REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

TO THE SHAREHOLDERS AND BOARD OF DIRECTORS
THAICOM PUBLIC COMPANY LIMITED

Opinion

We have audited the consolidated financial statements of Thaicom Public Company Limited and its subsidiaries (the "Group") and the separate financial statements of Thaicom Public Company Limited (the "Company"), which comprise the consolidated and separate statements of financial position as at December 31, 2018, and the related consolidated and separate statements of profit or loss, profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of Thaicom Public Company Limited and its subsidiaries and of Thaicom Public Company Limited as at December 31, 2018, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards ("TFRSs").

Basis for Opinion

We conducted our audit in accordance with Thai Standards on Auditing ("TSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group in accordance with the Federation of Accounting Professions' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to the audit of the consolidated and separate financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 9 to the financial statements that a subsidiary of the Company has sold its entire investment in CS Loxinfo Public Company Limited to Advance Wireless Network Co., Ltd. on January 25, 2018. The Company presented the net profit from CS Loxinfo Public Company Limited as net profit from discontinued operation in the consolidated and separate statements of profit or loss for the years ended December 31, 2018 and 2017.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	Key Audit Procedures
Recognition of revenue from rendering of services The Group has many service agreements which have different terms and pricing conditions. Therefore, the key audit matter is occurrence, accuracy and completeness of recognition of revenue from rendering of services whether the revenue from rendering of services has been recorded according to the service agreements accurately in accordance with TFRSs. Accounting policy of revenue recognition and detail of revenue from rendering of services were disclosed in the Note 3.18 and Note 24 to the financial statements.	Key audit procedures included: • Understanding the revenue recognition process related to rendering of services and related internal control procedures • Testing the design and implementation of the internal control procedures related to rendering of services • Performing the operating effectiveness testing over the internal control procedures around revenue recognition process related to rendering of services including related information, and • Performing substantive testing as follows: – Examining the terms and condition of the service agreements and recalculating the revenues whether it has been recorded appropriately and examining the related supporting documents of those revenues from rendering of services – Performing substantive analytical procedures relating to the revenue from rendering of services.

Key Audit Matters	Key Audit Procedures
Impairment of equipment and intangible assets under operating agreement The consideration of impairment of equipment and intangible asset under operating agreement is depended on the management judgements and assumptions. Therefore, the key audit matter is whether the valuation of equipment and intangible asset under operating agreement and impairment of equipment and intangible asset under operating agreement have been recognized in accordance with TFRSs. Accounting policies of property, plant and equipment, intangible assets under operating agreement and impairment and detail of property, plant and equipment and intangible assets under operating agreement were disclosed in the Note 3.9, Note 3.10, Note 3.13, Note 12, and Note 13 to the financial statements, respectively.	Key audit procedures included: • Understanding the impairment consideration process and impairment recognition and related internal control procedures • Testing the design and implementation of the internal control procedures • Performing the operating effectiveness testing over the internal control procedures around impairment consideration process, and • Performing substantive testing as follows: – Examining the supporting documents in relation to the management consideration of impairment indicators for equipment and intangible asset under operating agreement. – Involving the internal specialists of the independent auditor in assessing and testing the appropriateness of valuation model and key assumptions the management used in the estimation of the impairment provision for equipment and intangible asset under operating agreement – Examining the correctness of the data used in the estimation of the impairment provision for equipment and intangible asset under operating agreement with supporting documents and relative report – Examining the correctness of the calculation of the impairment provision for equipment and intangible asset under operating agreement.

Key Audit Matters	Key Audit Procedures
Allowance for doubtful accounts The allowance for doubtful accounts of trade receivables represent management's estimation of allowance for doubtful accounts as at the end of financial reporting period. The Company has assessed the allowance for doubtful accounts by consideration of the payment histories and the ability to make payments in the future of customer. Therefore, the key audit matter is whether as valuation of the trade receivables and the allowance for doubtful accounts are in accordance with TFRSs. Accounting policy of allowance for doubtful accounts and detail of trade receivables and allowance for doubtful accounts were disclosed in the Note 3.5 and Note 7 to the financial statements.	Key audit procedures included: • Understanding the allowance for doubtful accounts consideration process and related internal control procedures • Testing the design and implementation of the internal control procedures • Performing the operating effectiveness testing over the internal control procedures around the consideration of allowance for doubtful accounts and • Performing substantive testing as follows: - Examining the supporting documents the managements used in considering the indicators of allowance for doubtful accounts - Assessing the appropriateness of considering process and key assumption and information that management used in assessing the allowance for doubtful accounts - Testing the calculation of the allowance for doubtful accounts.

Other Information

Management is responsible for the other information. The other information comprises information in the annual report, we have received such other information in the annual report that has been prepared for issuance before the date of this auditors' report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have read other information in the annual report that has been prepared for issuance, we did not find any material inconsistency therein which we have to report.

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Chavala Tienpasertkij
Certified Public Accountant (Thailand)
Registration No. 4301
DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

BANGKOK
February 8, 2019

Thaicom Public Company Limited and its Subsidiaries
Statements of financial position
As at 31 December 2018

	Notes	Consolidated financial statements		Separate financial statements	
		31 December 2018	31 December 2017	31 December 2018	31 December 2017
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	5	2,830,234,585	1,960,770,857	1,719,753,567	683,765,774
Current investments	6	4,227,209,793	3,407,069,423	3,834,155,421	3,436,461,878
Trade and other current receivables	7	1,851,432,896	1,666,859,482	2,571,027,795	1,957,412,837
Amounts due from related parties	4	42,699,114	90,824,861	88,525,483	190,369,034
Current portion of long-term loan to related parties	4	485,724,816	244,591,079	525,724,816	244,591,079
Inventories	8	122,483,562	124,813,587	98,280,234	106,892,786
Current tax assets		96,384,799	62,645,724	96,384,799	62,645,724
Other current assets		22,520,023	93,203,229	19,786,409	25,951,957
Non-current assets classified as held for sale	9	-	1,837,189,239	-	-
Total current assets		**9,678,689,588**	**9,487,967,481**	**8,953,638,524**	**6,708,091,069**
Non-current assets					
Long-term loans to related parties	4	1,457,174,448	1,712,137,550	1,467,174,448	1,752,137,549
Investments in subsidiaries	10	-	-	1,502,621,824	1,674,859,190
Investments in a joint venture	10	1,444,282,683	1,356,700,860	1,444,282,683	1,356,700,860
Property, plant and equipment	12	4,814,703,118	7,859,316,266	4,771,240,586	7,794,040,539
Intangible assets under operating agreement	13	3,007,340,364	3,986,568,906	3,007,340,364	3,986,568,906
Deferred charges	13	13,614,935	15,632,576	13,614,935	15,632,576
Intangible assets	13	325,027,926	427,047,889	240,374,560	333,565,036
Deferred tax assets	14	1,117,018,424	775,824,882	992,281,352	704,853,399
Other non-current assets	15	344,227,641	317,997,744	326,404,118	298,977,826
Total non-current assets		**12,523,389,539**	**16,451,226,673**	**13,765,334,870**	**17,917,335,881**
Total assets		**22,202,079,127**	**25,939,194,154**	**22,718,973,394**	**24,625,426,950**

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

Thaicom Public Company Limited and its Subsidiaries
Statements of financial position (Continued)
As at 31 December 2018

	Notes	Consolidated financial statements		Separate financial statements	
		31 December 2018	31 December 2017	31 December 2018	31 December 2017
		Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Trade and other current payables	17	712,891,519	866,662,159	543,581,634	658,855,472
Amounts due to related parties	4	169,230	829,729	3,724,256	23,522,941
Current portion of long-term borrowings	16	2,673,841,281	421,788,460	2,695,841,281	421,788,460
Advance receipts from customers		275,480,256	218,392,223	65,907,840	60,020,292
Accrued operating agreement fee		258,340,350	263,344,848	258,340,350	263,344,848
Income tax payable		34,032,013	7,225,864	-	-
Other current liabilities	18	91,314,282	95,844,393	44,493,053	63,253,253
Liabilities directly associated with non-current assets classified as held for sale	9	-	1,055,257,237	-	-
Total current liabilities		**4,046,068,931**	**2,929,344,913**	**3,611,888,414**	**1,490,785,266**
Non-current liabilities					
Long-term borrowings	16	4,349,010,715	7,024,628,257	4,352,010,715	7,061,628,257
Long-term accounts payable - property and equipment		225,042,120	226,645,680	225,042,120	226,645,680
Net liabilities in subsidiaries	10	-	-	980,026,152	576,045,267
Non-current provisions for employee benefit	19	160,746,632	175,939,941	135,591,812	148,950,511
Other non-current liabilities	20	284,153,167	302,925,926	277,356,357	299,278,905
Total non-current liabilities		**5,018,952,634**	**7,730,139,804**	**5,970,027,156**	**8,312,548,620**
Total liabilities		**9,065,021,565**	**10,659,484,717**	**9,581,915,570**	**9,803,333,886**
Equity					
Share capital	21				
Authorised share capital		5,499,884,200	5,499,884,200	5,499,884,200	5,499,884,200
Issued and paid-up share capital		5,480,509,770	5,480,333,200	5,480,509,770	5,480,333,200
Premium on ordinary shares	21	4,325,271,183	4,324,626,137	4,325,271,183	4,324,626,137
Retained earnings					
Appropriated					
Legal reserve	22	549,988,420	549,988,420	549,988,420	549,988,420
Unappropriated		2,936,698,328	4,201,676,132	2,936,698,328	4,201,676,132
Other components of equity		(155,409,877)	265,469,175	(155,409,877)	265,469,175
Equity attributable to owners of the Company		**13,137,057,824**	**14,822,093,064**	**13,137,057,824**	**14,822,093,064**
Non-controlling interests		(262)	457,616,373	-	-
Total equity		**13,137,057,562**	**15,279,709,437**	**13,137,057,824**	**14,822,093,064**
Total liabilities and equity		**22,202,079,127**	**25,939,194,154**	**22,718,973,394**	**24,625,426,950**

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

Thaicom Public Company Limited and its Subsidiaries

Statements of profit or loss

For the year ended 31 December 2018

	Notes	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
		Baht	Baht	Baht	Baht
Continuing operations					
Income	4				
Revenues from sale of goods and rendering of services	24	6,008,200,977	6,688,843,268	5,457,530,264	5,878,290,011
Construction revenue under operating agreement		17,980,846	186,400	17,980,846	186,400
Net foreign exchange gain		5,515,942	152,243,504	-	152,315,241
Gain from sale of investment	9	1,949,515,538	-	-	-
Other income	25	192,303,277	387,141,296	225,186,039	253,622,355
Total income		**8,173,516,580**	**7,228,414,468**	**5,700,697,149**	**6,284,414,007**
Expenses	4				
Cost of sale of goods and rendering of services		3,301,555,523	4,312,036,220	2,833,216,042	3,778,396,818
Construction cost under operating agreement		17,980,846	186,400	17,980,846	186,400
Operating agreements fee		917,473,311	978,521,346	917,473,311	978,521,346
Selling expenses		97,842,549	105,906,051	62,937,377	99,321,380
Administrative expenses		1,362,031,738	1,515,011,381	964,284,842	848,276,646
Impairment loss on assets		2,253,000,000	3,308,681,047	2,253,000,000	3,196,000,000
Directors and management benefit expenses		56,957,789	63,129,812	56,589,817	62,764,012
Net foreign exchange loss		-	-	3,658,714	-
Finance costs		338,242,739	382,429,405	338,228,829	378,304,300
Total expenses		**8,345,084,495**	**10,665,901,662**	**7,447,369,778**	**9,341,770,902**
Share of profit (loss) of investment in subsidiaries and a joint venture		119,387,670	196,184,926	1,628,779,604	(263,785,847)
Loss before income tax expense from continuing operations		**(52,180,245)**	**(3,241,302,268)**	**(117,893,025)**	**(3,321,142,742)**
Income tax expense	28	269,216,801	454,566,970	334,929,581	534,407,444
Profit (loss) from continuing operations		**217,036,556**	**(2,786,735,298)**	**217,036,556**	**(2,786,735,298)**
Discontinued operation					
Profit from discontinued operation, net of income tax	9	29,649,253	325,660,831	12,508,799	136,958,006
Profit (loss) for the year		**246,685,809**	**(2,461,074,467)**	**229,545,355**	**(2,649,777,292)**
Profit (loss) attributable to:					
Owner of the Company		229,545,355	(2,649,777,292)	229,545,355	(2,649,777,292)
Non-controlling interest					
Continuing operation		-	-	-	-
Discontinued operation	11	17,140,454	188,702,825	-	-
Profit (loss) for the year		**246,685,809**	**(2,461,074,467)**	**229,545,355**	**(2,649,777,292)**
Earnings (loss) per share (Baht)	29				
Basic earnings (loss) per share		0.21	(2.42)	0.21	(2.42)
Diluted earnings (loss) per share		0.21	(2.42)	0.21	(2.42)
Earnings (loss) per share - continuing operation (Baht)	29				
Basic earnings (loss) per share		0.20	(2.54)	0.20	(2.54)
Diluted earnings (loss) per share		0.20	(2.54)	0.20	(2.54)

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

Thaicom Public Company Limited and its Subsidiaries
Statements of profit or loss and other comprehensive income
For the year ended 31 December 2018

	Notes	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
		Baht	Baht	Baht	Baht
Profit (loss) for the year		**246,685,809**	**(2,461,074,467)**	**229,545,355**	**(2,649,777,292)**
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Defined benefit plan actuarial (gains) loss		(4,949,366)	15,874,884	(4,949,366)	4,762,288
Income tax on other comprehensive income		931,481	(2,674,819)	931,481	(452,300)
		(4,017,885)	**13,200,065**	**(4,017,885)**	**4,309,988**
Items that maybe reclassified to profit or loss					
Foreign currency translation differences for foreign operations		(61,929,642)	(288,274,898)	(61,929,642)	(288,274,898)
Change in cumulative gain on dilution of investment in a subsidiary	9	(350,970,688)	(17)	(350,970,688)	(17)
Changes in fair value of available-for-sale investment transfers to profit or loss		(1,481,089)	(1,564,964)	(1,481,089)	(1,564,964)
Changes in fair value of available-for-sale investment		(12,182,265)	5,996,514	(12,182,265)	5,996,514
Income tax on other comprehensive income		2,732,671	(886,310)	2,732,671	(886,310)
		(423,831,013)	(284,729,675)	(423,831,013)	(284,729,675)
Other comprehensive income for the year, net of income tax		**(427,848,898)**	**(271,529,610)**	**(427,848,898)**	**(280,419,687)**
Total comprehensive income for the year		**(181,163,089)**	**(2,732,604,077)**	**(198,303,543)**	**(2,930,196,979)**
Total comprehensive income attributable to:					
Owners of the Company		(198,303,543)	(2,930,196,979)	(198,303,543)	(2,930,196,979)
Non-controlling interests		17,140,454	197,592,902	-	-
Total comprehensive income for the year		**(181,163,089)**	**(2,732,604,077)**	**(198,303,543)**	**(2,930,196,979)**

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

Thaicom Public Company Limited and its Subsidiaries

Statement of changes in equity

For the year ended 31 December 2018

		Consolidated financial statements											
				Retained earnings		Other components of equity							
	Notes	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Other reserve for share-based payment	Cumulative gain on dilution of investment in subsidiaries	Foreign currency translation differences	Changes in fair value of available-for-sale investments	Total other components of equity	Equity attributable to owners of the Company	Non-controlling interests	Total equity
		Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Year ended 31 December 2017													
Balance at 1 January 2017		**5,479,969,700**	**4,305,387,362**	**549,988,420**	**7,614,333,524**	**21,520,987**	**328,844,656**	**210,628,179**	**(1,066,722)**	**559,927,100**	**18,509,606,106**	**411,566,054**	**18,921,172,160**
Transactions with owners, recorded directly in equity													
Shares options exercised	21	363,500	19,238,775	-	-	(19,602,275)	-	-	-	(19,602,275)	-	-	-
Share-based payment transactions	21	-	-	-	-	9,874,025	-	-	-	9,874,025	9,874,025	-	9,874,025
Dividends to owners of the Company	30	-	-	-	(767,190,088)	-	-	-	-	-	(767,190,088)	(151,542,583)	(918,732,671)
Total transactions with owners, recorded directly in equity		**363,500**	**19,238,775**	**-**	**(767,190,088)**	**(9,728,250)**	**-**	**-**	**-**	**(9,728,250)**	**(757,316,063)**	**(151,542,583)**	**(908,858,646)**
Comprehensive income for the year													
Profit	29	-	-	-	(2,649,777,292)	-	-	-	-	-	(2,649,777,292)	188,702,825	(2,461,074,467)
Other comprehensive income		-	-	-	4,309,988	-	(17)	(288,274,898)	3,545,240	(284,729,675)	(280,419,687)	8,890,077	(271,529,610)
Total comprehensive income for the year		**-**	**-**	**-**	**(2,645,467,304)**	**-**	**(17)**	**(288,274,898)**	**3,545,240**	**(284,729,675)**	**(2,930,196,979)**	**197,592,902**	**(2,732,604,077)**
Balance at 31 December 2017		**5,480,333,200**	**4,324,626,137**	**549,988,420**	**4,201,676,132**	**11,792,737**	**328,844,639**	**(77,646,719)**	**2,478,518**	**265,469,175**	**14,822,093,064**	**457,616,373**	**15,279,709,437**

