

ALT TELECOM PUBLIC COMPANY LIMITED

**INTERIM CONSOLIDATED AND SEPARATE
FINANCIAL INFORMATION
(UNAUDITED)**

30 SEPTEMBER 2017

AUDITOR'S REPORT ON THE REVIEW OF THE INTERIM FINANCIAL INFORMATION

To the Shareholders and the Board of Directors of ALT Telecom Public Company Limited

I have reviewed the interim consolidated financial information of ALT Telecom Public Company Limited and its subsidiaries, and the interim separate financial information of ALT Telecom Public Company Limited. These comprise the consolidated and separate statements of financial position as at 30 September 2017, the consolidated and separate statements of comprehensive income for the three-month and nine-month periods then ended, and the related consolidated and separate statements of changes in equity and cash flows for the nine-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim consolidated and separate financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim consolidated and separate financial information based on my review.

Scope of review

I conducted my review in accordance with the Thai Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim consolidated and separate financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

PricewaterhouseCoopers ABAS Ltd.

Pisit Thangtanagul

Certified Public Accountant (Thailand) No. 4095

Bangkok

14 November 2017

ALT Telecom Public Company Limited
Statement of Financial Position
As at 30 September 2017

		Consolidated		Separate	
		financial information		financial information	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		30 September	31 December	30 September	31 December
		2017	2016	2017	2016
	Notes	Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	5	150,001,880	161,026,093	86,127,550	80,820,623
Short-term investments		11,602,917	25,333,373	95,015	21,033,192
Trade and other receivables	6	303,570,754	430,075,190	74,069,785	189,670,401
Unbilled contract revenue	7	653,835,783	868,421,364	136,288,377	240,940,296
Short-term loans to related parties	19	342,000,000	317,000,000	531,000,000	776,000,000
Current portion of long-term receivables		162,394,415	96,346,433	-	-
Inventories	8	222,726,772	330,122,931	101,971,083	70,345,212
Current portion of prepaid rent		13,088,066	10,942,866	8,870,210	7,120,773
Other current assets		82,901,729	48,925,667	74,502,067	40,188,781
Total current assets		1,942,122,316	2,288,193,917	1,012,924,087	1,426,119,278
Non-current assets					
Restricted cash		136,050,133	133,104,558	55,122,000	27,401,315
Long-term receivables		36,647,449	149,327,972	-	-
Prepaid rent		13,984,375	-	13,984,375	-
Investments in associate	9	36,659,226	17,722,123	46,500,000	22,500,000
Investments in subsidiaries	9	-	-	176,561,807	174,061,882
Investments in joint venture	9	66,865,771	46,862,738	35,499,900	35,499,900
Property, plant and equipment	10	89,823,758	75,367,029	47,339,169	40,989,422
Fiber optic network equipment	11	1,012,534,606	580,522,334	1,242,255,616	628,983,739
Intangible assets	10	13,008,932	10,481,025	8,077,923	2,918,118
Deferred tax assets		76,622,672	39,653,650	31,704,965	14,081,352
Other non-current assets		18,897,437	16,094,711	1,755,742	3,518,793
Total non-current assets		1,501,094,359	1,069,136,140	1,658,801,497	949,954,521
Total assets		3,443,216,675	3,357,330,057	2,671,725,584	2,376,073,799

Director _____
Pyut Bhuwakulwong

Director _____
Preeyapun Bhuwakul

The accompanying notes form part of this interim financial information.

ALT Telecom Public Company Limited
Statement of Financial Position (Cont'd)
As at 30 September 2017

	Notes	Consolidated		Separate	
		financial information		financial information	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		30 September	31 December	30 September	31 December
		2017	2016	2017	2016
		Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Short-term borrowings from					
financial institutions	12	786,271,193	573,448,721	569,398,460	543,448,721
Trade and other payables	13	588,443,430	651,414,878	530,957,094	90,043,767
Current portion of long-term borrowings					
from financial institutions	12	122,582,739	98,254,000	-	-
Current portion of finance lease liability	12	304,928	-	-	-
Accrued income tax		18,859,525	30,689,747	-	-
Other current liabilities		40,992,876	29,312,715	18,040,414	17,363,714
Total current liabilities		1,557,454,691	1,383,120,061	1,118,395,968	650,856,202
Non-current liabilities					
Long-term borrowings from financial					
institutions	12	24,555,090	90,334,829	-	-
Finance lease liability	12	762,863	-	-	-
Employee benefit obligations		19,760,459	16,380,748	8,440,205	7,092,472
Provision for decommissioning		12,899,164	12,637,365	12,899,164	12,637,365
Other liabilities		10,911,750	8,640,000	-	-
Total non-current liabilities		68,889,326	127,992,942	21,339,369	19,729,837
Total liabilities		1,626,344,017	1,511,113,003	1,139,735,337	670,586,039

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ALT Telecom Public Company Limited
Statement of Financial Position (Cont'd)
As at 30 September 2017

	Notes	Consolidated		Separate	
		financial information		financial information	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		30 September	31 December	30 September	31 December
		2017	2016	2017	2016
		Baht	Baht	Baht	Baht
Liabilities and equity (Cont'd)					
Equity					
Authorised share capital					
Ordinary share 1,000,000,000 shares of par Baht 0.50 each	14	500,000,000	500,000,000	500,000,000	500,000,000
Issued and paid-up share capital					
Ordinary share 1,000,000,000 shares of paid-up Baht 0.50 each		500,000,000	500,000,000	500,000,000	500,000,000
Share premium		1,010,493,000	1,010,493,000	1,010,493,000	1,010,493,000
Share surplus from business combination under common control		4,605,502	4,605,502	-	-
Share surplus from share-based payment		1,836,570	1,836,570	-	-
Retained earnings (deficit)					
Appropriated - legal reserve	15	50,000,000	50,000,000	50,000,000	50,000,000
Unappropriated		206,113,467	235,463,671	(28,502,753)	144,994,760
Other components of equity		43,653,876	43,653,876	-	-
Equity attribute to owners of the parent		1,816,702,415	1,846,052,619	1,531,990,247	1,705,487,760
Non-controlling interests		170,243	164,435	-	-
Total equity		1,816,872,658	1,846,217,054	1,531,990,247	1,705,487,760
Total liabilities and equity		3,443,216,675	3,357,330,057	2,671,725,584	2,376,073,799

Director _____
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Preeyapun Bhuwakul

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ALT Telecom Public Company Limited
Statement of Comprehensive Income (Unaudited)
For the three-month period ended 30 September 2017

