THCOM Performance

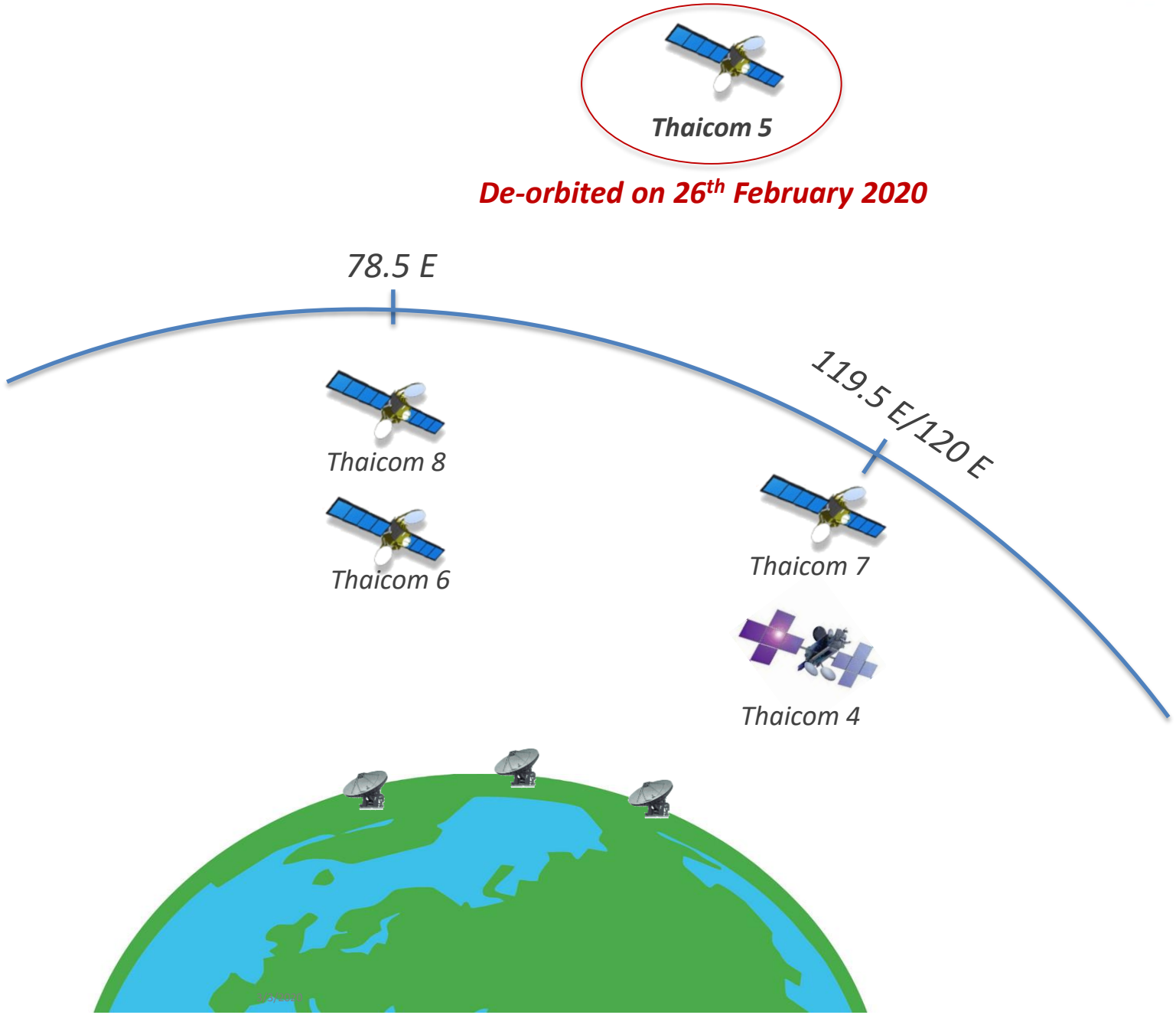
Y2019





The THAICOM 5 Incident

- *The Thaicom 5 Satellite encountered a technical incident with its status notification system, resulting in technical limitations to monitoring the status of the satellite.*
- *THCOM, together with all relevant customers, have been cooperating to migrate to other satellites.*
- *The attempts to restore the satellite were not success.*
- *Therefore, it is indispensable for the Company to de-orbit the Thaicom 5 Satellite on 26th February 2020.*



Agenda



- Commercial Highlights
- Moving Forward
- Financial Highlights



Commercial Highlights

2019 Key Highlights

Broadcast Services

- Thailand: Signed new long-term contracts to strengthen broadcast services
  - **True Visions**
  - **PSI** for additional 1 TPE
  - **IPM** for total 2.3 TPEs
- Africa:
  - Renew Trunking Backup Contract with **iSAT Africa** for 3.4 TPEs
  - Sold satellite hub equipment to **Djibouti Telecom**
- Myanmar: Signed contract with **Eutelsat** for total 3 TPEs