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

Thaicom Public Company Limited and its Subsidiaries

Statement of changes in equity (Continued)

For the year ended 31 December 2018

		Consolidated financial statements											
				Retained earnings		Other components of equity							
	Notes	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Other reserve for share-based payment	Cumulative gain on dilution of investment in subsidiaries	Foreign currency translation differences	Changes in fair value of available-for-sale investments	Total other components of equity	Equity attributable to owners of the Company	Non-controlling interests	Total equity
		Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Year ended 31 December 2018													
Balance at 1 January 2018		5,480,333,200	4,324,626,137	549,988,420	4,201,676,132	11,792,737	328,844,639	(77,646,719)	2,478,518	**265,469,175**	**14,822,093,064**	457,616,373	**15,279,709,437**
Transactions with owners, recorded directly in equity													
Shares options exercised	21	176,570	645,046	-	-	(821,616)	-	-	-	(821,616)	-	-	-
Share-based payment transactions	21	-	-	-	-	3,773,577	-	-	-	3,773,577	3,773,577	-	3,773,577
Dividends to owners of the Company	30	-	-	-	(1,490,505,274)	-	-	-	-	-	(1,490,505,274)	-	(1,490,505,274)
Disposal of investment in indirect subsidiary		-	-	-	-	-	-	-	-	-	-	(474,757,089)	(474,757,089)
Total transactions with owners, recorded directly in equity		**176,570**	**645,046**	**-**	**(1,490,505,274)**	**2,951,961**	**-**	**-**	**-**	**2,951,961**	**(1,486,731,697)**	**(474,757,089)**	**(1,961,488,786)**
Comprehensive income for the year													
Profit	29	-	-	-	229,545,355	-	-	-	-	-	229,545,355	17,140,454	246,685,809
Other comprehensive income		-	-	-	(4,017,885)	-	(350,970,688)	(61,929,642)	(10,930,683)	(423,831,013)	(427,848,898)	-	(427,848,898)
Total comprehensive income for the year		**-**	**-**	**-**	**225,527,470**	**-**	**(350,970,688)**	**(61,929,642)**	**(10,930,683)**	**(423,831,013)**	**(198,303,543)**	**17,140,454**	**(181,163,089)**
Balance at 31 December 2018		**5,480,509,770**	**4,325,271,183**	**549,988,420**	**2,936,698,328**	**14,744,698**	**(22,126,049)**	**(139,576,361)**	**(8,452,165)**	**(155,409,877)**	**13,137,057,824**	**(262)**	**13,137,057,562**

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

Thaicom Public Company Limited and its Subsidiaries

Statement of changes in equity

For the year ended 31 December 2018

		Separate financial statements									
				Retained earnings		Other components of equity					
	Notes	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Other reserve for share-based payment	Cumulative gain on dilution of investment in subsidiaries	Foreign currency translation differences	Changes in fair value of available-for-sale investments	Total other components of equity	Total equity
		Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Year ended 31 December 2017											
Balance at 1 January 2017		**5,479,969,700**	**4,305,387,362**	**549,988,420**	**7,614,333,524**	**21,520,987**	**328,844,656**	**210,628,179**	**(1,066,722)**	**559,927,100**	**18,509,606,106**
Transactions with owners, recorded directly in equity											
Shares options exercised	21	363,500	19,238,775	-	-	(19,602,275)	-	-	-	(19,602,275)	-
Share-based payment transactions	21	-	-	-	-	9,874,025	-	-	-	9,874,025	9,874,025
Dividends to owners of the Company	30	-	-	-	(767,190,088)	-	-	-	-	-	(767,190,088)
Total transactions with owners, recorded directly in equity		**363,500**	**19,238,775**	**-**	**(767,190,088)**	**(9,728,250)**	**-**	**-**	**-**	**(9,728,250)**	**(757,316,063)**
Comprehensive income for the year											
Profit	29	-	-	-	(2,649,777,292)	-	-	-	-	-	(2,649,777,292)
Other comprehensive income		-	-	-	4,309,988	-	(17)	(288,274,898)	3,545,240	(284,729,675)	(280,419,687)
Total comprehensive income for the year		**-**	**-**	**-**	**(2,645,467,304)**	**-**	**(17)**	**(288,274,898)**	**3,545,240**	**(284,729,675)**	**(2,930,196,979)**
Balance at 31 December 2017		**5,480,333,200**	**4,324,626,137**	**549,988,420**	**4,201,676,132**	**11,792,737**	**328,844,639**	**(77,646,719)**	**2,478,518**	**265,469,175**	**14,822,093,064**

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

Thaicom Public Company Limited and its Subsidiaries

Statement of changes in equity (Continued)

For the year ended 31 December 2018

		Separate financial statements									
				Retained earnings		Other components of equity					
	Notes	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Other reserve for share-based payment	Cumulative gain on dilution of investment in subsidiaries	Foreign currency translation differences	Changes in fair value of available-for-sale investments	Total other components of equity	Total equity
		Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Year ended 31 December 2018											
Balance at 1 January 2018		**5,480,333,200**	**4,324,626,137**	**549,988,420**	**4,201,676,132**	**11,792,737**	**328,844,639**	**(77,646,719)**	**2,478,518**	**265,469,175**	**14,822,093,064**
Transactions with owners, recorded directly in equity											
Shares options exercised	21	176,570	645,046	-	-	(821,616)	-	-	-	(821,616)	-
Share-based payment transactions	21	-	-	-	-	3,773,577	-	-	-	3,773,577	3,773,577
Dividends to owners of the Company	30	-	-	-	(1,490,505,274)	-	-	-	-	-	(1,490,505,274)
Total transactions with owners, recorded directly in equity		**176,570**	**645,046**	**-**	**(1,490,505,274)**	**2,951,961**	**-**	**-**	**-**	**2,951,961**	**(1,486,731,697)**
Comprehensive income for the year											
Profit	29	-	-	-	229,545,355	-	-	-	-	-	229,545,355
Other comprehensive income		-	-	-	(4,017,885)	-	(350,970,688)	(61,929,642)	(10,930,683)	(423,831,013)	(427,848,898)
Total comprehensive income for the year		**-**	**-**	**-**	**225,527,470**	**-**	**(350,970,688)**	**(61,929,642)**	**(10,930,683)**	**(423,831,013)**	**(198,303,543)**
Balance at 31 December 2018		**5,480,509,770**	**4,325,271,183**	**549,988,420**	**2,936,698,328**	**14,744,698**	**(22,126,049)**	**(139,576,361)**	**(8,452,165)**	**(155,409,877)**	**13,137,057,824**

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

Thaicom Public Company Limited and its Subsidiaries
Statements of cash flows
For the year ended 31 December 2018

	Notes	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
		Baht	Baht	Baht	Baht
Cash flows from operating activities					
Profit (loss) for the year		246,685,809	(2,461,074,467)	229,545,355	(2,649,777,292)
Adjustments for					
Depreciation of plant and equipment	12	719,411,686	910,015,082	673,105,752	699,697,390
Amortisation of intangible assets under operating agreements	13	1,150,329,737	2,022,365,154	1,150,329,737	2,022,365,154
Amortisation of deferred charges	13	2,017,642	2,017,642	2,017,642	2,017,642
Amortisation of intangible assets	13	103,920,740	125,264,936	94,592,453	95,119,440
Impairment loss on assets		2,253,000,000	3,308,681,047	2,253,000,000	3,196,000,000
Investment income		(181,558,213)	(159,053,634)	(177,488,647)	(151,947,441)
Share-based payment	21	3,773,577	9,874,025	3,773,577	9,874,025
Finance costs		338,242,739	400,807,998	338,228,829	378,304,300
(Gain) loss on exchange rate		12,420,499	(297,171,291)	(18,933,924)	(207,898,131)
Amortisation of borrowing costs	16, 26	1,065,891	1,065,891	1,065,891	1,065,891
Bad and doubtful debts expense	7	358,394,586	494,032,966	337,681,328	109,609,606
Loss on obsolete inventory		9,996,089	12,931,779	5,680,403	12,189,598
(Gain) loss on disposal of plant and equipment		4,585,037	(4,798,459)	4,541,280	(4,036,281)
Write-off plant and equipment		148,358	1,691,518	148,350	32,789
Gain from sale of investment in a subsidiary	9	(1,949,515,538)	-	-	-
Write-off intangible assets		7,223	950,001	7,223	-
Share of (profits) loss of investment in subsidiaries and a joint venture	10	(119,387,670)	(196,184,926)	(1,641,288,403)	126,827,841
Income tax expense		(260,628,962)	(383,352,970)	(334,929,581)	(534,407,444)
		2,692,909,230	3,788,062,292	2,921,077,265	3,105,037,087
Changes in operating assets and liabilities					
Trade and other current receivables		(549,956,343)	(234,633,428)	(967,715,787)	(402,775,404)
Amounts due from related parties		48,053,827	33,311,762	101,771,630	112,358,336
Inventories		(25,011,294)	147,918,136	(14,277,128)	117,282,165
Other current assets		25,282,541	(27,229,677)	8,090,689	(11,931,498)
Other non-current assets		(43,119,327)	132,322,907	(45,387,964)	135,139,062
Trade and other current payables		(212,108,369)	(112,096,459)	(121,335,822)	(9,947,827)
Amounts due to related parties		(681,364)	780,360	(19,819,551)	21,179,158
Advance receipts from customers		57,088,032	(465,788,925)	5,887,548	(217,339,857)
Accrued operating agreement fee		(5,004,497)	(52,878,113)	(5,004,497)	(52,878,113)
Other current liabilities		(5,606,818)	21,961,645	(19,836,906)	(11,416,741)
Other non-current liabilities		(18,772,759)	(17,929,002)	(21,922,548)	(17,246,337)
Non-current provisions for employee benefit		(27,643,171)	143,402	(24,253,642)	15,686,080
Income tax paid		(66,474,200)	(234,177,100)	(450,012)	(112,939,711)
Net cash from operating activities		**1,868,955,488**	**2,979,767,800**	**1,796,823,275**	**2,670,206,400**

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

Thaicom Public Company Limited and its Subsidiaries
Statements of cash flows (Continued)
For the year ended 31 December 2018

	Notes	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
		Baht	Baht	Baht	Baht
Cash flows from investing activities					
Interest received		169,092,557	161,005,365	174,454,150	155,761,047
Dividends received	10	-	-	1,717,154,736	431,473,936
Current investments		(818,477,229)	98,250,625	(359,635,556)	108,550,819
Payment for plant and equipment		(81,963,778)	(303,764,408)	(59,518,209)	(46,048,295)
Proceeds from sale of plant and equipment		5,989,370	7,783,701	5,888,374	5,316,561
Proceeds from loan to a joint venture	4	-	18,185,988	-	18,185,988
Loan to related parties	4	-	-	(10,000,000)	(10,000,000)
Purchase of intangible assets		(1,409,200)	(27,857,560)	(1,409,200)	(1,449,807)
Proceeds from sale of investment in a subsidiary	9	1,950,779,922	-	-	-
Net cash outflow on investment in subsidiaries		-	-	-	(1,272,348)
Net cash from (used in) investing activities		**1,224,011,642**	**(46,396,289)**	**1,466,934,295**	**660,517,901**
Cash flows from financing activities					
Dividends paid to owners of the Company	30	(1,490,585,395)	(918,734,829)	(1,490,585,214)	(767,190,088)
Proceeds from borrowings		-	480,000,000	-	-
Repayments of borrowings	16	(414,482,938)	(2,496,861,589)	(414,482,938)	(1,976,063,810)
Interest paid		(318,269,838)	(391,157,693)	(322,536,394)	(381,704,594)
Net cash used in financing activities		**(2,223,338,171)**	**(3,326,754,111)**	**(2,227,604,546)**	**(3,124,958,492)**
Net increase (decrease) in cash and cash equivalents		**869,628,959**	**(393,382,600)**	**1,036,153,024**	**205,765,809**
Cash and cash equivalents at 1 January		1,960,770,857	2,683,685,053	683,765,774	477,958,084
Non-current assets classified as held for sale		-	(329,573,477)	-	-
Effect of exchange rate changes on ending balances held in foreign currencies		(165,231)	41,881	(165,231)	41,881
Cash and cash equivalents at 31 December	5	**2,830,234,585**	**1,960,770,857**	**1,719,753,567**	**683,765,774**
Non cash transactions					
Acquisition of property and equipment through credit		6,191,328	40,351,222	1,701,109	7,724,688
Acquisition of property and equipment under a license		271,331	-	271,331	-
Finance lease liabilities		30,788,907	38,559,624	30,788,907	34,640,408

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

Thaicom Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2018

Note **Contents**

1. General information
2. Basis of preparation of the financial statements
3. Significant accounting policies
4. Related parties
5. Cash and cash equivalents
6. Current investments
7. Trade and other current receivables
8. Inventories
9. Non-current assets classified as held for sale and liabilities directly associated with non-current assets classified as held for sale
10. Investments in subsidiaries and a joint venture
11. Non-controlling interests
12. Property, plant and equipment
13. Intangible assets under operating agreement, deferred charges and intangible assets
14. Deferred tax assets
15. Other non-current assets
16. Interest-bearing liabilities
17. Trade and other current payables
18. Other current liabilities
19. Non-current provisions for employee benefit
20. Other non-current liabilities
21. Share capital and share-based payment transaction
22. Reserves
23. Segment information
24. Revenues from sale of goods and rendering of services
25. Other income
26. Expenses by nature
27. Provident funds
28. Income tax expense
29. Earnings (loss) per share
30. Dividends
31. Financial instruments
32. Commitments with non-related parties
33. Contingent liabilities
34. Other events
35. Event after the reporting period
36. Reclassification accounts
37. Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

These notes form an integral part of the financial statements.

The financial statements were approved and authorized for issuing by the Board of Directors on 8 February 2019.

1 General information

Thaicom Public Company Limited, the "Company", is incorporated in Thailand and has its registered office at 414 Phaholyotin Road, SamsenNai, Phayathai, Bangkok 10400.

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

The Company's parent company during the financial year was Intouch Holdings Public Company Limited (as at 31 December 2018 and 2017: 41.13% shareholding and 41.14% shareholding, respectively) which is incorporated in Thailand.

The Company, its subsidiaries and a joint venture (collectively referred to as "the Group") are primarily involved in transponder service is for domestic and international communications, sale of user terminal of iPSTAR, broadband content services, sale of direct television equipment, internet data center services, internet services, satellite uplink-downlink services, providing technical support in relation satellite business, broadcasting television service, telecommunication, telephone network services, mobile contents, and engineering and development services on communication technology and electronics, which are mainly operated under agreements for operation.

The Group has operations in 10 countries; Thailand, Singapore, Cambodia, Lao PDR, Australia, New Zealand, Mauritius, the British Virgin Islands, Japan and India.

The Company obtained agreements for operation from the Ministry of Transport and Communication for a period of 30 years to operate and administer satellite projects and to render transponder services for domestic and international communications as well as the right to collect, for a 30-year period, service charges from users of the transponders. These agreements for operation have been transferred to the Ministry of Digital Economy and Society and will expire in 2021.

The Company received a license from the National Broadcasting and Telecommunications Commission ("NBTC"), to provide telecommunication services on its network for domestic and international communications. The license has a term of 20 years and will expire in 2032.