	Notes	Consolidated		Separate	
		financial information		financial information	
		2017	2016	2017	2016
		Baht	Baht	Baht	Baht
Revenues					
Sales		111,091,600	153,685,346	15,501,832	43,704,003
Services income		168,768,982	111,916,516	69,426,534	29,493,012
Services income - fiber optic network		1,940,870	-	1,940,870	-
Total revenues		281,801,452	265,601,862	86,869,236	73,197,015
Cost					
Cost of sales		(89,110,768)	(126,835,828)	(12,144,133)	(39,189,564)
Cost of services		(95,970,327)	(44,678,227)	(60,441,508)	(20,838,740)
Cost of service - fiber optic network		(40,200,223)	(9,477,188)	(41,700,373)	(9,477,188)
Total cost		(225,281,318)	(180,991,243)	(114,286,014)	(69,505,492)
Gross profit (loss)		56,520,134	84,610,619	(27,416,778)	3,691,523
Other income	17	10,593,467	7,242,423	13,645,992	11,048,813
Selling expenses		(14,192,351)	(19,250,070)	(6,218,795)	(12,571,838)
Administrative expenses		(50,236,380)	(41,450,195)	(11,058,666)	(12,456,146)
Gain (loss) from exchange rate		364,864	2,062,694	(627,738)	(429,001)
Share of loss of investments in associate		(1,261,597)	(647,800)	-	-
Share of profit (loss) of investments in joint venture		1,246,034	23,924,666	-	-
Finance costs		(7,579,176)	(8,855,667)	(4,514,146)	(4,397,385)
(Loss) profit before income tax		(4,545,005)	47,636,670	(36,190,131)	(15,114,034)
Income tax (expense) revenue	18	(1,363,407)	(5,368,253)	7,227,125	2,353,333
(Loss) profit for the period		(5,908,412)	42,268,417	(28,963,006)	(12,760,701)
(Loss) profit attributable to:					
Owners of the parent		(5,902,237)	42,267,235	(28,963,006)	(12,760,701)
Non-controlling interests		(6,175)	1,182	-	-
		(5,908,412)	42,268,417	(28,963,006)	(12,760,701)
Total comprehensive (expense) income attributable to:					
Owners of the parent		(5,902,237)	42,267,235	(28,963,006)	(12,760,701)
Non-controlling interests		(6,175)	1,182	-	-
		(5,908,412)	42,268,417	(28,963,006)	(12,760,701)
(Loss) earnings per share					
Basic (loss) earnings per share		(0.01)	0.04	(0.03)	(0.01)

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The accompanying notes form part of this interim financial information.

ALT Telecom Public Company Limited
Statement of Comprehensive Income (Unaudited)
For the nine-month period ended 30 September 2017

	Notes	Consolidated financial information		Separate financial information	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
Revenues					
Sales		241,274,851	597,618,240	46,994,278	155,075,306
Services income		589,419,361	683,911,067	105,964,762	167,773,398
Services income - fiber optic network		1,940,870	-	1,940,870	-
Total revenues		832,635,082	1,281,529,307	154,899,910	322,848,704
Cost					
Cost of sales		(194,610,899)	(490,981,447)	(46,506,623)	(128,577,368)
Cost of services		(330,364,122)	(413,860,409)	(90,802,055)	(129,651,077)
Cost of service - fiber optic network		(81,970,320)	(24,977,862)	(83,470,470)	(24,977,862)
Total cost		(606,945,341)	(929,819,718)	(220,779,148)	(283,206,307)
Gross profit (loss)		225,689,741	351,709,589	(65,879,238)	39,642,397
Other income	17	29,096,820	19,256,110	43,210,971	250,078,075
Selling expenses		(43,559,284)	(67,674,528)	(18,677,260)	(32,836,997)
Administrative expenses		(125,656,834)	(118,798,119)	(39,232,999)	(34,043,343)
Gain (loss) from exchange rate		1,580,994	6,499,318	(2,821,406)	(384,716)
Share of loss of investments in associate	9	(5,062,897)	(2,340,319)	-	-
Share of profit of investments in joint venture	9	20,003,033	37,180,707	-	-
Finance costs		(14,644,978)	(31,190,178)	(7,721,194)	(16,629,921)
Profit (loss) before income tax		87,446,595	194,642,580	(91,121,126)	205,825,495
Income tax (expense) revenue	18	(16,791,141)	(17,522,573)	17,623,613	10,797,581
Profit (loss) for the period		70,655,454	177,120,007	(73,497,513)	216,623,076
Profit (loss) attributable to:					
Owners of the parent		70,649,796	176,722,535	(73,497,513)	216,623,076
Non-controlling interests		5,658	397,472	-	-
		70,655,454	177,120,007	(73,497,513)	216,623,076
Total comprehensive income (expense) attributable to:					
Owners of the parent		70,649,796	176,722,535	(73,497,513)	216,623,076
Non-controlling interests		5,658	397,472	-	-
		70,655,454	177,120,007	(73,497,513)	216,623,076
Earnings per share					
Basic earnings (loss) per share		0.07	0.21	(0.07)	0.26

Director _____
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The accompanying notes form part of this interim financial information.

ALT Telecom Public Company Limited
Statement of Changes in Equity (Unaudited)
For the nine-month period ended 30 September 2017

Consolidated financial information													
Attributable to owners of the parent													
	Notes	Share surplus from business combination					Other components of equity						
		Issued and paid-up share capital	Share premium	Share surplus under common control	Share surplus from share-based payment	Retained earnings	Change in parent's ownership interest in subsidiaries	Other comprehensive expense from translation of financial statements	Total other component of equity	Total owners of the parent	Non-controlling interests	Total equity	
		Baht	Baht	Baht	Baht	Appropriated - legal reserve	Unappropriated	Baht	Baht	Baht	Baht	Baht	Baht
Opening balance at 1 January 2016		375,000,000	-	4,605,502	1,836,570	28,600,000	137,806,897	42,940,185	-	42,940,185	590,789,154	9,748,502	600,537,656
Issue of shares	14	125,000,000	1,010,493,000	-	-	-	-	-	-	-	1,135,493,000	-	1,135,493,000
Issue of shares by subsidiary		-	-	-	-	-	-	-	-	-	-	600	600
Investment in subsidiary		-	-	-	-	-	-	383,085	-	383,085	383,085	(9,982,487)	(9,599,402)
Dividends payment by subsidiary		-	-	-	-	-	-	-	-	-	-	(2,250)	(2,250)
Legal reserve		-	-	-	-	11,200,000	(11,200,000)	-	-	-	-	-	-
Dividends payment	16	-	-	-	-	-	(160,500,000)	-	-	-	(160,500,000)	-	(160,500,000)
Total comprehensive income for the period		-	-	-	-	-	176,722,535	-	-	-	176,722,535	397,472	177,120,007
Closing balance at 30 September 2016		<u>500,000,000</u>	<u>1,010,493,000</u>	<u>4,605,502</u>	<u>1,836,570</u>	<u>39,800,000</u>	<u>142,829,432</u>	<u>43,323,270</u>	<u>-</u>	<u>43,323,270</u>	<u>1,742,887,774</u>	<u>161,837</u>	<u>1,743,049,611</u>
Opening balance at 1 January 2017		500,000,000	1,010,493,000	4,605,502	1,836,570	50,000,000	235,463,671	42,694,664	959,212	43,653,876	1,846,052,619	164,435	1,846,217,054
Investment in subsidiary		-	-	-	-	-	-	-	-	-	-	150	150
Dividends payment	16	-	-	-	-	-	(100,000,000)	-	-	-	(100,000,000)	-	(100,000,000)
Total comprehensive income for the period		-	-	-	-	-	70,649,796	-	-	-	70,649,796	5,658	70,655,454
Closing balance at 30 September 2017		<u>500,000,000</u>	<u>1,010,493,000</u>	<u>4,605,502</u>	<u>1,836,570</u>	<u>50,000,000</u>	<u>206,113,467</u>	<u>42,694,664</u>	<u>959,212</u>	<u>43,653,876</u>	<u>1,816,702,415</u>	<u>170,243</u>	<u>1,816,872,658</u>

Director _____
Pyut Bhuwakulwong

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The accompanying condensed notes are an integral part of these interim financial information.