2019 Key Highlights

Broadband Services

- India: **Antrix**, additional bandwidth 806MHz with total bandwidth utilization 2,293MHz

- China: Reactivated TCSTAR-1 project with **Beijing Star Time** (BST)

- Japan: **Softbank** and **KDDI** procured Next Generation Ground System and User Terminals to support mobile backhaul services

- Thailand:
  - Support the **Department of Provincial Administration (DOPA)** in provide digital life box to support the distribution of DOPA's contents

- Australia: Signed contract with **Kacific** for gateway infrastructure

2019 Key Highlights

Mobility

- Total **120** vessels:
  90 in-service with backlog of **30** vessels
- Signed an Agreement with Russian Satellite Communications Co. (**RSCC**) for NAVA roaming services to Europe







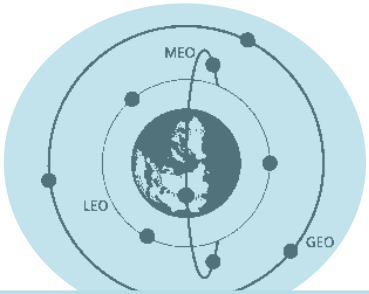
Moving Forward

Key Framework



New Satellite Project

- Cooperate with foreign partners in developing a High Throughput Satellite (HTS) for Asia Pacific, possibly utilizing non-Thai orbital slot.
- High efficiency HTS satellite with economy of scale for competitive advantage.



Global LEO/MEO

- Partnership with LEO/MEO satellite operators by exercising THCOM's strength and landing rights in Thailand and several countries.
- Target to provide ground system managed services, together with reselling of satellite bandwidth and equipment.



Regulatory

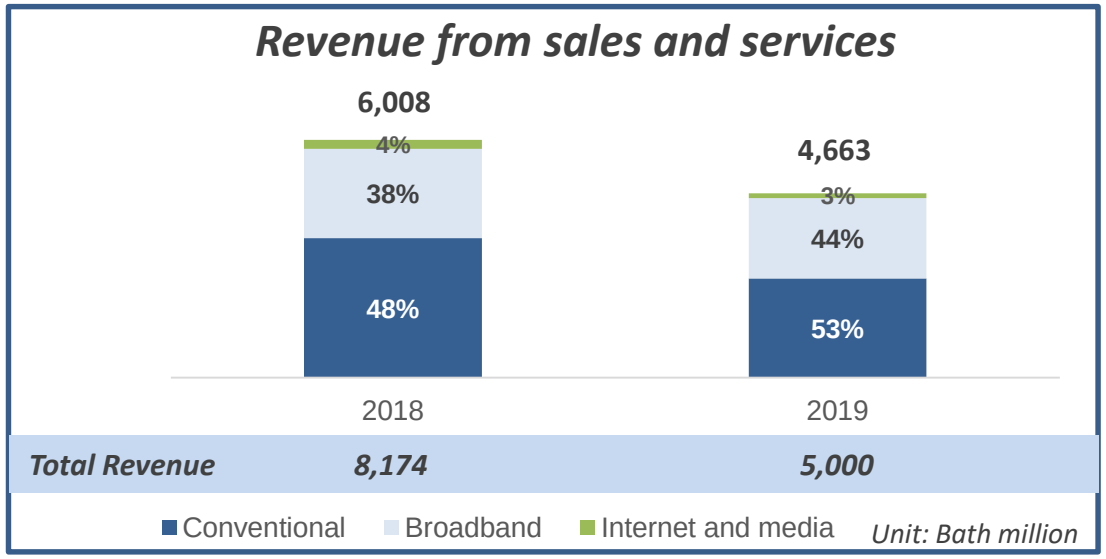
- To cooperate closely with the Government to help expedite Public-Private Partnership (PPP) or any form of business model to operate satellite after concession.
- To continue exploring Thai licenses as well as foreign licenses to operate new satellites.