Details of the Company's subsidiaries and a joint venture as at 31 December 2018 and 2017 were as follows:

Name of the entity	Type of business	Country of incorporation	Ownership interest	
			2018 (%)	2017 (%)
Direct subsidiaries				
Thai Advance Innovation Company Limited (Previously named DTV Service Company Limited)	Sale of direct television equipment, providing system integration consultancy service for broadband network and broadband content services	Thailand	99.99	99.99
iPSTAR Company Limited	Providing Thaicom 4 transponder services	The British Virgin Islands	100	100
Star Nucleus Company Limited	Providing engineering and development services, technology and electronics	The British Virgin Islands	100	100
IPSTAR International Pte Limited	Providing Thaicom 4 transponder services and sale of satellite equipment of Thaicom 4	Singapore	100	100
IPSTAR Global Services Company Limited	Providing Thaicom 4 transponder services	Mauritius	100	100
Cambodian DTV Network Limited	Sale of direct television equipment	Cambodia	100	100
IPSTAR Australia Pty Limited	Providing Thaicom 4 transponder services and sale of user terminal of Thaicom 4 in Australia	Australia	100	100
TC Broadcasting Company Limited	Providing broadcasting, television and telecommunication services	Thailand	99.99	99.99
IPSTAR Japan Company Limited	Providing Thaicom 4 transponder services and sale of user terminal of Thaicom 4 in Japan	Japan	100	100
IPSTAR New Zealand Company Limited	Providing Thaicom 4 transponder services and sale of user terminal of Thaicom 4 in New Zealand	New Zealand	100	100
International Satellite Company Limited	Providing Thaicom 7 and Thaicom 8 transponder services	Mauritius	100	100

Name of the entity	Type of business	Country of incorporation	Ownership interest	
			2018 (%)	2017 (%)
IPSTAR (India) Private Limited	Providing of service for technical support for satellite network	India	100	100
TC Global Services Company Limited	Providing technology service	Mauritius	100	100
Indirect subsidiaries				
CS Loxinfo Public Company Limited	Providing internet data center service, internet and satellite uplink-downlink services	Thailand	-[1]	42.07
Orion Satellite Systems Pty Limited	Providing satellite communication services and business solutions in Australia	Australia	100	100
Joint venture				
Shenington Investments Pte Limited	Holding company for investment in international telecommunications	Singapore	51	51
Joint ventures of Shenington Investments Pte Limited				
Lao Telecommunications Company Limited	Providing fixed line, mobile phone, public phone, public international facilities and Internet services	Lao PDR	24.99	24.99

[1] The Group sold all of investment in CS Loxinfo Public Company Limited on 25 January 2018.

Material intercompany transactions between the Company and its subsidiaries have been eliminated from this consolidated financial statements. The consolidated financial statements for the year ended 31 December 2018 have included the subsidiaries' financial information for the year ended 31 December 2018 which were audited.

2. Basis of preparation of the financial statements

2.1 Statement of compliance

The Group maintains its accounting records in Thai Baht and prepares its statutory financial statements in the Thai language in conformity with Thai Financial Reporting Standards ("TFRSs") and accounting practices generally accepted in Thailand.

The Group's financial statements have been prepared in accordance with the Thai Accounting Standard (TAS) No. 1 (Revised 2017) "Presentation of Financial Statements", which was effective for financial periods beginning on or after January 1, 2018 onward, and the Regulation of The Stock Exchange of Thailand (SET) dated October 2, 2017, regarding the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2560 and the Notification of the Department of Business Development regarding "The Brief Particulars in the Financial Statements (No.2) B.E. 2559" dated October 11, 2016.

During the period, the Group has adopted the revised and new financial reporting standards and guidelines on accounting issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after January 1, 2018. 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 standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis unless otherwise stated.

2.3 Functional and presentation currency

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

2.4 Use of estimates and judgements

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

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

(i) Judgements

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

Note 10	Classification of the joint venture
Note 10	Consolidation: whether the Group has De facto control over an investee

(ii) Assumptions and estimation uncertainties

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

Note 7	Allowance for doubtful accounts
Note 8	Realisable value of inventory
Note 10, 12, 13	Key assumptions used in discounted cash flow projections
Note 12	Estimated useful lives and measurement of the recoverable amounts of property and equipment
Note 13	Estimated useful lives and measurement of the recoverable amounts of intangible asset under operating agreements and other intangible assets.
Note 14	Deferred income tax
Note 19	Measurement of employee benefits
Note 21	Measurement of share-based payment
Note 31	The measurement of fair values of foreign currency forward contracts
Note 33 and 34	Provisions and contingencies

3. Significant accounting policies

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

3.1 Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries and joint ventures.

Business combinations

The Group applies the acquisition method for all business combinations when control is transferred to the Group, as describe in subsidiaries section, other than those with entities under common control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

Goodwill is measured as the fair value of the consideration transferred including the recognized amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. Any gain on bargain purchase is recognised in profit or loss immediately.

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

When share-based payment awards exchanged (replacement awards) for awards held by the acquiree's employees (acquiree's awards) relate to past services, then a part of the market-based measure of the awards replaced is included in the consideration transferred. If they require future services, then the difference between the amount included in consideration transferred and the market-based measure of the replacement awards is treated as post-combination compensation cost.

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

The Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

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

Acquisitions from entities under common control

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose comparatives are revised. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group controlling shareholder's consolidated financial statements. The components of equity of the acquired entities are added to the same components within Group equity except that any share capital of the acquired entities is recognised as part of share premium. Any cash paid for the acquisition is recognised directly in equity.

Subsidiaries

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

Loss of control

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

Interests in equity - accounted investees

The Group's interests in equity-accounted investees is interests in a joint venture.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

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

Transactions eliminated on consolidation

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

3.2 Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency (Baht) at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognised in profit or loss.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the foreign exchange rates ruling at the dates of the transactions.

Foreign entities

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Thai Baht at the foreign exchange rates ruling at the reporting date.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are stated at exchange rates ruling on the reporting date.

The revenues and expenses of foreign operations are translated to Thai Baht at the weighted average foreign exchange rates for the year.

Foreign exchange differences are recognised in other comprehensive income and accumulated in the translation reserve, except to extent that the translation difference is allocated to non-controlling interest.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

3.3 Derivative financial instruments

Derivative financial instruments are used to manage exposure to foreign exchange arising from operational, financing and investment activities. Derivative financial instruments are not used for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Derivative financial instruments are recognised initially at fair value; attributable transaction costs are recognised in the profit or loss when incurred. Subsequent to initial recognition, they are remeasured at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged.

The fair value of forward exchange contracts is based on their listed market price, if available. If a listed market price is not available, then fair value is estimated by discounting the difference between the contractual forward price and the current forward price at the reporting date for the residual maturity of the contract using a risk-free interest rate (based on government bonds).

3.4 Cash and cash equivalents

Cash and cash equivalents in the statements of cash flows comprise cash balances, call deposits and highly liquid short-term investments with original maturities of three months or less. Bank overdrafts that are repayable on demand are a component of operating activities for the purpose of the statement of cash flows.

3.5 Trade and other current receivables

Trade and other current receivables are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments, net of deposit from customers. Bad debts are written off when incurred.

3.6 Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost principle, and comprises all costs of purchase and costs directly attributable to the acquisition of the inventory, such as taxes and transportation charges, less all attributable discounts, allowances or rebates. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads based on normal operating capacity, but excludes borrowing costs.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

3.7 Non-current assets classified as held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets, or disposal group, are measured at the lower of their carrying amount and fair value less cost to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets and investment properties. Impairment losses on initial classification as held for sale or held for distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

3.8 Investments

Investments in subsidiaries and joint ventures

Investments in subsidiaries and joint ventures in the separate financial statements of the Company are accounted for using the equity method. Investments in joint ventures in the consolidated financial statements are accounted for using the equity method.

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

Investments in other debt and equity securities

Debt securities and marketable equity securities held for trading are classified as current assets and are stated at fair value, with any resultant gain or loss recognised in profit or loss.

Debt securities that the Group has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are stated at amortised cost, less any impairment losses. The difference between the acquisition cost and redemption value of such debt securities is amortised using the effective interest rate method over the period to maturity.

Debt securities and marketable equity securities, other than those securities held for trading or intended to be held to maturity, are classified as available-for-sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses and foreign currency differences on available-for-sale monetary items, are recognised in other comprehensive income. Impairment losses and foreign exchange differences are recognised in profit or loss. When these investments are derecognised, the cumulative gain or loss previously recognised in other comprehensive income is recognised in profit or loss. Where these investments are interest-bearing, interest calculated using the effective interest method is recognised in profit or loss.

Equity securities which are not marketable are stated at cost less any impairment losses.

The fair value of financial instruments classified as held-for-trading and available-for-sale is determined as the quoted bid price at the reporting date.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

3.9 Property, plant and equipment

Owned assets

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

Any gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property and equipment, and are recognised net in profit or loss.

Leased assets

Leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss.

Assets for rent

Assets leased out under operating leases are included in property and equipment in the statements of financial position. They are depreciated over their expected useful lives on a basis consistent with similar fixed assets.

Subsequent costs

The cost of replacing a part of an item of property and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property and equipment are recognised as expenses in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property and equipment or, if shorter, the lease term. The estimated useful lives are as follows:

Leasehold land	30	years
Buildings and improvements	5-10	years
Equipment	5-18	years
Furniture fixtures and office equipment	5-18	years
Computer equipment	3-5	years
Motor vehicles	5	years

No depreciation is provided on freehold land or assets under construction.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3.10 Intangible assets under operating agreement

Intangible assets under operating agreement comprise rights of the charges for satellite services under the operating agreement.

Amortisation is amortised on the straight-line basis over the lower of the period of useful lives or operating agreement.

3.11 Deferred charges

Deferred charges principally represent bond issuing and long-term borrowing costs and are amortised on the straight-line basis over the period of time to maturity of the bond or long-term loan agreement.

3.12 Intangible assets

Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. The measurement of goodwill at initial recognition is described in note 3.1. Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted investee.

Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in profit or loss as incurred.

Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when it is probable that the project will be a success considering its commercial and technological feasibility, and only if the cost can be measured reliably. Other development expenditure is recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Development costs that have been capitalised are amortised from the commencement of the commercial production of the product.

Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses.

Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

The cost of other intangible assets comprises the development of IPSTAR technology, expenditure on acquired software, patents, trademarks and licenses and is amortised using the straight-line method over their period of their benefits of related assets for a period of 5 to 15.75 years.

Specific software is recognised as assets when acquired and operated to intend purposes and is amortised using the straight-line method over their expected benefits for a period of 3 - 5 years.

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3.13 Impairment

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year, at the same time.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount of available-for-sale financial assets is calculated by reference to the fair value.

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.

An impairment loss in respect of goodwill is not reversed. Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.14 Interest-bearing liabilities

Interest-bearing liabilities are recognised initially at fair value less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings on an effective interest basis.

3.15 Trade and other current payables

Trade and other current payables are stated at cost.

3.16 Provision for employee benefits

Defined contribution plans

The Group operates a provident fund, which is a defined contribution plan. The assets of which are held in a separate trust fund which is managed by external fund manager. The provident fund is funded by payments from employees and by the relevant Group companies. Contributions to the provident fund are charged to the statements of profit or loss in the year to which they relate.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed at least one in three years by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any application minimum funding requirements.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognized immediately in other comprehensive income. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognized in profit or loss in the period in which they arise.

Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Share-based payments

The grant-date fair value of equity-settled share-based payment awards granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The fair value of the amount payable to employees in respect of share appreciation rights, which are settled in cash, is recognised as an expense with a corresponding increase in liabilities, over the period that the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date. Any changes in the fair value of the liability are recognised as personnel expenses in profit or loss.

3.17 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Provision for warranties

A provision for warranties is recognised when the underlying products or services are sold. The provision is based on historical expense related to warranty data and a weighting of all possible outcomes against their associated probabilities.

3.18 Revenue

Revenue excludes value added tax and is arrived at after deduction of trade discounts.

Sale of goods and services rendered

Revenue is recognised in profit or loss when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods.

Revenue and cost of sales of gateway equipment with installation are recognised using the percentage of completion method. The stage of completion is measured by reference to the related contract costs incurred for work performed to date compared with the estimated total costs for the contract. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Revenue from rendering transponder services and services related to the satellite business, internet services, and other business related to the internet business, and telephone services is recognised when the said services are provided to customers and there are certainties regarding recovery of the consideration due.

Revenue from leases on equipment is recognised over the period and at the rate of the leasing contract.

Revenue arising from royalties is recognised on an accrual basis in accordance with the substance of the relevant agreements.

Interest income

Interest income is recognised in profit or loss as it accrues.

3.19 Finance costs

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and contingent consideration, losses on disposal of available-for-sale financial assets, dividends on preference shares classified as liabilities, fair value losses on financial assets at fair value through profit or loss, impairment losses recognised on financial assets (other than trade receivables), and losses on hedging instruments that are recognised in profit or loss.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

3.20 Lease payment

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Determining whether an arrangement contains a lease

At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group the right to control the use of the underlying asset.

At inception or upon reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Group's incremental borrowing rate.

3.21 Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint venture to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

4. Related parties

Related parties are enterprises and/or individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Joint ventures and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals, and companies associated with these individuals also constitute related parties. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The Company is controlled by Intouch Holdings Public Company Limited ("Intouch") (incorporated in Thailand), which owns 41.13% (2017: 41.14%) of the Company's shares. Transactions with Intouch Group and shareholders of the Intouch Group are recognised as related party transactions of the Group.

Sales and service transactions with related parties were conducted under normal commercial terms and conditions, which were the same as for other customers. Consulting and management services were charged at an agreed percentage of assets.

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

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	Baht'000	Baht'000	Baht'000	Baht'000
Revenue				
Revenue from sale of goods and rendering of services				
Parent	91	968	-	-
Subsidiaries	-	-	1,794,641	1,919,389
Related parties under common control	114,016	290,679	72,121	63,171
Other related party	45	1,163	-	-
Other income				
Subsidiaries	-	-	43,476	75,339
Joint venture	109,316	98,032	109,316	98,031
Related parties under common control	19	2,254	19	19
Other related party	-	2	-	-
Total revenue	**223,487**	**393,098**	**2,019,573**	**2,155,949**

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	Baht'000	Baht'000	Baht'000	Baht'000
Expenses				
Purchases of goods and services				
Subsidiaries	-	-	135,827	102,269
Joint venture	5,322	6,009	-	-
Related parties under common control	4,658	21,250	2,945	51
Other related party	21,760	36,986	7,768	14,365
Selling and administrative expenses				
Parent	771	485	723	446
Subsidiaries	-	-	17,767	16,034
Related parties under common control	7,898	12,584	7,153	6,836
Director and management benefit expenses	57,782	107,992	57,414	63,354
Total expenses	**98,191**	**185,306**	**229,597**	**203,355**

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

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	Baht'000	Baht'000	Baht'000	Baht'000
Trade receivables and accrued income				
Trade receivables				
Subsidiaries	-	-	1,295,882	332,109
Related parties under common control	29,288	52	28,834	22
Other related parties	52,736	54,293	2,629	2,648
Total	**82,024**	**54,345**	**1,327,345**	**334,779**
Accrued income				
Subsidiaries	-	-	1,580	325,817
Joint venture	350	-	350	-
Related parties under common control	1	5,305	-	5,305
Total	**351**	**5,305**	**1,930**	**331,122**
Total trade receivables and accrued income	**82,375**	**59,650**	**1,329,275**	**665,901**
Less allowance for doubtful accounts	(52,737)	(54,293)	(2,629)	(2,648)
Net	**29,638**	**5,357**	**1,326,646**	**663,253**
Other current receivables				
Parent	250	-	250	-
Subsidiaries	-	-	45,826	99,544
Joint venture	42,449	90,825	42,449	90,825
Total	**42,699**	**90,825**	**88,525**	**190,369**

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	Baht'000	Baht'000	Baht'000	Baht'000
Loan to related parties				
Current portion of long-term loans				
Subsidiary	-	-	40,000	-
Joint venture	485,725	244,591	485,725	244,591
	485,725	**244,591**	**525,725**	**244,591**
Long-term Loans				
Subsidiary	-	-	10,000	40,000
Joint venture	1,457,174	1,712,138	1,457,174	1,712,138
	1,457,174	**1,712,138**	**1,467,174**	**1,752,138**
Total	**1,942,899**	**1,956,729**	**1,992,899**	**1,996,729**

The term of the long-term loan to subsidiary is 2 years. As at 31 December 2018, the interest rate at the rate of 5.05% to 5.64% per annum (31 December 2017: rate of 5.05% to 5.17% per annum).

The term of the long-term loan to a joint venture is 10 years with the interest rate at the rate of LIBOR + 3.