ALT Telecom Public Company Limited
Statement of Changes in Equity (Unaudited)
For the nine-month period ended 30 September 2017

	Notes	Separate financial information				Total equity Baht
		Issued and paid-up share capital Baht	Share premium Baht	Retained earnings (deficit)		
				Appropriated - legal reserve Baht	Unappropriated Baht	
Opening balance at 1 January 2016		375,000,000	-	28,600,000	4,807,881	408,407,881
Issue of shares	14	125,000,000	1,010,493,000	-	-	1,135,493,000
Legal reserve		-	-	11,200,000	(11,200,000)	-
Dividends payment	16	-	-	-	(160,500,000)	(160,500,000)
Total comprehensive income for the period		-	-	-	216,623,076	216,623,076
Closing balance at 30 September 2016		<u>500,000,000</u>	<u>1,010,493,000</u>	<u>39,800,000</u>	<u>49,730,957</u>	<u>1,600,023,957</u>
Opening balance at 1 January 2017		500,000,000	1,010,493,000	50,000,000	144,994,760	1,705,487,760
Dividends payment	16	-	-	-	(100,000,000)	(100,000,000)
Total comprehensive expense for the period		-	-	-	(73,497,513)	(73,497,513)
Closing balance at 30 September 2017		<u>500,000,000</u>	<u>1,010,493,000</u>	<u>50,000,000</u>	<u>(28,502,753)</u>	<u>1,531,990,247</u>

Director _____
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The accompanying condensed notes are an integral part of these interim financial information.

ALT Telecom Public Company Limited
Statement of Cash Flows (Unaudited)
For the nine-month period ended 30 September 2017

	Notes	Consolidated		Separate	
		financial information		financial information	
		2017	2016	2017	2016
		Baht	Baht	Baht	Baht
Cash flows from operating activities					
Profit (loss) before income tax		87,446,595	194,642,580	(91,121,126)	205,825,495
Adjustments for:					
Depreciation of building and equipment	10	8,533,814	8,396,273	1,720,304	1,440,335
Depreciation of fiber optic network	11	22,990,563	17,227,926	24,490,713	17,227,926
Amortisation expenses	10	971,428	784,452	423,145	328,261
Written off intangible assets	10	2,816,330	-	-	-
Amortisation of prepaid rents		49,015,422	38,169,585	9,719,378	3,627,626
Doubtful accounts (reversal)		(820,150)	3,324,689	(177,908)	17,741
Loss (gain) on disposal of equipment		78,872	(647,630)	-	3,454
Interest income		(18,891,054)	(10,408,960)	(23,926,856)	(9,239,267)
Interest expense		14,644,978	31,190,178	7,721,194	16,629,921
Dividends income	17	-	-	-	(224,997,750)
Loss on diminution in value of inventories		2,154,651	2,574,836	1,737,637	1,185,640
Employee benefit obligations		3,379,711	3,830,347	1,347,733	1,209,325
Share of loss of investments in associate	9	5,062,897	2,340,319	-	-
Share of profit of investments in joint venture	9	(20,003,033)	(37,180,707)	-	-
Changes in operating assets and liabilities					
- trade and other receivables		179,671,267	(159,347,724)	15,779,423	34,856,184
- unbilled contract revenue		214,585,581	132,423,038	104,651,919	(5,541,388)
- inventories		105,241,508	59,526,234	(33,363,508)	38,477,047
- other current assets		(25,509,058)	(20,893,828)	(27,439,438)	(22,151,970)
- prepaid rent		(65,144,997)	(43,187,201)	(25,453,190)	(9,033,449)
- other non-current assets		(2,802,726)	(1,735,283)	1,763,051	1,571,964
- trade and other payables		(63,509,211)	(346,857,469)	277,568,590	(16,298,706)
- other current liabilities		11,680,161	2,659,329	676,700	647,031
- other non-current liabilities		2,271,750	2,896,663	-	-
Cash generated from (used in) operations		513,865,299	(120,272,353)	246,117,761	35,785,420
<u>Less</u> Interest paid		(14,820,744)	(30,842,858)	(8,353,656)	(19,274,004)
Income tax paid		(74,057,388)	(73,078,362)	(6,873,848)	(5,262,547)
Net cash generated from (used in) operating activities		424,987,167	(224,193,573)	230,890,257	11,248,869
Cash flows from investing activities					
Purchase of (proceeds from) short-term investment		13,730,456	(2,833,740)	20,938,177	-
Purchase of property, plant and equipment		(21,553,471)	(8,781,251)	(8,070,051)	(602,916)
Purchase of fiber optic network		(447,705,835)	(202,903,128)	(467,120,853)	(302,050,750)
Purchase of intangible assets	10	(6,315,665)	(1,566,815)	(5,582,950)	(509,850)
Increase in restricted cash		(2,945,575)	(47,300,303)	(27,720,685)	-
Payment for investment in subsidiaries	9	-	-	(2,499,925)	(79,598,802)
Payment for investment in associates	9	(24,000,000)	(9,000,000)	(24,000,000)	(9,000,000)
Payment for short-term loans to related parties	19	(292,000,000)	(456,000,000)	(631,000,000)	(661,000,000)
Proceeds from short-term loans to related parties	19	267,000,000	334,700,000	876,000,000	25,000,000
Proceeds from disposals of equipment		2,748	657,571	-	1,134
Dividends received from subsidiaries		-	-	99,999,100	224,997,750
Interest received		13,176,912	15,034,603	23,926,857	10,238,802
Net cash used in investing activities		(500,610,430)	(377,993,063)	(145,130,330)	(792,524,632)

Director _____
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ALT Telecom Public Company Limited
Statement of Cash Flows (Unaudited) (Cont'd)
For the nine-month period ended 30 September 2017

	Notes	Consolidated financial information		Separate financial information	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
Cash flows from financing activities					
Proceeds from short-term borrowing					
from related parties		-	4,000,000	-	4,000,000
Proceeds from short-term borrowings from					
financial institution		206,500,800	25,365,617	19,547,000	278,000,951
Proceeds from shares issuance of subsidiaries from					
non-controlling interests		150	600	-	-
Proceeds from debenture		-	100,000,000	-	100,000,000
Repayments of bank overdraft		-	(39,443,313)	-	(39,443,313)
Repayments of finance lease liabilities		(450,900)	(46,739)	-	-
Repayments of short-term borrowing from					
related parties		-	(11,000,000)	-	(92,000,000)
Repayments of short-term borrowing					
from third parties		-	(32,500,000)	-	(32,500,000)
Repayments of debenture		-	(100,000,000)	-	(100,000,000)
Repayments of long-term borrowing					
from financial institution	12	(41,451,000)	-	-	-
Proceeds from shares issuance	14	-	1,135,493,000	-	1,135,493,000
Payment for investment purchased from					
non-controlling interest		-	(9,599,402)	-	-
Dividends paid to non-controlling interest		-	(2,250)	-	-
Dividends paid to shareholders	16	(100,000,000)	(160,500,000)	(100,000,000)	(160,500,000)
Net cash from (used in) financing activities		64,599,050	911,767,513	(80,453,000)	1,093,050,638
Net (decrease) increase in cash and cash equivalents		(11,024,213)	309,580,877	5,306,927	311,774,875
Opening balance of cash and cash equivalents		161,026,093	67,847,620	80,820,623	3,728,740
Closing balance of cash and cash equivalents		<u>150,001,880</u>	<u>377,428,497</u>	<u>86,127,550</u>	<u>315,503,615</u>
Significant non-cash transactions					
Provision for decommissioning cost of fiber optic network		-	12,365,075	-	12,365,075
Asset held under a finance lease agreement		1,518,692	-	-	-
Payable arising from purchases of fiber optic network		-	-	163,344,737	-
Borrowing cost capitalised to fixed assets		7,297,000	-	7,297,000	-

Director _____
Pyut Bhuwakulwong

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Preeyapun Bhuwakul

The accompanying notes form part of this interim financial information.

