I. Overview

Thaicom Plc ("the Company")'s revenue from sale of goods and rendering of services for 2013 totaled Baht 7,896 million, up by Baht 630 million or 8.7% from Baht 7,266 million for 2012. The revenue growth, mainly contributed by revenues from the satellite business and the telephone and Internet business in Lao PDR, and the efficiency of cost control, resulted in an operating profit (EBIT) for 2013 of Baht 1,611 million, up by Baht 276 million or 20.7% from Baht 1,335 million for 2012, and net cash flow provided by operations of Baht 3,952 million for 2013, up by Baht 500 million or 14.5% from Baht 3,452 million for 2012.

The Company reported a net profit from continuing operations of Baht 1,179 million for 2013, an increase of Baht 497 million or 72.9% from Baht 682 million for 2012, as a result of the revenue growth, the efficiency of cost control, and a decrease in finance cost. Including net loss from discontinued operation of Baht 51 million, the Company's net profit for 2013 amounted to Baht 1,128 million, an increase of Baht 954 million or 548.3% from Baht 174 million for 2012 which included net loss from discontinued operation of Baht 508 million.

In the separate financial statements, the Company had a net profit of Baht 802 million or Baht 0.73 per share for 2013, up by Baht 16 million or 2.0% from Baht 786 million or Baht 0.72 per share for 2012.

At the Annual General Meeting of the shareholders of Lao Telecommunications Co., Ltd. (LTC) held on 29 January 2014, the shareholders approved the appropriation of dividend for 2013 operation of USD 15 million.

At the Board of Directors' meeting of CS LoxInfo Plc (CSL) held on 12 February 2014, the Board of Directors passed a resolution to recommend to the Shareholders' Annual General Meeting, for the payment of dividends for the second half performance of year 2013 of Baht 0.35 per share. The proposed dividend must be approved by the shareholders at their meeting which will be held on 27 March 2014.

At the Board of Directors' meeting of the Company held on 13 February 2014, the directors passed a resolution to approve the appropriation of dividends of Baht 0.45 per share, amounting to Baht 493 million. The proposed dividends must be approved by the shareholders at their meeting.

II. Business Summary

Transponder leasing and related business

The Company's focus on the satellite TV market in 2013 resulted in continued growth in satellite broadcast services. The demand of broadcasters for satellite services had been served by an interim satellite providing services at 78.5 degrees East orbital slot ahead of the launch of Thaicom 6 and commencing services in August 2013 to support the growing demand for commercial satellite services from broadcasting satellite operators in Thailand and Myanmar.

The Company successfully launched the Thaicom 6 satellite into orbit on 6 January 2014 by Falcon 9 rocket from Cape Canaveral, Florida, USA. The Thaicom 6 satellite is Star 2.3 model built by Orbital Sciences Corporation, U.S.A., containing 33 36-MHz transponder equivalents (TPEs) including 24 C-band transponders and 9 Ku-band transponders. The Thaicom 6 satellite will support the emergence of new technologies in the satellite TV broadcasting segment, with high quality voice and video signals in both standard and high definition, and support the growth of Thailand's broadcasting industry. The Thaicom 6 satellite will also help us expand our fleet and to enter into new markets covering Southeast Asia and Africa. Moreover, the Company had undergone the in-orbit testing of the satellite and transferred the satellite traffic on the customers' part, handed over the satellite and its supporting systems to Ministry of Information and Communication Technology (MICT) on 31 January 2014, and then commenced broadcasting services on 1 February 2014.

In 2013, IPSTAR bandwidth leasing service business has grown from the previous year. This was due to customers' lease of greater bandwidth of IPSTAR. TOT Public Company Limited (TOT) extended the IPSTAR broadband satellite's bandwidth leasing contract, seeing TOT's lease of greater bandwidth from IPSTAR including the remaining bandwidth in Thailand. In Australia, NBN Company Limited (NBN Co) has increased its bandwidth usage. The sale of total IPSTAR Bandwidth in China has also contributed to IPSTAR revenue growth with the Definitive Agreement among the Company, Synertone

Communication Corporation, and China Telecom Satellite Communications Limited. IPSTAR bandwidth leasing service in India and Indonesia also grew from last year.

