Group of Companies
- Present Chief Executive Officer of the Real Estate and Hotel Group Business, Premier Group of Companies
- 1993 - Present Director, Yuvabadhana Foundation
- 2011 - Present Director, Khonthai Foundation

8. **Mr. Harin Upa**  
**Director**  
**Age: 43 years**  
**Date of Appointment:** 26 April 2012



**Educational Background**

- Master's degree of Business Administration, KhonKaen University
- Bachelor's degree of Computer Science, Payap University

**Training from Thai Institute of Directors (IOD):**

- Director Accreditation Program (DAP) Course, Batch 107/2014

**Percentage of Shareholding (%) :**

- 0.60%

**Relationship with Company's Executive (s) :**

- None

**Working Experiences over the Past 5 Years :**

**Other Listed Companies:**

- None

**Other Business (Non-Listed Companies):**

- 2010 - Present Managing Director, Datapro Computer System Company Limited

9. **Miss Naengnoi Chai-onnom**  
**Independent Director and**  
**Member of the Audit Committee**  
**Age: 72 years**  
**Date of Appointment:** 20 December 2013



**Educational Background**

- Bachelor's degree of Commerce, Thammasat University
- Bachelor's degree of Accounting, Thammasat University
- M.B.A. (Accounting) University of Detroit, U.S.A.

**Training from Thai Institute of Directors (IOD):**

- Director Accreditation Program (DAP) Course, Batch 73/2008
- Director Certification Program (DCP) Course, Batch 121/2009
- Fraud and Corruption Risk in Economics Downturn Course
- Auditing Committee Program (ACP) Course, Batch 34/2011
- Monitoring the Internal Audit Function (MIA) Course, Batch 10/2011
- Monitoring Fraud Risk Management (MFM) Course, Batch 5/2011
- Monitoring the System of Internal Control and Risk Management (MIR) Course, Batch 11/2011
- Monitoring the Quality of Financial Reporting (MFR) Course, Batch 15/2012
- Anti-Corruption for Executive Program (ACEP) Course, Batch 9/2014

**Percentage of Shareholding (%) :**

- None

**Relationship with Company's Executive (s) :**

- None

**Working Experiences over the Past 5 Years :**

**Other Listed Companies:**

- 2007 - Present Independent Director and Audit Committee, Premier Marketing Public Company Limited
- 2010 - Present Independent Director and Member of Audit Committee, Ratchthani Leasing Public Company Limited

**Other Business (Non-Listed Companies):**

- 1997 - Present Chairman, Measures Supervision on Faculty of Accounting, North Eastern University
- 2002 - 2011 Dean, Faculty of Business, University of Thai Chamber of Commerce
- 2002 - 2009 Director, Institute of Trade Strategies, Thai Chamber of Commerce
- 2004 - 2010 Director, Accounting Education and Technology, Federation of Accounting Professions
- 2004 - 2010 Sub-Committee, Qualifications of Candidate for Certified Public Accountant of Federation of Accounting Professions
- 2005 - 2009 President, Accounting Sub-Committee and Academic and Education Assurance Committee, Association of Private Higher Education Institute of Thailand
- 2008 - 2011 Audit Discipline Adviser, Securities and Exchange Commission
- 2009 - 2011 Audit Adviser, Securities and Exchange Commission

- 2009 - 2012      Member of the Audit Committee, Thai Public Broad Casting Service (TPBS)
- 2010 – 2013      Director of the Professional Ethic Committee, Federation of Accounting Professions
- 2012 - Present    Vice President for Administration, University of Thai Chamber of Commerce
- 2013 - Present    Chairman of the Professional Ethic Committee, Federation of Accounting Professions

## LIST OF COMPANIES IN THE PREMIER GROUP OF COMPANIES

PFC	Premier Fission Capital Co., Ltd.	PMB	Premier Metrobus Co., Ltd.
PE	Premier Enterprise Public Co., Ltd.	PMN	Premier Manufacturing Co., Ltd.
PC2000	Premier Capital (2000) Co., Ltd.	P-PET	Premier Pet Products Co., Ltd.
PIL	Premier Inter Leasing Co., Ltd.	SHR	Sea Harrier Co., Ltd.
PB	Premier Brokerage Co., Ltd.	PCE	Premier CE Co., Ltd.
PLMS	Premier LMS Co., Ltd.	IME	Imperial Eagle Co., Ltd.
PT	Premier Technology Public Co., Ltd.	SPH	Seri Properties Holding Co., Ltd.
DCS	Datapro Computer Systems Co., Ltd.	PPlanner	Premier Planner Co., Ltd.
PM	Premier Marketing Public Co., Ltd.	PAM	Premier Alternative Motors Co., Ltd.
PMF	P.M. Food Co., Ltd.	SRS	Sarasuk Co., Ltd.
PCI	Premier Canning Industry Co., Ltd.	PSC	Premier Sukhumvit Center Co., Ltd.
PFP	Premier Frozen Products Co., Ltd.	SA	Seri Assets Co., Ltd.
PPP	Premier Products Public Co., Ltd.	PTDO	Premier TDO Co., Ltd.
PHA	Premier Home Appliance Co., Ltd.	LPCE	LPCE Co., Ltd.
IGC	Infinite Green Co., Ltd.	PID	Premier Infrastructure Development Co., Ltd.
PPW	PP Wind Energy Co., Ltd.	PGCAP	Premier Global Capital Co., Ltd.
PMC	Premier Motors Co., Ltd.	SNE	Senanee Co., Ltd.
PRH	Premier Resorts and Hotels Co., Ltd.	LQ5	Liquidation 5 Co., Ltd.
RYH	Raya Heritage Co., Ltd.	Seto	Seto Restaurant Co., Ltd.
MS	Moo Ban Seri Co., Ltd.	RKT	Khon Thai Shop Ltd.
SP	Seri Premier Co., Ltd.		

**Mr. Teerapol Juthapornpong**

**Age** 50 years

**Company Secretary**

**Date of Appointment:** 20 February 2013



**Education:**

- Master of Business Administration, Thammasat University
- Graduate Diploma in Business Law, Thammasat University
- Barrister at Law, Institute of Legal Education of Thai Bar Association
- Bachelor Degree of Laws, Ramkhamhaeng University

**Training from Thai Institute of Directors (IOD) :**

- Training on Company Secretary Program (CSP) Course, Batch 6/2004

**Percentage of Shareholding (%)**

- None

**Relationship with Company's Executive (s)**

- None

**Experiences over the Past 5 Years :**

- 2002 - Present      Corporate Director      Legal and Company Secretary,  
Premier Group of Companies

**Mr. Akapun Nuanmuang**

**Age** 51 years

**Corporate Director, Internal Audit Office**

**Date of Appointment:** 8 May 2008



**Education Qualification:**

- Master Degree in General Management, Burapa University
- Mini MBA Degree in General Management, Chulalongkorn University
- Higher Diploma in Auditing (Accounting Examination), Chulalongkorn University
- Bachelor Degree in Business Administration, Programme (Accounting), Ramkhamhaeng University

**Education and Training:**

- Business Continuity Managing Disruption Related Risk in Compliance with ISO 31000
- Application of Risk Management International Standard ISO 31000:2009 and Risk Assessment Techniques IEC 31010:2009
- Integrated Risk Management ISO31000-2009 / COSO-ERM

**Percentage of Shareholding (%) :**

- None

**Relationship with Company's Executive (s) :**

- None

**Experiences over the Past 5 Years :**

- 1995 - 2012      Department Manager      Internal Audit Office,  
Premier Capital (2000) Company Limited  
Premier Enterprise Public Company Limited  
Premier LMS Company Limited  
Premier Global Capital Company Limited
- 2012 – Present      Corporate Director      Internal Audit Office,  
Premier Group of Companies



## The Shareholding of the Board of Director and Management

The Shareholding of Directors & Executives, their spouse and minor children as at  
December 31, 2014

Name	31 December 2013		31 December 2014		Increase (Decrease)
	Number of share owned	%	Number of share owned	%	
Mr. Vichien Phongsathorn	40	0.00	40	0.00	0
Mrs. Vimolthip Phongsathorn (Spouse)	75,443,883	53.15	72,943,883	51.39	(2,500,000)
Mrs. Duangthip Eamrungrroj	180	0.00	1,000,180	0.70	1,000,000
Mr. Prasert Eamrungrroj (Spouse)	0	0.00	0	0.00	0
Mr. Suchai Vatanatrakul	0	0.00	0	0.00	0
Mrs. Juangchan Vatanatrakul (Spouse)	0	0.00	0	0.00	0
Mr. Paritad Bhandhubanyong	0	0.00	0	0.00	0
Mrs. Oracha Bhandhubanyong (Spouse)	0	0.00	0	0.00	0
Mr. Katiya Greigarn	0	0.00	0	0.00	0
Mrs. Sireerat Greigarn (Spouse)	0	0.00	0	0.00	0
Mr. Suradej Boonyawatana	0	0.00	0	0.00	0
Mrs. Supanee Boonyawatana (Spouse)	0	0.00	0	0.00	0
Miss Wanna Kolsrichai	0	0.00	500,000	0.35	500,000
Mr. Harin Upra	855,600	0.60	855,600	0.60	0
Mr. Indra Upra (Spouse)	0	0.00	0	0.00	0
Mr. Harid Upra (Minor child )	0	0.00	0	0.00	0
Miss Hansa Upra (Minor child )	0	0.00	0	0.00	0
Miss Naengnoi Chai-Onnom	0	0.00	0	0.00	0
Total	76,299,703	53.75	75,299,703	53.05	(1,000,000)

## Corporate Governance

### Corporate Governance Policy

The Company's Board of Directors emphasizes good corporate governance. It believes that good corporate governance and management under the framework of good ethics, transparency, accountability and fairness to all relevant parties will help to promote the Company's stable and sustained growth and help to increase the confidence of the shareholders, investors and all related parties. Therefore, the Board of Directors has established in writing the principles of good corporate governance as guidance for the management and employees as follows:

1. Conduct business with integrity, fairness, transparency and accountability, and disclose adequate information to all relevant parties.
2. Provide appropriate and effective internal control, risk management and internal audit systems.
3. Emphasize on the rights of shareholders and treat shareholders equally with fairness to all parties.
4. Comply with the requirements of all relevant laws and regulations and business ethics in order to protect the rights of all groups of stakeholders.
5. Organize the structure, duties and responsibilities of each group of directors clearly.

The Company's good corporate governance policy adheres to the Principles of Good Corporate Governance for Listed Companies B.E. 2555 (2012) promulgated by the Stock Exchange of Thailand, which covers 5 categories of principles as follows:

### Chapter 1 The Rights of Shareholders

The Company recognizes and places importance on the various basic rights of the shareholders, both as investors in securities and as owners of the Company, by defining the guidelines to encourage the exercise of shareholders' rights as follows:

#### 1. Shareholders' Meeting

1.1 The Board of Directors has a policy to support or encourage all groups of shareholders, including institutional investors, to attend the shareholders' meetings and exercise their rights, which covers the basic legal rights, i.e. obtain a share in the profit of the Company; buy, sell or transfer shares; obtain adequate news and information on the Company; and participate and vote in the shareholders' meetings to elect or remove directors, approve the remuneration of directors, appoint the

external auditor and determine the audit fee, and make decisions on any matter that affects the Company, such as dividend payment, determination or amendment of the Articles of Association and Memorandum of Association, capital decreases or increases, and the approval of extraordinary transactions.

1.2 The Company has provided information on the date, time, venue and agenda, with rationale and explanation for each agenda item or resolution requested, in the notice of the annual general meeting or extraordinary general meeting of shareholders or attachments to the agenda. The Company has refrained from any action that limits the opportunity of the shareholders to study the information on the Company. The details of which are as follows:

1.2.1 The Company does not undermine the rights of the shareholders to study the Company's information that must be disclosed according to various requirements and to attend the shareholders' meeting. For instance, the Company does not abruptly distribute documents containing additional important information in the meetings, add new agenda items or alter sensitive information without prior notice to the shareholders, not provide shareholders with the right to pose questions to the Board of Directors in the meeting, restrict the right to attend of shareholders who come late for the meeting etc.

1.2.2 The Company has provided information as to the date, time, venue and agenda of the meetings. Each agenda item of the shareholders' meeting is set as individual subjects and the objective and rationale of each agenda item is clearly defined. Adequate information is provided for decision-making as follows:

a. Agenda for appointment of directors

- 1) Preliminary information of the nominated person, such as title, name, age, type of director, educational background, experience, etc.
- 2) Positions held in other companies with clear details of any Company that may potentially have a conflict of interest with the Company.
- 3) Nomination criteria and procedures (in the case of appointment of a new director).
- 4) Number of years in position and performance during the period as director (in the case of reappointment of directors).

- 5) Approved by the Board of Directors serving as the Nominating Committee.
  - 6) The opinion of the Board of Directors is sufficient and clear for the shareholders to cast their vote.
- b. Agenda to consider the remuneration of directors
- 1) Amount and form of remuneration by position or responsibilities of the directors.
  - 2) Directors' remuneration policy.
  - 3) Criteria and procedures for determining remuneration.
  - 4) Other benefits received as director (presently the directors do not receive any other benefit apart from meeting allowance and annual bonus).
  - 5) Approved by the Board of Directors serving as the Remuneration Committee.
  - 6) The opinion of the Board of Directors is sufficient and clear for the shareholders to cast their vote.
- c. Agenda to appoint the auditor and determine the audit fee.
- 1) Name of the auditor and the audit firm.
  - 2) Experience and competence of the auditor.
  - 3) Independence of the auditor.
  - 4) Years of service to the Company (in case of appointment of the current auditor) or reason for the change of auditor (in case of appointment of a new auditor).
  - 5) How the suitability of the audit fee together with other fees of the auditor is determined.
  - 6) Approved by the Audit Committee.
  - 7) The opinion of the Board of Directors is sufficient and clear for the shareholders to cast their vote.
- d. Agenda on dividend payment
- 1) Dividend policy.
  - 2) Actual amount to be allocated compared with the policy.
  - 3) Reason why dividend payment does not conform to the policy.
  - 4) The opinion of the Board of Directors is sufficient and clear for the shareholders to cast their vote.
- e. Agenda to consider material matters of the Company, such as capital increase / decrease, amendment of regulations, business sale / dissolution / transfer / merger etc.

- 1) Details of the matter proposed.
- 2) Objective, reason or necessity.
- 3) Impact on the Company and its shareholders.
- 4) The opinion of the Board of Directors is sufficient and clear for the shareholders to cast their vote.

1.3 The Board of Directors facilitates shareholder participation and voting in meetings and refrains from any action that could limit the opportunities of the shareholders to attend the meeting. The procedures for attending and voting should not be complicated or too costly for shareholders, and the meeting location should have sufficient size and easily accessible.

1.4 The Company provides the shareholders with an opportunity to send their questions prior to the meeting date, by clearly determining the criteria for submission of questions in advance and duly informing the shareholders along with the delivery of the notice to the shareholders' meeting. In addition, the Company also disseminates the criteria for submission of questions in advance on its website. The Board of Directors has prescribed the procedure for screening the questions submitted in advance and requires that the Company to provide answers to the shareholders in advance, as well as inform the shareholders' meeting. The details of the procedure are as follows:

1.4.1 The Company provides shareholders with the opportunity to submit questions related to the meeting agenda to the Board of Directors in advance throughout the submission period. As for the general meeting of shareholders, the Board will gather the questions until 7 days before the meeting date. The Company adheres to the following guidelines:

- 1) Clearly determine the criteria for submission of questions in advance.
- 2) Inform the shareholders along with the delivery of the notice to the shareholders' meeting.
- 3) Prescribe procedures for advance submission of the questions, such as allowing the shareholders to send the questions through the Company's website, by email or by post to the Board of Directors.
- 4) Set the submission period for advance submission of the questions prior to the date of the shareholders' meeting.
- 5) Prescribe the procedure for screening the questions submitted in advance by the shareholders for consideration of the Board of Directors in answering those questions.

- 6) The Company answers the questions for the shareholders in advance of the meeting date.
- 7) The Company answers the questions for the shareholders on the day of the meeting.
- 8) The Company informs the shareholders' meeting of the questions submitted in advance by the shareholders and the answers to such questions.

1.5 The Board of Directors encourages shareholders to use proxy forms on which they can specify their votes and proposes as an option at least 1 independent director for shareholders to appoint as their proxy.

Shareholders can download proxy through the Company's website and it also requires the Company to provide a stamp duty to shareholders. Moreover, the shareholders have rights to attend the meeting after the Chairman opened the meeting and vote on the remaining agenda which is still under consideration and no vote and to be counted the attendance since that agenda except the shareholders would have seen otherwise.

## **2. Procedures on the Shareholders' Meeting Date**

2.1 The Board of Directors encourages the use of technology with the shareholders' meetings, including registration of the attending shareholders and vote counting and reporting, so that the meeting can be conducted quickly, accurately and precisely.

### **2.2 Directors' Attendance at Shareholders' Meetings**

2.2.1 All directors should attend the shareholders' meetings.

2.2.2 In the case where not all the directors can attend, at least the following persons must attend the shareholders' meetings:

- 1) Chairman
- 2) Managing Director
- 3) Chairman of the Audit Committee

2.2.3 The shareholders are presented with the opportunity to pose questions to the chairpersons of the various committees on matters in which they are involved.

2.3 In the shareholders' meeting, voting is made separately for each item in the case of several items in an agenda, such as the election of directors.

2.4 The Company has in place a process for vote counting, storage of voting papers for every agenda item and full video recording of the meetings, which is disclosed on the Company's website. The meeting and vote counting for every agenda item are conducted with transparency and accountability.

2.5 The Chairman has allocated adequate time for discussion and encourages the shareholders to express opinions and pose questions related to the Company to the meeting.

### **3. Preparation and Disclosure of the Minutes of the Shareholders' Meetings**

3.1 The minutes of shareholders meetings records the explanation of the voting and vote counting procedures used to the meeting prior to commencement of the meeting, as well as the opportunity provided for the shareholders to raise issues and questions. It also records the questions and answers, the voting results for each agenda item of the number of shareholders approving, dissenting and abstaining, and the list of directors who attended or missed the meetings.

3.2 The Company discloses to the public the voting results and the minutes of the meeting on its website. The details of the practice are as follows:

- 3.2.1 Disclose the resolutions of the meeting separated into approving, dissenting or abstaining votes on the next working day.
- 3.2.2 Disseminate the minutes of the meeting within 14 days from the shareholders' meetings to serve as a channel for shareholders to express an opinion without having to wait for the next meeting.
- 3.2.3 Post the videos of the shareholders' meeting on the Company's website.

### **4. The Company provides more care to the shareholders than their legal rights** by providing current important information on its website.

For the annual general meeting of shareholders for the year 2014, the Company held the meeting on April 23, 2014 at 10.00 hours at Meeting Room No. 501, 5th Floor, Premier Corporate Park, No.1, Soi Premier 2, Srinakarin Road, Nongbon Sub-district, Prawet District, Bangkok. A total of 47 shareholders attended the meeting in person and by proxy or 58.1995% of the total number of subscribed shares after deduction of treasury stock. The meeting was attended by 8 directors from the total of 9 directors comprising the Chairman, Chairman of the Audit Committee, Managing Director and 6 other directors. In addition, the Company's senior management, Corporate Secretary and external auditor also joined the meeting.

The Company assigned the Thailand Securities Depository Co., Ltd, which is the share registrar of the Company, to send the notice of the meeting together with the rules and procedures for attending the meeting and all relevant supporting information of the various agendas, which included adequate and clear opinions from the directors for each agenda item, to inform the shareholders prior to the meeting date. Such information in both Thai and English were also posted not less than 30 days prior to

the meeting date on the Company's website, [www.premier-technology.co.th](http://www.premier-technology.co.th), so as to allow the shareholders time to review the information in advance of the date of the meeting. The minutes of the meeting was prepared and filed with the Stock Exchange of Thailand and disseminated on the Company's website within 14 days from the date of the meeting for the shareholders to review.

In 2014, the Company was assessed for the management quality of its annual general shareholders' meeting under the Annual General Shareholders Meeting (AGM) Assessment project organized by the Thai Investors Association together with the Office of the Securities and Exchange Commission and the Thai Listed Companies Association. The criteria used in the assessment covers the various steps in arranging the shareholders' meeting before the meeting day, on the meeting day and after the meeting day. The Company received an "Excellent" rating.

## **Chapter 2 The Equitable Treatment of Shareholders**

The Board of Directors supervises and protects the fundamental rights of all individual such as major shareholders, minority shareholders, institutional investors or foreign investors equally, including the process of calling the meeting of shareholders, the protective measures to prevent the use of inside information by the directors, management and employees for abusive self-dealing, and for the directors and management to disclose information regarding their interests and those of their related parties.

The Company has established guidelines for the equitable treatment of shareholders as follows:

### **1. Release of Information Prior to the Shareholders' Meeting**

1.1 The Company informs the Stock Exchange of Thailand of the meeting schedule together with the agenda and opinions of the Board of Directors and disseminated this information on the Company's website. The details of the procedures are as follows:

- 1.1.1 The Company provides an opportunity for the shareholders to review the supporting information of the meeting on its website at least 30 days prior to the date of the shareholders' meeting.
- 1.1.2 The supporting information of the meeting posted on the Company's website contains the same information that the Company will send to the shareholders in the form of hard copy documents.
- 1.1.3 The Company sends the notice of the meeting and the supporting documents to the shareholders for more days in



advance than that stipulated by law (at least 30 days prior to the meeting date).