1 General information

ALT Telecom Public Company Limited (the “Company”) is incorporated and resident in Thailand. The address of the Company’s registered office is as follows:

52/1 Moo 5, Bangkruiy-Sainoi Rd., Bangsithong, Bangkruiy, Nonthaburi.

For reporting purposes, the Company and its subsidiaries are referred to as ‘the Group’.

The Group is principally engaged in the business of sales, installation, maintenance and network rental for telecommunication network.

This interim consolidated and separate financial information was authorised for issue by the Board of Directors on 14 November 2017.

These group interim consolidated and separate financial information have been reviewed, not audited.

2 Accounting policies

2.1 Basis of preparation

The interim financial information has been prepared in accordance with Thai Accounting Standard 34 Interim Financial Reporting. The primary financial information (statement of financial position, statement of comprehensive income, statement of changes in equity and cash flows) is presented in a format consistent with the annual financial statements complying with Thai Accounting Standard 1 Presentation of Financial Statements. The notes to the financial information are prepared in a condensed format. Additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act.

The interim financial information should be read in conjunction with the financial statements for the year ended 31 December 2016.

An English version of the interim consolidated and separate financial information have been prepared from the interim financial information that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2016.

Costs that are incurred unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations

Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2017.

The Group has complied with revised financial reporting standards and interpretation that are effective for annual periods beginning on or after 1 January 2017. The revised standards do not have significant impact to the Group.

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3 Estimate

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim financial information, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2016.

4 Segment information

The Group has three segments report which are comprised of network equipment distribution business, network equipment installation business and network equipment rental business.

Reporting segments are referred from the Group's internal report which is reviewed by the Chief Operating Decision Maker (CODM). CODM is the Executive Directors who makes decisions about resource allocation and assesses the segment performance.

The Chief Operating Decision Maker considers the following reporting segments.

	Consolidated financial information			
	Network equipment distribution Baht	Network equipment installation Baht	Network equipment rental Baht	Total Baht
For the three-month period ended 30 September 2017				
Total revenues	111,091,600	168,768,982	1,940,870	281,801,452
Segment results	21,980,832	72,798,655	(38,259,353)	56,520,134
Other income				10,593,467
Unallocated costs				(64,063,867)
Share of results of investments				(15,563)
Finance costs				(7,579,176)
Loss before income tax				(4,545,005)
Income tax expense				(1,363,407)
Net loss				(5,908,412)

	Consolidated financial information			
	Network equipment distribution Baht	Network equipment installation Baht	Network equipment rental Baht	Total Baht
For the three-month period ended 30 September 2016				
Total revenue	153,685,346	111,916,516	-	265,601,862
Segment results	26,849,518	67,238,289	(9,477,188)	84,610,619
Other income				7,242,423
Unallocated costs				(58,637,571)
Share of result of investments				23,276,866
Finance costs				(8,855,667)
Profit before income tax				47,636,670
Income tax expense				(5,368,253)
Net profit				42,268,417

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ALT Telecom Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the nine-month period ended 30 September 2017

4 Segment information

The Chief Operating Decision Maker considers the following reporting segments. (Cont'd)

	Consolidated financial information			Total Baht
	Network equipment distribution Baht	Network equipment installation Baht	Network equipment rental Baht	
For the nine-month period ended 30 September 2017				
Total revenues	241,274,851	589,419,361	1,940,870	832,635,082
Segment results	46,663,952	259,055,239	(80,029,450)	225,689,741
Other income				29,096,820
Unallocated costs				(167,635,124)
Share of results of investments				14,940,136
Finance costs				(14,644,978)
Profit before income tax				87,446,595
Income tax expense				(16,791,141)
Net profit				70,655,454

	Consolidated financial information			Total Baht
	Network equipment distribution Baht	Network equipment installation Baht	Network equipment rental Baht	
For the nine-month period ended 30 September 2016				
Total revenue	597,618,240	683,911,067	-	1,281,529,307
Segment results	106,636,793	270,050,658	(24,977,862)	351,709,589
Other income				19,256,110
Unallocated costs				(179,973,329)
Share of result of investments				34,840,388
Finance costs				(31,190,178)
Profit before income tax				194,642,580
Income tax expense				(17,522,573)
Net profit				177,120,007

5 Cash and cash equivalents

	Consolidated financial information		Separate financial information	
	30 September 2017 Baht	31 December 2016 Baht	30 September 2017 Baht	31 December 2016 Baht
Cash on hand	738,292	772,789	536,597	515,414
Deposits held at call with banks	149,263,588	160,253,304	85,590,953	80,305,209
	150,001,880	161,026,093	86,127,550	80,820,623

Director _____
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ALT Telecom Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the nine-month period ended 30 September 2017

6 Trade and other receivables

	Consolidated financial information		Separate financial information	
	30 September 2017 Baht	31 December 2016 Baht	30 September 2017 Baht	31 December 2016 Baht
Trade receivables				
Trade receivables - third parties	267,914,471	397,123,717	56,625,328	75,332,791
Trade receivables - related parties (Note 19)	4,107,944	6,476,021	1,415,129	5,842,176
Post-dated cheque	76,569	956,707	-	-
Total trade receivables	272,098,984	404,556,445	58,040,457	81,174,967
<u>Less</u> Allowance for doubtful accounts	(8,064,435)	(8,884,585)	(891,000)	(1,068,908)
Trade receivables, net	264,034,549	395,671,860	57,149,457	80,106,059
Other receivables				
Other receivables - third parties	9,754,901	11,734,492	594,830	963,752
Other receivables - related parties (Note 19)	1,011,838	1,784,912	2,355,427	1,935,251
Advance payment	2,692,165	1,217,675	722,150	432,969
Advance payment for inventory	7,091,183	10,093,268	4,485,628	5,758,719
Accrued interest income - related parties (Note 19)	10,989	10,989	10,989	10,989
Accrued income	21,770,715	13,933,573	285,201	30,000
Accrued income - related parties (Note 19)	-	-	6,699,026	-
Accrued dividend income	-	-	-	99,999,100
Prepayments	2,054,414	478,421	1,767,077	433,562
Total other receivables	44,386,205	39,253,330	16,920,328	109,564,342
<u>Less</u> Allowance for doubtful accounts	(4,850,000)	(4,850,000)	-	-
Other receivables, net	39,536,205	34,403,330	16,920,328	109,564,342
Total trade and other receivables, net	303,570,754	430,075,190	74,069,785	189,670,401

Outstanding trade accounts receivable can be analysed as follows:

	Consolidated financial information		Separate financial information	
	30 September 2017 Baht	31 December 2016 Baht	30 September 2017 Baht	31 December 2016 Baht
Trade account receivables				
Current	144,924,303	295,034,538	16,357,448	26,312,170
Overdue less than 3 months	54,940,323	50,924,474	102,629	9,770,317
Overdue 3 months but less than 6 months	20,710,823	2,753,793	1,213,663	506,858
Overdue 6 months but less than 9 months	1,658,711	4,786,639	211	285,270
Overdue 9 months but less than 12 months	2,898	-	-	-
Overdue over 12 months	45,753,982	44,580,980	38,951,377	38,458,176
Total trade account receivables	267,991,040	398,080,424	56,625,328	75,332,791
<u>Less</u> Allowance for doubtful accounts	(8,064,435)	(8,884,585)	(891,000)	(1,068,908)
Trade account receivables, net	259,926,605	389,195,839	55,734,328	74,263,883

Director _____
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6 Trade and other receivables (Cont'd)

Trade account receivable that overdue more than 12 months included a state enterprise receivable arising from the use of fiber optic network and equipment of Baht 37.56 million from total receivable of Baht 236.42 million. On 8 April 2014, the Company received compensation of from insurance claimed amount of Baht 198.86 million and present net-off trade receivable in the financial statements because the insurer is the plaintiff who filed an arbitration claim amounting to Baht 198.86 million against state enterprise. The Group's management did not provide for any allowance for doubtful accounts on the remaining balance because the Group has strong evidence support that counterparty use the Group's assets to generate revenue. Legal advisor give a strong opinion that it is probable that the Group will win the case.