On 7 February 2014, IPSTAR Australia Pty Limited (IPA) acquired 5.96 million ordinary shares of Orion Satellite Systems Pty Limited (OSS) from Orion Satellite Investment Limited, equivalent to 100% of registered share capital of OSS, totalling of AUD 5.96 million, as part of a wider scope to access corporate and enterprise sectors in Australia with IPSTAR broadband satellite services. Currently, IPSTAR Australia is the country's leading satellite capacity provider and a National Broadband Network (NBN) Retail Service Provider (RSP). In addition, Orion's vast experience in providing premium satellite services and solutions will complement the Company's existing products and services portfolio and help strengthen the Company's end-to-end service capability in Australia.

With Open Access Platform policy enabling other providers' ground system to use the IPSTAR bandwidth, the Company developed and signed several partnership and cooperation agreements with top satellite ground system manufacturers allowing them to provide IPSTAR broadband services to interested customers or service providers. These partnerships will expand IPSTAR's market reach and penetration by supporting more features, applications & services to meet customer requirements.

Telephone and Internet access businesses

In 2013, the Company's telephone and Internet access business in Lao PDR had continued to grow from previous year. LTC improved significantly its 3G mobile system to allow for higher data usage by customers and also introduced 4G service in Vientiane. As of the end of 2013, LTC had total phone subscribers of 1,487,256, increased from 1,335,598 at the end of 2012. Currently, there are four mobile network operators in Lao PDR and LTC still ranks No.1 in Lao PDR's mobile phone market share. Moreover, the number of Internet subscribers especially HSPA subscribers continued to increase.

On 7 January 2013, the Company's Board of Directors approved Shenington Investments Pte Ltd. (Shen) Management's proposal to allow Mfone Co., Ltd. (Mfone) to enter into insolvency proceedings in accordance with the laws of the Kingdom of Cambodia. The petition for insolvency proceedings was filed with the Phnom Penh Court on 9 January 2013. On 14 February 2013, Mfone's application for insolvency proceedings was accepted by the Phnom Penh court and the process is now going forward under a court-appointed Administrator. The Company also noted that the insolvency proceedings of Mfone would have no significant adverse financial impacts on the Company's consolidated and stand-alone performance of 2013, as the Company has already provisioned for this eventuality in 2012.

In 2013, CSL's core business especially ICT & Cloud services grew continuously from last year. This was because CSL had changed its business direction from an ISP (Internet Service Provider) to an ICT (Internet/Computer/Telecom Service Provider) conforming to new customers' demands. This included the need to provide a complete solution service for internet, computer and communication. The number of subscribers for Leased Line and Internet Data Center (IDC) services continued to increase over previous year.

Media business

The total number of Dtv satellite television dish sets sold thus far by DTV Service Co., Ltd. (DTV) was 1,466,116 sets as of the end of 2013, up 77,003 sets from 1,389,113 sets as of the end of 2012. A wide variety of TV receivers is available in the market, including satellite dishes and traditional antennas. This availability creates fierce price competition, and new low-cost alternatives enter the market frequently. Nevertheless, the Company will continue to develop new devices and adjust prices for competitiveness in the market, and develop new applications to expand its customer base and customer satisfaction. An example of these new developments includes an HDTV box to support High Definition TV program viewing, and a Hybrid Box which offers customers a choice of viewing TV programs via satellite or internet through the same box.