1.2 The Company informs the shareholders of the various meeting rules and procedures for voting, including the voting rights attached to each class of shares, both in the notice of the meeting and at the shareholders' meeting.

1.3 The above notice of the shareholders' meeting is fully translated into English and disseminated at the same time as the Thai version.

## **2. Protection of the Rights of Minority Shareholders**

2.1 The Board of Directors has clearly pre-determined the criteria for minority shareholders to propose additional agenda items in advance of the shareholders' meeting date. In order to demonstrate fairness and transparency in considering whether the agenda items proposed by the minority shareholders should be included, the Company has the following criteria:

- 1) All shareholders have the right to propose agenda items.
- 2) Details of the supporting information for consideration.
- 3) Criteria to determine inclusion/non-inclusion of the matter proposed as an agenda item.
- 4) Channels through which to propose agenda items, such as send a letter to the Board of Directors that may be sent in advance through the Company's website, by email, etc.
- 5) Nomination period is from 1 January to 31 December of every year.
- 6) The Board of Directors informs the shareholders via the Company's website of the criteria for proposing agenda items.
- 7) There is a screening process of the matters proposed by the shareholders for consideration by the Board of Directors in the Board meeting.
- 8) Inform the shareholders of the Board of Directors' decision together with the reasoning by informing the shareholder who proposed the agenda item and informing the shareholders' meeting.

2.2 The Board of Directors established procedures for minority shareholders to nominate candidates to serve as directors and to provide supporting information regarding the candidates' qualifications and their consent in advance of the shareholders' meeting date. The rules for nomination are as per the following topics:

- 1) Nomination channel is by submitting a letter to the Board of Directors.

- 2) Nomination period is from 1 January to 31 December of every year.
- 3) Supporting information for consideration, such as detailed information on the qualifications of the proposed candidates, the candidates' letters of consent, etc.
- 4) The Board of Directors informs the shareholders of the rules for nomination candidates through the dissemination channels of the Stock Exchange of Thailand and through the Company's website.
- 5) The Board of Directors considers the qualifications of the candidates proposed by the minority shareholders according to the criteria set by the Company.
- 6) The Corporate Secretary informs the shareholders who proposed candidates of the Board of Directors' decision and its reasoning and the Chairman informs the shareholders' meeting.

2.3 Shareholders in a management position may not add an agenda item without prior notice unless necessary, especially important agenda items that the shareholders require time to review before making a decision.

2.4 The Board of Directors provides the opportunity for the shareholders to exercise their rights to elect directors individually.

### **3. Protection against Abuse of Inside Information**

3.1 The Board of Directors has established in writing the policy for safeguarding and prevention of use of inside information and has communicated them to everyone in the Company for compliance, together with the rules for trading the Company's shares for the directors, executives and employees with knowledge of inside information to use as a guideline.

3.2 All directors and executives who have a duty by law to report on their securities holding of the Company are required to regularly send such report to the Board of Directors and this information must be disclosed in the Company's annual report.

### **4. Conflicts of Interest of Directors**

4.1 The Board of Directors has a policy for the directors and executives to report any conflict of interest regarding each agenda item prior to consideration and that such conflict must be recorded in the minutes of the Board of Directors' meeting as follows:

- 1) The Board of Directors has set the guideline for the directors and executives to disclose their interests and those of their related persons to the Board so that it can make a decision for the benefit of the Company as a whole.
- 2) This guideline is consistent with the nature of the business and the regulations of the relevant authorities, such as the Bank of Thailand, the Securities and Exchange Commission, the Stock Exchange of Thailand, etc.
- 3) The Corporate Secretary has been assigned as the recipient for information on any interest of the directors, executives and their related persons.
- 4) The Corporate Secretary has the duty to report any interest of the directors and executives, together with related persons to the Board of Directors, especially when the Board has to consider any transaction between the Company and the director or executive who have an interest or is connected.

4.2 The Board of Directors supervises that directors with material interest in a manner that may impede the said directors from providing an independent opinion shall not participate in the meeting to consider the agenda item in which he has an interest.

At the annual general meeting of shareholders for 2014, there were no changes in the order of the agenda items and no agenda item was added. The meeting was not requested to consider matters other than those specified in the notice of the meeting.

Moreover, directors and executives have reported their shareholdings in the Company of their spouses and minor children to the Board of Directors or the person who was assigned by the Board of Directors including the disclosure of the Board of Directors and the Annual Report.

### **Chapter 3 The Role of Stakeholders**

The Company believes that the private sector is a significant factor of the economic and social of the country and the Company is deemed responsible for taking care of the survival and the sustainability of the social. Therefore, the Company and its subsidiary adhere to their intention to operate business by recognizing the significant of all stakeholders under the Premier Group's business philosophy of "The Premier Business, The Premier People, The Premier Society" The Company believes that maintaining a balance between business, employees and society will encourage the

growth of the Company, society and environment at the same time strongly and sustainably.

The Company has established guidelines on the role of stakeholders as follows:

### **1. Setting Policies Affecting Stakeholders**

1.1 The Board of Directors has set the policy and practice on the treatment of each stakeholder group together with implementation measures that are in effect. The policy has been announced and there are measures related to fair treatment that ensures that the Company and its value chain are responsible for the stakeholders as follows:

#### **1) Shareholders**

Perform duties with integrity, transparency and for the benefit of the Company and its shareholders; manage the Company's operations cautiously and carefully in order to prevent any damages to the shareholders; refrain from seeking personal gains for oneself or related persons by exploiting any non-public information of the Company; and refrain from any action that might cause conflicts of interest with the Company, including the divulgence of any confidential information of the Company to outsiders, especially its competitors.

#### **2) Employees**

The Company recognizes the importance of its employees as valuable assets and has treated all employees equally and fairly based on human rights principles without discrimination of skin color, race, sex or religion and without the use of child or illegal labor. The Company has compensation and remuneration policies that are based on the principles of fairness, which are appropriate for the job description, responsibilities and competency of each employee and are comparable with other companies within the same industry. The Company also has a policy for the continuous development and promotion of knowledge and competency for the employees to develop their skills and abilities for career advancement.

As for welfare policy, the Company provides additional benefits from the law for employees such as provident fund as a tool of motivating employee performance and retain personnel with the Company in the long run to look for savings regularly to secure for life after retirement, Savings cooperatives as a tool of saving and capital resources in emergency case, group life insurance, group accident insurance, annual health check-up, in-house medical clinic, library, sport club, shuttle bus service and financial support for employees on various occasions.

The Company has set a safety policy and set up a committee to oversee that safety, bio-sanitation, and the work environment are in accordance with

the laws and international standards and to closely monitor performance. Knowledge and training on safety, bio-sanitation, and the work environment are provided to the employees and related persons along with promotion of all employees' awareness towards the importance of safety and to seriously comply. There is regular testing of the office building's safety system and annual fire drills, as well as illumination and noise intensity measurements.

### **3) Customers**

The Company has set a policy to meet customer satisfaction by offering quality products of standard that are safe to fulfill the needs of the customers. Complete and accurate information about the products and services are disclosed without distortion of facts, as well as provision of information that is accurate, adequate, and beneficial to the customers. It also has a product recall process in case any quality defect is found.

### **4) Trade Partners and Creditors**

The Company selects its trade partners impartially and conducts mutual business fairly without exploitation, respects and abides by the terms of the agreement, and does not solicit, accept or give any undue benefit in dealing with trade partners or creditors. In the case that there should be any information regarding the bestowment of any undue benefits, the Company will consult with the trade partners or creditors to mutually resolve the matter quickly and with fairness to all parties.

### **5) Competitors**

The Company conducts its business ethically and transparently with fair competition with its competitors, competes under the rules of fair business competition, refrains from seeking confidential information of the business competitors through dishonest or improper means, and refrains from discrediting competitors through slandering or take any action without the truth and unjustifiably.

### **6) Communities/Society**

The Company has set the rules for the treatment of communities and society in its Code of Conduct for use as a guideline for practice by all employees as follows:

- 1) Support activities that are beneficial to the communities and society as a whole and build a good relationship with the communities in which the Company's place of business is located.
- 2) Comply or ensure compliance with relevant laws and regulations.

- 3) Refrain from supporting or participating in transactions with any persons that are detrimental to the communities and society.
- 4) Pay attention to and be responsible for rectifying any danger that society is apprehensive of that may have been caused by the Company's products/services or business operation.
- 5) Participate in the improvement of quality of life, build a harmonious society, develop virtue and morality, preserve good traditions, and instill a strong sense of social responsibility and volunteerism among the employees.

## **7) Environment**

- 1) Refrain from any action that may damage the natural resources and the environment.
- 2) Comply or ensure compliance with laws and regulations related to the environment.
- 3) Refrain from supporting or participating in transactions with outside persons that threaten the environment as a whole.
- 4) Encourage the efficient use of resources and set policies on conservation of energy and other resources through the adoption of energy-efficient technologies for use in the Company.
- 5) Encourage educating employees environmental issues including activities related to the environment with the staff by defines as policies and practices to beware of.

1.2 The Board of Directors has assigned the Corporate Secretary as the recipient of complaints and to handle the complaints filed by the stakeholders. The reporting procedures and channels have been disclosed on the website and in the annual report of the Company.

1.3 Have in place mechanisms for whistle-blower protection and compensation measures in the case that stakeholders receive any damage from the Company's violation of their legal rights.

## **2. Disclosure of compliance to the policies and preparation of the sustainability report on corporate social responsibility (CSR Report)**

2.1 The Company discloses various activities that demonstrate the implementation of the policies mentioned above and also discloses the mechanisms to

encourage the participation of employees in compliance with the afore-mentioned policies.

2.2 The Board of Directors ensures that the Company prepares a sustainability report on corporate social responsibility as a separate report from the annual report and disseminates through the Company's website.

**3. The Company has policies and practices in anti-corruption,** as well as supports activities that promotes and instills all employees to comply with the relevant laws and regulations.

**4. The Company has set policies on intellectual property** for which employees are prohibited from infringement of the intellectual property rights of others, disregarding whether domestic or foreign, and are prohibited from bringing pirated software for use in the Company. The Company has anti-corruption policies and prohibits bribery for business gain by the Company. The Company has informed all employees of these policies to which they have complied with all along. In addition, the Company has signed the declaration of intent to join the Private Sector Collective Action Coalition against Corruption.

In 2014 the Company has no significant disputes with stakeholders. In addition, the Company has complied with all laws and regulations related to the rights of stakeholders has been well taken care of such as

1. In the shareholders' meeting, the Company gives rights to all shareholders to suggest any comments about the Company's business as the Company's owner through the independent directors in advance. All comments will be gathered to the Board of Directors for consideration. In 2014, the shareholders did not have any comments in advance.

2. The Company adjusts the employer's contribution rate and employee's contribution to have higher rates in order to allow employees to have secured the future and have the opportunity to determine the rate of savings in line with its revenue base, especially for employees who have less earning. To encourage employees to save money through provident fund effected from the year 2015 onwards.

3. The Company had no cases of violation of labor and employment laws, consumer competition, environment and no cases of misconduct in violation of the other intellectual property, fraud or offending business ethics. The Company had a record of accident or absence or illness is zero.

4. The Company prepares a sustainability report on corporate social responsibility as a separate report from the annual report by using concept of the Stock Exchange of Thailand's corporate social responsibility under the vision, mission and philosophy of Premier Group of Companies, which is "The Premier Business, The Premier People, The Premier Society" and according to Global Reporting Initiatives (GRI) and disclosed through the Company's website.

5. The Board of Directors has approved the adoption of the anti-corruption policy on May 12, 2014, and was certified as a full member of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) on July 4, 2014. Due to the Company's business is to invest in other companies (Holding Company); the Company has submitted such a policy for the subsidiary to continue to define the principles, practices and communication

## **Chapter 4 Disclosure and Transparency**

The Board of Directors recognizes the importance of disclosure of information, both financial and non-financial, that is accurate, complete and transparent as stipulated by the regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), as well as other material information that may affect the price of the Company's securities that influences the decision-making process of its investors and stakeholders. Information on the Company is disseminated to the shareholders, investors and general public through the channels of the SET and the Company's website in Thai and English, which is constantly updated.

The Company has set guidelines on the disclosure and transparency of information as follows:

### **1. Disclosure of Information**

1.1 The Board of Directors has mechanisms to ensure that the information disclosed to the investors is accurate, not misleading and adequate for their decision-making as follows:

1.1.1 The disclosure of material information, both financial and non-financial, of the Company is accurate, complete, timely, transparent and in accordance with the criteria stipulated by the SEC and the SET.

1.1.2 The effectiveness of the disclosure process is evaluated regularly.

1.2 The Board of Directors provides a summary of the corporate governance policy, code of conduct, risk management policy and corporate social responsibility policy as approved by the Board and the steps in implementing such



policies, including cases of non-compliance along with the reasons, through various channels, such as the Company's annual report and website.

1.3 The Board of Directors has arranged for the Report of the Board of Directors' Responsibilities for Financial Statements to be presented together with the report of the independent auditor in the annual report. The report covers the following subjects:

- 1) Compliance with generally accepted accounting principles that is suitable for the business and use of appropriate accounting policies that are consistently adopted.
- 2) The financial reports contain information that is accurate, complete and factual in accordance with accounting standards.
- 3) The Report of the Board of Directors' Responsibilities for Financial Statements is signed by the Chairman and the Managing Director.

1.4 The Board of Directors encourages the Company to prepare a Management Discussion and Analysis (MD&A) to supplement the disclosure of each quarterly financial statement. This is done in order for investors to be informed of the information and to understand the changes that occurred to the financial position and results of operations, the significant changes in the Company, including factors and events that affect the financial position or results of operations, and not just be presented with only the figures in the financial statements.

1.5 The Board of Directors stipulates that the audit and other fees of the auditor be disclosed in the Company's annual report.

1.6 The Board of Directors stipulates that the following information be disclosed in the annual report:

- 1) Roles, duties and opinions from their work performance in the previous year of the Board of Directors.
- 2) Roles, duties and opinions from their work performance in the previous year of the committees.
- 3) Number of meetings held and attendance record of each director in the previous year.
- 4) Record of training and ongoing professional education of the directors.

1.7 The Board of Directors discloses the policy for remuneration of directors, self-assessment of the board as a whole and individual and self-assessment of the Chief Executive. The remuneration policy for directors and senior management that corresponds with the duties and responsibilities of each person, including the forms and manner of remuneration, the remuneration amount and the amount of payment received by each director as a director of the Company's subsidiary.

## **2. Minimum Information Disclosed on the Company's Website**

2.1 In addition to disclosing information as specified by the regulations through the SET, annual statements (Form 56-1), and annual report, the Board of Directors deems it appropriate to regularly disclose information that is up-to-date both in Thai and English through other channels, such as the Company's website. The minimum information on the Company's website should at least comprise the following and must be regularly updated:

- (1) Vision and mission of the Company;
- (2) Nature of business of the Company;
- (3) Organization chart and list of members of the Board of Directors and management team;
- (4) Qualification and experience of the Corporate Secretary;
- (5) Financial statements and reports on the financial position and results of operations for both the current and prior year.
- (6) Downloadable annual statements (Form 56-1), and annual report;
- (7) Information or other materials provided in briefings to analysts, fund managers and the media;
- (8) Direct and indirect shareholding structure;
- (9) Group corporate structure, detailing the subsidiary, affiliates, joint ventures and special purpose enterprises/vehicles (SPEs/SPVs);
- (10) Direct and indirect shareholding of beneficial owners holding 5% or more of the total paid-up shares with voting rights;
- (11) Direct and indirect shareholdings of major and/or substantial shareholders, directors, and senior management;
- (12) Notice of the annual general meeting and extraordinary general meetings;
- (13) Articles of Association, Memorandum of Association and shareholders' agreement (if any);
- (14) Policy and practices according to the principles of good corporate governance of the Company;
- (15) Risk management policy and its implementation;
- (16) or responsibilities, qualifications and term of office of the Board of Directors, including the types of decisions requiring Board approval;
- (17) Charter or responsibilities, qualifications and term of office of the committees;
- (18) Code of conduct of the Company's employees and directors;
- (19) Code of conduct of the investor relations officer;

- (20) News of the Company and its subsidiary;
- (21) Contact details of the unit or officer responsible for investor relations (e.g. name of contact person who can provide information and telephone number);
- (22) Annual investor relations plan.

In 2014, the Company presented its operational results, both financial and non-financial information, to the shareholders, retail investors, institutional investors, analysts and other stakeholders through various channels and participated at the Stock Exchange of Thailand's Opportunity Day on March 24, 2014 and August 19, 2014. There were also Company visits where the Company's management met with analysts, local and foreign institutional investors and retail investors. 4 conference calls were held with analysts and investors. In addition, the Company regularly replied to email, line application and telephone queries and evenly.

## **Chapter 5 Responsibilities of the Board of Directors**

The Board of Directors is responsible for overseeing the work of the management to ensure compliance with policies, plans and budgets, as well as its responsibilities toward the Company and its shareholders.

The Company has set the guidelines regarding the responsibilities of the Board of Directors as follows:

### **1. Structure of the Board**

1.1 The Board of Directors has prescribed that the structure of Board should consist of directors with various qualifications in terms of skills, experience, expertise that is beneficial to the Company and gender. There should be at least one non-executive director having prior working experience in the business or major industry in which the Company is operating.

1.2 The Board of Directors ensures that the Board's diversity policy and the number of years each director has served as a director of the Company are disclosed in the annual report and on the Company's website.

1.2.1 Disclose the procedures for selection of directors that is formal and transparent and the number of years each director has served as a director of the Company are disclosed in the annual report and on the Company's website.

1.2.2 Disclose the name, history, qualifications, experience and shareholding in the Company of the directors in order to show that the Board has the knowledge, skills, characteristics and experience

that are useful to the Company in the annual report and on the Company's website.

- 1.2.3 Disclose clearly in the annual report the directors representing the shareholders / non-executive directors / independent directors / executive directors.

1.3 The Board is appropriately sized and is composed of persons with sufficient knowledge, experience and skills to perform their duties efficiently. The Board is composed of at least 5 but not more than 12 directors.

1.4 The Board consists of independent directors who can independently comment on the performance of the management in the number prescribed in the notification of the Securities and Exchange Commission (SEC).

1.5 The proportion of directors is in accordance with the director nomination process, which is mainly based on the criteria of knowledge, competency and suitability of the person to be appointed as a director rather than on the criteria on proportion of investments.

1.6 The Company takes into account the benefits to corporate management according to the director nomination process set by the Company rather than the number or proportion of independent directors.

1.7 The Board of Directors has determined the tenure of each term of office but has not set the limit on the number of consecutive terms in office.

1.8 The Board considers the qualifications of the person to be appointed as an "independent director" to ensure that the independent directors of the Company are truly independent and are appropriate for the specific nature of the Company. Their independence must at least be in accordance with the criteria set by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

1.9 The continuous tenure of the independent director will be beneficial to the corporate management and business operations of the Company. In addition, the search for a competent person to serve as independent directors cannot be implemented immediately.

1.10 The Chairman of the Board and the Managing Director have different roles and responsibilities. The Board has clearly defined the roles and responsibilities of the Chairman and the Managing Director and has recruited different persons to hold the positions of Chairman and Managing Director so that neither person has unlimited power.

1.11 The Board of Directors respects the judgment of the Managing Director and senior executives of the Company not to serve as a director of other companies with the same business as or are in competition with the business of the Company or are contrary to the interests of the Company.

1.12 The Company has appointed a Corporate Secretary to be responsible for advising on laws and regulations of relevance to the Board of Directors and for overseeing the activities of the Board, including coordinating the compliance with the Board's resolutions.

The Board of Directors has determined the qualifications and experience of the appropriate Corporate Secretary who will perform the duty as the secretary of the Company. The qualifications and experience of the Corporate Secretary are disclosed in the annual report and on the website of the Company.

1.13 The Corporate Secretary has received training and continuous development in legal, accountancy, or Company secretarial practices. The Company determines the qualifications and appoints a person as the Corporate Secretary by taking into consideration of mainly his knowledge, capability and work experience, disregarding whether such person is a permanent employee of the Company or not.

## **2. Committees**

2.1 The Board of Directors has appointed an Audit Committee in accordance with the requirement of the Stock Exchange of Thailand with a term of office of 3 year to perform specific duties and to propose matters for consideration or acknowledgement by the Board. The Audit Committee has rights and duties as set out in the Scope of Responsibilities of the Audit Committee and has qualifications according to the criteria prescribed by the SEC.

2.2 The Board of Directors appointed a Remuneration Committee and a Nomination Committee. The entire Board, except for directors with conflicts of interest, will consider the criteria for and form of remuneration to the directors and present its opinion to the Board, which the Board must propose to the shareholders' meeting for approval. The Board will also consider the criteria and process for nomination of persons with appropriate qualifications to serve as directors, as well as select persons according to the determined nomination process and present its recommendation to the Board, which will propose to the shareholders' meeting to appoint as directors.