During 2013, the Company has filed an arbitration claim against this receivable to Administrative Court regarding the additional claim of Baht 275.56 million for service income from the use of fiber optic network and equipment under the services agreement and damages other than amount mentioned above (the Company did not record this claim as revenue in the financial statements). According to the Administrative Court's judgment on 31 March 2017, this receivable was judged to pay the Company for compensation with a monthly rate of Baht 13.5 million, calculated since 12 February 2013 until the project is transferred back. However, the case is currently within the arbitration process because this receivable has lodged an appeal against the court.

During 2014, the Company therefore filed an arbitration claim against this receivable to Civil Court to claim amount of Baht 96.88 million for the remaining balance at Baht 37.56 million included related damages.

Outstanding trade accounts receivable from related parties can be analysed as follows:

	Consolidated financial information		Separate financial information	
	30 September 2017 Baht	31 December 2016 Baht	30 September 2017 Baht	31 December 2016 Baht
Trade account receivables				
- related parties				
Current	4,107,944	6,343,586	1,415,129	5,709,741
Overdue less than 3 months	-	132,435	-	132,435
Total trade account receivables				
- related parties	4,107,944	6,476,021	1,415,129	5,842,176
<u>Less</u> Allowance for doubtful accounts	-	-	-	-
Trade account receivables				
- related parties, net	<u>4,107,944</u>	<u>6,476,021</u>	<u>1,415,129</u>	<u>5,842,176</u>

7 Unbilled contracts revenue and progress billing in excess of work in progress

	Consolidated financial information		Separate financial information	
	30 September 2017 Baht	31 December 2016 Baht	30 September 2017 Baht	31 December 2016 Baht
Contract costs to date	3,674,485,043	3,077,624,462	569,396,698	486,711,990
Recognised profits to date	1,466,851,453	1,153,535,646	190,391,559	171,878,304
Contract costs incurred and recognised profits to date	5,141,336,496	4,231,160,108	759,788,257	658,590,294
<u>Less</u> Progress billings	<u>(4,497,838,590)</u>	<u>(3,366,350,509)</u>	<u>(623,499,880)</u>	<u>(419,228,756)</u>
Net	<u>643,497,906</u>	<u>864,809,599</u>	<u>136,288,377</u>	<u>239,361,538</u>

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7 Unbilled contracts revenue and progress billing in excess of work in progress (Cont'd)

Unbilled contracts revenue and progress billing in excess of work in progress are presented as current asset and current liability in the statement of financial position, respectively. Unbilled contracts revenue represents the excess of contract cost incurred and recognised profits to date over progress billings to date. Progress billing in excess of work in progress represents the excess of progress billings to date over contract costs incurred and recognised profits to date.

The difference between contract costs incurred and recognised profits to date and progress billings can be presented as follows:

	Consolidated financial information		Separate financial information	
	30 September 2017 Baht	31 December 2016 Baht	30 September 2017 Baht	31 December 2016 Baht
Unbilled contracts revenue	653,835,783	868,421,364	136,288,377	240,940,296
Progress billing in excess of work in progress (Note 13)	(10,337,877)	(3,611,765)	-	(1,578,758)
Net	<u>643,497,906</u>	<u>864,809,599</u>	<u>136,288,377</u>	<u>239,361,538</u>

8 Inventories

	Consolidated financial information		Separate financial information	
	30 September 2017 Baht	31 December 2016 Baht	30 September 2017 Baht	31 December 2016 Baht
Raw materials	50,659,917	205,290,291	13,524,056	9,056,457
Work in process	25,868,701	34,481,651	24,821,013	29,607,247
Work in process - construction contract	34,744,046	23,131,567	9,377,290	6,322,844
Goods in Transit	2,671,782	1,451,583	-	-
Supplies	-	798,532	-	743,393
Finished goods	130,023,314	84,055,644	64,043,724	32,672,634
Total inventories	243,967,760	349,209,268	111,766,083	78,402,575
<u>Less</u> Allowance for diminution in value of inventories	<u>(21,240,988)</u>	<u>(19,086,337)</u>	<u>(9,795,000)</u>	<u>(8,057,363)</u>
Inventories, net	<u>222,726,772</u>	<u>330,122,931</u>	<u>101,971,083</u>	<u>70,345,212</u>

Director _____
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9 Investments in subsidiaries and associates and interests in joint ventures

Investments in subsidiaries

The movements of investments in subsidiaries can be analysed as follows:

	Separate financial information
	Baht
For the nine-month period ended 30 September 2017	
Opening balance	174,061,882
Addition	2,499,925
Closing balance	<u>176,561,807</u>

Addition of investment in subsidiaries

A subsidiary

International Gateway Company Limited

On 5 September 2017, the Company paid for the investment amounting to Baht 2,499,925 to acquire 99,997 shares at a par value of Baht 100 per share, representing 99.99% of issued shares. International Gateway Company Limited incorporated in Thailand and engages in rental and management of telecommunication network infrastructures.

A subsidiary under International Gateway Company Limited

2Oceans Company Limited

On 5 September 2017, International Gateway Company Limited which is a subsidiary of the Company paid for investment in 2Oceans Company Limited, amounting to Baht 2,499,925 to acquire 99,997 shares at a par value of Baht 100 per share, representing 99.99% of issued shares. 2Oceans Company Limited incorporated in Thailand and engages in rental and management of telecommunication network infrastructures.

Investments in associate

The movements of investments in associate can be analysed as follows:

	Consolidated financial information	Separate financial information
	Baht	Baht
For the nine-month period ended 30 September 2017		
Opening balance	17,722,123	22,500,000
Addition	24,000,000	24,000,000
Share of loss	(5,062,897)	-
Closing balance	<u>36,659,226</u>	<u>46,500,000</u>

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9 Investments in subsidiaries and associates and interests in joint ventures (Cont'd)

Interests in joint venture

The movements of interest in joint ventures can be analysed as follows:

	Consolidated financial information	Separate financial information
	Baht	Baht
For the nine-month period ended 30 September 2017		
Opening balance	46,862,738	35,499,900
Share of profit	20,003,033	-
Closing balance	<u>66,865,771</u>	<u>35,499,900</u>