III. Consolidated Operating Results

Selected financial information on THCOM

Unit: MBt	Amount		Change YoY (%)
	2013	2012	
Revenue from sale of goods and rendering of services	7,896	7,266	8.7%
Cost of sale of goods and rendering of services	4,695	4,484	4.7%
SG&A expenses	1,590	1,447	9.9%
EBIT from continuing operations*	1,611	1,335	20.7%
EBITDA from continuing operations **	3,699	3,476	6.4%
Share of profits of associate	195	164	18.9%
Reversal of impairment (impairment losses) on non-current assets held for sale	51	(175)	129.1%
Profit (loss) from continuing operations	1,179	682	72.9%
Profit (Loss) from discontinued operation, net of income tax	(51)	(508)	90.0%
Net profit (loss)	1,128	174	548.3%
EPS (Baht)	1.03	0.16	543.8%

* EBIT = Sales and service income – Cost of sales and service – SG&A
** EBITDA = EBIT + Depreciation and Amortization

Revenue from sale of goods and rendering of services

Consolidated revenue from sale of goods and rendering of services in 2013 was Baht 7,896 million, an increase of Baht 630 million or 8.7% compared to Baht 7,266 million in 2012 due to increases in revenue from its satellite business and telephone and Internet business in Lao PDR, offset by a revenue decrease from its media business.

Revenue from sale of goods and rendering of services	2013	2012	%YoY
Satellite and related services	6,964	6,309	10.4%
Telephone and Internet access services*	837	729	14.8%
Media services**	192	260	-26.2%
Consolidation eliminations	(97)	(32)	-203.1%
Total	**7,896**	**7,266**	**8.7%**

* Include revenue from Telephone and Internet services in Lao PDR generated by Lao Telecommunications Co., Ltd. (LTC)
** Include revenue from Media services generated by DTV Service Co., Ltd. (DTV) and Cambodian DTV Network Ltd. (CDN)

Satellite transponder leasing and related services

Revenue from satellite transponders and related services in 2013 was Baht 6,964 million, a rise of Baht 655 million or 10.4% compared to Baht 6,309 million in 2012, contributed by Thaicom conventional satellite service and IPSTAR bandwidth leasing service.

Satellite and related services	2013	2012	%YoY
Conventional*	3,394	2,883	17.7%
IPSTAR	3,570	3,426	4.2%
Sales	*243*	*373*	*-34.9%*
Services	*3,327*	*3,053*	*9.0%*
Total	**6,964**	**6,309**	**10.4%**

* Include the Thaicom 5 satellite and the interim satellite acquired by the Company to provide services ahead of the launch of the Thaicom 6 satellite

- Revenue from the Thaicom conventional satellite business for 2013 was Baht 3,394 million, up by Baht 511 million or 17.7% from Baht 2,883 million in 2012, due mainly to:
  - Revenue growth from satellite transponder leasing service following the growing demand of Thailand's broadcasters served by an interim satellite providing services at 78.5 degrees East orbital slot ahead of the launch of Thaicom 6 and commencing services in August 2013. The number of television channels under the conventional satellite platform at 78.5 degrees east increased from 465 channels at the end of 2012 to 641 channels at the end of 2013,
  - Revenue growth from value-added services e.g. teleport services including tape playout and digital signal compression, and
  - Revenue growth from sale of equipment to broadcasting satellite operators.
- Revenue from the Thaicom 4 (IPSTAR) satellite business was Baht 3,570 million in 2013, up by Baht 144 million or 4.2% from Baht 3,426 million in 2012. This was contributed by:
  - Service revenue growth of Baht 274 million 9.0%, mainly driven by bandwidth leasing service in Thailand, Australia, China, Indonesia, and India,

    Offset by
  - Sales revenue drop of Baht 130 million or 34.9%, due mainly to a drop in user terminal (UT) sales volume, due to Open Platform Access strategy to increase bandwidth sales by enabling other providers' ground system to use the IPSTAR bandwidth. This will expand IPSTAR's market reach and penetration.

Telephone and Internet access services

The Company's revenue from telephone and Internet services in Lao PDR in 2013 was Baht 837 million, up by Baht 108 million or 14.8% compared to Baht 729 million in 2012. The revenue growth was mainly contributed by increases in;

- Revenue from prepaid and postpaid mobile phone services, resulting from higher mobile phone subscriber base and average revenue per subscriber (ARPU),
- Revenue from interconnection charge, international telephone service charge, and international roaming (IR) charge,
- Revenue from sale of SIM card and fixed wireless handset, and
- Revenue from Internet access services, following an increase in the number of HSPA subscribers.