## **3. Roles and Responsibilities of the Board**

3.1 The Board's duties and responsibilities should include the following matters:

- 1) The Board of Directors have authorized to approve about the Company according to the duties imposed by law, articles of association, charter of the board and the resolution of the shareholders' meeting, including the consideration and approval of the key matters on the Company's operations such as the vision, mission, strategy, financial targets, risks, budget plan, corporate governance

policy, anti-corruption policy including review and approval in the line with the Company's situation.

- 2) Monitor and ensure efficient and effective implementation by the management of approved policies and plans.
- 3) Internal control and risk management, including the process for receiving and handling complaints.
- 4) Ensure long-term business continuity, including employee development plan and succession plan.

3.2 The Board of Directors has determined in writing a corporate governance policy for the Company as follows:

- 1) The Board has determined and approved a written corporate governance policy.
- 2) Communicate to everyone in the organization for their understanding.
- 3) Have method to encourage everyone in the organization to comply with the corporate governance policy.
- 4) Assess compliance to the corporate governance policy and review the policy at least annually.

3.3 The Board of Director promotes the preparation of a written code of conduct so all directors, executives and employees will understand the ethical standards the Company uses in its business operations and seriously monitors compliance with the code.

3.4 The Board of Directors considers any conflict of interests thoroughly. There should be clear guidelines on the approval of transactions with possible conflicts of interest, which is chiefly for the best interests of the Company and all its shareholders. Persons with vested interests should not participate in the decision-making process. The Board should also monitor compliance with regulations regarding the procedures for and disclosure of information on transactions that may have conflicts of interest to ensure accuracy and completeness.

3.5 The Board of Directors ensures that internal control systems for financial reporting and compliance with regulations and policies are in place. The Board has assigned a person or a department that is independent to audit such systems and to review the main systems at least annually, as well as disclose the review results in the annual report.

3.6 The Board has established a risk management policy covering the whole Company and has assigned the management to implement the policy and regularly report to the Board. The risk management system is review or the effectiveness of risk management is assessed at least once a year with the results disclosed in the annual

report, and whenever, there is a change in risk level, which includes focusing on early warning signs and unusual transactions.

3.7 The Board of Directors or Audit Committee should provide its opinion on the adequacy of the Company's internal controls and risk management systems in the annual report.

3.8 The Board of Directors has set clear procedures for whistle-blowers or stakeholders through its website or directly to the Company or report directly to the Company. The Board has assigned the Corporate Secretary as the recipient and handler of complaints from the stakeholders. The procedures and channels for filing complaints are disclosed on the Company's website and annual report. The Company has mechanisms for whistle-blower protection and compensation measures in the case stakeholders receive damages from the Company's violation of their legal rights.

3.9 The Board of Directors has mechanisms for governing its subsidiary in order to protect the benefits from its investment. The Board is responsible for determining the suitability of persons to be appointed as directors of the subsidiary companies in order to ensure that its management complies with the policies of the Company and that various transactions are executed correctly according to securities and exchange laws and notifications of the SET.

#### **4. Board of Directors' Meetings**

4.1 The Company sets the schedules and agendas of the Board of Directors' meeting in advance and notifies each director of the schedule so that all directors can manage time to attend the meetings.

4.2 The number of Board meetings should correspond with the duties and responsibilities of the Board and the nature of business of the Company. In the case the meetings are not held monthly, the Company will send a performance report to the directors for the months in which there was no meeting so that they can continuously and timeously supervise and oversee the performance of the management.

4.3 The Chairman of the Board and the Managing Director jointly selects matters for inclusion in the agenda of the Board meeting and ensures that all important matters are included. Opportunity is provided for each director to independently propose any matter that is beneficial to the Company as an agenda item.

4.4 The meeting documents are sent to the directors at least 5 working days in advance of the meeting date.

4.5 All directors attended at least 75 per cent of all Board meetings held during the year.

4.6 Minimum quorum of the directors at the meeting is required to appoint at least 2 out of 3 of total directors. In case of emergency / urgent case / circumstances which may cause damage to the Company's business or operations and may not be carried out 2 out of the 3 of total directors attend the meeting, the directors not less than one-half in accordance with articles of association have authority to consider and resolve that agenda.

4.7 The Chairman allocated adequate time for the management to propose matters and enough time for all directors to discuss important problems carefully. The Chairman promotes the prudent use of discretion. All directors paid attention to all matters raised at the meeting, including those concerning corporate governance.

4.8 The Board of Directors encourages the Managing Director to invite the senior executives to attend the Board meetings to provide additional information on the problems to which they are directly related and to provide an opportunity for the Board to learn more about the senior executives for use in supporting the consideration of the succession plan.

4.9 The Board of Directors has access to additional necessary information from the Managing Director, Corporate Secretary or other executives assigned under the scope of the policy set. If necessary, the Board may obtain independent opinions from external consultants or practitioners at the Company's expense.

4.10 The Board of Directors considers it a policy to provide opportunities for non-executive directors to meet among themselves as necessary to discuss various management issues of interest without participation of the management and to inform the Managing Director of the outcome of such meetings

4.11 The minutes of the meeting should consist of at least the following information and there should be a good storage system with easy data search but cannot be amended without approval of a Board meeting.

- Date, start time and end time;
- Names of the directors present and absent;
- Summary of important information on the matters proposed to the Board;
- Summary of the matters discussed and observations of the directors;
- Resolutions of the Board and opinions of the dissenting directors (if any);
- Recorder of the minutes - Secretary of the Board of Directors;
- Certifier of the minutes - Chairman.



## 5. Board Self-Assessment

5.1 The Board of Director and the committees conduct self-assessment of its performance at least once a year so that the directors can collectively consider its performance and problems for further improvement by setting a benchmark for systematic comparison with its performance.

5.2 The Board self-assessment is an assessment of the Board and the Committee as a whole and individual including disclosed the criteria and process in the Company's annual report.

5.3 The Board annually evaluates Chief Executive Officer or Managing Director to be used in determining their remuneration. At which the Company evaluates in accordance with the principle that the Stock Exchange of Thailand has set.

In 2014, the Company has evaluate the performance of the entire committee and evaluate the performance of individual by using the method of 5 level scoring for each topic, which are: 0= Strongly disagree or there has been no implementation of the matter, 1= Disagree or there has been little implementation of the matter, 2 = Agree to a limited extent or there has been initial implementation of the matter, 3 = Mostly agree or there has been progressive implementation of the matter, 4= Strongly agree or there has been complete implementation of the matter. The evaluation topics consisted of 6 main topics, which are:

1. Structure and qualification of the Board
2. Roles, duties and responsibility of the Board
3. Board Meeting
4. Duties of Directors
5. Relationship with the management division
6. Directors' Self Development and Executive Development.

Moreover, the Company has evaluated the chief executive officer success by considering from the Company's business operation performance and operating performance that was in accordance with the policy assigned by the Board of director for the improvement. Scoring method used is the same as operation performance of the entire board evaluation and the performance of individual. The evaluation topic consisted of 3 main sections, which are:

Section 1: Progress of work plan

Section 2: Performance Measurement

- 2.1 Leadership
- 2.2 Strategy Formulation
- 2.3 Strategy Implementation
- 2.4 Financial planning and financial performance
- 2.5 Relationship with the Board

- 2.6 External Relations
- 2.7 Administration and Personnel relations
- 2.8 Succession
- 2.9 Knowledge of products and services
- 2.10 Personal Characteristics

### Section 3: Development of Chief Executive Officer

## **6. Remuneration**

The remuneration of directors is comparable with the industry level and reflects the experience, duties, accountability and responsibilities, as well as expected contributions of each director. Directors who are assigned to more tasks and has more duties and responsibilities, such as being a member of a committee, should receive additional remuneration as appropriate.

## **7. Board and Management Training**

7.1 The Board encourages and facilitates training and educating for those involved in corporate governance of the Company, such as directors, members of the audit committee, executives, Corporate Secretary, etc., to assist them to continuously improve their performance. Training and educating can be done internally or through the use of the services of external institutions.

7.2 The Board of Directors determines the orientation for all new directors to build the understanding in the Company's business and the implementation of various aspects in order to prepare for the performance of the Directors. The Company Secretary is the coordinator of the various business structures, board structure, responsibilities, business introduction, operation guidelines etc.

7.3 The Board has established a personnel development policy for directors and executives and disclose in the Company's annual report.

7.4 The Board requires the Managing Director to present them with the Company's succession plan at least once a year. The Managing Director and senior executives have prepared continuous succession plans in case they cannot perform their duties.

In 2014, the Directors have attended seminars and training courses of the Thai Institute of Director (IOD) as follows:

No.	Name	Position	2014 Training Courses	Duration (Day)
1	Mr. Katiya Greigarn	Independent Director and Chairman of the Audit Committee	- Anti-Corruption for Executive Program (ACEP) Course, Batch 9/2014	1/2
2	Miss Nangnoi Chai-Onnom	Independent Director and Member of Audit Committee	- Anti-Corruption for Executive Program (ACEP) Course, Batch 9/2014	1/2
3	Mr.Paritud Bhandhubanyong	Independent Director	- Anti-Corruption for Executive Program (ACEP) Course, Batch 9/2014	1/2
4	Mrs. Duangthip Eamrunroj	Director	- Family Business Governance for Sustainability Course, Batch 2014	1/2
5	Mr. Suradej Boonyawatana	Director	- Anti-Corruption for Executive Program (ACEP) Course, Batch 9/2014 - Role of the Chairman Program (RCP) Course, Batch 34/2014	1/2 2
6	Miss Wanna Kolsrichai	Director	- Director Certification Program (DCP) Course, Batch 198/2014	6
7	Mr. Harin Uptra	Director	- Director Accreditation Program(DAP) Course, Batch 107/2014	1

## Committees

The Board of Director has appointed the Sub-Committee as follows:

### Audit Committee

As at December 31, 2014, the Audit Committee comprised 3 members

Name	Position	Meetings/Attendance (Times)
1. Mr. Katiya Greigarn	Chairman of the Audit Committee	6/6
2. Mr. Suchai Vatanatrakul	Member of the Audit Committee	6/6
3. Miss Naengnoi Chai-onnom *	Member of the Audit Committee	6/6

Remarks: \* a person with sufficient knowledge and experience to verify the creditability of the financial statements.

By the year 2014, the Audit Committee held a total of 6 times, including the quarterly Audit Committee meeting 4 times, meeting with the subsidiary' risk management committee 1 time and meeting with the external auditor without executive attend 1 time.

Mr. Teerapol Juthapornpong, The Company Secretary, served as the Secretary of the Audit Committee since February 20, 2013 and Mr. Akapan Nuanmuang, Director of Internal Audit Office, is in charge of the internal control system, internal audit system and risk management system and report directly to the Audit Committee. A profile of Mr. Akapan Nuanmuang is presented in [Appendix 3](#)

### **Term of the Audit Committee**

The term of office of the Audit Committee member is 3 years. A retiring committee member is eligible for re-appointment. In the event of the resignation of any Audit Committee member prior to the expiration of their term, the appointed replacement shall hold office only for the remainder of the term of the replaced member.

### **Scope of Duties and Responsibilities of the Audit Committee**

The Audit Committee has duties and responsibilities as delegated by the Board of Directors as follows:

- 1) Review the Company's financial reporting process to ensure accuracy and adequacy;
- 2) Review that the Company has appropriate and efficient internal control and internal audit systems, determine the independence of the Internal Audit Office, as well as recommend the appointment, transfer and dismissal of the chief of the Internal Audit Office or any other unit responsible for internal audit.
- 3) Review the Company's compliance with the securities and exchange law, regulations of the Stock Exchange and other laws relevant to the Company's businesses.
- 4) Consider, select, nominate and dismiss an independent person to act as the Company's auditor and propose the remuneration of such person, as well as attend a non-management meeting with the auditor at least once a year.
- 5) Review and approve the connected transactions or those with possible conflicts of interest to ensure that they comply with all relevant laws and regulations of the Stock Exchange. This is to ensure that these transactions are reasonable and of maximum benefit to the Company.

6) Prepare and disclose a report on the Audit Committee's monitoring activities in the Company's annual report, which must be signed by the Chairman of the Audit Committee and consist of at least the following information:

- An opinion on the accuracy, completeness and creditability of the Company's financial reporting;
- An opinion on the adequacy of the Company's internal control system;
- An opinion on the compliance with the securities and exchange laws, regulations of the Stock Exchange or laws relevant to the Company's business;
- An opinion on the suitability of the auditor;
- An opinion on transactions that may have conflicts of interest;
- The number of audit committee meetings and attendance of such meetings by each committee member;
- Opinions or observations received by the audit committee through the performance of its duties as defined in its charter;
- Disclosure of other reports that the Audit Committee considers the shareholders and general investors should be aware of, within the scope of its duties and responsibilities as assigned by the Company's Board of Directors.

7) To perform any other task assigned by the Company's Board of Directors with the approval of the Audit Committee.

8) Verify the appropriateness and adequacy of the Company's risk management system.

9) Review the Company's corporate governance policy and evaluate the implementation of such policy at least once a year.

### **Remuneration Committee and Nomination Committee**

At present the Company has not appointed Remuneration Committee and Nomination Committee. However, the Board of Directors, except the director who is the stakeholders, are acting to consider the guidelines for remuneration paid to the board of directors and the Company's directors will present the remuneration to the Annual General Meeting for approval. And served as criteria for the selection of qualified directors, the Company's directors will present the Nomination to the Annual General Meeting for approval.

In such process for nomination of persons, the Company selected personnel from IOD Chartered Director of Thailand Institute of Directors (IOD) and personnel in various fields on the basis of seniority, qualifications and work experience

In 2014, the subsidiary had established risk management committee which consisted of member of the Board of Directors 1 person and the subsidiary's Chief Executive to operate under the supervisory of the audit committee. The responsibilities of risk management committee are to define / review/ approve framework and guideline in managing risk, anti-corruption as well as corporate social responsibilities; in order to prepare sustainable development report by coordinating with Internal Audit Office and report to the audit committee as well the board of directors to acknowledge every quarter. Risk management committee is also responsible for setting up meeting to review operation performance in accordance with the risk management system, report on significant risk together with the audit committee at least once a year. Furthermore, the duties of working group on internal procedure and risk management are to identify, evaluate, compile and to operate in accordance with the risk management plan and internal control.

### **Selection and Appointment of Directors and Executives**

The Company has not yet appointed a Nomination Committee but has already set the criteria for the selection and appointment of directors and executives as detailed below.

#### **(1) Independent Directors**

The Board of Directors or the shareholders' meeting (depending on the case) shall appoint independent directors to join the Company's Board. The Company has a policy that not less than one-third of the Board must be independent directors and that it must have at least 3 independent directors. Currently, the Company has 4 independent directors including Mr. Katiya Greigarn, Mr. Suchai Vatanatrinakul, Miss Nangnoi Chai-Onnom and Mr. Paritud Bhandhubanyong.

The Company has defined an independent director as specified in the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand according to notification Tor Jor. 4/2552 of the Capital Market Supervisory Board dated February 20, 2009 regarding the qualifications of the independent director. Independent director means a director who has the following qualifications:

1. Must not hold more than 1 per cent of all shares with voting rights of the Company, its parent Company, a subsidiary Company, an affiliated Company, major shareholder or a controlling person of the Company. This shall also include shareholding by related persons of the independent director.
2. Must not be or have been either a director with management authority, an employee, staff, consultant on retainer or a controlling person of the Company, unless relieved of such characteristics for not less than two years prior to

appointment. Such prohibited characteristic shall not include independent directors who are former government officials or consultants to a government agency that is a major shareholder or a controlling person of the Company.

3. Not being a person related by blood or by legal registration as a father, mother, spouse, sibling and child, including spouse of children of the executive, major shareholder, controlling person of the Company or any persons that has been nominated as an executive or controlling person of the Company or its subsidiary companies.

4. Neither having nor used to having a business relationship with the Company, its parent Company, subsidiary Company, affiliated Company, major shareholder or controlling person of the Company in a manner which may impede his independent judgment. Neither being nor used to being a principal shareholder or a controlling person of any person having a business relationship with the Company, its parent Company, subsidiary Company, affiliated Company, major shareholder or controlling person of the Company unless relieved of such characteristics for not less than two years prior to the date of appointment as an independent director.

The business relationship under the first paragraph includes normal business transactions for rental or lease of immovable property, transactions related to assets or service or the granting or receipt of financial assistance through the receipt or extension of loans, guarantees, provision of asset as collateral, and other similar actions that result in the Company or its counterparty being subject to indebtedness payable to the other party of 3 per cent or more of the Company's net tangible assets, or of 20 million Baht or more, whichever is the lower. The amount of such indebtedness shall be calculated according to the calculation method for the value of connected transactions specified in the notification of the Capital Market Supervisory Board concerning rules on connected transactions *mutatis mutandis*. However, in the consideration of such indebtedness, any indebtedness that occurred during the course of one year prior to the commencement date of the business relationship with the same person shall also be included.

5. Neither being nor used to being an auditor of the Company, its parent Company, subsidiary Company, affiliated Company, major shareholder or controlling person of the Company, and not being a principal shareholder, controlling person or partner of an audit firm that employs the auditors of the Company, its parent Company, subsidiary Company, affiliated Company, major shareholder or controlling person of the Company unless relieved of such characteristics for not less than two years prior to the date of appointment as an independent director.

6. Neither being nor used to being a provider of any professional service, including legal counselor or financial advisor, who receives a service fee exceeding 2

million Baht per year from the Company, its parent Company, subsidiary Company, affiliated Company, major shareholder or controlling person of the Company, and not being a principal shareholder, controlling person or partner of the provider of professional service unless relieved of such characteristics for not less than two years prior to the date of appointment as an independent director.

7. Not being a director appointed as a representative of the Company's director, major shareholder or shareholder who is related to the major shareholder.

8. Not operate any business of the same nature as and is in significant competition with the business of the Company or its subsidiary Company or not being a principal partner in a partnership or being an executive director, employee, staff, consultant on retainer or holding more than 1 per cent of all shares with voting rights of any other Company operating a business of the same nature as and is in significant competition with the business of the Company or its subsidiary Company.

9. Not having any other characteristic that impedes the ability to render independent opinions with regard to the Company's operations.

## **(2) Directors and Executives**

### **A. Board of Directors**

In the selection of directors, the Company's Board of Directors, excluding any director with conflicts of interest, will identify and select qualified candidates for nomination to the Board of Directors for its approval. The Board would then nominate the selected candidates to the shareholders' meeting for election and appointment. The appointment of the Company's directors will be in line with the criteria prescribed in the Company's Articles of Association as follows:

1. The Board of Directors of the Company will comprise not less than 5 members whose appointment has been approved by the shareholders' meeting and not less than half of the directors must reside in Thailand.

2. The shareholders' meeting elects the directors according to the following criteria and procedures:

- (1) Each shareholder shall be entitled to one share to one vote.
- (2) Each shareholder must exercise all his votes under (1) above to elect one or more nominees to be directors but may not divide the votes among several nominees.
- (3) Nominees who receive the largest number of votes in descending order shall be elected as directors equal to the number of directors to be elected at that time. In the event of that the nominees elected in subsequent order



receives equal votes and the number of directors to be elected at that time is exceeded, the chairman of the meeting shall cast the deciding vote.

3. At every annual general meeting of shareholders, one-third of the directors shall retire. If one-third is not a round number, the number closest thereto shall be the applicable number.

The directors to vacate office within the first and second year following Company registration shall draw lots. In subsequent years, the directors serving the longest shall retire. The directors who retire by rotation are eligible for re-election by the shareholders.

4. Any director who wishes to resign from office shall submit a letter of resignation to the Company. The resignation shall be effective on the date that the Company receives the letter. The director may notify the Registrar of his resignation.

5. In the event that a position of director becomes vacant for any reason other than the end of the office term, the Board of Directors shall appoint any individual with the characteristics prescribed by law to be a new director at the next Board meeting, except if the remaining office term is less than 2 months. The replacement director shall hold office only for the remainder of the office term of the director whom he replaces.

The resolution of the Board of Directors pursuant to the first paragraph must consist of votes of not less than three-fourths of the number of remaining directors.

6. The shareholders' meeting may remove any director from office before the end of term with a resolution of not less than three-fourths of the total votes of shareholders present and eligible to vote and altogether holding not less than one-half of the total number of all shares held by the shareholders present and eligible to vote at that meeting.

## **B. Audit Committee**

The Board of Directors appoints at least 3 members to serve as the Audit Committee of the Company. Each member of the Audit Committee must be an independent director and must possess the qualifications stipulated by the securities and exchange laws, as well as relevant notifications, regulation and/or rules of the Stock Exchange of Thailand that prescribes the qualifications and scope of duties and responsibilities of the Audit Committee.

### **C. Executives**

The Company has a policy to recruit executives through the selection of persons who possess knowledge, capability, skill, and experience beneficial for the Company's operations, fully understands the Company's business and is capable of managing the business to achieve the objectives and goals set by the Board of Directors. Selections are made in accordance with the human resource regulations and must be approved by the Board of Directors and/or any person assigned by the Board of Directors.