	Separate financial information		
	30 September 2017		
	Country of incorporation	% Ownership interest	% Voting power
Subsidiaries			
Group Tech Solution Co., Ltd.	Thailand	99.99	99.99
I Twenty One Inter Corporation Co., Ltd.	Thailand	99.99	99.99
Innova Telecommunication Co., Ltd.	Thailand	99.75	99.75
International Gateway Co., Ltd.	Thailand	99.99	99.99
2Oceans Co., Ltd.	Thailand	99.99	99.99
(A subsidiary under International Gateway Co., Ltd.)			
Associates			
Telecom Solutions Provider Co., Ltd.	Thailand	30.00	30.00
Myanmar Information Highway Co., Ltd.	Republic of the Union of Myanmar	21.00	21.00
(An associate under Telecom Solutions Provider Co., Ltd.)			
Joint venture			
Information Highway Co., Ltd.	Thailand	71.00	71.00

	Separate financial information		
	31 December 2016		
	Country of incorporation	% Ownership interest	% Voting power
Subsidiaries			
Group Tech Solution Co., Ltd.	Thailand	99.99	99.99
I Twenty One Inter Corporation Co., Ltd.	Thailand	99.99	99.99
Innova Telecommunication Co., Ltd.	Thailand	99.75	99.75
Associates			
Telecom Solutions Provider Co., Ltd.	Thailand	30.00	30.00
Myanmar Information Highway Co., Ltd.	Republic of the Union of Myanmar	21.00	21.00
(An associate under Telecom Solutions Provider Co., Ltd.)			
Joint venture			
Information Highway Co., Ltd.	Thailand	71.00	71.00

Investment in joint venture

Shareholders agreement of Information Highway Company Limited between the Company and external party identified that the Company and external party have joint control over Information Highway Company Limited. The resolution of Board of Directors and shareholders must receive the approval of the representative appointed by the Company and the representative appointed party. If there is a disagreement between representatives of both parties the resolution cannot resolve. Considering the above condition the Group classify investment in Information Highway Company Limited as investment in joint venture.

Director _____
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10 Property, plant, equipment and intangible assets

	Consolidated financial information		Separate financial information	
	Property, plant and equipment Baht	Intangible assets Baht	Property, plant and equipment Baht	Intangible assets Baht
For the nine-month period ended 30 September 2017				
Opening net book amount	75,367,029	10,481,025	40,989,422	2,918,118
Additions	23,072,163	6,315,665	8,070,051	5,582,950
Disposals, net	(81,620)	-	-	-
Write off, net	-	(2,816,330)	-	-
Depreciation/amortisation	(8,533,814)	(971,428)	(1,720,304)	(423,145)
Closing net book amount	<u>89,823,758</u>	<u>13,008,932</u>	<u>47,339,169</u>	<u>8,077,923</u>

As at 30 September 2017, the land and buildings with the net book value of Baht 57.79 million and Baht 37.14 million in the consolidated and company financial information, respectively (31 December 2016: Baht 51.06 million and Baht 37.49 million) have been pledged under the short-term and long-term borrowings from financial institution (Note 12).

11 Fiber optic network equipment

	Consolidated financial information Baht	Separate financial information Baht
For the nine-month period ended 30 September 2017		
Opening net book amount	580,522,334	628,983,739
Additions	455,002,835	637,762,590
Depreciation	(22,990,563)	(24,490,713)
Closing net book amount	<u>1,012,534,606</u>	<u>1,242,255,616</u>

12 Borrowings

	Consolidated financial information		Separate financial information	
	30 September 2017 Baht	31 December 2016 Baht	30 September 2017 Baht	31 December 2016 Baht
Current				
Promissory notes / Bill of Exchange	752,425,599	573,448,721	569,398,460	543,448,721
Trust Receipt	33,845,594	-	-	-
Current portion of long-term borrowings from financial institutions	122,582,739	98,254,000	-	-
Current portion of finance lease liability	304,928	-	-	-
Total current borrowings	<u>909,158,860</u>	<u>671,702,721</u>	<u>569,398,460</u>	<u>543,448,721</u>
Non-current				
Long-term borrowings from financial institutions	24,555,090	90,334,829	-	-
Finance lease liability	762,863	-	-	-
Total non-current borrowings	<u>25,317,953</u>	<u>90,334,829</u>	<u>-</u>	<u>-</u>
Total borrowings	<u>934,476,813</u>	<u>762,037,550</u>	<u>569,398,460</u>	<u>543,448,721</u>

Borrowings are secured over a part of land and buildings of the Group (Note 10).

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12 Borrowings (Cont'd)

The interest rate exposure on the borrowings of the Group and the Company were as follows:

	Consolidated financial information		Separate financial information	
	30 September 2017 Baht	31 December 2016 Baht	30 September 2017 Baht	31 December 2016 Baht
Borrowings				
Fixed rates	249,758,353	732,037,550	45,000,000	543,448,721
Floating rates	684,718,460	30,000,000	524,398,460	-
Total borrowings	934,476,813	762,037,550	569,398,460	543,448,721

The effective interest rates at the statement of financial position date were as follows:

	Consolidated financial statements		Separate financial statements	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
Bank overdrafts	-	MOR	-	MOR
Promissory note / Bill of Exchange	4.00 - 4.10, MKT MLR-3.275 - MLR-2.00 and Prime rate-2.75	3.80 - 4.50, MKT MLR-0.5 - MLR-1.25	4.10, MKT MLR-3.275 - MLR-2.00 and Prime rate-2.75	4.00 - 4.50, MKT MLR - 0.5 - MLR - 1.25
Trust Receipt	3.95 - 4.10	-	-	-
Finance lease liability	6.30	-	-	-
Long-term borrowing	3.80	3.80	-	-

The movement of long-term borrowings is as follows:

	Consolidated financial information Baht	Separate financial information Baht
For the nine-month period ended 30 September 2017		
Opening net book balance	188,588,829	-
Repayment	(41,451,000)	-
Closing net book balance	147,137,829	-

Finance lease liability - minimum lease payments:

	Consolidated financial information		Separate financial information	
	30 September 2017 Baht	31 December 2016 Baht	30 September 2017 Baht	31 December 2016 Baht
Not later than one year	365,383	-	-	-
Later than one year	822,112	-	-	-
	1,187,495	-	-	-
<u>Less</u> Future finance charges on finance leases	(119,704)	-	-	-
Present value of finance lease liability	1,067,791	-	-	-

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12 Borrowings (Cont'd)

The present value of finance lease liability is as follows:

	Consolidated financial information		Separate financial information	
	30 September 2017 Baht	31 December 2016 Baht	30 September 2017 Baht	31 December 2016 Baht
Not later than 1 year	304,928	-	-	-
	<u>304,928</u>	<u>-</u>	<u>-</u>	<u>-</u>

The fair values of borrowings, and lease obligations approximate their carrying amounts.

Borrowing facilities

The Group and the Company have the following undrawn committed borrowing facilities:

	Consolidated financial information		Separate financial information	
	30 September 2017 Baht	31 December 2016 Baht	30 September 2017 Baht	31 December 2016 Baht
Floating rate - expiring within a year	855,659,495	915,933,225	272,123,000	281,198,400

Borrowing facilities are reviewed annually.