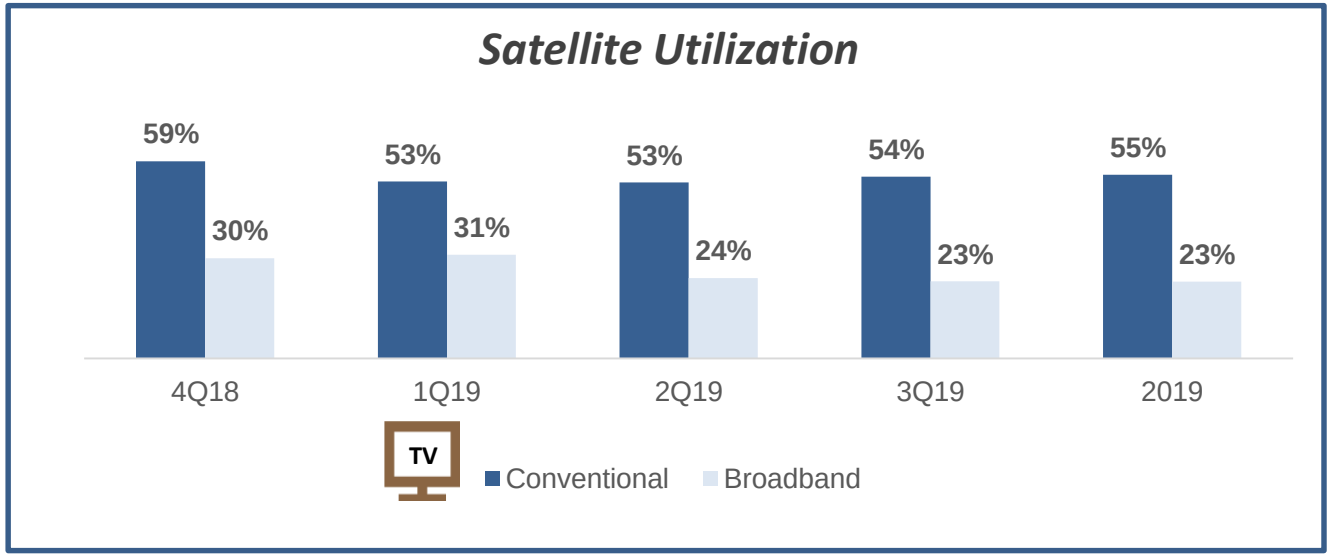


Financial Highlights

2019 Revenue dropped, utilization stabilized in 2H19

Note: Consolidated performance





- *Revenue ↓ 22% YoY*
  - *Discounted price to a major client for signing a long-term contract since beginning of 2019*
  - *Ramp down of broadband clients*
  - *Price pressure*

Conventional satellites

- *Utilization dropped in Q1 due to customer churn*
- *New customer filling-in from Q2 onwards and increase the utilization to 55% at year end.*

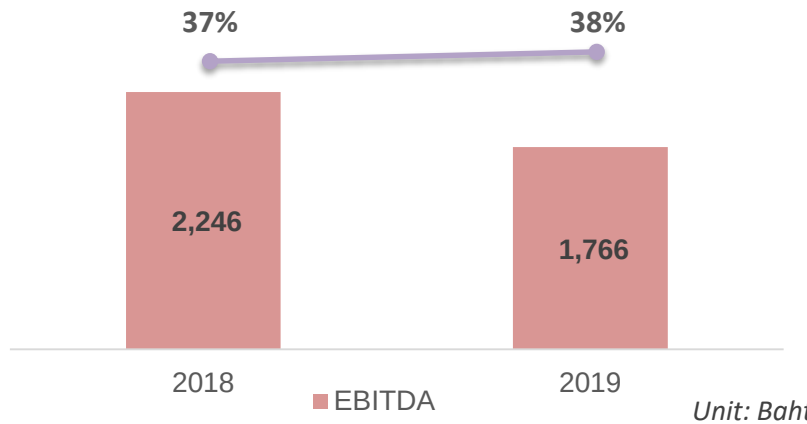
Broadband satellite

- *Utilization dropped in Q2 due to foreign customer churn as planned.*

2019 EBITDA margin maintained despite revenue drop

Note: Consolidated performance

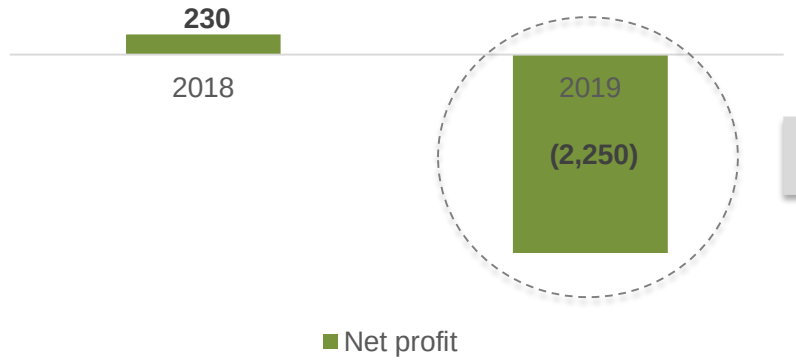
EBITDA & EBITDA Margin



Unit: Baht million

- *EBITDA ↓ 21% YoY following revenue drop*
- *EBITDA margin still maintain around 38%*