### **Governance of the Subsidiary's Operations**

The Company has a policy for its subsidiary to adhere to and comply with the corporate governance principles of the Company according to the guidelines set by the Company. It is set in the authorization manual of the subsidiary that important operations or material transactions must first be approved by the Company's Board of Directors. In addition, a large number of directors of the subsidiary are also directors of the Company and, therefore, the various operations of the subsidiary will largely take into consideration and adhere to the guidelines for operation of the Company.

### **Supervision of Inside Information Usage**

The Company supervises and protects against the use of inside information according to the good corporate governance principles, as well as requires the directors and executives to disclose information on their interests and those their related parties. The Company has the following guidelines:

1) Set policies regarding the safe-guarding of the information system in order to maintain the standard of the work system, computer system, and information and communication system, which are important in the creation of a control system of quality.

2) Set policies regarding trade secrets and intellectual properties. The Company has entered into confidentially agreements with its employees, contractors, suppliers/service providers and visitors of the Company to prevent disclosure of information or news of the Company and its subsidiary that are confidential. In addition, the employees are prohibited from infringement of the intellectual property rights of others.

3) The Board of Directors has set in writing the procedures for use of inside information to promote transparency, equality and fairness equally to all shareholders and to prevent the use of such non-public information for personal gains, as well as avoid criticism regarding the appropriateness of the trading of the Company's securities. The directors, executives and employees of the Company must protect the

secret and/or inside information of the Company and may not disclose or use such information, directly or indirectly, for personal gains for oneself or others. They must not trade, transfer or receive securities of the Company by using the Company's secret and/or inside information except where the information has been made public and must not enter into any transaction by using the Company's secret and/or inside information, which may directly or indirectly cause losses to the Company. They are also prohibited from trading, transferring or receiving the Company's securities for a period of 1 month prior to the disclosure of the Company's financial statements and within 2 working days after disclosed such information. This requirement includes spouses and minor children of the directors, executives and employees of the Company. Violators of the requirements will be punishable according to the Company's disciplinary rules and/or the law depending on the case.

4) The Company has advised the directors and executives of their duty to report on their shareholding in the Company. In the case where the director or executive trades in the Company's securities, they must also report their securities holding and the holdings of their spouses and minor children of the securities of the Company as prescribed by Section 59 of the Securities and Exchange Act B.E. 2535 within 3 working days to the Securities and Exchange Commission for further dissemination to the public. The Company also requires the directors and executives to report their securities holding to the Board or person who has been designated by the Board on a quarterly basis, including the disclosure by the Board of Directors meeting and the Annual Report.

5) The Board of Directors has set guidelines and procedures for reporting the interest of directors and executives as prescribed by Section 89/14 of the Securities and Exchange Act (No. 4) B.E. 2551 (2008) and notification Tor Jor. 2/2552 of the Capital Market Supervisory Board.

## **Remuneration of the Auditor**

### **(1) Audit Fee**

The Company and its subsidiary paid remuneration for the audit to EY Office Ltd., the audit firm.

EY Office Limited is auditors approved by the Securities and Exchange Commission. These auditors have no relation or interest with the Company / subsidiary / management / major shareholders or connected persons and, therefore, can independently perform the audit and provide their opinions on the Company's financial statements.

Related persons / parties of the auditors during the past financial year as follows:

Item	Company Paying	Auditor	Audit Fee
1	Premier Technology Public Co., Ltd	Mrs. Chonlaros Suntiasvaraporn	480,000.00
2	Datapro Computer System Co., Ltd.	Mrs. Chonlaros Suntiasvaraporn	830,000.00
Total Remuneration Paid for the Audit			1,310,000.00

## (2) Non-Audit Fee

- None –

## Compliance with Good Corporate Governance Principles in Other Matters Measures for Whistle-Blowing and violations of human rights

The Company requires that executives at all levels assume responsibility for ensuring that employees under their supervision acknowledge, understand and comply rigorously with the code of conduct and policy/regulations/requirements of the Company, the principles of good corporate governance and various laws. The Company has determined the procedures for consideration and investigation of grievances or complaints that are systematic, transparent and accountable so that the complainants will have trust and confidence in a fair investigation process.

In order to treat all stakeholders equally and with fairness, the Company has set up channels for whistle-blowing, complaints, suggestions or recommendations that indicate that the stakeholders are affected or are at risk of being affected by any action that may cause damages for all groups of stakeholders arising from its business operations or violation of laws, rules, regulations and the code of conduct by its employees, as well as behaviors that may indicate fraud, unfair treatment, or careless or reckless actions. Whistle-blowing or filing of complaints together with details and evidences can be made through the following channels:

- Audit Committee
- Secretary to the Board of Directors / Board of Directors  
Premier Technology Public Co., Ltd.  
No.1 Premier Corporate Park, Soi Premier 2, Srinakarin Road  
Nong-bon, Prawet, Bangkok 10250  
Telephone: 02 - 3011569  
Facsimile: 02 - 7482063  
e-mail: [teerapol.act@pt.premier.co.th](mailto:teerapol.act@pt.premier.co.th)

The whistle-blowers or filers of complaints that are employees, customers, individuals hired for work by the Company or other groups of stakeholders who are

whistle-blowers will have their rights protected and defended according to the law or the guidelines set by the Company.

In 2014, the Company did not have any material dispute with the stakeholders.

This is another year that the Corporate Governance Report of Thai Listed Companies (CGR) project has made major progress in criteria development to be in line with the ASEAN standard. The new criteria contained more details in many aspects such as the requirement of evaluation for individual operating performance of the committee and sub-committee as well as the evaluation for Chief Executive Officer or Chief Executive success; requirement to practice in accordance with business ethics and anti-corruption practices; the minimum quorum number of the director should not be less than two-third of the total directors when voting; the establishment of a nine-year ceiling for the term of independent directors. Even though, these criteria cause the Company to make a lot of adaptation but the overall average score is considered to be satisfactory.

However, there are some aspects that the Company has not fully practices and was not able to put into practices which are as follow:

Criteria that has not complete / clearly

1. In previous year, the Board had arranged less than 6 board of directors meeting, due to the number of the Board of director meeting that had been scheduled 4 times a year was appropriate and in line with the Company operation performance consideration agenda and the approval of financial budget agenda. Moreover, the Company is prepared to call an additional meeting in the case where it is necessary or any agenda that need to be consider in urgent.

Criteria that has not practiced

1. The Company had provided the shareholders meeting to have vote-counting auditor, which such procedure was presented in the shareholders meeting report. In providing independent individual to be the canvasser or to verify the vote results is not the method to prevent corruption in casting a vote. The Company has completely provided the method in counting, storing vote documents and recording of the meeting as well as disclosed on the Company's website. Thus the proceeding of the meeting and vote counting is transparent and accountability.

2. The board of directors can hold total share of more that 25% of the issued shares of the Company as the Company has no rights or involved in trading or holding shares of shareholders.

3. The Company has a total proportion in holding institutional investors' share of less than 5%, as the Company has no rights or involved in trading or holding shares of shareholders.

4. The board of directors has not set any policy on the limitation of each director in holding no more than 5 director's position in a listed Company in the Company's corporate governance policy as the board of directors has practices its duties effectively and there is a limitation on the number of personnel with knowledge and competence to hold the board of directors position. Thus in stipulating such conditions, the Company will face with difficulty in recruiting personnel to hold the director position.

5. The board does not have any policy for managing director on the holding of director position at other companies; as the Company has stipulated the managing director's prohibition/ limitations on conducting transaction or holding position in a Company or organization that have conflict of interest or affect the performance of the managing director position that such person hold with the Company. Moreover, from the aforementioned prohibitions/ limitations, the Company is firmly believed and respected the judgment of the managing director in holding the director position or other position at a Company or organization other than the Company itself.

6. The Board has no policy on the tenure of independent directors to not exceed 9 years; as for the director to continue holding the position should be advantageous to business management and business operation of the Company. In addition, to recruit personnel with knowledge and competence to hold the director position is not easily performed.

7. In the Board, there are some executive directors who hold the director position in other listed Company more than 2 companies as the executive directors have performed their duties effectively, therefore, limiting the number of Company in holding the position had no impact on the performance; and that number of persons with sufficient knowledge and experience to hold the Company's director position is limited. Thus, in stipulating such condition, the Company will face with difficulty to recruit such persons to hold the director position.

8. The Board did not disclosed Chief Executive Officer remuneration policy both in short and long term, including the monitoring of Chief Executive Officer performance as it is internal information that should not be disclosed, though the overall number of executives was disclosed.

9. Shareholders/ Board did not approved the executive director/ Chief Executives as the executive board has informed to waive the rights to receive compensation and according to the power of authorities handbook, the authority in

setting remuneration of chief executive is in the authority of managing director which is already appropriate and the board has verified through the annual budget.

10. Chairman of the board of director is not independent director, as the appointment of chairman of the board of director has been considered from directors with qualification, knowledge and competence, have understanding and adhere to the good governance principle, without having to regard whether the director is independent or not.

11. Chairman and chief executives of the Company is the same person due to the appointment of chairman was considered by the Company from director with appropriate qualification, knowledge, competence, have understanding and adhere to good governance policy, regardless of whether it is the same person or not.

12. The Company has not appointed any remuneration and nomination committee, as the Company has already assigned the entire Board, except for directors with conflicts of interest to act as the remuneration and nomination committee.

13. The Board has not established CG Committee as the entire committee has already acted as the CG Committee.

14. The Board has not established Risk Management Committee, as the Company has already appointed the audit committee to act as risk management committee. Moreover, the Company had also appointed risk management sub-committee that evaluate the Company and its subsidiary risk and reported to the audit committee as well.

15. The Board of Directors consisted of less than 50% independent directors due to the elements of independent directors is not the significant essence in the board of directors' role of duties.

The Company realized and engrossed to practice in accordance with good corporate governance principles that the Stock Exchange of Thailand has set. Apart from corporate governance policy, policies and measures in whistle-blowing and whistle-blower protection that the Company disclosed on the website and in the annual report, the Company also has policy on business, employees, society and environment which were disclosed in the sustainable development report.

## Corporate Social Responsibilities: CSR

The Company believes that the private sector is a significant factor of the economic and social of the country and the Company is deemed responsible for taking care of the survival and the sustainability of the social. Therefore, the Company and its subsidiary adhere to their intention to operate business by recognizing the significant of all stakeholders under the Premier Group's business philosophy of "The Premier Business, The Premier People, The Premier Society" The Company believes that in maintaining balance between business, employees and society will help support the business, society and environment to strongly and sustainably grow along side.

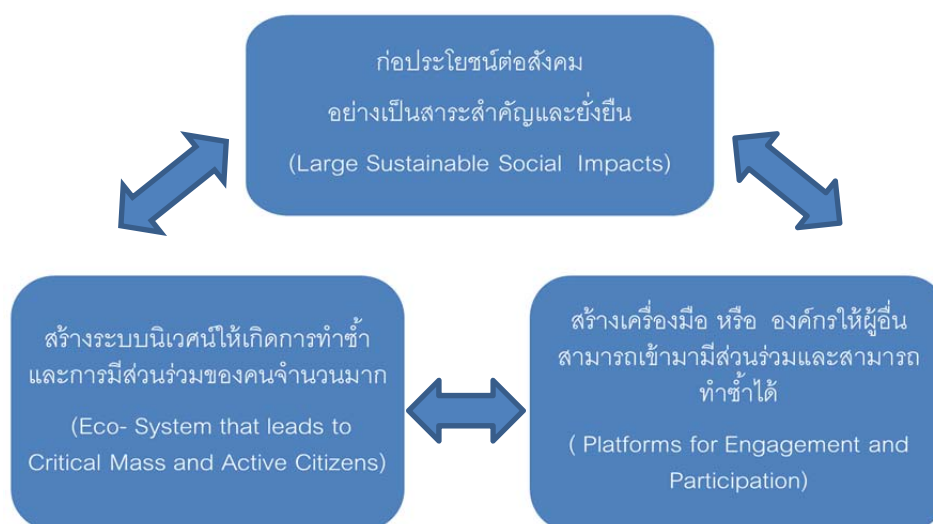


As the result, sustainable is the main strategy in driving the Company and its subsidiary to develop its capacity in manufacturing goods and services that are beneficial to the society. To continuously and regularly develop the operating procedure will promote, push forward as well as interpose the concept of corporate social responsibility and sustainable development, which are one of the operating process and are the organization's culture along with strengthening the value on economic, society and environment, whether if its shareholders, employees, customers, trade partner, business alliances, community or society as a whole to get mutual benefits both in short and long term.



The Company and its subsidiary has supported and cooperated with the Social Sustainability Development Unit of Premier Group of Companies, i.e. Yuvabadhana Foundation, Khonthai Foundation and Enlive Foundation in activities concerning development of education for adverted youth, the creation of the sharing society, the subsidy to adverted handicapped and the creation of the participation in the sustainable development of social and environment, under the principle of creation of direct benefit and creation of tool or organization for participation and repeatable action of public which result in sustainable and multiple result. For more information, please find at the website [www.premier.co.th](http://www.premier.co.th) on "Premier for Society".

In order to support the development of such mechanisms, the Company and its subsidiary donate the money equal to 5 percent of net profit after income tax burden of the fiscal year to benefit the educational through Yuvabadhana Foundation or other public charitable organization according to Premier Group of Companies' policy.



The detail of the part concerning such business activities, the activities of staffs and the activities of the said foundations are as follows:

### **1. Operate Business Fairly**

The Company and its subsidiary emphasize on operating business with accuracy, equity, fairness and honesty respecting rights on intellectual property, promoting political rights as well as operates in accordance with the commitment made to the Company and its subsidiary' stakeholders. The details are as follows:

#### **To Compete Fairly:**

- Conduct mutual business fairly without exploitation, and honor and comply with the conditions stipulated in the contracts.
- Do not solicit, accept or give any undue benefits in dealing with business partners or creditors. If there is any information regarding the bestowment of any undue benefits, consultations must be made with the business partners or creditors to mutually resolve the matter on a fair and timely basis.
- Provide complete and accurate information about the products and services without distorting facts, including provide accurate, adequate and beneficial information to customers and have product's recall process when quality problem are found.
- Compete under the rules of fair competition. Do not seek confidential information of the business competitors through dishonest or illegal means. Do not discredit competitors through slandering or any other actions without the truth and unjustifiably.

#### **Promote Corporate social responsibility with Trade Partner**

- Give opportunities to trade partner, customers and business alliances to directly or indirectly be part of the Company and its subsidiary' activities for society by participating in the activities for society or support by contributing fund or things as pleased.

#### **Respect to Property Rights :**

- Promote and operates strictly in accordance with the rights in property, intellectual property, copy right, patent and moral rights by specifying policies in the Premier group policies manual under the business confidential and intellectual property policies.
- To support Executive officers and employees to utilize Company's resources and properties efficiently. Uses goods and servies that have copy right and should not support goods or action that violate intellectual property.

**Involved in politics with responsibility :**

- The Company and its subsidiary operates business with political neutrally and does not concentrate on any political group or parties, does not support any particular political parties, does not help any specific political candidates.
- Gives opportunities to employees to use their democracy rights and responsibilities, to participate or support independently and personally in any political activities without effecting the Company.

**2. Against Fraud and Corruption**

The Company emphasizes in Good Corporate Governance and ensure to manage under the corporate governance framework that are transparent and accountability for the best interest of all stakeholders. The Company has also set the “anti-fraud and corruption” policy and informed the Executives and employees of all level to adhere and practice in accordance with the policy. There are scope of anti-fraud and corruption management system that covered every steps and every working process of the Company and its subsidiary that involved with the business, procurement, employ, distribute, supply and other operating procedure where there is risk of fraud and corruption. All of these are clearly specified as the management responsibility, which are as follows:

**2.1 Management Commitment**

The Company is committed to push forward the anti-fraud and corruption measure system into the operating process and adjust management system to be transparent in accordance with the corporate governance principles. By doing so, the managing directors have established policies and are committed to operate the business without fraud and corruption, which is in accordance with the regulations of anti-corruption measure, as well as a complete promote of the resources. The Company has clarified and made understanding with all employees in the consumer good business line and related external parties to realized the importance in operating each procedures transparently to be in line with the regulations, policy and requirements of laws and other related regulations.

**2.2 Anti-Corruption Policy**

- The directors, management and employees of the Company and its business lines are prohibited from performing, accepting or supporting corruption in any form, whether directly and/or indirectly. This shall be applicable to all companies in the consumer products business line, including all related contractors and sub-contractors. Regular reviews on compliance with the anti-corruption policy shall be

made, as well as reviews on implementation to ensure compliance with the policy, practices, regulations, rules, notifications, laws and business changes.

- The anti-corruption standard is part of business operation and it is the duty and responsibility of the Company's board of directors, management, supervisors, employees at all levels and suppliers or sub-contractors to express their opinion regarding the practice on the implementation of the anti-corruption actions to ensure achievement of compliance with the policy set.

- The Company formulated its anti-corruption measures in accordance with related laws, including the principles of moral. Risk assessment was conducted on activities that are related or at risk for corruption and the results were used in preparing the operating guidelines for all related parties.

- The Company does not offer or support bribery in any form in all activities under its supervision, including supervision of charitable contributions, political contributions, and the offer of gifts in business transactions, and supports various activities with transparency and without the intention of convincing officials of the government or private sector to undertake inappropriate actions.

- The Company has appropriate internal control with regular reviews in order to prevent improper practices by employees, especially in sales, marketing and procurement.

- The Company provides knowledge on anti-corruption to its directors, management and employees to promote integrity, honesty and sense of responsibility in fulfilling their duties, and to show the Company's commitment.

- The Company has in place mechanisms for transparent and accurate financial reporting.

- The Company has provided a variety of communication channels for employees and stakeholders to raise concerns and report suspicious circumstances with confidence of being protected from punishment, unfair transfer or harassment in any way, as well as appoint person(s) to investigate and monitor the complaints.

The Company has set up channels for whistle-blowing, complaints, suggestions or recommendations that indicate that the stakeholders are affected or are at risk of being affected by any action that may cause damages for all groups of stakeholders arising from its business operations or violation of laws, rules, regulations and the code of conduct by its employees, as well as behaviors that may indicate fraud, unfair treatment, or careless or reckless actions. Whistle-blowing or filing of complaints together with details and evidences can be made through the following channels:

- Audit Committee

- Secretary to the Board of Directors / Board of Directors  
Premier Technology Public Co., Ltd.  
No.1 Premier Corporate Park, Soi Premier 2, Srinakarin Road  
Nong-bon, Prawet, Bangkok 10250  
Telephone: 02 - 3011569  
Facsimile: 02 - 7482063  
e-mail: [teerapol.act@pt.premier.co.th](mailto:teerapol.act@pt.premier.co.th)

The whistle-blowers or filers of complaints that are employees, customers, individuals hired for work by the Company or other groups of stakeholders who are whistle-blowers will have their rights protected and defended according to the law or the guidelines set by the Company.

### **3. Respect Human Rights**

The Company recognizes the significance of the value of human dignity and has established policies for executive officers and every employee to respect human rights and respect human dignity of each other as well as stakeholders, which is the universal principle and is considered as the significant route in operating business. The Company has a clear policy to jointly perform social responsibility under the core value "Advance Business, Firm Employee, Sustainable Society".

- Support and respect in human rights by supervising business and employees not to be involved with any violation of human rights activities, such as not to utilized any kind of forced labour and child labour. This also includes supervising to ensure that the Company and employees strictly practice in accordance with the standard of labour protection law.
- Respect and abided by the universal principles in hiring and treating all stakeholders with fairness on the basis of human dignity, by equally giving opportunities to every individuals without any discrimination and violation of basic rights on gender, age, religious, nationality, region, position, physical condition and political opinions.
- Monitored and follow up on subsidiary, trade partner and stakeholders to strictly practice in accordance with universal principles on human rights, including protect rights of stakeholders that was damaged by the violation of right from the operating business in accordance with the specified laws.
- Provide working location that have good working environment and emphasized on the safety and occupational health in the workplace.
- Give employees opportunities to participate in management and comments on operating business or Company's working procedure through

“Suggestion Activities” and through different set of committees such as welfare committee, anti-fraud and corruption committee etc.

- Stipulate measures in protecting employees that whistle blowing about violation of human rights or treating employees unequally. The whistle blower will not be punish, bullied or be treated in anyway that will lead that individual to be unable to no longer works at the Company.

#### **4. Treating Labour Fairly**

Employees are considered as valuable resources. The Company recognized the significant in treating labour fairly and respect human dignity on the basis of equality. Hoping for sustainable peace in the Company and society, that is to say,

- The Company emphasized on treating employees on the basis of fairness and equality, both in opportunities to be promoted, be promoted, transfer, welfare and compensation, as well as gives opportunities to develop without discrimination resulting from differences in gender, age, religious, nationality, region, political opinions, position and physical condition.

- The Company assigns the leader of all level to supervise and ensure that there is fairness in every sector by avoiding any unfair actions that will have an effect on the employees insecure feeling in the workplace or conduct any unfair harassment that creates pressure to the employees mental conditions.

- The Company emphasized on the employee development to continuously train their skills and enhanced their potential.