Media services

Revenue from media services in 2013 was Baht 192 million, down by Baht 68 million or 26.2% from Baht 260 million in 2012, due mainly to revenue decrease in sale of Dtv satellite dish and IRD box, following Dtv sales volume drop from fierce competition in the market.

Cost of sale of goods and rendering of services

The Company reported consolidated cost of sale of goods and rendering of services for 2013 of Baht 4,695 million, an increase of Baht 211 million or 4.7% compared to Baht 4,484 million in 2012, due to increases in cost from its satellite business and telephone and Internet business in Lao PDR, offset by a cost decrease from its media business. Total cost accounted for 59.5% of total sales and service income for 2013, down from 61.7% in 2012.

Cost of sale of goods and rendering of services	2013	2012	%YoY
Satellite and related services	4,050	3,847	5.3%
Telephone and Internet access services*	518	412	25.7%
Media services**	175	259	-32.4%
Consolidation eliminations	(48)	(34)	41.2%
Total	**4,695**	**4,484**	**4.7%**

* Include cost from Telephone and Internet services in Lao PDR generated by Lao Telecommunications Co., Ltd. (LTC)
** Include cost from Media services generated by DTV Service Co., Ltd. (DTV) and Cambodian DTV Network Ltd. (CDN)

Cost of satellite transponder leasing and related services

Cost relating to transponder leasing and related services in 2013 was Baht 4,050 million, an increase of Baht 203 million or 5.3% from Baht 3,847 million in 2012, due to an increase in cost relating to conventional satellite business, offset by a decrease in cost relating to IPSTAR business.

Satellite and related services	2013	2012	%YoY
Conventional*	1,524	1,026	48.5%
IPSTAR	2,526	2,821	-10.5%
Total	**4,050**	**3,847**	**5.3%**

* Include the Thaicom 5 satellite and the interim satellite acquired by the Company to provide services ahead of the launch of the Thaicom 6 satellite

- Cost relating to the conventional satellite business was Baht 1,524 million, up by Baht 498 million or 48.5% from Baht 1,026 million in 2012, mainly caused by increases in:
  - Transponder rental from acquiring an interim satellite to provide services at 78.5 degrees East orbital slot ahead of the launch of Thaicom 6 satellite, and
  - Operating agreement fee following the revenue growth.
- Cost relating to the Thaicom 4 (IPSTAR) satellite was Baht 2,526 million, down by Baht 295 million or 10.5% from Baht 2,821 million in 2012, primarily due to
  - Lower gateway operation cost in China,
  - Lower cost of UT sales following the UT sales drop,

    Offset by
  - Higher operating agreement fee following the IPSTAR bandwidth revenue growth.

Cost of telephone and Internet access services

Cost relating to the telephone and Internet business in Lao PDR for 2013 amounted to Baht 518 million, an increase of Baht 106 million or 25.7% from Baht 412 million in 2012, due mainly to increases in:

- Cost of interconnection charge and international sharing charge following the revenue growth,
- Depreciation cost for its expanded telephone network, and
- Cost of sale of SIM card and fixed wireless handset following the sale growth.

Cost of media services

Cost relating to media business in 2013 was Baht 175 million, down by Baht 84 million or 32.4% from Baht 259 million in 2012, due to a decrease in cost of sales of Dtv satellite dish and IRD box following the revenue drop.

Selling and administrative expenses

SG&A expenses, including directors and management benefit expenses, totaled Baht 1,590 million in 2013, an increase of Baht 143 million or 9.9% from Baht 1,447 million in 2012, due mainly to:

- An increase in marketing and staff expenses for the satellite business,
- An increase in staff expenses for the telephone and Internet business in Lao PDR,

  Offset by
- A decrease in related expenses from filing Mfone into insolvency proceedings,
- A decrease in marketing expenses for the media business.