Movements during the years ended 31 December 2018 and 2017 of loans to subsidiary and a joint venture were as follows:

	Consolidated and Separate financial statements	
	2018	2017
	Baht'000	Baht'000
Short-term loans to a joint venture		
As at 1 January	-	18,186
Decrease	-	(18,186)
As at 31 December	**-**	**-**

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	Baht'000	Baht'000	Baht'000	Baht'000
Long-term loans				
Subsidiary				
As at 1 January	-	-	40,000	30,000
Increase	-	-	10,000	10,000
As at 31 December	**-**	**-**	**50,000**	**40,000**
Joint venture				
As at 1 January	1,956,729	2,145,947	1,956,729	2,145,947
Unrealised loss on exchange rate	(13,830)	(189,218)	(13,830)	(189,218)
As at 31 December	**1,942,899**	**1,956,729**	**1,942,899**	**1,956,729**

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	Baht'000	Baht'000	Baht'000	Baht'000
Other current assets				
Subsidiaries	-	-	-	560
Related party under common control	2	2	2	2
Total	**2**	**2**	**2**	**562**
Trade payables				
Parent	72	-	72	-
Subsidiaries	-	-	13,596	16,956
Joint venture	445	-	-	-
Related party under common control	2,052	919	1,781	765
Other related parties	1,252	3,732	1,252	2,339
Total	**3,821**	**4,651**	**16,701**	**20,060**
Other current payables				
Subsidiaries	-	-	3,555	23,398
Related party under common control	97	830	97	125
Other related party	72	-	72	-
Total	**169**	**830**	**3,724**	**23,523**
Advance receipts from customers				
Subsidiaries	-	-	3,411	14,178
Related party under common control	9,974	5,714	8,865	4,649
Total	**9,974**	**5,714**	**12,276**	**18,827**
Accrued expenses				
Subsidiaries	-	-	143,663	109,696
Joint venture	-	1,794	-	-
Related party under common control	374	928	370	926
Other related party	14,686	8,011	-	-
Total	**15,060**	**10,733**	**144,033**	**110,622**
Other current liabilities				
Subsidiaries	-	-	-	10
Related party under common control	2,200	2,200	160	160
Total	**2,200**	**2,200**	**160**	**170**
Other non-current liabilities				
Subsidiaries	**-**	-	**1,308**	**1,444**

Key management personnel compensation

Key management personnel compensation comprised:

	Consolidated financial statements		Separate financial statements	
For the year ended 31 December	2018	2017	2018	2017
	Baht'000	Baht'000	Baht'000	Baht'000
Short-term benefits	55,403	101,279	55,035	57,868
Other long-term benefits				
- Current service costs, included in administrative expenses	1,154	1,740	1,154	1,056
- Interest on obligation, included in finance costs	824	1,003	824	590
- Share-based payment	401	3,840	401	3,840
Total	**57,782**	**107,862**	**57,414**	**63,354**

From time to time directors of the Group, or their related entities, may purchase goods from the Group. These purchases are on the same terms and conditions as those entered into by the Group with employees or customers.

Directors' remuneration

The directors' remuneration represents monthly compensation, annual remuneration, meeting fees, and other benefits. The directors' remuneration was approved by the shareholders of the Company at their annual general meetings. The directors' remuneration was presented as part of directors and management benefit expenses presented in the statement of profit or loss.

Significant agreements with related parties

1. The Company and subsidiary entered into agreements with a subsidiary, under which the Company and subsidiaries were committed to pay royalty fee at 1% of revenue from sale or lease of IPSTAR gateway, 1% of revenue from sale or lease of IPSTAR user terminal and 3% of revenue from sale or service of Thaicom 4.

2. The Company entered into agreements with subsidiaries and related parties under common control, under which the Company was committed to provide transponder service and advisory service. Subsidiaries and related parties under common control were committed to pay the Company for the service of the agreements at approximately USD 14.97 million and Baht 9.20 million (2017: approximately USD 33.48 million and Baht 14.60 million). The service fees of contracts vary to the actual used or number of installed user terminal at the rate stated in the contract.

3. The Company had entered into agreements with a subsidiary, under which a subsidiary was committed to provide broadcasting, television and telecommunication service. The Company was committed to pay for the service in respect of the agreements at USD 6,480 per channel/per year.

5. Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	Baht'000	Baht'000	Baht'000	Baht'000
Cash on hand	105,311	41,066	91,879	25,358
Current accounts and saving deposits	2,230,682	1,629,080	1,330,209	658,408
Highly liquid short-term investments	494,242	290,625	297,666	-
Total	**2,830,235**	**1,960,771**	**1,719,754**	**683,766**
The weighted average interest rate of saving deposits and fixed deposits	**0.71%**	**0.67%**	**0.77%**	**0.24%**

6. Current investments

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	Baht'000	Baht'000	Baht'000	Baht'000
Short-term deposit and bill of exchange	2,272,934	2,501,522	1,787,934	2,412,500
Debt securities available for sale	1,954,276	905,547	2,046,221	1,023,962
Total	**4,227,210**	**3,407,069**	**3,834,155**	**3,436,462**

As at 31 December 2018, short-term deposit and bill of exchange have interest rates of 0.80% to 2.87% per annum (31 December 2017: 1.35% to 1.70% per annum) and mature within 1 year.

7. Trade and other current receivables

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
		Baht'000	Baht'000	Baht'000	Baht'000
Trade receivables					
Related parties	4	82,024	54,345	1,327,345	334,779
Other parties		1,891,098	1,708,865	1,144,910	985,674
Total		**1,973,122**	**1,763,210**	**2,472,255**	**1,320,453**
Accrued income					
Related parties	4	351	5,305	1,930	331,122
Other parties		639,793	413,580	447,482	407,601
Total		**640,144**	**418,885**	**449,412**	**738,723**
Other current receivables					
Prepaid expenses		49,760	46,744	28,567	31,125
Advance payments		159,038	158,977	139,418	136,060
Others		106,599	33,102	79,881	14,300
Total		**315,397**	**238,823**	**247,866**	**181,485**
Total trade receivables accrued income and other current receivables		**2,928,663**	**2,420,918**	**3,169,533**	**2,240,661**
Less allowance for doubtful accounts		(1,077,230)	(754,059)	(598,505)	(283,248)
Net		**1,851,433**	**1,666,859**	**2,571,028**	**1,957,413**

	2018	2017	2018	2017
	Baht'000	Baht'000	Baht'000	Baht'000
Bad and doubtful debts expenses for the years ended 31 December	**358,395**	**494,033**	**337,681**	**109,610**

Aging analyses for trade receivables were as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	Baht'000	Baht'000	Baht'000	Baht'000
Related parties				
Within credit terms	8,668	22	795,961	291,797
Overdue:				
Less than 3 months	3,721	30	411,054	38,667
3 - 6 months	15,537	-	115,739	768
6 - 12 months	463	-	1,063	-
Over 12 months	53,635	54,293	3,528	3,547
	82,024	**54,345**	**1,327,345**	**334,779**
Less allowance for doubtful accounts	(52,737)	(54,293)	(2,629)	(2,648)
	29,287	**52**	**1,324,716**	**332,131**
Other parties				
Within credit terms	138,934	253,857	97,118	146,600
Overdue:				
Less than 3 months	416,532	426,551	345,010	187,225
3 - 6 months	226,721	395,136	100,455	192,006
6 - 12 months	256,184	389,601	148,889	264,450
Over 12 months	852,727	243,720	453,438	195,393
	1,891,098	**1,708,865**	**1,144,910**	**985,674**
Less allowance for doubtful accounts	(1,024,493)	(699,766)	(595,876)	(280,600)
	866,605	**1,009,099**	**549,034**	**705,074**
Net	**895,892**	**1,009,151**	**1,873,750**	**1,037,205**

The normal credit term for general customers were granted by the Group ranging 15 - 120 days.

8. Inventories

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	Baht'000	Baht'000	Baht'000	Baht'000
Raw material and supplies	45,066	47,069	44,777	46,776
Work in process	15,434	14,717	15,434	14,717
Finished goods	154,303	157,780	113,551	114,800
Goods in transit	134	535	-	402
	214,937	**220,101**	**173,762**	**176,695**
Less allowance for decline in value	(92,453)	(95,287)	(75,482)	(69,802)
Net	**122,484**	**124,814**	**98,280**	**106,893**

9. Non-current assets classified as held for sale and liabilities directly associated with non-current assets classified as held for sale

Investment in CS Loxinfo Public Company Limited ("CSL") is presented as assets held for sale following the Shares Tender Agreement of the Group's subsidiary, Thai Advance Innovation Company Limited ("Thai AI") (Previously named DTV Service Company Limited ("DTV")) on 6 October 2017 to sell entire ordinary shares held in CSL amount of 250,099,990 shares or 42.07% of the issue and paid-up share capital to Advance Wireless Network Company Limited ("AWN") at the bid price of Baht 7.80 per share, totaling of Baht 1,950.78 million. The disposal of CSL is accomplished on 25 January 2018 and there were gain on sale of investment in the amount of Baht 1,949.52 million and profit from discontinued operation in the amount of Baht 29.65 million in consolidated statements of profit or loss for the year ended 31 December 2018.

Gain from sale of investment in a subsidiary for the year ended 31 December 2018 was as follows:

	Unit: Thousand Baht
Consideration of sale	1,950,780
Less expenses related to the sale	(4,876)
Net consideration of sale	**1,945,904**
Total assets	1,842,453
Total liabilities	1,020,338
Net assets	**822,115**
Less non-controlling interests	(474,756)
Net assets attributable to owners of parent	347,359
Reverse of cumulative gain on dilution of investment in a subsidiary	350,971
	3,612
Gain from sale of investment in a subsidiary	**1,949,516**

As at 31 December 2017, the disposal group comprised of;

Details of non-current assets held for sale and liabilities directly associated with non-current assets held for sale are as follows:

	Consolidated financial statements As at 31 December 2017 Baht'000
Assets	
Cash and cash equivalents	329,573
Trade and other current receivables	446,297
Inventories	43,767
Other current assets	797
Property, plant and equipment	872,880
Intangible assets	68,617
Deferred tax assets	51,683
Other non-current assets	23,575
	1,837,189

	Consolidated financial statements As at 31 December 2017 Baht'000
Liabilities	
Short-term borrowing from financial institution	250,000
Trade and other current payables	432,790
Amount due to related parties	90
Current portion of long-term borrowings	60,548
Advance receipts from customers	121,549
Income tax payable	6,585
Other current liabilities	7,464
Long-term borrowings	1,799
Non-current provisions for employee benefit	154,983
Other non-current liabilities	19,449
	1,055,257

The statement of profit or loss for the years ended 31 December 2018 and 2017 has been re-presented to show the discontinued operations separately from continuing operations.

		Consolidated financial statements	
For the years ended 31 December	Note	2018	2017
		Baht'000	Baht'000
Results of discontinued operation			
Revenue		227,372	2,818,829
Expenses		(189,241)	(2,421,954)
Results from operating activities		**38,131**	**396,875**
Income tax		(8,482)	(71,214)
Results from operating activities, net of income tax		**29,649**	**325,661**
Earnings per share			
Basic earnings per share (Baht)	29	0.01	0.12
Diluted earnings per share (Baht)	29	0.01	0.12

	Consolidated financial statements
For the year ended 31 December	2017
	Baht'000
Cash flows from (used in) discontinued operation	
Net cash from operating activities	442,196
Net cash used in investing activities	(222,051)
Net cash used in financing activities	(310,900)
Net cash used in discontinued operation	**(90,755)**

10. Investments in subsidiaries and a joint venture

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	Baht'000	Baht'000	Baht'000	Baht'000
Investments in subsidiaries	-	-	522,595	1,098,814
Investments in a joint venture	1,444,283	1,356,701	1,444,283	1,356,701
Total investments, net	**1,444,283**	**1,356,701**	**1,966,878**	**2,455,515**
Presentation in the statement of financial position as follows:				
Investments - equity method	1,444,283	1,356,701	2,946,904	3,031,560
Net liabilities in subsidiaries	-	-	(980,026)	(576,045)
Total investments, net	**1,444,283**	**1,356,701**	**1,966,878**	**2,455,515**

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	Baht'000	Baht'000	Baht'000	Baht'000
As at 1 January	1,356,701	1,417,201	2,455,515	1,290,210
Impacted from changes accounting policies	-	-	-	2,071,866
Addition	-	-	-	1,272
Share of net profits (loss) of investments in equity method	119,388	196,185	1,628,780	(263,786)
Share of net profits of discontinued operation	-	-	12,509	136,958
Dividend income	-	-	(1,717,155)	(431,474)
Defined benefit plan actuarial gain (loss)	-	(77,978)	130	(61,256)
Written-off from sale of investment in a subsidiary	-	-	(350,971)	-
Foreign currency translation adjustments	(31,806)	(178,707)	(61,930)	(288,275)
As at 31 December	**1,444,283**	**1,356,701**	**1,966,878**	**2,455,515**

Investments in subsidiaries and joint venture as at 31 December 2018 and 2017 and dividend income from those investments for the years then ended were as follows:

	Consolidated financial statements									
	Ownership interest		Paid-up capital		Cost		Equity		Dividend income	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	%	%			Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Joint venture										
Shenington Investments Pte Limited	51.00	51.00	SGD 15 million	SGD 15 million	138	138	1,444	1,357	-	-
					138	**138**	**1,444**	**1,357**	**-**	**-**

Name of the Company's joint venture is publicly listed and consequently do not have published price quotations.

	Separate financial statements									
	Ownership interest		Paid-up capital		Cost-net of impairment		Equity method		Dividend income	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	%	%			Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Subsidiaries										
Thai Advance Innovation Company Limited (Previously named DTV Service Company Limited)	99.99	99.99	Baht 399 million	Baht 399 million	399	399	478	419	1,491	95
iPSTAR Company Limited	100.00	100.00	USD 2 million	USD 2 million	157	157	(964)	(564)	-	-
Star Nucleus Company Limited	100.00	100.00	-	-	-	-	74	149	99	68
IPSTAR International Pte Limited	100.00	100.00	SGD 20,000	SGD 20,000	1	1	1	37	-	-
IPSTAR Global Services Company Limited	100.00	100.00	USD 20,000	USD 20,000	1	1	54	43	-	-
Cambodian DTV Network Limited	100.00	100.00	USD 600,000	USD 600,000	21	21	84	68	-	-
IPSTAR Australia Pty Limited	100.00	100.00	AUD 6.95 million	AUD 6.95 million	425	425	249	383	-	-
TC Broadcasting Company Limited	99.99	99.99	Baht 0.25 million	Baht 0.25 million	-	-	8	5	-	-
IPSTAR Japan Company Limited	100.00	100.00	JPY 100 million	JPY 100 million	33	33	261	202	29	-
IPSTAR New Zealand Company Limited	100.00	100.00	NZD 3.20 million	NZD 3.20 million	98	98	102	108	-	-
International Satellite Company Limited	100.00	100.00	USD 50,000	USD 50,000	2	2	160	240	98	268
IPSTAR (India) Private Limited	100.00	100.00	INR 30 million	INR 30 million	16	16	32	21	-	-
TC Global Services Company Limited	100.00	100.00	USD 12,500	USD 12,500	1	1	(16)	(12)	-	-
Total					**1,154**	**1,154**	**523**	**1,099**	**1,717**	**431**
Joint venture										
Shenington Investments Pte Limited	51.00	51.00	SGD 15 million	SGD 15 million	**138**	**138**	**1,444**	**1,357**	-	-

Joint Venture

The following table summarises the financial information of the joint venture as included in their own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The table also reconciles the summarized financial information to the carrying amount of the Group's interest in this company.

	Reporting date	Ownership	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Net assets	Total revenues	Net profit	Other comprehensive income (loss)	Total other comprehensive income
		(%)	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
2018											
Shenington Investments Pte Limited	31 December	51.00	151,905	6,701,997	(89,239)	(3,829,076)	2,935,587	4	234,093	(73,483)	160,610
Total			**151,905**	**6,701,997**	**(89,239)**	**(3,829,076)**	**2,935,587**	**4**	**234,093**	**(73,483)**	**160,610**
2017											
Shenington Investments Pte Limited	31 December	51.00	105,507	6,702,003	(668,610)	(3,374,303)	2,764,597	8	384,676	(361,722)	22,954
Total			**105,507**	**6,702,003**	**(668,610)**	**(3,374,303)**	**2,764,597**	**8**	**384,676**	**(361,722)**	**22,954**

Significant movements in investments in subsidiaries and joint ventures for the year ended 31 December 2018 were as follows:

Subsidiary

At the Extraordinary Meeting of the Shareholders of DTV Service Company Limited ("DTV") no.1/2018 held on 16 November 2018, the shareholders approved to change the name from DTV Service Company Limited to Thai Advance Innovation Company Limited which was registered to Department of Business Development, Ministry of Commerce on 27 November 2018.

Joint venture

Dividend payment of Lao Telecommunications Company Limited ("LTC")

At the Annual General Meeting of the shareholders of LTC held on 9 February 2018, the shareholders approved the appropriation of dividend from 2017 operation of USD 28 million.

Commitments

According to the joint venture agreement between the Group and the Government of the Lao People's Democratic Republic, the Group must transfer all of LTC's shares to the Government of the Lao People's Democratic Republic, without any charges or compensation, on the expiration date of the joint venture agreement in 2046 (Note 32.2).