- The Company equally provides welfare, medical fees, annual health check-up, health insurance and life insurance to all level of employees.

- The Company give opportunities to employee that was treated unfairly or encounter on any unfair action to send in their comments or complains directly to the supervisor that is in charge or to the managing director through these channels: To meet in person/ complaint through mail/ documents/ E-mail etc.

- The Company clearly stipulates guidelines that employees’ complaint/ suggestions must be clarify/ fix or put into practice.

- The Company stipulates measures in protecting employee that make complaint/ whistle-blowing on treating employee unfairly/inequality. The employee will be protected against punishment, bullied or any action that will cause the complainer / the whistle-blower to be unable to continue working at the Company.

#### **5. Consumer Responsibility**

The Company has obligation to “provide quality services and up to the international standard”, focuses on providing efficiency and quality services, which

includes being professional to consumers. Service with standard helps create spiritual value for a better quality of life. The Company and its subsidiary believed the true value should derive from providing quality services, therefore policies and guidelines were stipulated to be able to response to the consumer satisfaction.

- Present quality product, up to the standard and is safe to match with consumer demand;
- Has operating process which is in accordance with the international standard, effective in every step, from selecting products, strictly inspect qualities and has fast and agility goods delivery system.
- Stipulate regulations on quality of the product that the Company will select to be distribute and should practice accordingly;
- Disclose products and services information completely, accurately and does not distort the truth;
- Provide accurate and sufficient information and should be beneficial to consumers;
- Return policy if any flaw was found on the product quality.

## **6. Environmental Conservation**

The Company and its subsidiary always recognized the significant in operating its business along with conservation of the environment and biological varieties, as well as to utilize the resources efficiently. The Company and its subsidiary have set guidelines for environment aspects as a code of conduct for employees, under the business ethics which are as follows:

- Refrain from any action that may damage the natural resources and the environment.
- Practices or control to practice in accordance to environmental laws and regulations.
- Support activities that are beneficial to the communities and society as a whole.
- Promote efficient use of resources and establish policies in saving energy and other resources by bringing in technology that helps save energy to be use in the Company.

## **7. Collaboration in Community and Society Development**

The Company and its subsidiary recognized the significant of environment and varieties in biological conservation, as well as operate business that are friendly to the society and environment with responsibility and take care of the community

around them, which reflects the organization standing point that desired to operate sustainable successful business together with employees and society.

Moreover, the Company participated in the community and society development activities through business operation of different foundations i.e. Yuvabadhana Foundation, Khonthai Foundation and EnLive Foundation by donating 5 percent of net profit of each year to the foundations. This is Premier Group's main mechanism in driving participation in society development.

#### **8. Has innovation and publicize innovations that gain from operating with corporate social responsibility, environment and stakeholders**

To continuously operate business efficiently and effectively, the Company support employees of all sectors to improve the performance efficiency and reduce redundancy procedures in performing task by organizing learning exchanged, accumulate and convey knowledge sharing in coalition under the "Knowledge Sharing Management" project.

The Company has prepared a report for the sustainability of the Company's social responsibility to disclose the Sustainability Development Report on social responsibility (CSR Report) separately from the annual report and are disclosed in the Company's website [www.premier-technology.co.th](http://www.premier-technology.co.th)



## Internal Control and Risk Management

### Internal Control

The Board of Directors of the Company and its subsidiary have placed a priority on the internal control constantly covered finance, operations and operating in accordance with the law, rules and regulations as well as provide for adequate risk management, effective to protect and maintain the property and have a clearly defined the Risk management policy. The Audit Committee who comprises of the independent directors is assigned to be an auditor regarding the assessment of internal control system. The internal audit will perform independently from the management and report directly to the audit committee. The auditors perform the verification of each department's operations in the Company and its subsidiary following the annual audit plan approved by the audit committee. In addition, the Board of Directors has determined that all employees must adopt The Control Self-Assessment (CSA) to take personal responsibility and develop the internal control systems of their work system under their own responsibility in order to strengthen the internal control system to meet all applicable requirements to reasonably ensure that the outcome will be able to help achieve the Company and its subsidiary' objective.

### Comment of the Board of Directors on Internal Control

The Board of Directors held the Meeting No. 4/2014 on November 3, 2014, consisted of the members of the Audit Committee, to comment on the adequacy and the adequacy of the internal control systems of the Company by reference "The assessment of the adequacy of the internal control system" of The Securities and Exchange Commission.

The Audit Committee reported the result of internal audit by reviewing internal controls and audit recommendations which aimed to determine the efficiency and effectiveness continuously. There were some questions from the management and approving the assessment tools designed by the management. The results from the report of audit committee concluded that according to the evaluation of the internal control system in the area of 5 components - the internal control, the risk assessment, the operational control, the information system and data communication, and the monitoring system, the Company has implemented the appropriate and adequate internal control system. In addition, the organization has provided the employees sufficiently to operate the system effectively including the internal control system in regard to monitor the operations of its subsidiary. As a result, it is able to protect the Company and its subsidiary' interest from the Board or the executive who may have

any concerns regarding any aspect of Company business or may have a conflict of interest. In discussion with the auditor, the Company prepared its financial statements in accordance with accounting standards and disclosed according by law. The auditor has assessed the internal control and monitored the correction of defects detected continuously.

The audit committee has appointed Mr. Akapan Nuanmuang, Corporate Director of Internal Audit office, to take the major responsibility for the Company's internal auditor according to his appropriate qualifications in terms of independence and experiencing in the operation of internal control. In addition, he had attended the course concerning the internal control.

The audit committee must approve decisions regarding the appointment, dismissal, and transfer of the chief audit executive.

The Company and its subsidiary evaluated the internal control system aligned with the internal control framework fully based on the standard of The Committee of Sponsoring Organization of the Treadway Commission (COSO) which are as follows:

#### **1. Organization's Internal Control**

The Company and its subsidiary clearly define the targets and objectives which are measurable. The target will be reviewed and compared the actual outcomes to the expected ones periodically. Moreover, the Company has provided the structure of reporting and the organization chart classifying the duties and responsibilities, as well as determined proper authority and responsibility in order to reach the objectives under oversight of the Board. Additionally, the Company has established the Code of Business Ethics, the corporate governance policies, anti-corruption policy and the conflict of interest which represents the adherence of moral and integrity values including the process of written authority to operate. There is the operations manual relating to the major operations which has always been revised in line with the updated standards. Furthermore, the Company and its subsidiary have improved the performance appraisal system by using Key Performance Indicators (KPIs) with the senior management and encouraged the management to operate the business in accordance with the corporate governance policies as defined.

The Board of Director is independent of the activities of management. Its responsibilities are to perform the oversight functions, develop the operations of internal control, and aim to motivate, develop, and keep efficient employees. Besides, the committee defines the employees' duties and responsibility for the internal control to achieve the organization's objectives.

In anti-corruption, the Company has provided an assessment of the risks associated with fraud within the Company, including a review of the implementation of anti-corruption policy. The Company has been certified as a member of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) and are confident that the Company has adequate measures to combat and detect fraud and corrupt effectively.

## **2. Risk Assessment**

The Company and its subsidiary have clearly determined the objectives in order to identify and assess risk concerning the organization's goal achievement. The audit committee has worked together with the management of the Company and its subsidiary to consider and assess the internal and external risks affecting the business operations. The risk identification and analysis including the Corruption Risk Assessment will be determined the impact of each type of potential threat on the objectives within the organization. Apart from risk analysis, the Company needs to prioritize risks according to their impact and probability in each business process for defining the risk management plan. The Company and its subsidiary have determined the significant policies and strategies of risk management by combining the risk management with its business plan along with considering the chance of corruption in the business through the identification and assessment of variation which may effect on the internal control system. In addition, the Company and its subsidiary have followed up the circumstance and risk factors from The Control Self-Assessment (CSA) regularly.

## **3. Operational Control**

The Company and its subsidiary have defined the significant policies in the business operations for using as guideline to operate the business systematically and efficiently as well as be able to reach the goals and objectives. There are control measures to reduce risks to an acceptable level. Besides, the Company has also selected and developed the general control activities with the technology system in order to ensure the achievement of objectives. The organization has arranged the control activities through the policies determined the expectation and the operational procedures in order to become the practical policies. The delegation of authority manual has been designed to determine the scope of authority and incur the expenditure of the management at each level clearly in writing. An anti-corruption manual has also been prepared in accordance with the determined policy. The operational structure has been organized by separating the function of approval,

recording transactions, and custody of assets. Furthermore, the organization will conduct the operations in strict compliance with laws and regulations.

#### **4. Information Systems and Data Communications**

The Company and its subsidiary have provided the important information systems such as providing the internal and external information completely, precisely and potentially in order to ensure that the internal control is able to operate as designed. Besides, the organization is required to achieve the objectives. The Company has set and to make the reports of all departments to propose the management for decision-making by preparing the analytical report compare between principle and reason with reference to the facts, accounting and financial reporting. The accounting recorded documents are completely filing with transparency and to be used as operation's information. The Audit Committee has considered with the auditors, Internal Audit Department and those associated with the preparation of the financial statements of each quarter to ensure that the Company's accounting policies in accordance with generally accepted accounting principles and appropriate to the nature of its business, including appropriate disclosures and additional meeting agenda beforehand.

The Company has established the proper communication channels to share duties and responsibilities, and other relevant topics with its employees. The Company has also set secure channels for whistle-blowing and filing of complaints regarding fraud and corruption. There is communication between the business units within the Company and with external parties regarding matters that may affect the functioning of internal control.

#### **5. Monitoring System**

The Company and its subsidiary have followed up and assessed the results of internal control to ensure that the internal control has operated completely and properly. There is the evaluation and prompt communication of the internal control defects for whom is responsible including the executive management and the audit committee. Additionally, the organization has tracked and monitored the business performance regularly by comparing the actual results with the planned objectives. In case of difference, each department will analyze the determinants to improve the operational guidelines effectively together with determining the monitoring session clearly. Besides, there is the sufficient and accurate disclosure of information concerning the connected transactions or the conflict of interest which are transparently verifiable.

Provide for the monitoring of compliance with the internal control system regularly to ensure that appropriate internal controls are carried out to fully evaluate and communicate deficiencies in internal control in time to the person responsible. This includes senior management and the Board as appropriate. The responsible department is responsible for ensuring compliance with the internal control system. The internal audit department monitors compliance and reports independently to the Audit Committee. In 2014, the Audit Committee Meeting has been held 6 times.

## **Risk Management**

The Board of Directors has given precedence to the risk management in the overall organization based on a globally accepted standard of ISO 31000:2009 and COSO ERM (The Committee of Sponsoring Organizations of the Treadway Commission – Enterprise Risk Management) in order to manage risks to acceptable levels and monitor of the risk management process regularly. The Company has performed the Control Self-Assessment at all levels to work together to assess risks or associated uncertainty which may affect the Company's goal achievement including incidents that make the organization lost the business opportunities. In addition, the Company has the principles that if there are either internal or external risks affecting the business goal achievement, the Company will adopt the risk management approaches.

The Company has determined the risk management policy that all of executive and employees must follow. Moreover, the risk management has been encouraged as the organizational culture. The Company has established the risk management committee consisting of the senior executives of the Company who manage the risk in every way and assign to the Working committee of development process and risk management which consist of mid-level executives from all of its business units in order to monitor and analyze the risk management of each business unit. Their duties are to create and develop the operations following the effective risk management and internal control plans, to evaluate and monitor the operational results, and to report the progress of operational results to the Board of Directors.

In addition, the Company has evaluated the risks and obstacles that may have an effect on the operations together with assessing the adequate system of internal control in order to consider the guidelines for improving the operations to obtain the better operational performance with the coverage of the administration and management, marketing, selling, warehouses and logistics, human resources, purchasing and administrative services, financial and accounting, and credit. The Company has delegated to the executives who are in charge of each operation to monitor following the improvement guidelines including encouraging all relevant to adhere the guidelines for increasing the performance efficiency.

Risk Management Committee, which operates under the supervision of the Audit Committee, define/review/approve the framework and approach to risk management, anti-corruption and social responsibility in order to prepare for sustainable development report in cooperation with the Internal Audit Department and report to the Audit Committee and the boards quarterly. To manage the meeting to review the implementation of the risk management system and report the major risks with the Audit Committee at least once a year. In 2014, Risk Management handbook has been prepared as a guideline for management practices and the meeting between business unit was held both monthly meeting and session meeting to follow the conclusion in order to achieve quick appropriate revision.

## Related Transactions

(1) Related Transactions between the Company and its subsidiary and related persons incurred in 2014

Related Companies	Transaction Type	Description	Transaction	Value in 2014 (Million Baht)	Necessity and Rational
Premier Capital (2000) Co., Ltd. Premier Inter Leasing Co., Ltd. Premier LMS Co., Ltd. Premier Brokerage Co., Ltd. Premier Marketing PCL P.M. Food Co., Ltd. Premier Canning Industry Co., Ltd. Premier Frozen Products Co., Ltd. Premier Product PCL. Premier Motors Co., Ltd. Premier Home Appliance Co., Ltd. Premier Resorts and Hotels Co., Ltd. Raya Heritage Co., Ltd. Seri Premier Co., Ltd. Premier Fission Capital Co., Ltd. Premier Metrobus Co., Ltd. Ruamrudee Business Development Co., Ltd. Professional Training Service Co., Ltd. Infinite Green Co., Ltd. Advance Cyber Technology Co., Ltd.	Normal Business	Subsidiary  - Sales of computer components, License Software, Services in software, internet, email and other related	Common Directors	55.27	Selling prices and service fee are under normal business conditions.
		Account receivable		4.07	
		Discount for Account Payable		2.22	

Related Companies	Transaction Type	Description	Transaction	Value in 2014 (Million Baht)	Necessity and Rational
Premier Product PCL.	Normal Business	Company - Rental and service contract of 1,515.60 square metres at Premier Place, owned by the Company, for the period of 3 years	Common Directors	10.10	Rental and service are under normal business conditions. Electricity is actual cost.
Infinite Green Co., Ltd.	Normal Business	Company - Rental and service contract of 130.74 square metres at Premier Place, owned by the Company, for the period of 3 years	Common Directors	0.74	Rental and service are under normal business conditions. Electricity is actual cost.
Premier Fission Capital Co., Ltd.	Normal Business	Company - Rental and service contract of 209 square metres at Premier Place, owned by the Company, for the period of 3 years	Common Directors	1.34	Rental and service are under normal business conditions. Electricity is actual cost.



Related Companies	Transaction Type	Description	Transaction	Value in 2014 (Million Baht)	Necessity and Rational
Professional Training Service Co., Ltd.	Normal Business	Subsidiary - Cost of Sales is the fee payable to Professional Training Service Co., Ltd. for provision of services for the JDE system to the customers of the subsidiary company arising from the corporate reorganization of the subsidiary.	Common Directors	1.53	Service fee are under normal business conditions.
Premier Fission Capital Co., Ltd.	Support normal business	Company and Subsidiary - Consulting fee is under management and business consultancy contract	Common Directors	6.30	Service fee is computed from the average actual cost of each business structure of Premier Fission Capital Co., Ltd,'s customer.
Premier Resorts and Hotels Co., Ltd. Raya Heritage Co., Ltd.	Support normal business	Subsidiary - Hotel room complimentary for employees working from 15 – 20 years	Common Directors	0.02	Price is under the normal business practice.
Premier Inter Leasing Co., Ltd.	Support normal business	Subsidiary - Rental for business used	Common Directors	0.43	Rental fee is under normal business practice

Related Companies	Transaction Type	Description	Transaction	Value in 2014 (Million Baht)	Necessity and Rational
Professional Training Service Co., Ltd.	Support normal business	Subsidiary - Meeting Room for Training and service for project arrangement on staff development training.  - Account payable	Common Directors	5.64    0.13	Price is under the normal business practice.
Seri Properties Holding Co., Ltd.	Support normal business	Subsidiary - Office Rental, Common facilities charge, electricity charge and telephone bill.	Common Directors	3.37	Office Rental and Common facilities charge are under the normal business practice. Electricity charge and telephone bill are actual cost.
Premier Metrobus Co., Ltd.	Support normal business	Subsidiary - Service fees for the business.	Common Directors	0.14	Price is under the normal business practice.

## **(2) Policy of Trends of Related Transaction in the Future**

The Company and/or its subsidiary expect that in the future related transactions still remain based on normal business practice or normal business support e.g. purchase of goods for resale, leasehold amortization, service on office space rental contract, management under management and consulting contract, information technology service contract, car rental for business operations and accounts receivable discount, etc. All of the related transactions will incur as necessary and for business operation effectiveness within the group. Pricing policies are clearly determined based on the appropriate and fair price and conditions by significantly considering the Company's benefits. However, the Company's Audit Committee will review related transactions as normal business practice or normal business support every quarter.

For new important Related Transactions, the Company will present to the Audit Committee for consideration and recommend to the Board of Directors for approval.

In the meantime, for related transactions that may incur conflict of interest in the future, it requires that the Board of Directors must comply to securities and exchange laws and Office of Securities and Exchange Commission's rules, notification, order and requirement. The Company must also follow requirements on disclosure regarding related transactions, acquisition and sales of the Company's and its subsidiary' assets as well as the accounting standards as determined by Federation of Accounting Professions.

## FINANCIAL SUMMARY

### (1) Financial Information

(Unit: Million Baht)

Transaction	2014	2013	2012 (Restated)
Total Assets	1,605.79	1,444.90	1,514.21
Total Liabilities	1,112.77	1,049.95	1,192.98
Total Shareholders' Equity	493.02	394.95	321.23
Sales and Services Revenues	2,580.59	2,595.88	2,205.21
Total Revenues	2,651.25	2,629.75	2,232.57
Gross Profit	670.83	662.30	558.49
Net Income (Loss)	150.36	115.11	75.71

### (2) Financial Ratio

Transaction	2014	2013	2012 (Restated)
Gross Profit Margin (%)	25.99	25.51	25.33
Net Profit Margin (%)	5.67	4.38	3.39
Return on Equity (%)	33.87	32.15	26.22
Return on Total Assets (%)	13.47	11.49	9.24
Net Income (Loss) per share (Baht)	0.40	0.58	0.20
Dividend per Share (Baht)	0.40	0.40	0.15

Remark: The calculation of the financial ratio is based on "Guide to the preparation of Form 56-1 and 69-1" of The Securities and Exchange Commission.

## Management's Discussion and Analysis: MD&A

### Operating Performance for the year 2014

(Unit: Million Baht)

Transaction	For the year ended 31 December			
	2557	2556	Increase (decrease)	
			Amount	%
Operating Income	2,580.6	2,595.9	(15.3)	(0.6)
Operating Income	70.7	33.9	36.8	108.6
Cost of sales and services	(1,909.8)	(1,933.6)	(23.8)	(1.2)
Selling expenses	(238.9)	(216.0)	22.9	10.6
Administrative expenses	(297.1)	(309.6)	(12.5)	(4.0)
Profit before finance cost	-	(0.7)	(0.7)	(100.00)
Finance cost	(19.4)	(23.8)	(4.5)	(18.7)
Income tax expenses	(35.7)	(31.0)	4.8	15.3
<b>Profit for the year</b>	<b>150.4</b>	<b>115.1</b>	<b>35.3</b>	<b>30.6</b>
<b>Earnings per share: Profit for the year</b>	<b>1.06</b>	<b>0.81</b>	<b>0.25</b>	

Revenue from sales and services was 2,580.6 million baht, decreased by 0.6 percent compared to previous year. Sales revenue decreased 67.7 million baht, in accordance with the project delivery schedule. Service revenue was 720.4 million baht increased by 52.4 million baht. The cost of sales and services for maintenance works and Data Center were 1,909.8 million baht, decreased from the same period of the previous year at 23.8 million baht or 1.2 percent compared to previous year. Gross profit from sales and services were at 26 percent, which revenue from services increased from previous year at 0.48 percent.

Other revenue was at 70.7 million baht, increased by 36.8 million baht, due to 26.2 million baht discount received from manufacturers, profit from exchange rate increased 8.2 million baht and yield from short-term investment at 2.4 million baht.

Selling expenses was 238.9 million baht, increased by 22.9 million baht or 10.6 percent compared to the increased in service revenue from previous year.