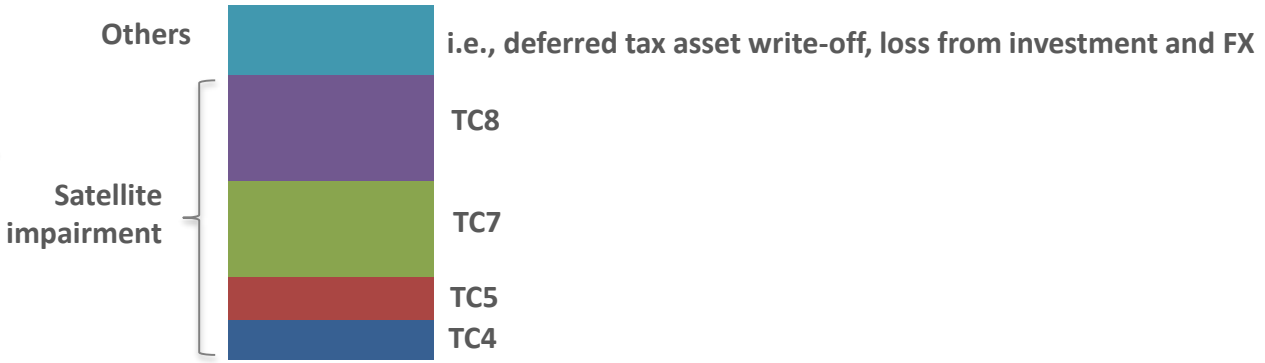
Net Profit



Unit: Baht million

Extra items

Total Baht 1,818 million



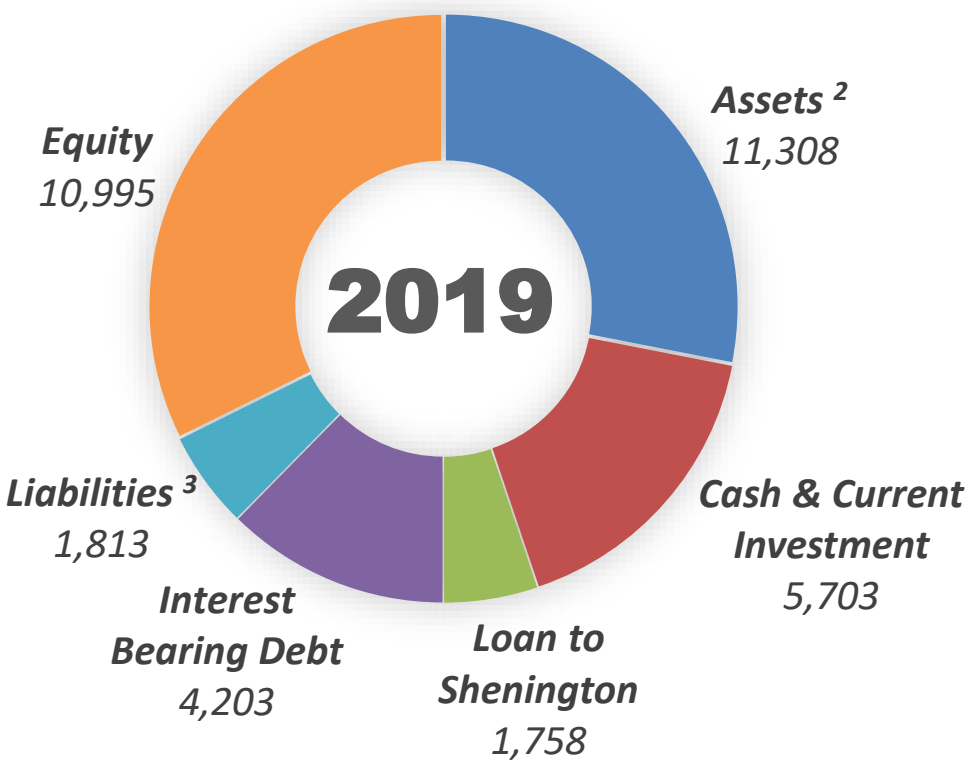
Strong financial position as of 31 December 2019

Note: Consolidated performance

D/E Ratio at 0.38x [1]

Down from 0.53x as at the end of 2018

Unit: Baht million



Strong cash position

Consolidated CF	2018	2019
CF from Operating	1,869	1,660
CF from Investing	1,224	1,240
CF from Financing	(2,223)	(3,110)
Ending Cash	2,830	2,621
Total Cash On Hand [4]	7,057	5,703

1. Interest-bearing Debt / Equity
2. Excludes Cash, Current Investment and Loan to Shenington
3. Excludes Interest-Bearing Debt
4. Includes Cash and Current Investment

THANK YOU.