11. Non-controlling interests

The following table summarises the information relating to each of the Group's subsidiaries (CS Loxinfo Public Company Limited ("CSL")) that has a material non-controlling interest, before any intra-group eliminations:

As at 31 December 2017

	Unit: Thousand Baht
Non-controlling interest percentage	57.93%
Non-current assets classified as held for sale	1,837,189
Non-current liabilities classified as held for sale	(1,055,257)
Net assets	**781,932**
Carrying amount of non-controlling interest	457,616

For the year ended 31 December 2017

	Unit: Thousand Baht
Non-controlling interest percentage	57.93%
Profit from discontinued operation	325,743
Other comprehensive income	15,346
Total comprehensive income	**341,089**
Profit allocated to non-controlling interest	188,703
Other comprehensive income allocated to non-controlling interest	197,593

12. Property, plant and equipment

	Consolidated financial statements				
	Land Leasehold land & building	Equipment	Vehicles & equipment	Asset under construction	Total
	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
Cost					
As at 1 January 2017	**711,377**	**12,430,414**	**1,348,443**	**41,541**	**14,531,775**
Additions	11,559	89,980	97,633	115,196	314,368
Transfers	58,249	12,323	56,929	(152,131)	(24,630)
Disposals	-	(57,353)	(50,874)	-	(108,227)
Write-offs	(2,098)	(202,607)	(12,117)	-	(216,822)
Foreign currency translation adjustments	(5,603)	(26,151)	(5,097)	(99)	(36,950)
Less transferred to current assets held for sale	(334,775)	(802,652)	(1,056,036)	(127)	(2,193,590)
As at 31 December 2017 and 1 January 2018	**438,709**	**11,443,954**	**378,881**	**4,380**	**12,265,924**
Additions	2,010	61,474	24,061	5,237	92,782
Transfers	(1,630)	(9,939)	(9,122)	(77)	(20,768)
Disposals	(427)	(32,149)	(33,594)	-	(66,170)
Write-offs	(1,138)	(17,704)	(2,994)	-	(21,836)
Foreign currency translation adjustments	(27,248)	(19,726)	(5,004)	(577)	(52,555)
As at 31 December 2018	**410,276**	**11,425,910**	**352,228**	**8,963**	**12,197,377**
Accumulated depreciation and impairment loss					
As at 1 January 2017	**396,328**	**3,820,559**	**967,728**	**-**	**5,184,615**
Depreciation for the year	38,534	749,092	122,389	-	910,015
Transfers	(20,414)	4,651	(3,130)	-	(18,893)
Disposals	-	(57,130)	(48,169)	-	(105,299)
Write-offs	(1,888)	(202,583)	(10,659)	-	(215,130)
Foreign currency translation adjustments	(5,398)	(19,783)	(2,810)	-	(27,991)
Less transferred to current assets held for sale	(28,068)	(554,201)	(738,440)	-	(1,320,709)
As at 31 December 2017 and 1 January 2018	**379,094**	**3,740,605**	**286,909**	**-**	**4,406,608**
Depreciation for the year	19,752	660,192	39,468	-	719,412
Loss on impairment	-	2,423,000	-	-	2,423,000
Transfers	(1,558)	(29,015)	(8,370)	-	(38,943)
Disposals	(356)	(25,349)	(29,891)	-	(55,596)
Write-offs	(1,136)	(17,620)	(2,931)	-	(21,687)
Foreign currency translation adjustments	(27,027)	(18,638)	(4,455)	-	(50,120)
As at 31 December 2018	**368,769**	**6,733,175**	**280,730**	**-**	**7,382,674**

	Consolidated financial statements				
	Land Leasehold land & building	Equipment	Vehicles & equipment	Asset under construction	Total
	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
Net book value					
As at 1 January 2017					
Owned assets	315,049	8,609,855	346,914	41,541	9,313,359
Assets under finance leases	-	-	33,801	-	33,801
	315,049	**8,609,855**	**380,715**	**41,541**	**9,347,160**
As at 31 December 2017 and 1 January 2018					
Owned assets	59,615	7,703,349	70,984	4,380	7,838,328
Assets under finance leases	-	-	20,988	-	20,988
	59,615	**7,703,349**	**91,972**	**4,380**	**7,859,316**
As at 31 December 2018					
Owned assets	41,507	4,692,735	55,131	8,963	4,798,336
Assets under finance leases	-	-	16,367	-	16,367
	41,507	**4,692,735**	**71,498**	**8,963**	**4,814,703**

The gross amount of the Group's fully depreciated plant and equipment that was still in use as at 31 December 2018 amounted to Baht 2,239.61 million (31 December 2017: Baht 2,123.43 million).

Impairment loss for equipment

The fierce competition in satellite industry has resulted to a significant market price erosion. As a consequence, the satellite operating result of the company has been affected. The Company has assessed the impairment of equipment by way of discounted cash flow approach applying the discount rate of 8%. The book value of the assets were higher than the recoverable amount estimated by the discounted cash flow. Therefore, the impairment losses were recorded in the amount of Baht 2,423 million, which was presented as impairment losses for the year ended 31 December 2018.

	Separate financial statements				
	Leasehold land & building	Equipment	Vehicles & equipment	Asset under construction	Total
	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
Cost					
As at 1 January 2017	**160,548**	**10,673,958**	**222,054**	**-**	**11,056,560**
Additions	8,438	25,954	21,045	-	55,437
Transfers	-	(1,882)	-	-	(1,882)
Disposals	(295)	(49,036)	(18,891)	-	(68,222)
Write-offs	(131)	(94,106)	(1,391)	-	(95,628)
As at 31 December 2017 and 1 January 2018	**168,560**	**10,554,888**	**222,817**	**-**	**10,946,265**
Additions	2,004	51,233	12,608	-	65,845
Transfers	(1,630)	11,030	(8,298)	-	1,102
Disposals	(427)	(32,149)	(24,450)	-	(57,026)
Write-offs	(1,138)	(17,468)	(1,878)	-	(20,484)
As at 31 December 2018	**167,369**	**10,567,534**	**200,799**	**-**	**10,935,702**
Accumulated depreciation and impairment loss					
As at 1 January 2017	**92,896**	**2,368,021**	**154,507**	**-**	**2,615,424**
Depreciation for the year	22,280	650,788	26,629	-	699,697
Transfers	-	(360)	-	-	(360)
Disposals	(295)	(48,975)	(17,672)	-	(66,942)
Write-offs	(98)	(94,106)	(1,391)	-	(95,595)
As at 31 December 2017 and 1 January 2018	**114,783**	**2,875,368**	**162,073**	**-**	**3,152,224**
Depreciation for the year	18,841	629,635	24,630	-	673,106
Loss on impairment	-	2,423,000	-	-	2,423,000
Transfers	(1,558)	(7,831)	(7,548)	-	(16,937)
Disposals	(356)	(25,349)	(20,892)	-	(46,597)
Write-offs	(1,136)	(17,384)	(1,815)	-	(20,335)
As at 31 December 2018	**130,574**	**5,877,439**	**156,448**	**-**	**6,164,461**
Net book value					
As at 1 January 2017					
Owned assets	67,652	8,305,937	37,322	-	8,410,911
Assets under finance leases	-	-	30,225	-	30,225
	67,652	**8,305,937**	**67,547**	**-**	**8,441,136**
As at 31 December 2017 and 1 January 2018					
Owned assets	53,777	7,679,520	39,756	-	7,773,053
Assets under finance leases	-	-	20,988	-	20,988
	53,777	**7,679,520**	**60,744**	**-**	**7,794,041**
As at 31 December 2018					
Owned assets	36,795	4,690,095	27,984	-	4,754,874
Assets under finance leases	-	-	16,367	-	16,367
	36,795	**4,690,095**	**44,351**	**-**	**4,771,241**

The gross amount of the Company's fully depreciated plant and equipment that was still in use as at 31 December 2018 amounted to Baht 1,722.15 million (31 December 2017: Baht 1,571.74 million).

13. Intangible assets under operating agreement, deferred charges and intangible assets

	Consolidated financial statements				
			Intangible assets		
	Intangible assets under operating agreement	Deferred charges	Goodwill	Other intangible assets	Total intangible assets
	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
Cost					
As at 1 January 2017	**26,232,910**	**20,233**	**968,984**	**1,851,326**	**2,820,310**
Additions	-	-	-	32,754	32,754
Transfer	186	-	-	(640)	(640)
Disposal	-	-	-	(800)	(800)
Write-offs	-	(56)	-	(1,456)	(1,456)
Foreign currency translation adjustment	-	-	(1,481)	(13,430)	(14,911)
Less transferred to current assets held for sale	-	-	-	(251,947)	(251,947)
As at 31 December 2017 and 1 January 2018	**26,233,096**	**20,177**	**967,503**	**1,615,807**	**2,583,310**
Additions	271	-	-	1,409	1,409
Transfer	17,710	-	-	-	-
Disposal	-	-	-	(298)	(298)
Write-offs	-	-	-	(8,135)	(8,135)
Foreign currency translation adjustment	-	-	(5,096)	(5,639)	(10,735)
As at 31 December 2018	**26,251,077**	**20,177**	**962,407**	**1,603,144**	**2,565,551**

	Consolidated financial statements				
			Intangible assets		
	Intangible assets under operating agreement	Deferred charges	Goodwill	Other intangible assets	Total intangible assets
	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
Accumulated amortisation and impairment loss					
1 January 2017	**17,028,162**	**2,583**	**825,930**	**1,283,608**	**2,109,538**
Amortisation for the year	2,022,365	2,017	-	125,265	125,265
Impairment loss	3,196,000	-	85,059	27,622	112,681
Transfers	-	-	-	(640)	(640)
Disposals	-	-	-	(741)	(741)
Write-offs	-	(56)	-	(505)	(505)
Foreign currency translation adjustment	-	-	2,550	(8,555)	(6,005)
Less transferred to current assets held for sale	-	-	-	(183,331)	(183,331)
As at 31 December 2017 and 1 January 2018	**22,246,527**	**4,544**	**913,539**	**1,242,723**	**2,156,262**
Amortisation for the year	1,150,330	2,018	-	103,921	103,921
Reversal of impairment	(170,000)	-	-	-	-
Transfer	16,880	-	-	-	-
Disposals	-	-	-	(298)	(298)
Write-offs	-	-	-	(8,128)	(8,128)
Foreign currency translation adjustment	-	-	(5,877)	(5,357)	(11,234)
As at 31 December 2018	**23,243,737**	**6,562**	**907,662**	**1,332,861**	**2,240,523**
Net book value					
As at 1 January 2017	**9,204,748**	**17,650**	**143,054**	**567,718**	**710,772**
As at 31 December 2017 and 1 January 2018	**3,986,569**	**15,633**	**53,964**	**373,084**	**427,048**
As at 31 December 2018	**3,007,340**	**13,615**	**54,745**	**270,283**	**325,028**

Impairment loss for intangible assets under operating agreement

The fierce competition in satellite industry has resulted to a significant market price erosion. Moreover, the major customers were churned both domestic and international with uncertainty of replacement. As a consequence, the satellite operating result of the company has been affected. The Company recorded impairment loss for intangible assets under operating agreement amounting to Baht 3,196 million for the year ended 31 December 2017. However, the Company has assessed the impairment of equipment by way of discounted cash flow approach applying the discount rate of 8%. The recoverable amount estimated by the discounted cash flow were higher than the book value of the assets. Therefore, the reversal of impairment loss was recorded in the amount of Baht 170 million for the year ended 31 December 2018.

Impairment loss for goodwill and other intangible assets

For the year ended 31 December 2017, the declining of mining and construction sectors in Australia, which were the major customers of Orion Satellite Systems Pty Limited ("OSS"), has affected the operating results of OSS, which is the indirect subsidiary of the Group. As a consequence, the Company has assessed the impairment of goodwill and intangible assets by way of discounted cash flow approach applying the discount rate of 10%. The book value of the assets were higher than the recoverable amount estimated by the discounted cash flow. Therefore, the impairment losses for goodwill was recorded in the amount of Baht 85 million and other intangible asset amounting to Baht 28 million, which was presented as impairment losses.

	Separate financial statements		
	Intangible assets under operating agreement	Deferred charges	Other intangible assets
	Baht'000	Baht'000	Baht'000
Cost			
1 January 2017	**26,232,910**	**20,177**	**1,419,784**
Additions	-	-	6,346
Transfers	186	-	-
Write-offs	-	-	(126)
As at 31 December 2017 and 1 January 2018	**26,233,096**	**20,177**	**1,426,004**
Additions	271	-	1,409
Transfers	17,710	-	-
Disposals	-	-	(298)
Write-offs	-	-	(8,135)
As at 31 December 2018	**26,251,077**	**20,177**	**1,418,980**
Accumulated amortisation and impairment loss			
1 January 2017	**17,028,162**	**2,527**	**997,445**
Amortisation for the year	2,022,365	2,017	95,120
Impairment loss on assets	3,196,000	-	-
Write-offs	-	-	(126)
As at 31 December 2017 and 1 January 2018	**22,246,527**	**4,544**	**1,092,439**
Amortisation for the year	1,150,330	2,018	94,592
Reversal of impairment	(170,000)	-	-
Transfers	16,880	-	-
Disposal	-	-	(298)
Write-offs	-	-	(8,128)
As at 31 December 2018	**23,243,737**	**6,562**	**1,178,605**
Net book value			
As at 1 January 2017	**9,204,748**	**17,650**	**422,339**
As at 31 December 2017 and 1 January 2018	**3,986,569**	**15,633**	**333,565**
As at 31 December 2018	**3,007,340**	**13,615**	**240,375**

14. Deferred tax assets

Deferred tax assets determined after appropriate off-setting are included in the statement of financial position as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	Baht'000	Baht'000	Baht'000	Baht'000
Deferred tax assets	1,117,018	775,825	992,281	704,853
	1,117,018	**775,825**	**992,281**	**704,853**

Deferred tax assets for tax loss carried forward are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

As at 31 December 2017, the subsidiary has tax losses carried forward to offset future taxable income, which are not recognised in the consolidated financial statements as follows: (As at 31 December 2018, a subsidiary utilized entirely the loss carried forward).

	2018	2017
	Baht'000	Baht'000
Year expired		
2018	-	34,652
2019	-	68,589
2020	-	45,717
2021	-	13,615
2022	-	9,867
Total	**-**	**172,440**

Movements in total deferred tax assets during the year were as follows:

		Consolidated financial statements (Charged)/credited to:		
	At 1 January 2018	Profit or loss (*Note 28*)	Other comprehensive income	**At 31 December 2018**
Deferred tax assets	Baht'000	Baht'000	Baht'000	Baht'000
Loss carry forward	3,122	63,904	(5,798)	61,228
Allowance for doubtful accounts	4,350	2,284	(432)	6,202
Allowance for obsolete inventory	16,250	(293)	(861)	15,096
Deposits	30,735	(6,272)	-	24,463
Advance receipts from customers	21,131	(7,452)	(731)	12,948
Employee benefit obligations	33,941	(3,856)	931	31,016
Accrued expenses	17,765	18,946	(2,696)	34,015
Impairment loss on assets	639,200	276,229	-	915,429
Others	9,331	5,854	1,436	16,621
Total	**775,825**	**349,344**	**(8,151)**	**1,117,018**

	Consolidated financial statements				
		(Charged)/credited to:			
	At 1 January 2017	Profit or loss (*Note 28*)	Other comprehensive income	Discontinued operation	**At 31 December 2017**
	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
Deferred tax assets					
Loss carry forward	60,057	(47,482)	(2,571)	(6,882)	3,122
Allowance for doubtful accounts	13,006	933	(62)	(9,527)	4,350
Allowance for obsolete inventory	12,879	2,706	671	(6)	16,250
Deposits	36,696	(5,961)	-	-	30,735
Advance receipts from customers	(11,674)	34,760	(366)	(1,589)	21,131
Employee benefit obligations	83,431	5,071	(18,333)	(36,228)	33,941
Accrued expenses	66,608	(48,209)	77	(711)	17,765
Prepaid expenses	30,782	(30,910)	128	-	-
Impairment loss on assets	-	639,200	-	-	639,200
Others	18,626	(3,336)	(2,328)	(3,631)	9,331
Total	**310,411**	**546,772**	**(22,784)**	**(58,574)**	**775,825**

	Separate financial statements			
		(Charged)/credited to:		
	At 1 January 2018	Profit or loss (*Note 28*)	Other comprehensive income	**At 31 December 2018**
	Baht'000	Baht'000	Baht'000	Baht'000
Deferred tax assets				
Allowance for obsolete inventory	13,960	1,136	-	15,096
Deposits	29,963	(6,662)	-	23,301
Employee benefit obligations	29,790	(3,709)	1,037	27,118
Impairment loss on assets	639,200	276,229	-	915,429
Others	(8,060)	16,664	2,733	11,337
Total	**704,853**	**283,658**	**3,770**	**992,281**