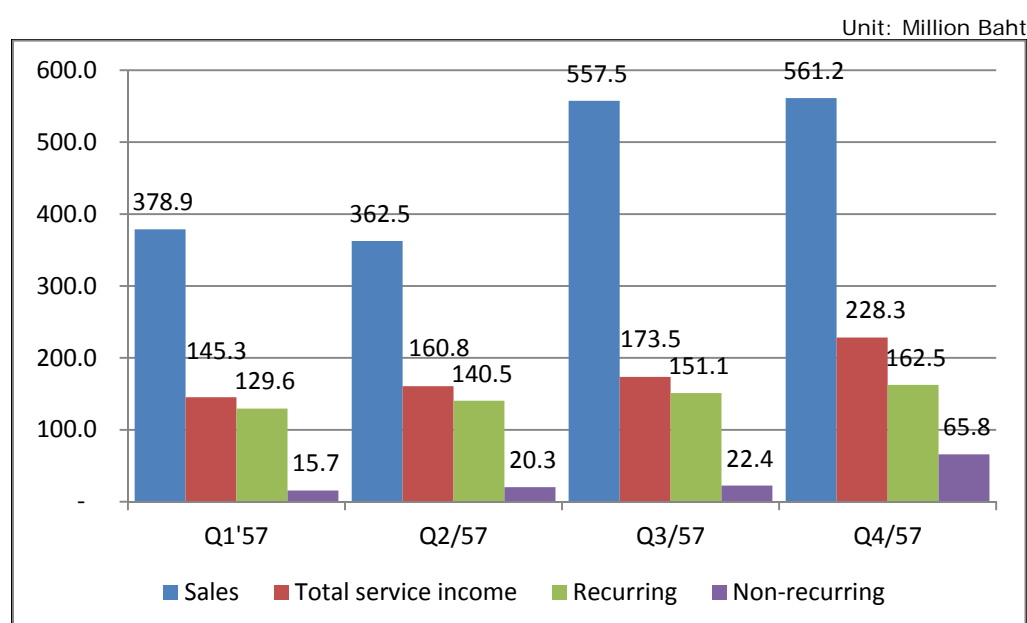
Administrative expense was 297.1 million baht, decreased by 12.5 million baht or 4 percent when compared to personnel expense from previous year which decreased 4.0 million baht, reversal transaction of allowance for doubtful account from received

payments from the customers were 12.2 million baht, increased in depreciation at 4.1 million baht compared to previous year.

Financial expenses was 19.7 million baht, decreased from the same period of previous year at 4.5 million baht, a decreased in financial lease liabilities.

Income tax for the period was at 35.7 million baht, which is 4.8 million baht or 15.4 percent higher than the same period of the previous year. This is due to 6.5 million baht increased in corporate income tax from profit within the same period and decreased in deferred income tax at 1.7 million baht.

### (1) Sales and services related to computer and computer system



In 2014, sales revenue was 1,860.2 million baht, decreased by 67.7 million baht or 3.5 percent compared to previous year, due to the delivery of the project at the end of the period. In 2014, projects that are in progress were at 153.1 million baht and total service revenues equal to 707.9 million baht, increased from the previous year at 54.5 million baht or 8.3 percent. As a result of increased in non-recurring services at 29.9 million baht and recurring services at 24.6 million baht. If compare to the previous year, cost of goods sold decreased by 50.1 million baht and cost of services increased by 24.6 million baht. Gross profit margin on product sales was 17.6 percent decreased down from the same period of previous year at 0.3 percent, for Gross profit margin on services was at 47.8 percent increased 0.6 percent from the same period of pervious year.

Sale expenses were 238.9 million baht, increased by 22.9 million baht or 10.6 percent within the same period as last year, due to an increased in services revenue.

Sales expense was accounted for 9.3 percent of sales and services revenue, which was 0.9 (2013: 8.4) higher than the same period of the previous year and is in accordance with the delivery scheduled.

Administrative expense was at 303.5 million baht, decreased by 12.5 million baht or 4 percent compare to previous year, due to decrease in personnel expenses at 4.0 million baht; which the reversal transaction of allowance for doubtful account from received payments from the customers were 12.2 million baht, increased in depreciation at 2.7 million baht and communication and vehicles expenses increased at 1.2 million baht.

## **2) Rental spaces and services**

For consolidated financial statements, the Company received rental and services revenues at 42.3 million baht (revenue from renting out the spaces to the subsidiary at 29.9 million baht) for the year. At present, the spaces for rent increased to 821 square meters (lease started January 1, 2015) with service cost of 26.5 million baht increased by 3.2 million baht compared to the same period of the previous year. Due to the acknowledgement of building improvement transactions causing depreciation to increase at 1.4 million baht, maintenance of building system and other maintenance within the same period to increase at 1.7 million baht, security guard expenses at 0.5 million baht and decreased in electricity at the amount of 0.5 million baht. Long-term interest expense for the current period was 16.3 million baht decreased 1.0 million baht, which is in line with the reduced in the loan amount.

## **Financial Status**

### **Assets**

The Company and its subsidiary have total assets worth 1,605.79 million baht, increased by 160.89 million baht or 11.14 percent due to the following significant changes:

- Temporary Investment

Temporary Investment increased 109.8 million baht as a result of receiving payment from debtors. The said money was invested in trading securities - open end bond fund as of December 31, 2014. The value of such investment increased due to investment revaluation at 0.3 million baht.

- Account receivable and other receivable

Trade account receivable, net increased 67.9 million baht compared to the end of the year 2013, as a result of delivering work and collecting money from the project's customers, one by one, upon the delivery of the work.

- Inventories

As of December 31, 2014, inventories were 206.2 million baht, decreased from the end of 2013 at 99.8 million baht or 32.6 percent. Inventories consisted of finished products-net at 47.9 million baht, mostly had been ordered by the customers. Installation works in progress were at 153.1 million baht and are in the progress of installing for the project customers.

### **Liabilities**

The Company and its subsidiary have total liabilities of 1,112.77 million baht, increased from previous year by 62.82 million baht or 5.98 percent, due to the following significant changes:

- Trade accounts payable and other account payable

The amount of trade accounts payable and other accounts payable were at 589.5 million baht when compare to the year 2013, trade accounts payable increased 14.7 million baht, in accordance with the account payable payment period for goods.

- Short-term loans from other companies

The balance of short-term loans was 140 million baht, increased 100 percent from previous year which was loaned from the loan contract that the subsidiary had made with one of the Company in Thailand, in order to pay for goods. Such loans consisted of 101 million baht loans where principal is paid quarterly and interest rate is at zero percent per year; and for 39 million baht loans where payment of principal and interest is scheduled on a monthly basis with 6.64 percent interest rate per year.

- Long-term loans / the portion of maturity period of 1 year

The balance of long-term loans from financial institutions decreased 11.4 million baht as the Company had paid principal according to the schedule. The Company's long-term loans maturity period is scheduled to start from May 2013 onwards.

- Long-term debt / the portion of maturity period of 1 year

Long-term debt decreased due to the repayment in accordance to the financial lease of subsidiary. During the period the Company and repaid the debt in accordance to the lease at the amount of 18.5 million baht by making less financial lease in accordance with the necessity in using money as a working capital in order to purchase goods.

### **Shareholder's Equity**

The Company and its subsidiary holds 493.03 million baht of shareholders equity increases from the previous year at 98.07 million baht or 24.83 percent due to the Company and its subsidiary operating performance in year 2014. The Company gained



profit from operation at the amount of 150.4 million baht, sold Company shares held by subsidiary at the amount of 0.2 million baht and the Company paid dividend at 52.5 million baht, at which the annual dividend payment for the year 2013 was 35.3 million baht and interim dividend of the year 2014 was 17 million baht.

## Report of the Board of Director's Responsibilities for Financial Statements

The Board of Directors are responsible for the financial report as prepared by Premier Technology Public Co., Ltd. and its subsidiary in order to ensure the accurate and reasonable presentation of financial position, revenues and expenses and statement of cash flow. The presentation reflects accurate, complete and sufficient data entry of assets; prevents frauds and abnormal business operations. In preparing the financial report, appropriate accounting policies have been practiced consistently and in compliance with the generally accepted accounting standards. Significant information has also been sufficiently disclosed in notes to financial statements and the auditors provided their opinion in Report of the Independent Auditors.

The Board of Directors appointed Audit Committee consisting of the independent directors monitoring the financial report and assessing the internal control system, which have been approved by Audit Committee as appeared in Report of the Audit Committee, which has been exhibited in the annual report.

The Board of Directors is of the opinion that the Company's overall internal control is adequate and appropriate to be rationally confident that the Company's financial statements and the consolidated financial statements for the year ended 31 December 2014 are reliable in accordance with the generally accepted accounting standards and accurate under the relevant laws and procedures.



(Mr. Vichien Phongsathorn)

Chairman

On behalf of the Board of Directors

## REPORT OF THE AUDIT COMMITTEE

The Audit Committee of Premier Technology Public Co., Ltd. consisted of 3 independent directors. The qualifications of all the three members meet with the regulations of the Securities and Exchange Commission (SEC) and Stock Exchange of Thailand, one of which is competent and has experience to verify the creditability of the financial statements.

The Audit Committee well complies with the scope, duties and responsibilities as assigned by the Board of Directors, according to the Stock Exchange of Thailand's requirements. In 2014, the Audit Committee held a total 6 meetings, including the quarterly Audit Committee meeting 4 times, meeting with the subsidiary' risk management committee 1 time and meeting with the external auditor without executive attend 1 time. Each committee member attended the meetings according to the following details.

Mr. Katiya Greigarn	Chairman of the Audit Committee	attended 6/6 meetings
Mr. Suchai Vatanatrakul	Member of the Audit Committee	attended 6/6 meetings
Miss Naengnoi Chai-onnom	Member of the Audit Committee	attended 6/6 meetings

The Audit Committee also has meeting with all the Company's management, and both external and internal auditors, which could be summarized as the followings.

1. Quarterly reviewed the financial statements and annual financial statements already examined and verified by the external auditor, by reviewing them together with the executives and external auditor regarding the accuracy and completeness of the documents as well as the sufficiency of disclosure. The Audit Committee members gave their opinions in compliance with the external auditor that the Company's financial statements were appropriately accurate according to the generally accepted accounting standards. In addition, the Audit Committee considered and provided advice on improvement of the accounting practices of the Company and its subsidiary so as to be in compliance with the new accounting standards that will be effective for accounting periods commencing on or after January 1, 2014.

2. Reviewed the adequacy of the internal control, following the monitor and evaluation guidelines set by the SEC. The Audit Committee's opinions were consistent with the internal audit; that the Company has adequate internal control and appropriate to the nature of the Company's business. The Audit Committee found no significant weaknesses or deficiencies.

3. Considered the internal audit plan, which covering both the Company and its subsidiary; and also made recommendations to them to perform their jobs even more effectively and efficiently.

4. Reviewed the Company's compliance with the securities and exchange laws, Stock Exchange of Thailand's requirement and laws related to the Company's business; and the Audit Committee concluded that no significant issues regarding the non-compliance with such laws and requirements were found.

5. Reviewed the appropriateness and adequacy of risk management, by meeting with the management involved so as to be aware of all the operations of the Company's risk management, and give recommendations to make the risk management systems even more efficient and most suitable to the prevailing economic situations.

6. Reviewed compliance with the anti-corruption measures according to the Private Sector Collective Action Coalition against Corruption (CAC), as well as reviewed the internal control, the preparation of the financial statements and other processes related to the anti-corruption measures. In 2014, The Company was certified as a full member of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) on July 4, 2014. In addition, The Company has been assessed the Anti-Corruption Progress Indicator at Level 4 "Certified" from 5 levels from Thaipat Institute and Securities and Exchange Commission (SEC), according to international standards for listed companies which demonstrate its implementation with adequate review of the whole process from the audit committee.

7. Considered the connected transactions and transactions which may cause conflicts of interest, in compliance with the laws and regulations of the Stock Exchange. The external auditor reviewed these items and found that they had all been sufficiently disclosed in the Company's financial statements. The Audit Committee was of the opinion with the external auditor, and agreed that the disclosure was reasonable and benefit to the Company.

8. Reviewed and monitored, as assigned by the Board of Directors, the Company's corporate governance policy and provided recommendations for development of the Company's corporate governance.

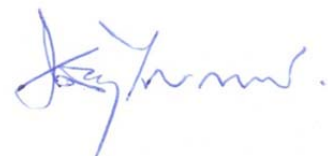
9. Engaged in meetings with the external auditors without the presence of the Company's management, to ensure the external auditor's independence in operations. and considering the properties of the auditor, quality of the auditing team expertise and independent operations. The Audit Committee, seeing the external auditor's skill, efficiency and independence, had recommended the Board of Directors to nominate, in

the Annual General Meeting of Shareholders, EY Ltd. to be re-appointed as the Company's external auditor for the year 2014.

10. The Audit Committee also reported the result of such meeting and submitted its recommendations to the Board of Directors, in the Board's meeting.

The Audit Committee had performed its duties with prudence and independence and all opinions expressed were straightforward, transparent and verifiable in accordance with the principles of good corporate governance. The Audit Committee is of the opinion that the Company's financial information and disclosure of information are complete and reliable, consistent with generally accepted accounting principles. Risk management and internal control systems have been implemented effectively and appropriately. Internal audits are conducted independently on all high risk operating processes and the internal audit process conforms with the internal audit standards. In addition, there is appropriate supervision of the operation to ensure compliance with applicable laws and regulations consistent with the current business environment.

On behalf of Audit Committee



(Mr. Katiya Greigarn)  
Chairman of the Audit Committee

## **Independent Auditor's Report**

To the Shareholders of Premier Technology Public Company Limited

I have audited the accompanying consolidated financial statements of Premier Technology Public Company Limited and its subsidiary, which comprise the consolidated statement of financial position as at 31 December 2014, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statements of Premier Technology Public Company Limited for the same period.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Opinion**

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Premier Technology Public Company Limited and its subsidiary and of Premier Technology Public Company Limited as at 31 December 2014, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.



Chonlaros Suntiasvaraporn

Certified Public Accountant (Thailand) No. 4523

EY Office Limited

Bangkok: 20 February 2015

## FINANCIAL STATEMENT

Premier Technology Public Company Limited and its subsidiary

Statement of financial position

As at 31 December 2014

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	39,723,716	31,768,666	846,354	836,619
Current investments	8	109,795,542	70,978	90,549	70,978
Trade and other receivables	9	589,297,606	521,372,418	-	-
Prepaid service cost		107,143,353	86,716,875	-	-
Inventories	10	206,192,784	305,951,661	-	-
Work in progress		92,893,611	33,334,311	-	-
Other current assets	11	26,096,916	25,614,658	6,894,074	5,612,879
<b>Total current assets</b>		<b>1,171,143,528</b>	<b>1,004,829,567</b>	<b>7,830,977</b>	<b>6,520,476</b>
<b>Non-current assets</b>					
Restricted bank deposits	12	63,336,052	51,789,061	1,203,100	1,203,100
Investment in subsidiary	13	-	-	222,726,261	222,726,261
Investment properties	14	159,141,010	159,031,474	264,297,612	264,115,696
Property, plant and equipment	15	181,025,556	199,204,215	210,551	281,793
Intangible assets	16	8,790,434	10,109,334	-	-
Deferred tax assets	25	6,808,511	5,276,414	-	-
Other non-current assets		15,545,410	14,658,661	-	-
<b>Total non-current assets</b>		<b>434,646,973</b>	<b>440,069,159</b>	<b>488,437,524</b>	<b>488,326,850</b>
<b>Total assets</b>		<b>1,605,790,501</b>	<b>1,444,898,726</b>	<b>496,268,501</b>	<b>494,847,326</b>

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



Premier Technology Public Company Limited and its subsidiary

Statement of financial position (continued)

As at 31 December 2014

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Short-term loans from financial institutions	17	-	74,917,938	-	-
Trade and other payables	18	589,501,001	574,756,237	4,720,765	4,344,883
Advances received for goods and services		100,468,871	92,594,346	-	-
Short-term loan from related party	6	-	-	10,200,000	2,500,000
Short-term loans from other company	19	140,013,196	-	-	-
Current portion of long-term loans	20	14,256,883	11,424,733	14,256,883	11,424,733
Current portion of long-term liabilities	21	14,645,861	26,188,797	-	-
Income tax payable		6,731,073	1,105,399	-	-
Other current liabilities		30,442,682	32,831,345	2,768,680	2,799,395
<b>Total current liabilities</b>		896,059,567	813,818,795	31,946,328	21,069,011
<b>Non-current liabilities</b>					
Long-term loans - net of current portion	20	161,433,680	175,665,487	161,433,680	175,665,487
Long-term liabilities - net of current portion	21	7,540,036	14,545,879	-	-
Provision for long-term employee benefits	22	46,471,851	44,654,983	-	-
Other non-current liabilities		1,264,874	1,264,874	4,905,411	4,905,411
<b>Total non-current liabilities</b>		216,710,441	236,131,223	166,339,091	180,570,898
<b>Total liabilities</b>		1,112,770,008	1,049,950,018	198,285,419	201,639,909

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

Premier Technology Public Company Limited and its subsidiary

Statement of financial position (continued)

As at 31 December 2014

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
<b>Shareholders' equity</b>					
Share capital					
Registered					
142,440,489 ordinary shares of Baht 1 each		<u>142,440,489</u>	<u>142,440,489</u>	<u>142,440,489</u>	<u>142,440,489</u>
Issued and fully paid up					
141,944,471 ordinary shares of Baht 1 each		141,944,471	141,944,471	141,944,471	141,944,471
Company's shares held by subsidiary		-	(230,175)	-	-
Retained earnings					
Appropriated - statutory reserve	23	14,194,447	14,194,447	14,194,447	14,194,447
Unappropriated		<u>336,881,575</u>	<u>239,039,965</u>	<u>141,844,164</u>	<u>137,068,499</u>
<b>Total shareholders' equity</b>		<u>493,020,493</u>	<u>394,948,708</u>	<u>297,983,082</u>	<u>293,207,417</u>
<b>Total liabilities and shareholders' equity</b>		<u>1,605,790,501</u>	<u>1,444,898,726</u>	<u>496,268,501</u>	<u>494,847,326</u>
		-	-	-	-

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

Premier Technology Public Company Limited and its subsidiary

Statement of comprehensive income

For the year ended 31 December 2014

(Unit: Baht)

		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>Note</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales		1,860,190,831	1,927,899,340	-	-
Rental and service income		720,397,771	667,978,373	42,281,383	43,195,921
Dividend income	13	-	-	61,999,256	83,998,320
Other income		70,659,817	33,879,336	607,786	2,459,403
<b>Total revenues</b>		<u>2,651,248,419</u>	<u>2,629,757,049</u>	<u>104,888,425</u>	<u>129,653,644</u>
<b>Expenses</b>					
Cost of sales and services		1,909,764,741	1,933,578,467	26,540,155	23,312,016
Selling expenses		238,867,247	215,953,581	-	-
Administrative expenses		297,135,388	309,627,769	4,786,514	6,231,715
<b>Total expenses</b>		<u>2,445,767,376</u>	<u>2,459,159,817</u>	<u>31,326,669</u>	<u>29,543,731</u>
<b>Profit before share of loss from investment in associate, finance cost and income tax expenses</b>		205,481,043	170,597,232	73,561,756	100,109,913
Share of loss from investment in associate		-	(656,994)	-	-
<b>Profit before finance cost and income tax expenses</b>		205,481,043	169,940,238	73,561,756	100,109,913
Finance cost		(19,381,637)	(23,848,687)	(16,266,637)	(17,260,792)
<b>Profit before income tax expenses</b>		186,099,406	146,091,551	57,295,119	82,849,121
Income tax expenses	25	(35,738,342)	(30,982,549)	-	-
<b>Profit for the year</b>		<u>150,361,064</u>	<u>115,109,002</u>	<u>57,295,119</u>	<u>82,849,121</u>
<b>Other comprehensive income:</b>					
Actuarial gains	22	-	1,494,336	-	-
Income tax effect	25	-	(298,867)	-	-
<b>Other comprehensive income for the year</b>		-	1,195,469	-	-
<b>Total comprehensive income for the year</b>		<u>150,361,064</u>	<u>116,304,471</u>	<u>57,295,119</u>	<u>82,849,121</u>
<b>Basic earnings per share</b>	27				
Profit for the year		<u>1.06</u>	<u>0.81</u>	<u>0.40</u>	<u>0.58</u>

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

**Premier Technology Public Company Limited and its subsidiary**

**Cash flow statement**

**For the year ended 31 December 2014**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
<b>Cash flows from operating activities</b>				
Profit before tax	186,099,406	146,091,551	57,295,119	82,849,121
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Doubtful accounts (reversal)	(5,783,467)	6,327,125	-	-
Reduce cost of inventory to net realisable value (reversal)	3,429,071	(373,538)	-	-
Depreciation	50,895,283	55,442,159	7,612,260	6,251,059
Loss on sales of equipment	31,786	349,838	-	-
Amortisation of intangible assets	1,318,900	1,318,900	-	-
(Gain) loss on sales of investment in associated company	-	(24,678)	-	1,118,501
Unrealised loss on change in value of unit trusts	295,007	-	-	-
Share of loss from investment in associated company	-	656,994	-	-
Amortisation of prepaid rental expenses	999,629	999,629	-	-
Long-term employee benefits expenses	7,379,652	8,049,151	-	-
Income from investment - dividend received from investment in subsidiary	-	-	(61,999,256)	(83,998,320)
Interest income	-	(883,520)	-	(2,408,296)
Interest expenses	19,381,637	23,848,687	16,266,637	17,260,792
Profit from operating activities before changes in operating assets and liabilities	264,046,904	241,802,298	19,174,760	21,072,857
(Increase) decrease in operating assets				
Trade and other receivables	(62,141,721)	(87,796,691)	-	-
Prepaid service cost	(20,426,478)	(17,947,492)	-	-
Inventories	96,329,806	137,402,489	-	-
Work in progress	(59,559,300)	(1,096,343)	-	-
Other current assets	1,009,993	4,769,267	211,057	1,253,427
Other non-current assets	(1,656,203)	1,015,933	-	-
Increase (decrease) in operating liabilities				
Trade and other payables	14,744,764	(66,095,209)	553,422	1,798,145
Advances received for goods and services	7,874,525	(13,704,180)	-	-
Other current liabilities	(2,169,413)	13,327,515	(30,715)	(830,260)
Other non-current liabilities	(5,562,784)	1,264,874	-	4,905,411
Cash flows from operating activities	232,490,093	212,942,461	19,908,524	28,199,580
Cash paid for interest expenses	(19,600,887)	(23,253,584)	(16,444,177)	(17,287,552)
Cash paid for income tax	(33,137,016)	(31,208,523)	(1,492,252)	(1,558,668)
<b>Net cash flows from operating activities</b>	<b>179,752,190</b>	<b>158,480,354</b>	<b>1,972,095</b>	<b>9,353,360</b>