13 Trade and other payables

	Consolidated financial information		Separate financial information	
	30 September 2017 Baht	31 December 2016 Baht	30 September 2017 Baht	31 December 2016 Baht
Trade accounts payable				
Trade accounts payable - third parties	240,947,020	139,035,819	80,729,376	15,891,688
Trade accounts payable - related parties (Note 19)	59,653	-	207,822,923	12,608,626
Total	<u>241,006,673</u>	<u>139,035,819</u>	<u>288,552,299</u>	<u>28,500,314</u>
Other accounts payable				
Other accounts payable - third parties	6,773,593	6,511,438	4,713,559	3,623,671
Other accounts payable - related parties (Note 19)	1,292,500	-	-	-
Accrued interest expense	297,885	29,004	-	-
Accrued expense	43,100,048	56,738,200	23,078,447	26,778,358
Other accrued expense - related parties	-	-	163,344,737	-
Progress billing in excess of work in progress (Note 7)	10,337,877	3,611,765	-	1,578,758
Advance from customers	32,138,961	43,853,843	25,527,480	14,547,896
Accrued construction costs	253,495,893	401,634,809	25,740,572	15,014,770
Total	<u>347,436,757</u>	<u>512,379,059</u>	<u>242,404,795</u>	<u>61,543,453</u>
Total trade and other payables	<u>588,443,430</u>	<u>651,414,878</u>	<u>530,957,094</u>	<u>90,043,767</u>

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14 Share capital

	Authorised number of Share	Issued and fully paid-up number of Share	Ordinary shares Baht
At 1 January 2016	1,000,000,000	750,000,000	375,000,000
Issue of shares	-	250,000,000	125,000,000
At 31 December 2016	1,000,000,000	1,000,000,000	500,000,000
Issue of shares	-	-	-
At 30 September 2017	<u>1,000,000,000</u>	<u>1,000,000,000</u>	<u>500,000,000</u>

The total authorised number of ordinary shares is 1,000,000,000 shares (31 December 2016: 1,000,000,000 shares) with a par value of Baht 0.50 per share (31 December 2016: Baht 0.50 per share). The issued and fully paid-up ordinary shares is 1,000,000,000 shares (31 December 2016: 1,000,000,000 shares).

During 24 to 28 June 2016, the Company initial public offered its ordinary shares of 250 million shares, with the par value of Baht 0.50 per share. The offering price of these shares was Baht 4.70 per share totally to Baht 1,175 million. The Company recorded expenses in respect of shares distribution amount of Baht 39.51 million as a deduction to the share premium. As a result, the number of registered shares and paid-up shares increased from 750 million shares to 1,000 million shares. The Company registered the increased share capital with the Ministry of Commerce on 29 June 2016.

15 Legal reserve

	Consolidated financial information and separate financial information
	Baht
For the nine-month period ended 30 September 2017	
At 1 January 2017	50,000,000
Appropriation during the period	-
At 30 September 2017	<u>50,000,000</u>

Under the Public Company Limited Act B.E. 2535, the Company is required to set aside a statutory reserve of at least 5% of its net profit for the year, after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of its registered share capital. This legal reserve is non-distributable.

16 Dividends

2017

At the Annual General Meeting of Shareholders held on 26 April 2017, the shareholders passed the resolution to approve dividends payment from the result of operation in 2016 at Baht 0.100 per share, totaling Baht 100.00 million. The dividends were distributed to the shareholders in May 2017.

2016

At the Board of Directors Meeting held on 30 September 2016, the directors passed the resolution to approved interim dividends payment at Baht 0.214 per share, totalling Baht 160.50 million. The dividends were distributed to the shareholders in April 2016.

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ALT Telecom Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the nine-month period ended 30 September 2017

17 Other income

	Consolidated financial information		Separate financial information	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
For the three-month period ended 30 September				
Management fee income - related parties (Note 19)	2,510,924	1,893,651	4,847,407	3,605,625
Rental and services income - related parties (Note 19)	301,113	260,643	1,800,432	1,516,080
Others income - related parties (Note 19)	52,500	17,500	-	17,500
Interest income - related parties (Note 19)	4,408,082	3,738,424	6,790,000	5,779,658
Others	3,320,848	1,332,205	208,153	129,950
Total	10,593,467	7,242,423	13,645,992	11,048,813

	Consolidated financial information		Separate financial information	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
For the nine-month period ended 30 September				
Dividend income (Note 19)	-	-	-	224,997,750
Management fee income - related parties (Note 19)	6,631,524	5,680,953	13,135,955	10,816,875
Rental and services income - related parties (Note 19)	903,339	781,929	5,401,296	4,548,240
Others income - related parties (Note 19)	278,389	287,651	225,889	321,969
Interest income - related parties (Note 19)	12,530,959	9,930,234	23,820,959	9,042,486
Others	8,752,609	2,575,343	626,872	350,755
Total	29,096,820	19,256,110	43,210,971	250,078,075

18 Income taxes

The interim income tax expense is accrued based on management's estimate using the tax rate that would be applicable to expected total annual earnings. The estimated average annual tax rate used are 19.20% and 19.34% per annum for the consolidated and company financial information, respectively (2016: 9.00% and 5.25% per annum).

Director _____
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19 Related party transactions

The major shareholder of the Company is ALT Holding Company Limited, that own 50% of the Company's shares. The remaining 50% of the shares are widely held. The significant investments in subsidiaries, associates and joint ventures are set out in Note 9.

The following material transactions were carried out with related parties:

a) Revenue from sales and services

For the three-month period ended 30 September	Consolidated financial information		Separate financial information	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Sales of goods				
Subsidiaries	-	-	35,001	96,000
Joint venture	3,706,104	14,309,735	1,822,104	7,448,235
	<u>3,706,104</u>	<u>14,309,735</u>	<u>1,857,105</u>	<u>7,544,235</u>
Services				
Subsidiaries	-	-	800,795	-
Joint venture	6,239,593	10,779,837	569,868	8,291,987
	<u>6,239,593</u>	<u>10,779,837</u>	<u>1,370,663</u>	<u>8,291,987</u>
Management fee income				
Subsidiaries	-	-	2,336,483	1,711,974
Joint venture	2,510,924	1,893,651	2,510,924	1,893,651
	<u>2,510,924</u>	<u>1,893,651</u>	<u>4,847,407</u>	<u>3,605,625</u>
Rental and services income				
Subsidiaries	-	-	1,499,319	1,255,437
Joint venture	301,113	260,643	301,113	260,643
	<u>301,113</u>	<u>260,643</u>	<u>1,800,432</u>	<u>1,516,080</u>
Other income				
Joint venture	52,500	17,500	-	17,500
	<u>52,500</u>	<u>17,500</u>	<u>-</u>	<u>17,500</u>
Interest income				
Subsidiaries	-	-	2,381,918	3,527,124
Joint venture	4,408,082	3,738,424	4,408,082	2,252,534
	<u>4,408,082</u>	<u>3,738,424</u>	<u>6,790,000</u>	<u>5,779,658</u>

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19 Related party transactions (Cont'd)

The following material transactions were carried out with related parties: (Cont'd)

a) Revenue from sales and services (Cont'd)

For the nine-month period ended 30 September	Consolidated financial information		Separate financial information	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Sales of goods				
Subsidiaries	-	-	1,886,152	18,801,943
Joint venture	14,214,474	25,663,443	10,507,474	564,400
	<u>14,214,474</u>	<u>25,663,443</u>	<u>12,393,626</u>	<u>19,366,343</u>
Services				
Subsidiaries	-	-	1,246,694	-
Joint venture	11,353,241	23,620,774	1,207,857	16,607,772
	<u>11,353,241</u>	<u>23,620,774</u>	<u>2,454,551</u>	<u>16,607,772</u>
Management fee income				
Subsidiaries	-	-	6,504,431	5,135,922
Joint venture	6,631,524	5,680,953	6,631,524	5,680,953
	<u>6,631,524</u>	<u>5,680,953</u>	<u>13,135,955</u>	<u>10,816,875</u>
Rental and services income				
Subsidiaries	-	-	4,497,957	3,766,311
Joint venture	903,339	781,929	903,339	781,929
	<u>903,339</u>	<u>781,929</u>	<u>5,401,296</u>	<u>4,548,240</u>
Other income				
Subsidiaries	-	-	-	97,156
Joint venture	278,389	287,651	225,889	224,813
	<u>278,389</u>	<u>287,651</u>	<u>225,889</u>	<u>321,969</u>
Interest income				
Subsidiaries	-	-	11,290,000	4,701,781
Joint venture	12,530,959	9,930,234	12,530,959	4,340,705
	<u>12,530,959</u>	<u>9,930,234</u>	<u>23,820,959</u>	<u>9,042,486</u>
Dividend income				
Subsidiaries	-	-	-	224,997,750
	<u>-</u>	<u>-</u>	<u>-</u>	<u>224,997,750</u>