	Separate financial statements			
		(Charged)/credited to:		
	At 1 January 2017	Profit or loss (*Note 28*)	Other comprehensive income	**At 31 December 2017**
	Baht'000	Baht'000	Baht'000	Baht'000
Deferred tax assets				
Allowance for obsolete inventory	11,522	2,438	-	13,960
Deposits	35,821	(5,858)	-	29,963
Employee benefit obligations	41,502	4,680	(16,392)	29,790
Impairment loss on assets	-	639,200	-	639,200
Others	(5,766)	(1,408)	(886)	(8,060)
Total	**83,079**	**639,052**	**(17,278)**	**704,853**

15. Other non-current assets

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	Baht'000	Baht'000	Baht'000	Baht'000
Withholding taxes receivable	164,440	124,676	154,075	117,492
Tax assessment's deposits	200,994	220,214	200,994	220,214
Others deposit	15,290	15,506	15,290	15,506
Others	17,459	11,835	10,000	-
	398,183	372,231	380,359	353,212
Less accumulated impairment loss	(53,955)	(54,234)	(53,955)	(54,234)
Total	**344,228**	**317,997**	**326,404**	**298,978**

16. Interest-bearing liabilities

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	Baht'000	Baht'000	Baht'000	Baht'000
Current				
Current portion of long-term borrowings				
Loans from financial institutions	412,127	415,064	412,127	415,064
Loans from others	8,714	6,724	8,714	6,724
Total current portion of long-term borrowings	420,841	421,788	420,841	421,788
Current portion of debenture	2,253,000	-	2,275,000	-
Total current interest-bearing liabilities	2,673,841	421,788	2,695,841	421,788
Non-current				
Long-term borrowings				
Loans from financial institutions	2,060,638	2,490,386	2,060,638	2,490,386
Loans from others	18,061	23,997	18,061	23,997
Total long-term borrowings	2,078,699	2,514,383	2,078,699	2,514,383
Long-term debentures	2,270,312	4,510,246	2,273,312	4,547,246
Total non-current interest-bearing liabilities	4,349,011	7,024,629	4,352,011	7,061,629
Total	**7,022,852**	**7,446,417**	**7,047,852**	**7,483,417**

Long-term debentures

As at 31 December 2018, the Company has two tranches totaling Baht 4,550 million, with a par value of Baht 1,000 each, unsubordinated and unsecured with having registered and bond holders' representative debentures as follows:

Issue date	No. of units	Amount	Interest rate (per annum)	Term of interest payment	Principal payment term	Outstanding balance as at 31 December 2018
	Million	Million Baht				Million Baht
29 September 2014	2.275	2,275	4.28%	Semiannually	Entirely redeemed on 2 October 2019	2,275
29 September 2014	2.275	2,275	4.68%	Semiannually	Entirely redeemed on 2 October 2021	2,275
Total debentures						4,550
Less bond issuing cost						(3)
Net						**4,547**

The movements in the borrowing can be analysed as follows:

For the year ended 31 December	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
		Baht'000	Baht'000	Baht'000	Baht'000
Opening net book value		7,446,417	10,224,860	7,483,417	9,870,052
Proceeds from borrowings, net of financial costs		-	480,000	-	-
Repayment of borrowings		(414,483)	(2,496,861)	(414,483)	(1,976,064)
Amortisation of finance costs	26	1,066	1,066	1,066	1,066
Gain on exchange rate		(28,433)	(413,301)	(28,433)	(413,301)
Others		18,285	(37,000)	6,285	1,664
Less transferred to current assets held for sale		-	(312,347)	-	-
Closing net book value		**7,022,852**	**7,446,417**	**7,047,852**	**7,483,417**

The group has to maintain the financial ratios restricted in the long-term loan agreements.

The interest rate exposure of the borrowings of the Group is as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	Baht'000	Baht'000	Baht'000	Baht'000
Total borrowings:				
- at fixed rates	4,550,086	4,540,967	4,575,086	4,577,967
- at floating rates	2,472,766	2,905,450	2,472,766	2,905,450
Total	**7,022,852**	**7,446,417**	**7,047,852**	**7,483,417**
Weighted average interest rates:				
- Loans	4.78%	3.70%	4.78%	3.70%
- Debentures	4.48%	4.48%	4.48%	4.48%

The periods to maturity of long-term borrowings and long-term debentures net of financial costs were as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	Baht'000	Baht'000	Baht'000	Baht'000
Later than 1 year but not later than 2 years	423,778	2,663,742	423,778	2,697,742
Later than 2 years but not later than 5 years	3,925,233	4,360,887	3,928,233	4,363,887
Total	**4,349,011**	**7,024,629**	**4,352,011**	**7,061,629**

The Group has to maintain the financial ratios restricted in the long-term borrowing agreements and to comply with certain restrictions and maintain certain financial ratios under the terms and conditions of the debentures.

Credit facilities

As at 31 December 2018 available credit facilities for loans from local and overseas banks are Baht 3,924.41 million and USD 30.00 million (2017: Baht 4,583.03 million and USD 30.00 million).

Reconciliation of liabilities arising from financing activities

Unit: Thousand Baht

	Consolidated financial statements				
	Short-term loan	**Finance lease liabilities**	**Long-term loans**	**Debentures**	**Total**
As at 1 January 2018	-	30,721	2,905,450	4,510,246	7,446,417
Change in cashflows					
Repayment of borrowings	-	(10,231)	(404,252)	-	(414,483)
Non-cash changes					
Addition of finance lease	-	6,285	-	-	6,285
Amortisation of finance costs	-	-	-	1,066	1,066
Investment in debentures within the Group	-	-	-	12,000	12,000
Change in currency translation	-	-	(28,433)	-	(28,433)
As at 31 December 2018	**-**	**26,775**	**2,472,765**	**4,523,312**	**7,022,852**

Unit: Thousand Baht

	Consolidated financial statements				
	Short-term loan	**Finance lease liabilities**	**Long-term loans**	**Debentures**	**Total**
As at 1 January 2017	230,000	43,369	5,405,311	4,546,180	10,224,860
Change in cashflows					
Proceed from borrowing	480,000	-	-	-	480,000
Repayment of borrowings	(460,000)	(10,301)	(2,026,560)	-	(2,496,861)
Non-cash changes					
Amortisation of finance costs	-	-	-	1,066	1,066
Investment in debentures within the Group	-	-	-	(37,000)	(37,000)
Change in currency translation	-	-	(413,301)	-	(413,301)
Transferred to non-current assets held for sale	(250,000)	(2,347)	(60,000)	-	(312,347)
As at 31 December 2017	**-**	**30,721**	**2,905,450**	**4,510,246**	**7,446,417**

Unit: Thousand Baht

	Separated financial statements			
	Finance lease liabilities	**Long-term loans**	**Debentures**	**Total**
As at 1 January 2018	30,721	2,905,450	4,547,246	7,483,417
Change in cashflows				
Repayment of borrowings	(10,231)	(404,252)	-	(414,483)
Non-cash changes				
Addition of finance lease	6,285	-	-	6,285
Amortisation of finance costs	-	-	1,066	1,066
Change in currency translation	-	(28,433)	-	(28,433)
As at 31 December 2018	**26,775**	**2,472,765**	**4,548,312**	**7,047,852**

Unit: Thousand Baht

	Separated financial statements			
	Finance lease liabilities	**Long-term loans**	**Debentures**	**Total**
As at 1 January 2017	38,561	5,285,311	4,546,180	9,870,052
Change in cashflows				
Repayment of borrowings	(9,504)	(1,966,560)	-	(1,976,064)
Non-cash changes				
Addition of finance lease	1,664	-	-	1,664
Amortisation of finance costs	-	-	1,066	1,066
Change in currency translation	-	(413,301)	-	(413,301)
As at 31 December 2017	**30,721**	**2,905,450**	**4,547,246**	**7,483,417**

17. Trade and other current payables

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
		Baht'000	Baht'000	Baht'000	Baht'000
Trade payables					
- Related parties	4	3,821	4,651	16,701	20,060
- Other parties		258,785	438,740	146,204	256,801
Total		**262,606**	**443,391**	**162,905**	**276,861**
Other current payables					
- Accrued expenses		329,036	309,753	302,859	298,612
- Others		121,250	113,518	77,818	83,382
Total		**450,286**	**423,271**	**380,677**	**381,994**
Total trade and other current payables		**712,892**	**866,662**	**543,582**	**658,855**

18. Other current liabilities

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	Baht'000	Baht'000	Baht'000	Baht'000
Short-term deposits from customers	31,091	52,206	28,197	48,734
Other taxes	58,215	41,352	16,296	14,518
Others	2,008	2,286	-	1
Total	**91,314**	**95,844**	**44,493**	**63,253**

19. Non-current provisions for employee benefit

The statement of financial position obligations was determined as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	Baht'000	Baht'000	Baht'000	Baht'000
Present value of unfunded obligations	160,747	175,940	135,592	148,951
Statement of financial position	**160,747**	**175,940**	**135,592**	**148,951**

Movements in the present value of the employee benefit obligations:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	Baht'000	Baht'000	Baht'000	Baht'000
Employee benefit obligations at 1 January	175,940	429,770	148,951	207,512
Benefits paid by the plan	(85,311)	(37,518)	(71,172)	(5,413)
Include in profit or loss:				
Current service costs and interest	23,212	52,019	19,387	28,811
Loss from settlement during the year	41,957	-	33,241	-
	65,169	**52,019**	**52,628**	**28,811**
Included in other comprehensive income:				
Actuarial (gain) loss recognised in the year	4,949	(113,348)	5,185	(81,959)
	4,949	**(113,348)**	**5,185**	**(81,959)**
Less Transferred to non-current assets classified as held for sale	-	(154,983)	-	-
Employee benefit obligations at 31 December	**160,747**	**175,940**	**135,592**	**148,951**

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	%	%	%	%
Discount rate	3.20	3.00	3.20	3.00
Future salary increases	5.00	5.00	5.00	5.00

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	Consolidated financial statements		Separate financial statements	
	Baht'000	Baht'000	Baht'000	Baht'000
Defined benefit obligation 31 December 2018	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	157,581	175,407	134,664	149,898
Future salary growth (0.5% movement)	174,803	158,042	149,382	135,058

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

20. Other non-current liabilities

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	Baht'000	Baht'000	Baht'000	Baht'000
Long-term deposits from customers	161,876	174,042	155,079	170,395
Others	122,277	128,884	122,277	128,884
Total	**284,153**	**302,926**	**277,356**	**299,279**

21. Share capital and share-based payment transaction

	Par value per share (Baht)	2018		2017	
		Number Share'000	Amount Baht'000	Number Share'000	Amount Baht'000
Authorised					
At 1 January					
- ordinary shares	*5*	1,099,977	5,499,884	1,099,977	5,499,884
Increase of new shares	5	-	-	-	-
At 31 December					
- ordinary shares	***5***	**1,099,977**	**5,499,884**	**1,099,977**	**5,499,884**
Issued and paid-up					
At 1 January					
- ordinary shares	*5*	1,096,067	5,480,333	1,095,994	5,479,970
Issue of new shares from exercise warrants	*5*	35	177	73	363
At 31 December					
- ordinary shares	***5***	**1,096,102**	**5,480,510**	**1,096,067**	**5,480,333**

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

Share-based payment transaction

21.1 Share-based payment transaction settled by equity

21.1.1. Information of project

The issuance and offering of warrants to purchase ordinary shares to directors and employees of the Company and its subsidiaries. The warrants are offered directly to employees who are full-time employed and qualify for the Performance Share Plan project ("Project"). Major information is listed below:

	Project I	**Project II**	**Project III**	**Project IV**
Issued date:	28 March 2013	27 March 2014	26 March 2015	30 March 2016
Issued:	682,000 units	1,197,700 units	1,085,300 units	1,074,300 units
Exercise price:	23.266 Baht/Share	38.265 Baht/Share	37.626 Baht/Share	25.918 Baht/Share
Number of reserved shares:	682,000 shares	1,197,700 shares	1,085,300 shares	1,074,300 shares
Offer period:	5 years after first time to offered the warrant			
Offer price per unit:	Baht 0 (zero Baht)			
Exercise ratio:	One unit of warrant per one ordinary share			

Movements in the number of warrants outstanding are as follows:

	1 January 2018	Issue during the period	Return during the period	Exercise during the period	Expire during the period	31 December 2018
	thousand unit	thousand unit	thousand unit	thousand unit	thousand unit	thousand unit
ESOP - Grant I						
Directors	360	-	-	(15)	(345)	-
Employees	193	-	-	(20)	(173)	-
Total	**553**	**-**	**-**	**(35)**	**(518)**	**-**
ESOP - Grant II						
Directors	374	-	-	-	-	374
Employees	769	-	-	-	-	769
Total	**1,143**	**-**	**-**	**-**	**-**	**1,143**
				-	-	
ESOP - Grant III				-	-	
Directors	254	-	-	-	-	254
Employees	691	-	-	-	-	691
Total	**945**	**-**	**-**	**-**	**-**	**945**
ESOP - Grant IV						
Directors	155	-	-	-	-	155
Employees	741	-	-	-	-	741
Total	**896**	**-**	**-**	**-**	**-**	**896**
Grand Total	**3,537**	**-**	**-**	**(35)**	**(518)**	**2,984**

21.1.2 Fair value measurement

The measurement is in reference to the fair value of the offered ordinary shares issued at the grant date using Monte Carlo Simulation techniques. The assumptions are as below:

	Project I	**Project II**	**Project III**	**Project IV**
Fair value at grant date	Baht 35.037	Baht 27.864	Baht 20.424	Baht 12.475
Share price at grant date	Baht 35.750	Baht 40.500	Baht 36.500	Baht 27.000
Exercise price	Baht 23.266	Baht 38.265	Baht 37.626	Baht 25.918
Expected volatility	55.392%	41.562%	39.894%	36.534%
Expected dividend	1.119%	1.111%	1.781%	2.407%
Risk-free interest rate	3.074%	3.082%	2.340%	1.721%

Reconciliation of other reserve-shared-base payment settled by equity:

	Consolidated and separate financial statements	
For the years ended 31 December	2018	2017
	Baht'000	Baht'000
As at 1 January	11,793	21,521
Total expense recognised during the year in the statement of profit and loss	3,774	9,874
Decrease during the year	(822)	(19,602)
As at 31 December	**14,745**	**11,793**

21.2 Performance incentive payment settled by cash

On 9 May 2018, the Board of Director had a resolution to approve the revised amount of performance incentive payment to Baht 22.76 million allocating to the managements at the end of the project if the Absolute Total Shareholder Return and Relative Total Shareholder Return meet the criteria at the third year of the project. As at 31 December 2018, the Company remeasured the criteria of the project and found that the criteria cannot be met. Therefore, the Company reversed the entire recognized expense in the statement of profit or loss during the year of Baht 8.42 million.

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

22. Reserves

Reserves comprise:

Appropriations of profit and/or retained earnings

Legal reserve

The Public Companies Act B.E. 2535 Section 116 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward (if any), to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

Other components of equity

Currency translation differences

The currency translation differences account within equity comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Fair value changes in available-for-sale investments

The fair value changes in available-for-sale investments account within equity comprise the cumulative net change in the fair value of available-for-sale investments until the investments are derecognised or impaired.

23. Segment information

Segment information is presented in respect of the Group's business and geographic segments. The primary format, business segments / geographic segments is based on the Group's management and internal reporting structure.

Business segments

The Group comprises the following main business segments:

Segment 1 Services relating to the satellite business and the transponder services segment
Segment 2 Sales and services relating to the internet and media business
Segment 3 Sales and services relating to the telephone network business

Geographic segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographic location of customers.

The areas of operation in Thailand are principally satellite business services, internet and media services and printing and publishing of business telephone directories services. Lao PDRs' main activities are sales and services relating to telephone network business and satellite business services. Australia, China, India, Japan and Myanmar main activities are sales and services relating to satellite business. Australia, China, India, Japan and Myanmar main activities are sales and services relating to satellite business.