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

**Premier Technology Public Company Limited and its subsidiary**

**Cash flow statement (continued)**

**For the year ended 31 December 2014**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
<b>Cash flows from investing activities</b>				
Increase in current investments	(19,571)	(28,991)	(19,571)	(28,991)
Purchase of investments in unit trusts	(110,000,000)	-	-	-
Decrease in short-term loan to related party	-	-	-	33,399,202
Increase in restricted bank deposits	(11,546,991)	(19,031,516)	-	-
Acquisition and renovation of investment properties	(4,650,195)	(8,259,314)	(7,722,934)	(13,716,873)
Acquisition of equipment	(19,380,797)	(14,668,575)	-	-
Proceeds from sales of equipment	89,300	226,201	-	-
Dividend received from investment in subsidiary	-	-	61,999,256	83,998,320
Cash paid for increasing in share capital of subsidiary	-	-	-	(69,999,400)
Proceeds from sales of investment in associated company	-	265,200	-	265,200
Interest received	-	883,520	-	2,408,296
<b>Net cash flows from (used in) investing activities</b>	<u>(145,508,254)</u>	<u>(40,613,475)</u>	<u>54,256,751</u>	<u>36,325,754</u>
<b>Cash flows from financing activities</b>				
Decrease in short-term loans from financial institutions	(74,917,938)	(54,527,492)	-	-
Increase in short-term loan from related party	-	-	7,700,000	2,500,000
Increase in short-term loans from other company	140,013,196	-	-	-
Repayment of long-term loans	(11,399,657)	(6,909,780)	(11,399,657)	(6,909,780)
Repayment of long-term liabilities	(27,465,033)	(36,837,168)	-	-
Dividend paid	<u>(52,519,454)</u>	<u>(42,583,341)</u>	<u>(52,519,454)</u>	<u>(42,583,341)</u>
<b>Net cash flows used in financing activities</b>	<u>(26,288,886)</u>	<u>(140,857,781)</u>	<u>(56,219,111)</u>	<u>(46,993,121)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	7,955,050	(22,990,902)	9,735	(1,314,007)
Cash and cash equivalents at beginning of the year	<u>31,768,666</u>	<u>54,759,568</u>	<u>836,619</u>	<u>2,150,626</u>
<b>Cash and cash equivalents at end of the year</b>	<u>39,723,716</u>	<u>31,768,666</u>	<u>846,354</u>	<u>836,619</u>
	-	-	-	-
<b>Supplementary disclosures of cash flows information:</b>				
Non-cash items				
Assets acquired under finance lease agreements	8,916,254	12,193,142	-	-

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

Premier Technology Public Company Limited and its subsidiary

Statement of changes in shareholders' equity

For the year ended 31 December 2014

(Unit: Baht)

Consolidated financial statements					
	Issued and paid-up share capital	Company's shares held by subsidiary	Retained earnings		Total shareholders' equity
Note			Appropriated - statutory reserve	Unappropriated	
<b>Balance as at 1 January 2013</b>	141,944,471	(230,175)	10,820,000	168,693,282	321,227,578
Dividend paid	30	-	-	(42,583,341)	(42,583,341)
Total comprehensive income for the year		-	-	116,304,471	116,304,471
Unappropriated retained earnings transferred to statutory reserve	23	-	3,374,447	(3,374,447)	-
<b>Balance as at 31 December 2013</b>	<u>141,944,471</u>	<u>(230,175)</u>	<u>14,194,447</u>	<u>239,039,965</u>	<u>394,948,708</u>
					-
<b>Balance as at 1 January 2014</b>	141,944,471	(230,175)	14,194,447	239,039,965	394,948,708
Sale of the Company's shares held by subsidiary		230,175	-	-	230,175
Dividend paid	30	-	-	(52,519,454)	(52,519,454)
Total comprehensive income for the year		-	-	150,361,064	150,361,064
<b>Balance as at 31 December 2014</b>	<u>141,944,471</u>	<u>-</u>	<u>14,194,447</u>	<u>336,881,575</u>	<u>493,020,493</u>
					-

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

Premier Technology Public Company Limited and its subsidiary  
Statement of changes in shareholders' equity (continued)  
For the year ended 31 December 2014

(Unit: Baht)

		Separate financial statements		
	Note	Issued and paid-up share capital	Retained earnings Appropriated - statutory reserve	Total shareholders' equity
			Unappropriated	
<b>Balance as at 1 January 2013</b>		141,944,471	10,820,000	100,177,166
Dividend paid	30	-	-	(42,583,341)
Total comprehensive income for the year		-	-	82,849,121
Unappropriated retained earnings transferred to statutory reserve	23	-	3,374,447	(3,374,447)
<b>Balance as at 31 December 2013</b>		<u>141,944,471</u>	<u>14,194,447</u>	<u>137,068,499</u>
				-
<b>Balance as at 1 January 2014</b>		141,944,471	14,194,447	137,068,499
Dividend paid	30	-	-	(52,519,454)
Total comprehensive income for the year		-	-	57,295,119
<b>Balance as at 31 December 2014</b>		<u>141,944,471</u>	<u>14,194,447</u>	<u>141,844,164</u>
				-

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

## Premier Technology Public Company Limited and its subsidiary

### Notes to consolidated financial statements

For the year ended 31 December 2014

#### 1. General information

Premier Technology Public Company Limited (“the Company”) is a public Company incorporated and domiciled in Thailand. The Company is principally engaged in a holding Company. The registered office of the Company is 1 Premier Corporate Park, Soi Premier 2, Srinakarin Road, Nongbon, Prawet, Bangkok.

#### 2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2011, issued under the Accounting Act B.E. 2543.

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

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

#### 2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Premier Technology Public Company Limited (“the Company”) and the following subsidiary (“the subsidiary”).

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2014 Percent	2013 Percent
Datapro Computer Systems Company Limited	Distribution and provision of services relating to computer and computer systems	Thailand	100	100

- b) The subsidiary is fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- c) The financial statements of the subsidiary are prepared using the same significant accounting policies as the Company.
- d) Material balances and transactions between the Company and its subsidiary have been eliminated from the consolidated financial statements.



- 2.3 The separate financial statements, which present investments in subsidiary under the cost method, have been prepared solely for the benefit of the public.

### **3. New financial reporting standards**

Below is a summary of financial reporting standards that became effective in the current accounting year and those that will become effective in the future.

#### **(a) Financial reporting standards that became effective in the current accounting year**

Conceptual Framework for Financial Reporting (revised 2014)

Accounting Standards:

TAS 1 (revised 2012)	Presentation of Financial Statements
TAS 7 (revised 2012)	Statement of Cash Flows
TAS 12 (revised 2012)	Income Taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee Benefits
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (revised 2012)	Related Party Disclosures
TAS 28 (revised 2012)	Investments in Associates
TAS 31 (revised 2012)	Interests in Joint Ventures
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible Assets

Financial Reporting Standards:

TFRS 2 (revised 2012)	Share-based Payment
TFRS 3 (revised 2012)	Business Combinations
TFRS 5 (revised 2012)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (revised 2012)	Operating Segments

Accounting Standard Interpretations:

TSIC 15	Operating Leases - Incentives
TSIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29	Service Concession Arrangements: Disclosures
TSIC 32	Intangible Assets - Web Site Costs

Financial Reporting Standard Interpretations:

TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies
TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 12	Service Concession Arrangements
TFRIC 13	Customer Loyalty Programmes
TFRIC 17	Distributions of Non-cash Assets to Owners
TFRIC 18	Transfers of Assets from Customers

Accounting Treatment Guidance for Stock Dividend

These financial reporting standards were amended primarily to align their content with the corresponding International Financial Reporting Standards. Most of the changes were directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of the accounting standards. These financial reporting standards do not have any significant impact on the financial statements.

**(b) Financial reporting standards that will become effective in the future**

The Federation of Accounting Professions has issued a number of revised and new financial reporting standards that become effective for fiscal years beginning on or after 1 January 2015. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of accounting standards. The management of the Company and its subsidiary believes they will not have any significant impact on the financial statements in the year in which they are adopted. However, some of these financial reporting standards involve changes to key principles and relate to the Company and its subsidiary, as discussed below:

### **TAS 19 (revised 2014) Employee Benefits**

This revised standard requires that the entity recognise actuarial gains and losses immediately in other comprehensive income while the existing standard allows the entity to recognise such gains and losses immediately in profit or loss, or in other comprehensive income, or to recognise them gradually in profit or loss.

This revised standard does not have any impact on the financial statements as the Company and its subsidiary already recognised actuarial gains and losses immediately in other comprehensive income.

### **TFRS 10 Consolidated Financial Statements**

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the part dealing with consolidated financial statements as included in TAS 27 Consolidated and Separate Financial Statements. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgment when reviewing whether the Company and its subsidiary have control over the investees and determine which entities have to be included for preparation of the consolidated financial statements.

The management of the Company and its subsidiary believes that this standard will not have any significant impact on the Company and its subsidiary's financial statements.

### **TFRS 13 Fair Value Measurement**

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurements. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effect of the change from the adoption of this standard is to be recognised prospectively.

Based on the preliminary analysis, the management of the Company and its subsidiary believes that this standard will not have any significant impact on the Company and its subsidiary's financial statements.

## **4. Significant accounting policies**

### **4.1 Revenue recognition**

#### *Sale of goods*

Sales of goods are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

#### *Rendering of service*

Service revenue is recognised when services have been rendered taking into account the stage of completion. The Company and its subsidiary assessed the stage of completion in accordance with the services rendered in proportion to the total services to be rendered.

#### *Rental income*

Rental income is monthly recognised as revenue at the amount as fixed under the related rental agreement.

#### *Dividends*

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

### **4.2 Cash and cash equivalents**

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

### **4.3 Trade accounts receivable**

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

### **4.4 Inventories**

Inventories are valued at the lower of cost (under the first-in, first-out method and the specific identification method) and net realisable value.

## 4.5 Investments

- a) Investments in unit trusts are stated at fair value. Changes in the fair value of unit trusts are recorded in profit or loss. The fair value of unit trusts is determined from their net asset value.
- b) Investment in subsidiary is accounted for in the separate financial statements using the cost method.

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

## 4.6 Investment properties

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

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 5 - 20 years. Depreciation of the investment properties is included in determining income.

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

## 4.7 Property, plant and equipment/Depreciation

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

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

Building	-	20 years
Leasehold improvements	-	5 years
Furniture and fixtures	-	5 years
Office equipment	-	5 years
Computer and equipment	-	3, 5 and 10 years
Motor vehicles	-	5 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation.

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

#### **4.8 Intangible assets**

Intangible assets are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortized on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method of such intangible assets are reviewed at least at each financial year end. The amortization expense is charged to profit or loss.

The Company and its subsidiary amortize intangible assets, which comprise product design and development costs on the straight-line basis, with the periods of economic useful life being approximately 10 years.

#### **4.9 Related party transactions**

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

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

#### **4.10 Long-term leases**

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

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

#### **4.11 Foreign currencies**

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

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

Gains and losses on exchange are included in determining income.

#### **4.12 Impairment of assets**

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

An impairment loss is recognised in profit or loss.

#### **4.13 Employee benefits**

##### *Short-term employee benefits*

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

##### *Post-employment benefits*

##### Defined contribution plans

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

##### Defined benefit plans

The Company and its subsidiary have obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Company and its subsidiary treat these severance payment obligations as a defined benefit plan.

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

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

#### **4.14 Provisions**

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

#### **4.15 Income tax**

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

##### **Current tax**

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

##### **Deferred tax**

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

The Company and its subsidiary recognize deferred tax liabilities for all taxable temporary differences while they recognize deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilized.

At each reporting date, the Company and its subsidiary review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

The Company and its subsidiary record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.



## **5. Significant accounting judgments and estimates**

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

### **Leases**

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

### **Allowance for doubtful accounts**

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

### **Property, plant and equipment/Depreciation**

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

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

### **Intangible assets**

The initial recognition and measurement intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

### **Post-employment benefits under defined benefit plans**

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

## 6. Related party transactions

During the years, the Company and its subsidiary had significant business transactions with related parties, which have been concluded on commercial terms and bases agreed upon in the ordinary course of business between the Company and those companies. Below is a summary of those transactions.

(Unit: Million Baht)

	Consolidated		Separate		
	financial statements		financial statements		Pricing policy
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	
<u>Transactions with subsidiary</u>					
(eliminated from the consolidated financial statements)					
Rental and service income	-	-	30	30	Contract price, which is price in the ordinary course of business
Interest income	-	-	-	2	9% per annum
<u>Transactions with related companies</u>					
Sales and service income	55	51	-	-	Note 6.1
Rental and service income	12	13	12	13	Contract price, which is price in the ordinary course of business
Cost of sales and services	2	3	-	-	Contract price, which is price in the ordinary course of business
Administrative expenses	16	16	2	2	Contract price, which is price in the ordinary course of business

- 6.1 Sales prices are determined based on cost plus a margin while price of service are based on the contract price, which is price in the ordinary course of business. However pricing depends on the type of product or service and the pricing policy may change according to the type of business and the market situation at the time of the transaction.

The balances of the accounts as at 31 December 2014 and 2013 between the Company and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
<b><u>Trade receivables - related parties (Note 9)</u></b>				
Related companies (related by common directors)	4,074	5,048	-	-
Less: Allowance for doubtful debts	(279)	-	-	-
	<u>3,795</u>	<u>5,048</u>	<u>-</u>	<u>-</u>
<b><u>Amounts due to related parties (Note 18)</u></b>				
Subsidiary	-	-	42	5
Related companies (related by common directors)	2,216	6,052	16	-
	<u>2,216</u>	<u>6,052</u>	<u>58</u>	<u>5</u>

#### **Loan to related party and loan from related party**

As at 31 December 2014 and 2013, the balance of loan to and loan from between the Company and the related party and the movement are as follows:

(Unit: Thousand Baht)

		Separate financial statements			
		Balance as at	During the year		Balance as at
Related by		31 December 2013	Increase	Decrease	31 December 2014
<b><u>Short-term loan to related party</u></b>					
Datapro Computer Systems	Subsidiary				
Company Limited		-	18,500	(18,500)	-
<b><u>Short-term loan from related party</u></b>					
Datapro Computer Systems	Subsidiary				
Company Limited		2,500	15,700	(8,000)	10,200

#### **Short-term loan from related party**

Short-term loan from Datapro Computer Systems Company Limited represents the loan in form of promissory note due for repayment at call and carrying interest at the rate of 5.17 and 6.05 percent per annum.

### **Directors and management's benefits**

During the years ended 31 December 2014 and 2013, the Company and its subsidiary had employee benefit expenses of their directors and management as below.

			(Unit: Million Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Short-term employee benefits	35	30	1	1
Post-employment benefits	2	2	-	-
Total	<u>37</u>	<u>32</u>	<u>1</u>	<u>1</u>

### **7. Cash and cash equivalents**

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Cash	126	105	5	5
Bank deposits	39,598	31,664	841	832
Total	<u>39,724</u>	<u>31,769</u>	<u>846</u>	<u>837</u>

As at 31 December 2014, bank deposits in saving accounts carried interests between 0.13 and 0.50 percent per annum (2013: between 0.13 and 0.85 percent per annum).

### **8. Current investments**

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Fixed deposit	91	71	91	71
Investments in unit trust in equity securities open-ended fund(Fair value)	49,521	-	-	-
Investments in unit trust in debt securities open-ended fund (Fair value)	60,184	-	-	-
Total	<u>109,796</u>	<u>71</u>	<u>91</u>	<u>71</u>

## 9. Trade and other receivables

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	<u>2014</u>	<u>2013</u>
<u>Trade receivables - related parties</u> (Note 6)		
Aged on the basis of due dates		
Not yet due	144	438
Past due		
<b>Up to 3 months</b>	1,646	2,949
3 - 6 months	1,725	1,107
6 - 12 months	559	554
Total	4,074	5,048
Less: Allowance for doubtful debts	(279)	-
Total trade receivables - related parties	3,795	5,048
<u>Trade receivables - unrelated parties</u>		
Aged on the basis of due dates		
Not yet due	336,988	344,208
Past due		
Up to 3 months	100,441	122,803
3 - 6 months	11,168	20,215
6 - 12 months	12,612	21,851
Over 12 months	12,640	15,800
Total	473,849	524,877
Less: Allowance for doubtful debts	(10,314)	(16,377)
Total trade receivables - unrelated parties, net	463,535	508,500
Total trade receivables - net	467,330	513,548
<u>Other receivables</u>		
Other receivables	10,201	10,201
Unbilled receivables	121,968	7,824
Total	132,169	18,025
Less: Allowance for doubtful debts	(10,201)	(10,201)
Total other receivables - net	121,968	7,824
Total trade and other receivables - net	589,298	521,372

The balance of trade receivables as at 31 December 2013 included trade receivables amounting to Baht 33 million (2014: None) which the subsidiary has assigned its rights over collection to factoring companies in accordance with the factoring agreements with interest as stipulated in the agreements. If the assignees are unable to make collection from the subsidiary's debtors, the subsidiary agrees to pay the outstanding debt balances to the assignees.

## 10. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
			Reduce cost to net			
	Cost		realizable value		Inventories - net	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Finished goods	52,690	39,290	(4,831)	(1,401)	47,859	37,889
Goods under installation	153,088	194,315	-	-	153,088	194,315
Goods in transit	5,246	73,748	-	-	5,246	73,748
Total	211,024	307,353	(4,831)	(1,401)	206,193	305,952

During the current year, the subsidiary reduced cost of inventories by Baht 5 million (2013: Baht 1 million), to reflect the net realizable value. This was included in cost of sales. In addition, the subsidiary reversed the write-down of cost of inventories by Baht 2 million (2013: Baht 1 million), and reduced the amount of inventories recognised as expenses during the year.

## 11. Other current assets

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Withholding tax deducted at source	3,876	7,757	3,876	2,384
Prepaid expenses	11,153	13,436	157	347
Others	11,068	4,422	2,861	2,882
Total other current assets	<u>26,097</u>	<u>25,615</u>	<u>6,894</u>	<u>5,613</u>

## 12. Restricted bank deposits

Deposits with banks of the Company and its subsidiary have been pledged as security against credit facilities obtained from the financial institutions which are consist of loans, bank guarantees and other credit facilities.

## 13. Investment in subsidiary

Details of investment in subsidiary as presented in separate financial statements are as follows:

		(Unit: Thousand Baht)						
Company's	Paid-up capital		Shareholding percentage		Cost		Dividend received during the year	
	2014	2013	2014	2013	2014	2013	2014	2013
			(%)	(%)				
Datapro Computer Systems Company Limited	100,000	100,000	100	100	325,886	325,886	61,999	83,998
Less: Allowance for impairment of investment in subsidiary					(103,160)	(103,160)		
Investment in subsidiary - net					<u>222,726</u>	<u>222,726</u>		

In April 2013, the annual general meeting of shareholders of the subsidiary passed a resolution approving the payment of a dividend for the year 2012 of Baht 280 per share, a total of Baht 84 million, to the subsidiary's shareholders. The subsidiary paid such dividend in May 2013.

In April 2014, the annual general meeting of shareholders of the subsidiary passed a resolution approving the payment of a dividend for the year 2013 of Baht 62 per share, a total of Baht 62 million, to the subsidiary's shareholders. The subsidiary paid such dividend in May 2014.

## 14. Investment properties

The net book value of investment properties as at 31 December 2014 and 2013 are presented below.

		(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements	
		Land and office building	
31 December 2014			
Cost	171,552	284,910	
<u>Less</u> Accumulated depreciation	<u>(12,411)</u>	<u>(20,612)</u>	
Net book value	<u>159,141</u>	<u>264,298</u>	

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
	Land and office building	Land and office building
31 December 2013		
Cost	166,901	277,187
<u>Less Accumulated depreciation</u>	<u>(7,870)</u>	<u>(13,071)</u>
Net book value	<u>159,031</u>	<u>264,116</u>

A reconciliation of the net book value of investment properties for the year 2014 and 2013 are presented below.

	(Unit: Thousand Baht)			
	For the years ended 31 December			
	Consolidated financial statements		Separate financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Net book value at beginning of year	159,031	154,490	264,116	256,574
Renovation of office building	4,651	8,259	7,723	13,717
Depreciation charged	<u>(4,541)</u>	<u>(3,718)</u>	<u>(7,541)</u>	<u>(6,175)</u>
Net book value at end of year	<u>159,141</u>	<u>159,031</u>	<u>264,298</u>	<u>264,116</u>

The portion of the Company's investment properties, consist of land and office building, has leased to its subsidiary.