Loss on exchange rate

In 2013, the Company reported a loss on foreign exchange of Baht 270 million. This was largely impacted by the revaluation of borrowings for the Thaicom 6 project as a result of the depreciation of the Thai Baht against the US dollar.

Finance costs

Finance costs totaled Baht 265 million in 2013, down by Baht 155 million, or 36.9%, compared with Baht 420 million in 2012. This was because of the repayment of the principal amount of Baht 3,300 million of the debentures on 6 November 2012, resulting in a decrease in debenture interests in 2013 as compared to 2012. Finance costs in 2013 mostly comprised of interests on the debentures of Baht 3,700 million redeemable on 6 November 2014.

Share of profit of associates

Share of profit of associates in 2013 was Baht 195 million, up by Baht 31 million or 18.9% from Baht 164 million in 2012, due to an increase of Baht 72 million or 18.5% in CSL's net profit over 2012, due mainly to better performance of YellowPages business. It had recognized profit contributed from the sale of advertising space for only 8 months in 2012 (resulted from the shift in the distribution of the Thailand YellowPages books from January to May), while recognizing the profit for the full year of 2013. Moreover, CSL did not recognize negative performance from Print Classifieds business in 2013 due to its disposal of the investment in Watta Classifieds Company Limited since 16 October 2012. In addition, CSL's core business especially ICT & Cloud services grew continuously in 2013 as compared to last year. (Please see more details in "Management's Discussion and Analysis" of CSL).

Income tax expense

In 2013, the Company reported income tax expense of Baht 339 million, down by Baht 8 million or 2.3% from Baht 347 million in 2012.

Loss from discontinued operation, net of income tax

The Company's consolidated statements of income for the years ended 31 December 2013 and 31 December 2012 has separated Mfone's operating result under "Loss from discontinued operation, net of income tax" to show the discontinued operations separately from continuing operations. The Company has stopped recognizing net loss from Mfone's operation since 14 February 2013 (the date of loss of control), resulting to Mfone's net loss of Baht 51 million in 2013, down by Baht 457 million or 90.0% from Baht 508 million in 2012.

IV. Financial Position

At the end of 2013, the Company reported total assets of Baht 27,374 million, an increase of Baht 1,616 million or 6.3% from Baht 25,758 million at the end of 2012. This was mainly because of:

- Higher cash and cash equivalents, and current investments which were short-term deposits at financial institutions,
- Purchase for available-for-sale investments in ordinary shares of Synertone Communication Corporation Limited in 2013,
- Additional PP&E mostly for the satellite business and the telephone business in Lao PDR,

  Offset by
- Exclusion of the non-current assets held for abandonment from the consolidated balance sheet as of 31 December 2013 due to the loss of control over Mfone since 14 February 2013,
- Year-to-date accumulated depreciation and amortization of PP&E and PP&E under operating agreements.

THCOM's asset components

Assets	December 31, 2013		December 31, 2012	
	Amount (Bt mn)	% of Total assets	Amount (Bt mn)	% of Total assets
Current assets	5,424	19.8	5,757	22.3
Available-for-sale investments	700	2.6	-	-

Assets	December 31, 2013		December 31, 2012	
	Amount (Bt mn)	% of Total assets	Amount (Bt mn)	% of Total assets
Investment in associates	487	1.8	456	1.8
PP&E, net	8,074	29.5	5,647	21.9
PP&E under the concession agreement, net	10,131	37.0	11,482	44.6

Trade and other accounts receivable

As of 31 December 2013, the Company had net trade accounts receivable and accrued income of Baht 1,138 million (or 4.2% of total assets), comprising of other parties and related parties which represented 92% and 8% of total trade accounts receivable and accrued income, respectively. The average collection period was 48 days for 2013, lower than 53 days for 2012 (normal collection period of the Company was 30-60 days). As of 31 December 2013 the Company had an allowance for doubtful accounts of Baht 201 million or 18.4% of total trade accounts receivable, lower than 19.4% as of 31 December 2012.