The Group comprises the following main geographic segments:

Segment 1 Thailand
Segment 2 China
Segment 3 India
Segment 4 Japan
Segment 5 Myanmar
Segment 6 Others

Revenue and results, based on business segments, in the consolidated financial statements for the years ended 31 December 2018 and 2017 were as follows:

For the years ended 31 December	Satellite business services		Internet services and media		Telephone network		Consolidation eliminations		Total continuing operations		Discontinued operation		Consolidated financial statements	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Revenues	5,850	6,475	229	299	-	-	(71)	(85)	6,008	6,689	224	2,793	6,232	9,482
Shares of profit of investment in joint venture	-	-	-	-	119	196	-	-	119	196	-	-	119	196
Cost of sales and services	(4,112)	(5,129)	(188)	(243)	-	-	81	81	(4,219)	(5,291)	(137)	(1,732)	(4,356)	(7,023)
Selling and administrative expenses	(1,487)	(1,659)	(33)	(30)	-	-	4	7	(1,516)	(1,682)	(51)	(672)	(1,567)	(2,354)
Segment results	251	(313)	8	26	119	196	14	3	392	(88)	36	389	428	301
Gain from sale of investment									1,950	-	-	-	1,950	-
Other income									192	387	3	26	195	413
Net gain on foreign exchange									5	152	-	-	5	152
Loss on impairment asset									(2,253)	(3,309)	-	-	(2,253)	(3,309)
Profit (loss) before finance cost and income tax									286	(2,858)	39	415	325	(2,443)
Finance costs									(338)	(383)	(1)	(18)	(339)	(401)
Operating profit (loss)									(52)	(3,241)	38	397	(14)	(2,844)
Income tax									269	454	(8)	(71)	261	383
Non-controlling interests									-	-	(17)	(189)	(17)	(189)
Net Profit (loss)									**217**	**(2,787)**	**13**	**137**	**230**	**(2,650)**

	Satellite business services		Internet services and media		Telephone network		Consolidation eliminations		Total continuing operations		Discontinued operation		Consolidated financial statements	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Segment assets	18,741	21,154	644	219	-	-	(570)	(585)	18,815	20,788	-	1,837	18,815	22,625
Loan to related parties	1,943	1,957	-	-	-	-	-	-	1,943	1,957	-	-	1,943	1,957
Investment in joint venture	-	-	-	-	1,444	1,357	-	-	1,444	1,357	-	-	1,444	1,357
Total assets													**22,202**	**25,939**
Segment liabilities	1,987	2,135	72	46	-	-	(17)	(23)	2,042	2,158	-	1,055	2,042	3,213
Borrowings	7,023	7,446	-	-	-	-	-	-	7,023	7,446	-	-	7,023	7,446
Total liabilities													**9,065**	**10,659**

Revenue and results, based on geographical segments, in the consolidated financial statements for the years ended 31 December 2018 and 2017 were as follows:

	2018	2017
	Baht'000	Baht'000
Segment revenue		
Thailand	3,224,969	3,377,172
China	1,151	216,909
India	649,830	686,249
Japan	662,558	834,482
Myanmar	180,258	365,036
Others	1,289,435	1,208,995
Total continued operation	**6,008,201**	**6,688,843**
Discontinued Operation	224,527	2,792,840
Total	**6,232,728**	**9,481,683**

Major customers of the Group

For the year ended 31 December 2018 and 2017, the Group has no revenue transactions with a single external customer amount to 10 percent or more of the Group's revenues.

Non-current assets based on geographical segments in the consolidated financial statements as at 31 December 2018 and 2017 were as follows:

	2018	2017
	Baht'000	Baht'000
Non-current assets		
Thailand	8,323,092	12,441,711
China	3,208	5,766
India	17,460	25,288
Japan	17,636	29,611
Myanmar	19	48
Others	3,044,956	3,235,624
Total	**11,406,371**	**15,738,048**

24. Revenues from sale of goods and rendering of services

	Consolidated financial statements		**Separate financial statements**	
	2018	2017	2018	2017
	Baht'000	Baht'000	Baht'000	Baht'000
Continuing operation				
Revenues from sale of goods	382,882	544,582	191,381	262,163
Revenues from rendering of services	5,625,319	6,144,261	5,266,149	5,616,127
	6,008,201	**6,688,843**	**5,457,530**	**5,878,290**
Discontinued operation				
Revenues from sale of goods	31,184	406,039	-	-
Revenues from rendering of services	193,343	2,386,801	-	-
	224,527	**2,792,840**	**-**	**-**
Total	**6,232,728**	**9,481,683**	**5,457,530**	**5,878,290**

25. Other income

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	Baht'000	Baht'000	Baht'000	Baht'000
Continuing operation				
Consulting and management fees	-	-	48,603	76,706
Interest income	182,852	158,165	177,488	151,947
Gain (loss) on sale of equipment	(4,585)	3,903	(4,541)	4,036
Compensation from customers	-	195,460	-	11,092
Others	14,036	29,613	3,636	9,841
Total other income from continuing operation	**192,303**	**387,141**	**225,186**	**253,622**
Discontinued operation	2,845	25,727	-	-
Total	**195,148**	**412,868**	**225,186**	**253,622**

26. Expenses by nature

The statements of profit or loss include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various TFRS were as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	Baht'000	Baht'000	Baht'000	Baht'000
Continuing operation				
Impairment loss on assets	2,253,000	3,308,681	2,253,000	3,196,000
Depreciation of plant and equipment	719,412	910,015	673,106	699,697
Amortisation of intangible assets under the agreements for operations, deferred charges and intangible assets	1,256,268	2,149,648	1,246,940	2,117,485
Amortisation of finance costs	1,066	1,066	1,066	1,066
Staff costs	959,965	963,378	663,717	644,538
Discontinued operation				
Depreciation of plant and equipment	13,029	146,113	-	-
Amortisation of intangible assets	1,312	16,023	-	-
Staff costs	42,221	540,095	-	-

27. Provident funds

The defined contribution plans comprise provident funds established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 3% to 7% of their basic salaries and by the Group at rates ranging from 3% to 7% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by a licensed Fund Manager.

28. Income tax expense

	Notes	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
		Baht'000	Baht'000	Baht'000	Baht'000
Current tax expense from continuing operation					
Current tax expense		(80,127)	(92,205)	51,271	(104,645)
Deferred tax expense					
Movement in temporary differences	14	349,344	546,772	283,658	639,052
Total		**269,217**	**454,567**	**334,929**	**534,407**
Total current tax expense from continuing operation		**269,217**	**454,567**	**334,929**	**534,407**
Current tax expense from discontinued operation	9	(8,482)	(71,214)	-	-
Total current tax expense		**260,735**	**383,353**	**334,929**	**534,407**

Reconciliation of effective tax rate

	Consolidated financial statements			
	2018		2017	
	Rate (%)	Baht'000	Rate (%)	Baht'000
Profit (loss) for the year		217,036		(2,786,735)
Total income tax expense		(269,217)		(454,567)
Loss before total income tax expense		(52,181)		(3,241,302)
Income tax using the Thai corporation tax rate	20	10,436	20	648,260
Effect of different tax rates in foreign jurisdictions		(2,808)		(22,879)
Share of profit (loss) of investment in a joint venture		(23,878)		39,237
Effect of the income recognised in different periods for account and tax purposes		7,119		3,766
Effect of non-deductible tax and expense recognised in different periods for accounting and tax purposes		165,202		(231,250)
Current year losses for which no deferred tax asset was recognised		29,827		(816)
Others		83,319		18,249
Total	**516**	**269,217**	**14**	**454,567**

	Separate financial statements			
	2018		2017	
	Rate (%)	Baht'000	Rate (%)	Baht'000
Profit (loss) for the year		217,036		(2,786,735)
Total income tax expense		(334,929)		(534,407)
Loss before total income tax expense		(117,893)		(3,321,142)
Income tax using the Thai corporation tax rate	20	23,579	20	664,228
Income not subject to tax		9,720		17,700
Share of profit (loss) of investment in subsidiaries and a joint venture		325,756		(52,757)
Effect of the income recognised in different periods for account and tax purposes		6,684		3,777
Effect of the non-deductible tax expense and expense recognised in different periods for accounting and tax purposes		(85,442)		(114,678)
Others		54,632		16,137
Total	**284**	**334,929**	**16**	**534,407**

Income tax reduction

Royal Decree No. 577 B.E. 2557 dated 10 November 2014 grants the reduction to 20% of net taxable profit for the accounting period 2015 which begins on or after 1 January 2015.

Revenue Code Amendment Act No. 42 B.E. 2559 dated 3 March 2016 grants a reduction of the corporate income tax rate to 20% of net taxable profit for accounting periods which begin on or after 1 January 2016.

The Group has applied the tax rate of 20% in measuring deferred tax asset and liabilities as at 31 December 2018 and 2017.

29. Earnings (loss) per share

Basic earnings (loss) per share

The calculations of basic earnings (loss) per share for the years ended 31 December 2018 and 2017 were based on the profit (loss) for the years attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the years by weighted average method as follows:

	Consolidated financial statements and separate financial statements					
	2018			2017		
	Continuing operation	Discontinued operation	Total	Continuing operation	Discontinued operation	Total
	(in thousand Baht/thousand share)					
For the years ended 31 December						
Profit (loss) attributable to ordinary shareholders of the Company (basic)	**217,036**	**12,509**	**229,545**	**(2,786,735)**	**136,958**	**(2,649,777)**
Number of ordinary shares outstanding	**1,096,102**	**1,096,102**	**1,096,102**	**1,096,067**	**1,096,067**	**1,096,067**
Earnings (loss) per share (basic) *(in Baht)*	**0.20**	**0.01**	**0.21**	**(2.54)**	**0.12**	**(2.42)**

Diluted earnings (loss) per share

The calculation of diluted earnings (loss) per share for the years ended 31 December 2018 and 2017, were based on the earnings (loss) for the period attributable to equity holders of the Company and the number of ordinary shares outstanding during the period after adjusting for the effects of all dilutive potential ordinary shares. However, for the years ended 31 December 2018 and 2017, the Company did not calculate diluted earnings per share since exercise price is higher than fair value of weighted ordinary shares during the year.

30. Dividends

At the annual general meeting of the shareholders of the Company held on 28 March 2018, the shareholders approved the appropriation of dividend of Baht 1.36 per share, amounting to Baht 1,491 million. The dividend was paid to shareholders on 25 April 2018.

At the annual general meeting of the shareholders of the Company held on 29 March 2017, the shareholders approved the appropriation of dividend of Baht 0.70 per share, amounting to Baht 767 million. The dividend was paid to shareholders on 26 April 2017.

31. Financial instruments

Financial risk management policies

The principal financial risks faced by the Group are interest rate risk and exchange rate risk. The Group borrows at fixed and floating rates of interest for capital expenditure. Certain sales, purchases and a portion of borrowings are denominated in foreign currencies. In order to manage the risks arising from fluctuations in exchange rates and interest rates, the Group makes use of derivative financial instruments.

The objectives of using derivative financial instruments are to reduce uncertainty over future cash flows arising from movements in interest and exchange rates, and to manage the liquidity of cash resources. The following strategies are employed to achieve these objectives. Interest rate exposures are managed through interest rate swaps taken out with commercial banks and foreign exchange forward contracts and foreign currency options are taken out to manage the currency risks in future sales, purchases and loan repayments. Decisions on the level of risk undertaken are governed by corporate policy, which has established limits by transaction type and by counterparty.

Trading for speculative purposes is prohibited. All derivative transactions are subject to approval of the management before execution.

Management of currency and interest rate exposures is the responsibility of the Treasury Department. Management reports contain detail of cost and market value for all derivative financial instruments including outstanding forward contracts and cross currency and interest rate swap. An analysis of exposures against the limits established by the management is also provided. These limits principally cover the maximum permitted exposure in respect of short-term investment regarding to guideline to short-term investment policy.

Capital management

The primary objective of the Company's capital management is to provide good returns to shareholders and benefits to other stakeholders and to maintain an optimal capital structure in order to support asset management plan and new investment opportunities which will create value and strengthen financial position for the whole group.

Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies.

As at 31 December 2018 and 2017, the Group was exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

	Consolidated financial statements			
	2018		2017	
	Foreign currency	Baht	Foreign currency	Baht
	million	million	million	million
Assets				
US Dollars	114.76	3,704.99	37.62	1,223.24
Euro	0.11	4.26	-	-
India Rupee	446.35	193.71	446.35	212.24
New Zealand Dollars	0.14	3.09	0.11	2.56
Australia Dollars	0.10	2.15	-	-
Hong Kong Dollars	2.50	10.26	2.50	10.36
Total		3,918.46		1,448.40
Liabilities				
US Dollars	94.34	3,076.80	105.53	3,466.38
India Rupee	246.77	122.22	236.08	128.71
Australia Dollars	0.05	1.22	-	-
New Zealand Dollars	-	-	0.15	3.51
Total		3,200.24		3,598.60

Foreign currency assets mainly represent cash in bank and accounts receivable. Foreign currency liabilities mainly represent trade payables, accounts payable - plant and equipment and borrowings.

Credit risk

The Group has no significant concentrations of credit risks. The Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. Derivative counterparties and cash transactions are limited to high quality financial institutions.

Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations, including finding short term credit facility from various banks for reserve in case of necessary and to mitigate the effects of fluctuations in cash flows.

Determination of fair values

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

The carrying amount of cash and cash equivalents, short-term investments, trade receivables, amounts due from related parties, short-term loans and advances to related parties, trade payables, accounts payable-plant and equipment, amounts due to related parties, and borrowings are assumed to approximate their fair value due to the short maturities of these instruments.

Fair values of interest-bearing liabilities, together with the carrying amount values shown in the statement of financial position as follows:

	Consolidated financial statements				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
As at 31 December 2018					
Current					
Debt securities available for sale	1,954,276	-	1,954,276	-	1,954,276
Current portion of long-term loan to related party	485,725	-	-	598,473	598,473
Current portion of long-term borrowings	420,841	-	-	426,386	426,386
Current portion of debentures	2,253,000	-	2,353,503	-	2,353,503
Non - current					
Long-term loan to related party	1,457,174	-	-	1,795,418	1,795,418
Long term borrowings	2,078,699	-	-	2,106,425	2,106,425
Debentures	2,270,312	-	2,371,558	-	2,371,558
As at 31 December 2017					
Current					
Debt securities available for sale	905,547	-	905,547	-	905,547
Current portion of long-term loan to related party	244,591	-	-	244,591	244,591
Current portion of long-term borrowings	421,788	-	-	421,788	421,788
Non - current					
Long-term loan to related party	1,712,138	-	-	1,743,763	1,743,763
Long term borrowings	2,514,383	-	-	2,512,028	2,512,028
Debentures	4,510,246	-	4,822,658	-	4,822,658

	Separated financial statements				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
As at 31 December 2018					
Current					
Debt securities available for sale	2,046,221	-	2,046,221	-	2,046,221
Current portion of long-term loan to related party	525,725	-	-	638,473	638,473
Current portion of long-term borrowings	420,841	-	-	426,386	426,386
Current portion of debentures	2,275,000	-	2,376,480	-	2,376,480
Non - current					
Long-term loan to related parties	1,457,174	-	-	1,795,418	1,795,418
Long term borrowings	2,078,699	-	-	2,106,425	2,106,425
Debentures	2,273,312	-	2,374,717	-	2,374,717
As at 31 December 2017					
Current					
Debt securities available for sale	1,023,962	-	1,023,962	-	1,023,962
Current portion of long-term loan to related party	244,591	-	-	244,591	244,591
Current portion of long-term borrowings	421,788	-	-	421,788	421,788
Non - current					
Long-term loan to related parties	1,712,138	-	-	1,721,277	1,721,277
Long term borrowings	2,514,383	-	-	2,512,028	2,512,028
Debentures	4,547,246	-	4,862,197	-	4,862,197

Fair value hierarchy

The table above analyses recurring fair value measurements for financial assets. These fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to valuation techniques used. The different levels are defined as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group/Company can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

The Group determines Level 2 fair values for debentures have been determined based on quoted selling prices from The Thai Bond Market Association at the close of the business on the reporting date.

The Group determines Level 3 fair values for borrowing have been estimated using discounted cash flows based on the Group's incremental borrowing rates for similar types of borrowings.

32. Commitments with non-related parties

32.1 Agreement for operation of domestic communication satellite

The Company was permitted by the Ministry of Transport and Communications, under an agreement dated 11 September 1991 and an amendment thereto dated 22 March 1992, to operate and administer certain satellite projects and to render transponder services for domestic and international communications as well as the right to collect, for a thirty-year period, service charges from users of the transponders. The agreements for operation have been transferred to the Ministry of Digital Economy and Society ("MDE") (previously named Ministry of Information and Communication Technology ("MICT")).

Under the aforementioned agreement, the Company must pay an annual fee to MDE based on a percentage of certain service incomes or at the minimum level specified in the agreement, whichever is higher. As at 31 December 2018, the remaining minimum fee is Baht 245 million (31 December 2017: Baht 327 million). In addition, the Company, according to the aforementioned agreement, must transfer its ownership of all satellites, and monitoring stations and other operating equipment to MDE on the date of completion of construction and installation.

32.2 Shareholder agreement

Lao Telecommunications Company Limited ("LTC") is a joint venture, which was established under the terms of a Joint Venture Contract dated 8 October 1996, signed by the Government of the Lao People's Democratic Republic ("LAOGOV") and Intouch Holdings Public Company Limited (formerly named Shinawatra Computer and Communications Public Company Limited), According to the aforementioned Joint Venture Contract, LTC has the right to provide telecommunication services - fixed line phone, mobile phone, international facilities, internet and paging - within the Lao PDR for 25 years. Currently, Shenington Investments Pte Ltd ("SHEN"), which is a joint venture of the Company, owns 49% of LTC's registered shares. After the end of the 20th year, in 2016, LAOGOV shall have the right to consider purchasing all LTC's shares at a market price. And after the end of the 23rd year, in 2019, the Group has a right to submit a proposal to LAOGOV to consider the extension of the term of agreement. Otherwise at the end of the 25th year, in 2021, the Group has to transfer all of LTC's shares to LAOGOV without any charges (Note 10). According to the shareholder agreement, LTC is required to invest at least USD 400 million in the projects specified in the agreement within 25 years.

On 23 October 2015, SHEN and LAOGOV have officially reached the agreement to extend the Joint Venture Agreement and the Master Agreement for the Development of Telecommunications Services in the Lao PDR, as a result LTC obtain right to operate communication service in Lao PDR for a further period of 25 years until 2046. According to the amended agreements, LTC is required to invest ESS at least USD 400 million in the projects specified in the agreements within 25 years.

32.3 Agreements for operation of the Company and subsidiary companies for the satellite uplink-downlink and Satellite Internet services and Internet services in Thailand

Currently, the National Broadcasting and Telecommunications Commission ("NBTC") (previously termed the National Telecommunications Commission ("NTC")) is responsible for granting licenses to provide telecommunication services and internet access services in Thailand. The Company and its subsidiaries operate the business to provide internet, broadcasting and telecommunication services under licenses granted by NBTC as follows:

Type of license	Issued Date	Period
License of the Company		
Telecom Operation License Type I	16 August 2016	5 years
Telecom Operation License Type III	26 September 2012	20 years
Internet Operation License Type I	7 May 2015	5 years
License of Thai Advance Innovation Company Limited (Previously named DTV Service Company Limited)		
Broadcasting Operation License	21 January 2013	15 years
Broadcasting Operation License (Lao Star)	28 January 2016	5 years
Broadcasting Operation License (D-Channel)	28 January 2016	5 years
Broadcasting Operation License (Lao PSTV)	13 July 2018	5 years
Broadcasting Operation License (LNTV 3)	13 July 2018	5 years
Broadcasting Operation License (TV Lao)	24 November 2017	5 years
License of TC Broadcasting Company Limited		
Broadcasting Operation License	4 March 2013	15 years
Telecom Operation License Type III	10 November 2015	15 years

Revenue of the Company under the NBTC's regulation

Revenue from rendering of services and equipment rentals of the Company for the years ended 31 December 2018 and 2017 was classified as follows:

	Separate financial statements	
	2018	2017
	Baht'000	Baht'000
Telecom Operation License Type I	65,566	95,153
Telecom Operation License Type III	229,464	283,261
Other service income	5,162,500	5,499,876
Total	**5,457,530**	**5,878,290**

32.4 Operating lease commitments

The Group has future aggregate minimum lease payments under non-cancellable operating leases as follows:

		Consolidated financial statements		Separate financial statements	
	Currency	2018	2017	2018	2017
		thousands	thousands	thousands	thousands
Within one year	THB	3,581	16,121	3,581	16,121
	IDR	115,000	-	115,000	-
	VND	13,328	-	13,328	-
	YEN	1,392	1,452	-	-
	USD	70	247	-	195
	INR	1,825	2,434	-	-
	PHP	-	600	-	600
	AUD	180	186	-	-
	NZD	-	26	-	-
Total equivalent Baht		11,660	31,627	3,872	22,937
After one year but within five years	THB	5,933	9,514	5,933	9,514
	YEN	4,049	5,441	-	-
	USD	-	36	-	-
	INR	-	1,825	-	-
	AUD	9	189	-	-
Total equivalent Baht		7,345	18,013	5,933	9,514
Grand total equivalent Baht		**19,005**	**49,640**	**9,805**	**32,451**

32.5 Other commitments

The Group has commitments with banks, whereby the banks issued letters of guarantee, letters of credit and other guarantees in respect of business contracts, for the following amounts:

	Currency	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
		thousands	thousands	thousands	thousands
Minimum operating agreement fee payable to Ministry of Digital Economy and Society	THB	56,667	54,000	56,667	54,000
Satellite space leasing by customers	USD	2,347	2,529	2,336	2,522
	THB	134,349	21,235	133,799	21,079
Others	THB	25,450	16,681	25,181	16,411

32.6 Other services agreement

On 1 December 2017, the Company entered into the Services Agreement for life-extension service to the satellites for five years term with a minimum commitment until the end of concession period of USD 8.88 million and with a certain right of termination by the Company under term and condition specified in the agreement. Another service fee of USD 71.12 million depends on certain conditions of the agreement if the Company is allowed to operate the current concession satellites after the concession ends.

33. Contingent liabilities

Assessment for income tax in India

The Tax Authority in India ('the Tax Authority'), has held that the payments received by the Company for providing Transponder Services ('TPS') to its Indian Customers and non-resident customers targeting Indian audience ('the Customer') was Royalty under both the Indian Income Tax Act ('the Act'), and the Double Taxation Avoidance Agreement between Thailand and India ('the DTAA') and subject to withholding tax at the rate of 15% on gross basis. But the Company considered income from Transponder Services to be business income, and as the Company does not have permanent establishment in India, such income is not taxable in India.

The Tax Authority still insisted on its consideration and raised the tax demand including surcharge, education tax and interest aggregating to INR 859.4 million (approximately Baht 399.3 million) against the said payment received by it from the customers and also levied penalty of INR 566.1 million (approximately Baht 263.1 million) for the Assessment Year ('AY') 1998-1999 to 2012-2013 (1 April 1997 to 30 March 2012).

So far, the Company had received Withholding Tax Certificates ('WTC') from its customers until Assessment Year ('AY') 2012-2013 net amounting to INR 593.8 million (approximately Baht 275.9 million), in which part of the amount is substituted and paid by the customer on behalf of the Company and used it as deposit. The Company had also deposited INR 480.4 million (approximately Baht 223.2 million). The deposit is presented as other non-current assets in the statements of financial position.

On 4 March 2011, Income Tax Appellate Tribunal (ITAT) gave its decision that the Company's income from transponder services in India was not a royalty and, as the Company has no permanent establishment in India, such income was not taxable in India.

As the consequence, the Company does not have to pay interest and penalty imposed by the Revenue Department of India, and ITAT also decided that the demand for penalty for the assessment year 1998-1999, 1999-2000, 2000-2001, 2001-2002 and 2002-2003 made by the Revenue Department of India against the Company be cancelled. The Revenue Department of India did not appeal against the ITAT's decision on penalty for the said assessment years to the High Court of Delhi and the ITAT's decision on penalty was final. On 30 December 2011, the Tax authority notified the partial return of deposit placed by the Company against the penalty for the Assessment Year ('AY') 1998-1999 to 2001-2002 and interest, aggregating to INR 162.4 million (approximately Baht 75.5 million).

Further to ITAT decision as stated in the preceding paragraphs, the Company is in the process of requesting the refund of the remaining deposit and withholding tax from the Tax Authority. Upon the final decision of the Supreme Court and the receipt of refund, the Company will forward the Customer the amount they substituted on behalf of the Company.

On 28 September 2011, the Tax Authority has filed an appeal against the decision of High Court on 17 February 2011 which decided that the Company's income from transponder services in India was not a royalty, to the Supreme Court. At the moment, this issue is still under the consideration of the Supreme Court.

The Supreme Court of India issued a letter dated 9 November 2011, to inform the agent of the Company's tax consultant of the appeal. Currently, the matter is in process, awaiting the Supreme Court of India's consideration.

34. Other events

34.1 According to the judgment of the Supreme Court, Criminal Division for Persons Holding Political Positions rendered on 26 February 2010, concerns the Company and its affiliated companies in many aspects. The Company is of the opinion that the consequence of the judgment is limited to the holding that some property of the person holding political position was improperly acquired by an abuse of power while being in a political position. The judgment does not contain any order indicating that the Company or its affiliated companies shall take any actions as the Company is not involved to the case. The Company and its affiliated companies have been operating to the best of its ability in accordance with the law and the agreements and in good faith. The Company and its affiliated companies have every right available under the law and agreements to provide the facts to prove its innocence and good faith in any proceeding which may be initiated by the relevant government agencies in accordance with the law and justice.

34.2 On 19 April 2007, Mr. Supong Limthanakul brought legal actions against the National Telecommunications Commission ("NTC"), the office of the NTC and the Ministry of Digital Economy and Society ("MDE") (previously named the Ministry of Information and Communication Technology ("MICT")) in the Central Administrative Court ("CAC") on the ground that the three state agencies neglected to perform their duties in overseeing whether the Company has been carrying on its telecommunications business lawfully after the sale of Shin Corporation Public Company Limited's shares to the new shareholder.

CAC issued an order dated 8 April 2009 making the Company the fourth respondent in order to allow the Company to file the Reply to the petitioner's claim including evidence, documentary or otherwise to CAC and the Company filed the Reply and supporting evidence in July 2009. On 10 June 2011, CAC has dismissed the verdict.

On 8 July 2011, Mr. Supong Limthanakul has filed an appeal with the Supreme Administrative Court ("SAC"). The case is under consideration by SAC. On 23 September 2011, the Company has filed an argument against appeal with the Supreme Administrative Court ("SAC").

On 28 December 2018, the Supreme Administrative Court issued an order that the ending date of the fact inquiry shall be held on 12 February 2019 which both plaintiff and defendant are required to submit the additional documents (if any) to the Court within the said period. After that, the Court shall further determine the first hearing date.

The Company is of the opinion that it will not be adversely affected in any way as the actions were brought against NTC, office of the NTC and MICT for neglecting to perform their duties and will not constitute a cause for terminating the operating agreement as the Company has fully complied with the terms and conditions of the operating agreement.

34.3 On 26 December 2015, Golden Town Film Company Limited ("Plaintiff") has filed the Intellectual Property Court a lawsuit against Thaicom Public Company Limited ("THAICOM" or "the Company"), Directors of the Company, and a customer of the Company ("Defendant"), and claimed that Defendant has broadcasted a movie through satellite TV channel leased from THAICOM infringing the movie copyrights owned by Plaintiff.

On 8 September 2016, The Intellectual Property Court issued an order that THAICOM and its directors were dismissed from the case on the ground that THAICOM and its directors did not mutually infringe the movie copyright of the Plaintiff. At present, the Plaintiff got a permission from the Court to file the appeal of the Court Order within 8 November 2016. On 19 December 2016, THAICOM has filed an argument against appeal to Court.

On 3 September 2018, the Supreme Intellectual Property Court issued a confirmation of judgement of the Intellectual Property Court that THAICOM and its directors were dismissed from the case and the case becomes final.

34.4 A subsidiary of the Company was being sued and claimed for the damages of satellite equipment in Australia since 2011. On 22 December 2016, the Court gave its judgement that the subsidiary shall compensate for damages of 5.3 million Australian dollars with interest which the impact of such expense was recorded in the financial statements for the year 2016. On 17 March 2017, the subsidiary has filed an argument against appeal to Court.

On 16 February 2018, the Court ordered the appeal be dismissed which a subsidiary paid an interest and a portion of expense after the Court's decision in the amount of 1.8 million Australian dollars. Nonetheless, the additional legal costs which a subsidiary shall compensate the Plaintiff are being aggregated for the certain amount by the Court.

34.5 The Company and its partner have a different interpretation of certain clauses of the cooperation agreement. As a result, the Company and such company have submitted the case to the arbitrator to consider and find a solution for such different view. All witnesses from both parties have been already cross-examined. During the year 2018, the arbitrator has already considered that the interpretation of certain clauses of the company is correct, and this decision is final.

34.6 Dispute over THAICOM 7 and THAICOM 8 satellites under Operating Agreement on Domestic Communication Satellite

On 5 October 2017, the Company received a letter from the Ministry of Digital Economy and Society (the "Ministry") stating that Thaicom 7 and Thaicom 8 satellites were the satellites under the Operating Agreement on Domestic Communication Satellite dated 11 September 1991 between Intouch Holdings Public Company Limited ("INTOUCH") and the Ministry (formerly known as the Ministry of Information and Communication Technology (MICT)) (the "Agreement"), which INTOUCH established the Company to operate works under the Agreement. In this regard, the letter from the Ministry stated a request for the full compliance with the Agreement on an urgent basis; e.g. transfer of ownership and delivery of assets, procurement of the backup satellite(s), payment of overdue revenue sharing, and property insurance.

The Extra-Ordinary Board of Directors' Meetings of the Company on 24 October 2017, considered such letter and consulted with legal advisor and then opined that Thaicom 7 and Thaicom 8 satellites were not the satellites under the Agreement as the procedures of Thaicom 7 and Thaicom 8 satellites fell under the scope of license received from the National Broadcasting and Telecommunications Commission. Moreover, the Company has fully complied with the terms and conditions of the Agreement and has not proceeded with any operations against or violating the Agreement. Therefore, the Company had a different opinion from the Ministry on Thaicom 7 and Thaicom 8 satellites. Accordingly, the Meetings resolved that the Company submit to an arbitrator the dispute, resulting from the terms of and compliance with the Agreement and that the parties thereto have not been able to resolve it, for further settlement. This is in accordance with Clause 45.1 of the Agreement and the Company has submitted the dispute to the Arbitration Institute on 25 October 2017, as appeared in the Black Case No. 97/2560.

During a period that the dispute is pending arbitration proceedings, the Company does not have any duties to comply with any of the foregoing requests made by the Ministry until an award is rendered, pursuant to Clause 45.6 of the Agreement, stating that in the event where there is a dispute pending arbitration proceedings, the parties shall still be obligated to comply with terms of the Agreement until an award is rendered.

35. Event after the reporting period

On 16 January 2019, Lao Telecommunication Public Company ("LTC") entered into the Sale and Purchase Contract for Shares in Vimpelcom Company Limited with the Government of The Lao PDR ("LAOGOV") to purchase the 500,000 shares, equivalent to 100% shareholding in Vimpelcom Company Limited. LTC agreed to purchase at the price of USD 42 million and the first payment instalment was paid on the contract date in the amount of USD 3 million and the remaining instalment amount of USD 39 million will be paid within 180 days after the signing date. Under the said contract, LAOGOV agreed to transfer all the right attached to the shares to LTC which details indicated in the contract.

36. Reclassification accounts

Certain accounts in the statements of financial position as of 31 December 2017, which is included in the financial statements for 2018 comparative proposes. The reclassification accounts to conform to the presentation in the 2018 financial statements.

	Consolidated financial statement			Separate financial statement		
	Before Reclassi-fication	Reclassi-fication	After reclassi-fication	Before Reclassi-fication	Reclassi-fication	After reclassi-fication
	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
Statements of financial position						
Current tax assets	-	62,646	62,646	-	62,646	62,646
Other non-current assets	380,643	(62,646)	317,997	361,624	(62,646)	298,978
		-			-	

37. Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

The Federation of Accounting Professions has issued the Notification regarding TFRS 15 "Revenue from Contracts with Customers" which has been announced in the Royal Gazette on 14 March 2018 and will be effective for the financial statements for the period beginning on or after 1 January 2019 onwards.

The Federation of Accounting Professions has issued the Notification regarding Thai Financial Reporting Standard Group of Financial Instruments, which have been announced in the Royal Gazette on 21 September 2018 and will be effective for the financial statements for the period beginning on or after 1 January 2020 onwards, as follows:

TAS	**Topic**
No. 32	"Financial Instruments: Presentation"

TFRS	**Topic**
NO. 7	"Financial Instruments: Disclosures"
NO. 9	"Financial Instruments"

TFRIC	**Topic**
No. 16	"Hedge of a Net Investment in a Foreign Operation"
No. 19	"Extinguishing Financial Liabilities with Equity Instruments"

On 27 November 2018, the Federation of Accounting Professions has issued the notification regarding 52 TFRSs, which will be effective for the financial statements for the period beginning on or after 1 January 2019, onwards, and have been announced in the Royal Gazette. 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, terminology and reference.

The Group's management will adopt such TFRSs in the preparation of the Group's financial statements when they become effective. The Group's management is in the process to assess the impact of these TFRSs on the financial statements of the Group in the period of initial application.