The Company has mortgaged such investment properties as collateral against a long-term loan from a Company.

The fair value of the investment properties of the Company as at 31 December 2014 and 2013 stated below.

	(Unit: Thousand Baht)	
	<u>2014</u>	<u>2013</u>
Land and office building	278,000	278,000

The fair value of the above investment properties have been determined based on valuations performed by an accredited independent value by using market prices and the cost approach.



## 15. Property, plant and equipment

(Unit: Thousand Baht)

Consolidated financial statements							
	Land	Building	Furniture, fixtures and equipment	Computer and equipment	Motor vehicles	Assets under installation	Total
<b>Cost:</b>							
1 January 2013	55,894	46,500	134,953	294,665	1,590	4,077	537,679
Additions	-	-	2,553	17,624	-	6,028	26,205
Disposals	-	-	(2,423)	(25,159)	(3)	(348)	(27,933)
Transfers in (out)	-	3,928	814	1,154	-	(5,896)	-
31 December 2013	55,894	50,428	135,897	288,284	1,587	3,861	535,951
Additions	-	-	2,888	22,336	-	3,073	28,297
Disposals	-	-	(408)	(4,897)	-	-	(5,305)
Transfers in (out)	-	3,557	-	-	-	(3,557)	-
31 December 2014	55,894	53,985	138,377	305,723	1,587	3,377	558,943
<b>Accumulated depreciation:</b>							
1 January 2013	-	2,642	78,978	229,840	921	-	312,381
Depreciation for the year	-	2,457	12,356	36,697	214	-	51,724
Depreciation on disposals	-	-	(2,388)	(24,967)	(3)	-	(27,358)
31 December 2013	-	5,099	88,946	241,570	1,132	-	336,747
Depreciation for the year	-	3,000	11,847	31,294	213	-	46,354
Depreciation on disposals	-	-	(287)	(4,897)	-	-	(5,184)
31 December 2014	-	8,099	100,506	267,967	1,345	-	377,917
<b>Net book value:</b>							
31 December 2013	55,894	45,329	46,951	46,714	455	3,861	199,204
31 December 2014	55,894	45,886	37,871	37,756	242	3,377	181,026
<b>Depreciation for the year:</b>							
2013 (Baht 25 million included in service cost, and the balance in administrative expenses)							51,724
2014 (Baht 17 million included in service cost, and the balance in administrative expenses)							46,354

## 15. Property, plant and equipment (continued)

(Unit: Thousand Baht)

	Separate financial statements
	Furniture and office equipment
<b>Cost:</b>	
1 January 2013	389
31 December 2013	389
31 December 2014	389
<b>Accumulated depreciation:</b>	
1 January 2013	31
Depreciation for the year	76
31 December 2013	107
Depreciation for the year	71
31 December 2014	178
<b>Net book value:</b>	
31 December 2013	282
31 December 2014	211
<b>Depreciation for the year (include in administrative expenses):</b>	
2013	76
2014	71

As at 31 December 2014 and 2013, land and building as presented in the consolidated financial statements is the portion of the Company's investment properties that it has leased to its subsidiary.

As at 31 December 2014, the subsidiary had equipment under finance lease agreements with net book values amounting to Baht 19 million (2013: Baht 33 million).

As at 31 December 2014, certain equipment items of the subsidiary have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to Baht 279 million (2013: Baht 244 million).

Land and building have been mortgaged as collateral against a long-term loan from a Company.

## 16. Intangible assets

Details of intangible assets which are the products' design and development costs are as follows:

	(Unit: Thousand Baht) Consolidated financial statements
As at 31 December 2014:	
Cost	13,188
<u>Less</u> Accumulated amortization	<u>(4,398)</u>
Net book value	<u>8,790</u>
As at 31 December 2013:	
Cost	13,188
<u>Less</u> Accumulated amortization	<u>(3,079)</u>
Net book value	<u>10,109</u>

A reconciliation of the net book value of intangible assets for the years 2014 and 2013 is presented below.

	(Unit: Thousand Baht) Consolidated financial statements	
	<u>2014</u>	<u>2013</u>
Net book value at beginning of year	10,109	11,428
Amortization	<u>(1,319)</u>	<u>(1,319)</u>
Net book value at end of year	<u>8,790</u>	<u>10,109</u>

## 17. Short-term loans from financial institutions

		(Unit: Thousand Baht) Consolidated financial statements	
	Interest rate (percent per annum)	<u>2014</u>	<u>2013</u>
Trust receipts	MOR - 1.5	-	44,974
Accounts payable - factoring companies (Note 9)	7.48 and 7.75	<u>-</u>	<u>29,944</u>
Total		<u>-</u>	<u>74,918</u>

Credit facilities for short-term loans from financial institutions of the subsidiary are secured by the pledge of bank deposits of the subsidiary.

## 18. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Trade payables - unrelated parties	411,551	425,820	2,124	-
Amounts due to related parties (Note 6)	2,216	6,052	58	5
Accrued expenses	175,734	142,884	2,539	4,340
Total trade and other payables	<u>589,501</u>	<u>574,756</u>	<u>4,721</u>	<u>4,345</u>

## 19. Short-term loans from other Company

As at 31 December 2014, the balance of short-term loans, amounting to Baht 140 million, is loans granted to a subsidiary under the agreements with a local Company, to make payment for goods. It consists of the loans of Baht 101 million, of which principal are to be repaid in quarterly installments, and which have the interest rate equivalent to zero, and a loan of Baht 39 million, of which principal and interest are to be repaid in monthly installments, and on which interest is charged at a rate of 6.64 percent per annum.

## 20. Long-term loans

Long-term loans of the Company consist of the followings:

	(Unit: Thousand Baht)	
	Consolidated/Separate	
	financial statements	
	<u>2014</u>	<u>2013</u>
Long-term loans	175,691	187,090
Less: Current portion	(14,257)	(11,425)
Long-term loans- net of current portion	<u>161,434</u>	<u>175,665</u>

In December 2011, the Company entered into a loan agreement with a Company, under which interest is to be paid at 9% per annum for the first three years and then at MLR+1.25% per annum. However, if the resulting interest rate is less than 7% per annum, the Company will pay interest at 7% per annum and if the resulting interest rate is greater than 10% per annum, the Company will pay interest at 10% per annum. There is a grace period until April 2013, after which principal and interest are to be paid monthly, with full payment to be made within October 2024. The loan is secured by the mortgage of investment properties of the Company and the pledge of 299,994 shares of the subsidiary.

## 21. Long-term liabilities

Long-term liabilities of the subsidiary represent liabilities under finance lease agreements which are summarized below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	<u>2014</u>	<u>2013</u>
Liabilities under finance lease agreements	22,841	42,606
Less: Deferred interest expenses	(655)	(1,871)
	<u>22,186</u>	<u>40,735</u>
Less: Current portion	(14,646)	(26,189)
Long-term liabilities- net of current portion	<u><u>7,540</u></u>	<u><u>14,546</u></u>

The subsidiary has entered into the finance lease agreements with leasing companies for rental of equipment for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are 3 years. The assets acquired by the subsidiary under the finance lease agreements have been recorded at their cash price.

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

	(Unit: Million Baht)		
	As at 31 December 2014		
	Less than		
	<u>1 year</u>	<u>1-3 years</u>	<u>Total</u>
Future minimum lease payments	16	7	23
Deferred interest expenses	(1)	-	(1)
Present value of future minimum lease payments	<u><u>15</u></u>	<u><u>7</u></u>	<u><u>22</u></u>

	(Unit: Million Baht)		
	As at 31 December 2013		
	Less than		
	<u>1 year</u>	<u>1-3 years</u>	<u>Total</u>
Future minimum lease payments	28	15	43
Deferred interest expenses	(2)	-	(2)
Present value of future minimum lease payments	<u><u>26</u></u>	<u><u>15</u></u>	<u><u>41</u></u>

## 22. Provision for long-term employee benefits

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

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	<u>2014</u>	<u>2013</u>
<b>Provision for long-term employee benefits at beginning of year</b>	44,655	38,100
Current service cost	5,471	3,548
Interest cost	1,909	1,578
Benefits paid during the year	(5,563)	-
Increase in past service cost	-	2,923
Actuarial gains	-	(1,494)
<b>Provision for long-term employee benefits at end of year</b>	<u>46,472</u>	<u>44,655</u>

Long-term employee benefit expenses presented in administrative expenses which included in the profit or loss for the year ended 31 December 2014 amounted to Baht 7 million (2013: Baht 8 million).

The cumulative amount of actuarial gains recognised in the other comprehensive income and taken as part of retained earnings of subsidiary for the year ended 31 December 2013 approximately amounted to Baht 1 million.

Key actuarial assumptions used for the valuation are as follows:

	Consolidated	
	financial statements	
	<u>2014</u>	<u>2013</u>
	(% per annum)	(% per annum)
Discount rate	4.4	4.4
Future salary increase rate	5.5	5.5
Staff turnover rate (depending on age of employee)	1.0 - 15.0	1.0- 15.0

Amounts of defined benefit obligations and experience adjustments for the current year and the past four years are as follows:

(Unit: Thousand Baht)		
	Consolidated financial statements	
	Defined benefit	Experience
	obligation	adjustments on the obligation
Year 2014	46,472	-
Year 2013	44,655	51
Year 2012	38,100	-
Year 2011	32,166	-
Year 2010	34,177	-

### 23. Statutory reserve

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

### 24. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Salaries and other employee benefits	500,632	450,555	1,464	1,194
Depreciation	50,895	55,442	7,612	6,251
Rental expenses from operating lease agreements	26,372	26,315	-	-
Purchase of goods and services	1,787,593	1,687,586	-	-
Changes in finished goods and goods under installation	27,827	166,375	-	-

## 25. Income tax expenses

Income tax expenses for the years ended 31 December 2014 and 2013 are made up as follows:

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
<b>Current income tax:</b>				
Current corporate income tax charge	37,270	30,756	-	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(1,532)	227	-	-
<b>Income tax expenses reported in the statements of comprehensive income</b>	<u>35,738</u>	<u>30,983</u>	<u>-</u>	<u>-</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2014 and 2013 are as follows:

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Deferred tax relating to actuarial gains	-	299	-	-
	<u>-</u>	<u>299</u>	<u>-</u>	<u>-</u>



The reconciliation between accounting profit and income tax expenses is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Accounting profit before tax	186,099	146,092	57,295	82,849
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	37,220	29,218	11,459	16,570
Tax loss for the year which unrecognized as deferred tax assets	941	225	941	225
Effects of:				
Tax-exempt income	-	-	(12,400)	(16,800)
Non-deductible expenses	2,184	3,004	-	5
Additional expense deductions allowed	(4,607)	(1,464)	-	-
Total	(2,423)	1,540	(12,400)	(16,795)
Income tax expenses reported in the statement of comprehensive income	35,738	30,983	-	-

The components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Thousand Baht)			
	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
<b>Deferred tax assets</b>				
Provision for long-term employee benefits	9,294	8,931	-	-
Others	967	-	-	-
Total	10,261	8,931	-	-
<b>Deferred tax liabilities</b>				
Difference depreciation between tax and accounting base of assets under finance lease agreements	3,452	3,655	-	-
Total	3,452	3,655	-	-
Total deferred tax assets - net	6,809	5,276	-	-

As at 31 December 2014 the Company has unused tax losses totaling Baht 29 million (2013: Baht 30 million), on which deferred tax assets have not been recognizes the Company believes future taxable profits may not be sufficient to allow utilization of the unused tax losses.

The Company had no corporate income tax payable for the years 2014 and 2013 since dividend income was exempted from income tax under section 65 bis (10) of the Revenue Code.

## 26. Promotional privileges

The subsidiary has received promotional privileges from the Board of Investment for Enterprise Software and Digital Content, pursuant to the promotion certificate No. 1924(7)/2553 issued on 30 July 2010. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax for a period of 8 years from the date the promoted operations commenced generating revenues(20 June 2012)

However, for the year 2014 and 2013 the subsidiary has operating loss from this promoted activity.

## 27. Basic earnings per share

Basic earnings per share for the year ended 31 December 2013 are calculated by dividing profit for the year (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year after deducting 230,175 shares of the Company held by a subsidiary.

However, in April 2014, the subsidiary sold investments in the Company of 230,175 shares to non-related persons. Therefore, basic earnings per share for the year ended 31 December 2014 are calculated by dividing profit for the year (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Profit for the year(Thousand Baht)	150,361	115,109	57,295	82,849
Weighted average number of ordinary				
shares (Thousand shares)	141,887	141,714	141,887	141,714
Earnings per share (Baht/share)	1.06	0.81	0.40	0.58

## 28. Financial information by segment

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the Company's Board of Directors.

For management purposes, the Company and its subsidiary are organized into business units based on its products and services and have 2 reportable segments as follows:

- (1) Distribution and provision of services relating to computer and computer systems.
- (2) Rent out space and services.

No other operating segments have been aggregated to form above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements. However, the Company and its subsidiary's central administrative activities, financing activities (including finance costs and finance income) and income taxes are managed on a group basis. Therefore these income and expenses are not allocated to operating segments.

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

The following tables present revenue and profit information regarding the Company and its subsidiary's operating segments for the years ended 31 December 2014 and 2013.

(Unit: Million Baht)

	Distribution and provision of services relating to computer and computer systems segment		Rent out space and services segment		Elimination of inter-segment		Consolidation	
	2014	2013	2014	2013	2014	2013	2014	2013
<b>Revenues</b>								
Revenues from external customers								
Sales	1,860	1,928	-	-	-	-	1,860	1,928
Rental and service income	708	655	12	13	-	-	720	668
Total revenues from external customers	2,568	2,583	12	13	-	-	2,580	2,596
Inter-segment revenues	-	-	30	30	(30)	(30)	-	-
<b>Total revenues</b>	<b>2,568</b>	<b>2,583</b>	<b>42</b>	<b>43</b>	<b>(30)</b>	<b>(30)</b>	<b>2,580</b>	<b>2,596</b>
<b>Results Segment profit</b>	<b>208</b>	<b>188</b>	<b>11</b>	<b>14</b>	<b>-</b>	<b>-</b>	<b>219</b>	<b>202</b>
<b>Unallocated income and expenses:</b>								
Other income							71	34
Selling expenses							(16)	(8)
Administrative expenses							(69)	(57)
Share of loss from investment in associate							-	(1)
Finance cost							(19)	(24)
<b>Profit before income tax expenses</b>							<b>186</b>	<b>146</b>
Income tax expenses							(36)	(31)
<b>Profit for the year</b>							<b>150</b>	<b>115</b>

## Geographic information

The Company and its subsidiary are operated in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain to the aforementioned geographical reportable segment.

## Major customers

For the year 2014, the Company and its subsidiary have revenue from three major customers in amount of Baht 593 million(2013: Baht 597 million derived from two major customers), arising from distribution and provision of services relating to computer and computer systems segment.

## 29. Provident fund

The subsidiary and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the subsidiary contributed to the fund monthly at the rate of 5 percent of basic salary. The fund, which is managed by KASIKORN Assets Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the year 2014, the subsidiary contributed Baht 8 million (2013: Baht 8 million) to the fund.

## 30. Dividends

	Approved by	Dividends (Million Baht)	Dividend per share (Baht)	Paid in month
Dividends for 2012	Annual General Meeting of the shareholders on 24April 2013	21	0.15	May2013
Interim dividends for 2013	Board of Directors' meeting on 7 August 2013	21	0.15	September 2013
Total dividends for 2013		42		
Dividends for 2013	Annual General Meeting of the shareholders on 23April 2014	35	0.25	May2014
Interim dividends for 2014	Board of Directors' meeting on 4 August 2014	17	0.12	September 2014
Total dividend for 2014		52		

### **31. Commitments and contingent liabilities**

#### **31.1 Operating lease commitments**

The subsidiary has entered into several lease agreements with other companies and related Company in respect of the lease of office building space and related services. The terms of the agreements are generally between 1 and 13 years.

Future minimum lease payments required under these operating leases contracts were as follows:

	(Unit: Million Baht)	
	As at 31 December	
	<u>2014</u>	<u>2013</u>
Payable:		
In up to 1 year	17	14
In over 1 year and up to 5 years	11	22
In over 5 years	2	4

#### **31.2 Service commitments**

The Company and its subsidiary have entered into management service agreements with a related Company, whereby management fees totaling Baht 0.5million per month (2013: Baht 0.5 million per month) are payable in the future, with Baht 0.1 million per month (2013: Baht 0.1 million per month) payable by the Company. The agreements end in December 2015 but they automatically renew for periods of one year each time until terminated.

#### **31.3 Bank guarantees**

As at 31 December 2014, the Company and its subsidiary have outstanding bank guarantees of approximately Baht 106 million (2013: Baht 77 million) issued by banks on behalf of the Company and its subsidiary in respect of certain performance bonds as required in the normal course of business of the Company and its subsidiary. These included letters of guarantee amounting to Baht 105 million (2013: Baht 76 million) to guarantee contractual performance of the subsidiary and amounting to Baht 1 million (2013: Baht 1 million) to guarantee electricity use of the Company.

## **32. Financial instruments**

### **32.1 Financial risk management**

The Company and its subsidiary's financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, current investments, restricted bank deposits, trade and other receivables, investments, trade and other payables, short-term and long-term loans and long-term liabilities. The financial risks associated with these financial instruments and how they are managed is described below.

#### ***Credit risk***

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

#### ***Interest rate risk***

The Company and its subsidiary's exposure to interest rate risk relates primarily to their cash at banks, short-term and long-term loans and long-term liabilities. Most of the Company and its subsidiary's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

Significant financial assets and liabilities classified by type of interest rates are summarized in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

As at 31 December 2014						
Consolidated financial statements	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
	Within 1 year	1-3 years				
<b>Financial assets</b>						
Cash and cash equivalents	-	-	40	-	40	0.13 - 0.50
Current investments	-	-	-	110	110	-
Trade and other receivables	-	-	-	589	589	-
Restricted bank deposits	-	-	63	-	63	0.40 and 1.05
	-	-	103	699	802	
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	590	590	-
Short-term loan from other Company	39	-	-	101	140	6.64
Long-term loans	-	-	176	-	176	MLR + 1.25
Long-term liabilities	15	7	-	-	22	1.03 - 9.82
	54	7	176	691	928	

(Unit: Million Baht)

As at 31 December 2013						
Consolidated financial statements	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
	Within 1 year	1-3 years				
<b>Financial assets</b>						
Cash and cash equivalents	-	-	32	-	32	0.13 - 0.85
Trade and other receivables	-	-	-	521	521	-
Restricted bank deposits	-	-	52	-	52	1.30
	-	-	84	521	605	
<b>Financial liabilities</b>						
Short-term loans from financial institutions	30	-	45	-	75	MOR - 1.5, 7.48 and 7.75
Trade and other payables	-	-	-	575	575	-
Long-term loans	11	-	176	-	187	9.00 and MLR + 1.25
Long-term liabilities	26	15	-	-	41	1.03 - 9.84
	67	15	221	575	878	

(Unit: Million Baht)

As at 31 December 2014						
Separate financial statements	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
	Within 1 year	1-3 years				
<b>Financial assets</b>						
Cash and cash equivalents	-	-	1	-	1	0.30
Current investments	-	-	-	110	110	-
Restricted bank deposits	-	-	1	-	1	0.40
	-	-	2	110	112	
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	5	5	-
Short-term loan from related party	10	-	-	-	10	5.17 and 6.05
Long-term loan	-	-	176	-	176	MLR + 1.25
	10	-	176	5	191	

(Unit: Million Baht)

As at 31 December 2013						
Separate financial statements	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
	Within 1 year	1-3 years				
<b>Financial assets</b>						
Cash and cash equivalents	-	-	1	-	1	0.50
Restricted bank deposits	-	-	1	-	1	0.70
	-	-	2	-	2	
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	4	4	-
Short-term loan from related party	3	-	-	-	3	7.48
Long-term loan	11	-	176	-	187	9.00 and MLR + 1.25
	14	-	176	4	194	



### ***Foreign currency risk***

The subsidiary's exposure to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies. As at 31 December 2014, the subsidiary had the net liabilities denominated in foreign currency amounting to USD 3 million (2013: USD 5 million) which had not been hedged against foreign exchange rate risk.

### **32.2 Fair values of financial instruments**

As the majority of financial instruments are short-term and long-term financial liabilities carry interest rates which are close to market rates, the Company and its subsidiary expect that fair value of their financial instruments are close to the amounts presented in the statements of financial position.

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instrument or by using an appropriate valuation technique, depending on the nature of the instrument.

### **33. Capital management**

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximize shareholder value. As at 31 December 2014, the Group's debt-to-equity ratio was 2.3:1 (2013: 2.7:1) and the Company's was 0.7:1 (2013: 0.7:1).

### **34. Approval of financial statements**

These financial statements were authorized for issue by the Company's Board of Directors on 20 February 2015.



# Premier Technology

Public Company Limited

**บริษัท พรีเมียร์ เทคโนโลยี จำกัด (มหาชน)**

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