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19 Related party transactions (Cont'd)

The following material transactions were carried out with related parties: (Cont'd)

b) Purchases of goods and services

	Consolidated financial information		Separate financial information	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
For the three-month period ended 30 September				
Cost of sales and services				
Subsidiaries	-	-	200,054,706	122,804,523
	-	-	200,054,706	122,804,523
For the nine-month period ended 30 September				
Cost of sales and services				
Subsidiaries	-	-	250,702,551	280,233,898
	-	-	250,702,551	280,233,898
Interest expenses				
Parent	-	102,890	-	90,425
Subsidiaries	-	-	-	1,023,438
	-	102,890	-	1,113,863

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19 Related party transactions (Cont'd)

The following material transactions were carried out with related parties: (Cont'd)

c) Outstanding balances arising from purchases of goods and services

	Consolidated financial information		Separate financial information	
	30 September 2017 Baht	31 December 2016 Baht	30 September 2017 Baht	31 December 2016 Baht
Trade account receivable (Note 6)				
Joint venture	4,107,944	6,476,021	1,415,129	5,842,176
	<u>4,107,944</u>	<u>6,476,021</u>	<u>1,415,129</u>	<u>5,842,176</u>
Other receivables (Note 6)				
Subsidiaries	-	-	1,343,589	1,034,339
Joint venture	1,011,838	1,784,912	1,011,838	900,912
	<u>1,011,838</u>	<u>1,784,912</u>	<u>2,355,427</u>	<u>1,935,251</u>
Accrued interest income (Note 6)				
Related party	10,989	10,989	10,989	10,989
	<u>10,989</u>	<u>10,989</u>	<u>10,989</u>	<u>10,989</u>
Accrued income				
Subsidiaries	-	-	6,699,026	-
	<u>-</u>	<u>-</u>	<u>6,699,026</u>	<u>-</u>
Trade accounts payable (Note 13)				
Subsidiaries	-	-	207,817,573	12,608,626
Joint venture	53,500	-	-	-
Related party	6,153	-	5,350	-
	<u>59,653</u>	<u>-</u>	<u>207,822,923</u>	<u>12,608,626</u>
Other payable (Note 13)				
Joint venture	1,292,500	-	-	-
	<u>1,292,500</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other non-current liabilities				
Joint venture	1,605,000	1,605,000	-	-
	<u>1,605,000</u>	<u>1,605,000</u>	<u>-</u>	<u>-</u>

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19 Related party transactions (Cont'd)

The following material transactions were carried out with related parties: (Cont'd)

d) Short-term loans to related parties

	Consolidated financial information		Separate financial information	
	30 September 2017 Baht	31 December 2016 Baht	30 September 2017 Baht	31 December 2016 Baht
Short-term loans to related parties				
Subsidiaries	-	-	189,000,000	459,000,000
Joint venture	342,000,000	317,000,000	342,000,000	317,000,000
	<u>342,000,000</u>	<u>317,000,000</u>	<u>531,000,000</u>	<u>776,000,000</u>

The movements of short-term loans to related parties can be analysed as follows:

	Consolidated financial information Baht	Separate financial information Baht
For the nine-month period ended 30 September 2017		
Opening balance	317,000,000	776,000,000
Loans advanced during the period	292,000,000	631,000,000
Loans repayments during the period	(267,000,000)	(876,000,000)
Closing balance	<u>342,000,000</u>	<u>531,000,000</u>

Short-term loans to related parties are unsecured and denominated in Thai Baht. The loans carry interest at the rate of 5.00% per annum and due for repayment on demand.

e) Key management compensation

	Consolidated financial information		Separate financial information	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
For the three-month period ended 30 September				
Short-term employee benefits	5,488,601	5,178,923	3,075,989	2,994,132
Post-employee benefits	363,948	327,768	219,845	201,608
	<u>5,852,549</u>	<u>5,506,691</u>	<u>3,295,834</u>	<u>3,195,740</u>
For the nine-month period ended 30 September				
Short-term employee benefits	21,194,696	16,432,590	11,049,374	7,581,884
Post-employee benefits	1,124,244	983,309	691,933	604,826
	<u>22,318,940</u>	<u>17,415,899</u>	<u>11,741,307</u>	<u>8,186,710</u>

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20 Commitments and contingencies

a) Bank guarantees

As at 30 September 2017, there are outstanding bank guarantees amounting to Baht 118.22 million and US Dollar 0.54 million (31 December 2016: Baht 58.95 million and USD 0.85 million).

b) Operating lease commitments - where a Group is the lessee

As at 30 September 2017, the future aggregated minimum lease payment under non-cancelable operating lease are as follows:

	Consolidated financial information		Separate financial information	
	30 September 2017 Baht	31 December 2016 Baht	30 September 2017 Baht	31 December 2016 Baht
Less than 1 year	66,435,727	58,772,070	13,392,449	10,607,449
Later than 1 year but within 5 years	87,760,265	88,966,377	46,254,302	44,862,258
Later than 5 years	236,790,326	248,789,819	236,790,326	248,789,819
	<u>390,986,318</u>	<u>396,528,266</u>	<u>296,437,077</u>	<u>304,259,526</u>

21 Contingent assets

On 22 August 2014, the Company has filed a claim against a receivable ("contract party") to Administrative Court regarding that contract party breached the service agreement of the use of fiber optic network and Fiber to the Factory (FTTF) equipment at an industrial estate.

According to the Administrative Court's judgment on 30 September 2016, contract party to pay compensation with a monthly rate of Baht 13.5 million, calculated since 12 February 2013 until the project is transferred back to the Company. However, the case has not been finalised the court order because the contract party has lodged an appeal to the court against the Company.

22 Subsequent events

At the Board of Director's Meeting No. 6/2017 held on 1 November 2017, the Board has passed the following solutions:

- a) The issuance of warrants to purchase of ordinary shares. The warrants will be issued in a named certificate and transferable ('ALT-W1') by allocating to existing shareholders in proportion to their shares before the capital increase according to Notes 22 b) at proportion of 4 ordinary shares to 1 warrant for free of charge, with any fraction to be discarded. Total number of warrants to be allotted will not be exceeding 250,000,000 warrants with the exercise price of Baht 3.00 per share. The exercise right is 1 warrant per 1 ordinary share. The warrant has the period of three years from the date of issuance.
- b) The increase in authorised share capital by issuing of 250,000,000 shares in addition to the existing registered share capital of 1,000,000 shares. Total shares will be 1,250,000,000 shares at a par value of Baht 0.50. The purposes of share increase is allotted for the exercise of warrants ('ALT-W1') totalling of 250,000,000 shares as per Notes 22 a).

Director _____
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