Liquidity

At the end of 2013, the Company had a current ratio of 0.77x, down from 1.51x at the end of 2012 due mainly to an increase in current portion of long-term loans, most of which were the debentures of Baht 3,700 million redeemable on 6 November 2014 and current portion of loan for the Thaicom 6 project scheduled to repay in 2014, offset by increases in cash and cash equivalents, current investments, net trade accounts receivable and accrued income.

Available-for-sale investments

At the end of 2013, the Company recorded available-for-sale investments of Baht 700 million. On 14 October 2013, the Board of Directors approved purchase of ordinary shares of Synertone Communication Corporation Limited of 64 million shares, representing approximately 5.06%, at the price of HKD 0.5034 per share. This investment is classified as an available-for-sales security.

Investments in associate

Investment in CSL was presented as "investment in associate" item. At the end of 2013 the Company's investment in CSL totaled Baht 487 million, an increase of Baht 31 million or 6.8% from Baht 456 million at the end of 2012, reflecting a proportionate recognition of CSL's net profit for 2013 amounting to Baht 195 million, offset by a dividend income from CSL of Baht 163 million.

Property, plant and equipment

Property, Plant and Equipment (PP&E) at the end of 2013 was Baht 8,074 million, an increase of Baht 2,427 million or 43.0% from Baht 5,647 million at the end of 2012. This was due mainly to additions to PP&E for 2013 largely consisting of assets for the satellite business and the telephone business in Lao PDR, offset by accumulated depreciation and amortization of PP&E in 2013.

PP&E under operating agreement

PP&E under operating agreement at the end of 2013 was Baht 10,131 million, a decrease of Baht 1,351 million or 11.8% from Baht 11,482 million at the end of 2012 mostly due to depreciation expenses in 2013.

Borrowings and Shareholders' equity

The Company's *net borrowings* at the end of 2013 were Baht 8,372 million, an increase of Baht 1,211 million or 16.9% from Baht 7,161 million at the end of 2012, mainly attributable to proceeds from long-term loans for the Thaicom 6 project.

The Company's *shareholders' equity* at the end of 2013 was Baht 15,581 million, an increase of Baht 1,342 million or 9.4% from Baht 14,239 million at the end of 2012, reflecting:

- Net profit for 2013 of Baht 1,128 million,
- Gain on available-for-sale investments of Baht 564 million,
- Translation gain relating to financial statements of foreign operations of Baht 88 million,

  Offset by
- Dividends to owners of the Company of Baht 438 million.

With higher net borrowings and shareholders' equity for the year ended 31 December 2013, the ratio of net borrowings to equity at the end of 2013 was 0.54x, up from 0.50x at the end of 2012.

Cash flow

Net cash flow provided by operating activities for 2013 was Baht 3,952 million, up by Baht 500 million or 14.5% from Baht 3,452 million in 2012, due mainly to operational improvement for 2013, and higher advance receipts from IPSTAR customers.

Net cash flow used in investing activities for 2013 was Baht 4,089 million, most of which were the payments for property and equipment for the satellite business and the telephone business in Lao PDR, and current investments which were short-term deposits at financial institutions. For 2012, net cash flow used in investing activities was Baht 2,019 million.

Net cash flow provided by financing activities for 2013 was Baht 225 million mainly comprising of proceeds from long-term borrowings for the Thaicom 6 project, offset by dividends paid to owners of the Company, DTV's repayments of long-term borrowings, and interest payments most of which were debenture interests. For 2012, net cash flow used in financing activities was Baht 2,228 million.

The Company had ending cash of Baht 2,152 million on 31 December 2013.

This document contains certain forward-looking statements. They refer to future events and to the future financial performance of the Companies. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "may," "will," "expect," "intend," "estimate," "anticipate," "believe" or "continue." Although the Companies believe that the expectations reflected in such forward-looking statements are reasonable at this time, it can give no assurance that such expectations will prove to be correct. Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements.