Half Year 2017 Analyst Meeting

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Chief Executive Officer

10th Aug 2017

Chadra Room, Siam Kempinski Hotel

THAICOM PLC. Proprietary & Confidential

Agenda



1H17 Key Commercial Highlights

Financial Highlights

Moving Forward

1H17 Key Commercial Highlights

1H17 Key Challenges



- NBN submitted an early termination letter to switch off its Interim Satellite Service (ISS) on TC4
  - *Thaicom recognized a Termination Fee*



- TOT's TC4 contract ended
  - *TOT and Thaicom are finalizing terms and conditions of a new contact*
  - *Thaicom is working with other prospects to fill up capacity*



- TC9 satellite project delayed due to unclear Government's policy on orbital slot filing
  - *Thaicom is developing a back-up plan to serve customers*

1H17 Key Commercial Highlights

Conventional business highlight

- *Kenya's Intersat,signed a 3 years contract on TC6 Africa for data services (~43MHz or 10% of TC6 Africa beam)*
- *Thailand's Digital Terrestrial Television (DTT) Must Carry Standard Definition contracts were renewed on TC5 & TC6 (total 52 channels)*
- *Total number of satellite TV channels @78.5E increased from 897 channels in 2016 to 907 channels (as of 1H17)*
  - *HD channels increased from 117 to 122 channels*

Broadband business highlight

- *Axiata Business Services signed contract for bulk bandwidth sales of TC4 capacity in Indonesia (1.5Gbps or ~4% of TC4)*
- *Japan's Softbank and KDDI procured Next Generation Ground System and User Terminal to support mobile backhaul services*
- *Number of subscribers of NBN Long Term Satellite Service (LTSS) resale reached ~4,500 subscribers*

1H17 Key Commercial Highlights



Mobility platform highlight

- *Thaicom expanded Maritime service in Thailand on additional 2 vessels*
  - *Total vessels using our Maritime service: 14 vessels*



New Services platform highlight

- *Thaicom launched two 2nd screen applications, Kantana Play and MCOT Kids to support broadcast clients*

1H17 Key Partnership & Distinction

Strategic Partnership for OTT platform development in Thailand



On June 6th 2017, Thaicom signed a memorandum of understanding (MOU) with Huawei Technologies (Thailand) Co., Ltd. and Starcor Media Technologies Limited for the development of an OTT (Over-the-Top) platform in Thailand.

TRIS RATING A-

The company and senior unsecured debenture ratings at "A- with Stable Outlook"
for the fourth consecutive year

Financial Highlights

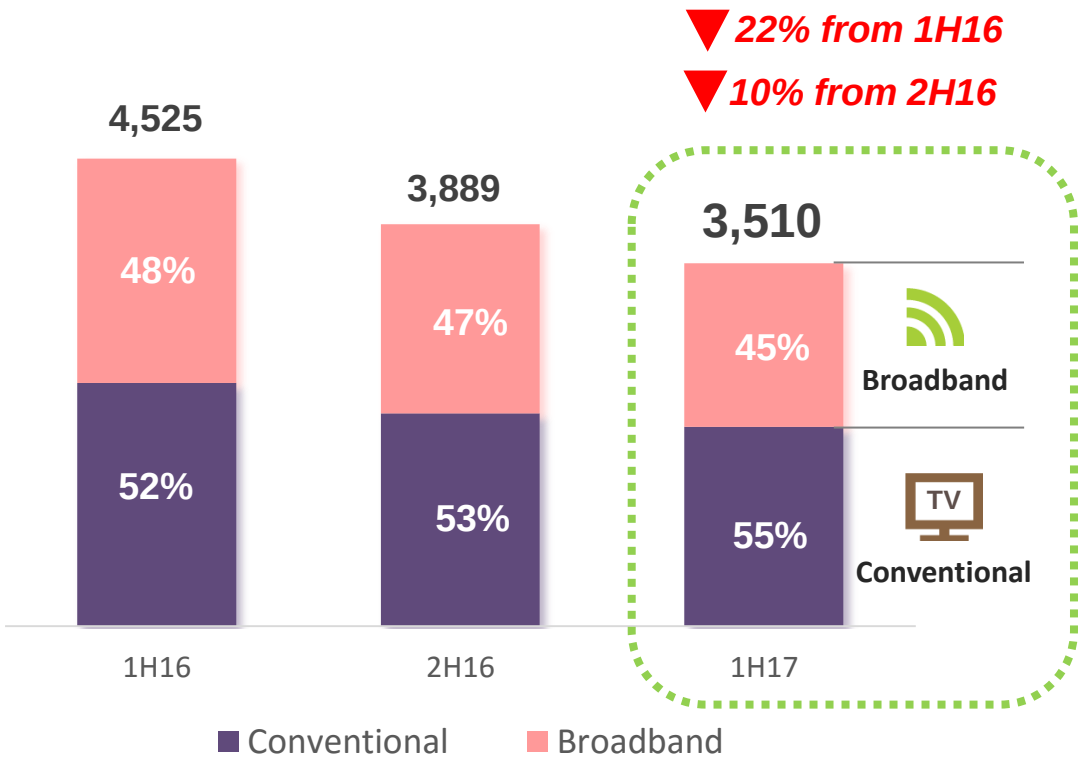
1H17 : Satellite Business

Satellite Revenue

Unit: MB

Satellite revenue was recorded at 3,510 MB.

- ***Conventional*** ▶
  Revenue stable compared with 2H16. Churns of Thai broadcast clients were less and compensated with GMS clients.
- ***Broadband*** ▼
  NBN early termination and TOT contract ending in 1H17.



GMS: Greater Mekong Subregion

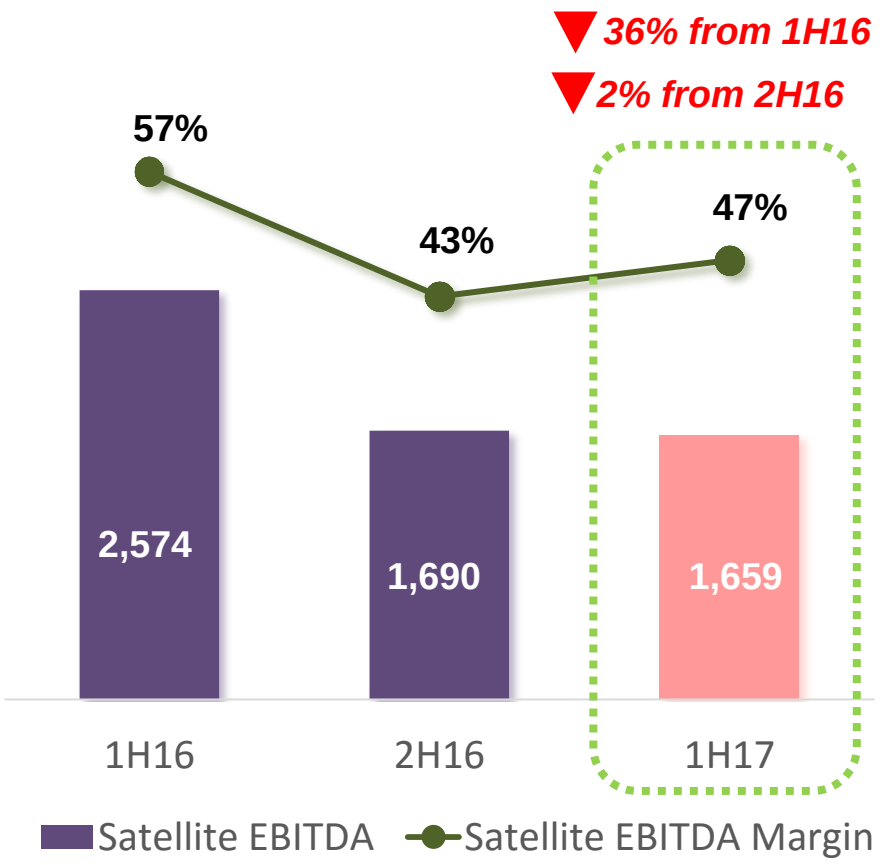
1H17 : Satellite Business

Satellite EBITDA

Unit: MB

Satellite EBITDA was 1,659 MB

- *EBITDA decreased following revenue dropped, however the EBITDA Margin **improved** from 43% in 2H16 to **47% in 1H17** due to cost management.*



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1H17 Consolidated Performance

Consolidated Key Financial Highlights

Unit: MB

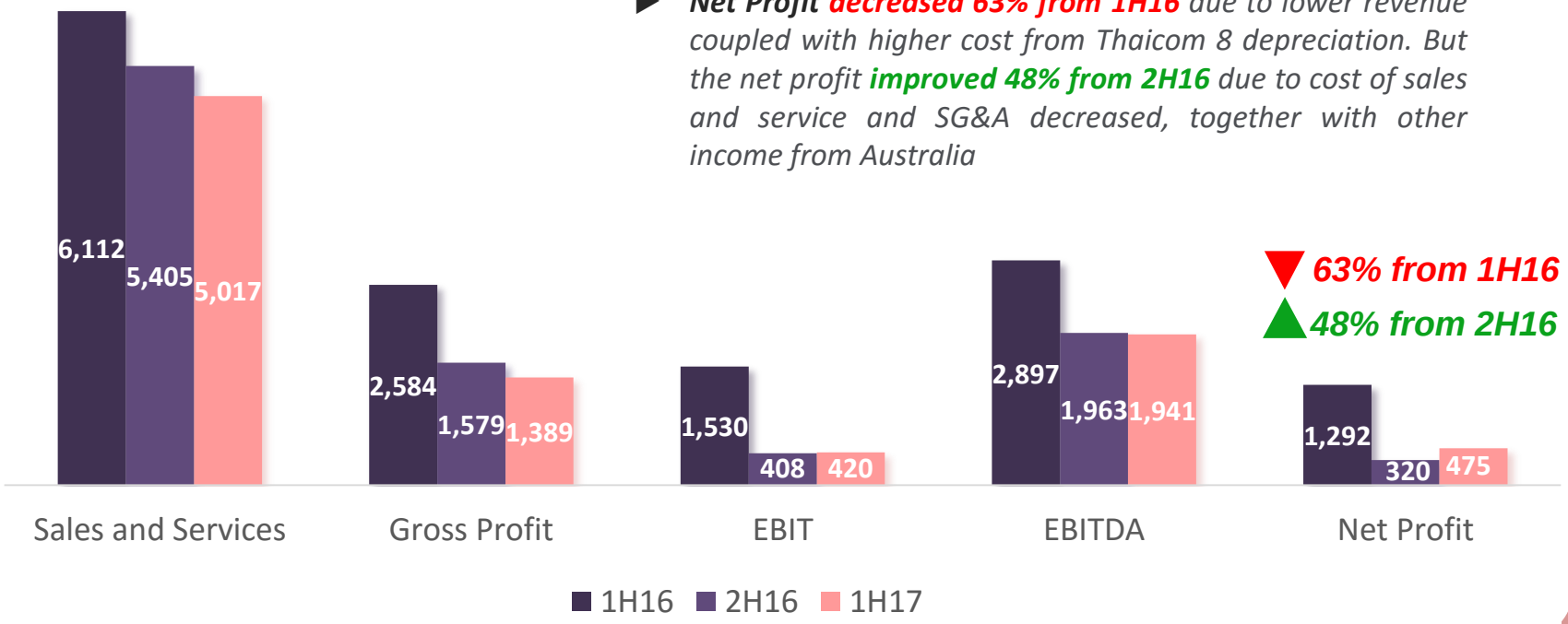
▼ *18% from 1H16*

▼ *7% from 2H16*

- ***Consolidated revenues weakened 18% from 1H16 and 7% and 2H16*** *due to lower revenue from satellite, both conventional and broadband services and internet and media business.*
- ***Net Profit decreased 63% from 1H16*** *due to lower revenue coupled with higher cost from Thaicom 8 depreciation. But the net profit* ***improved 48% from 2H16*** *due to cost of sales and service and SG&A decreased, together with other income from Australia*

▼ *63% from 1H16*

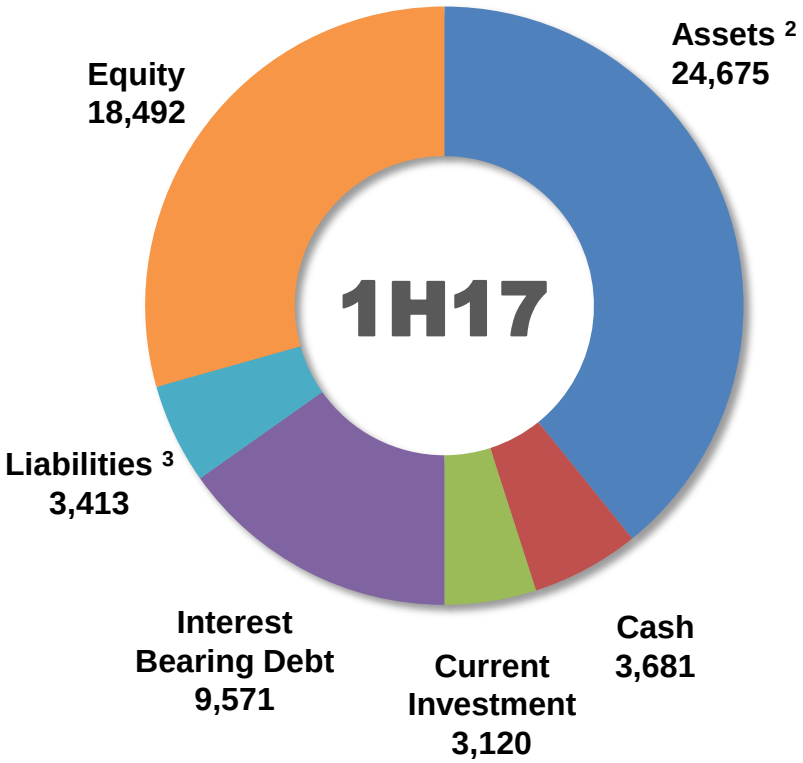
▲ *48% from 2H16*



Financial Position remained Healthy

D/E Ratio at 0.52x [1]

Unit: MB



Strong operating cash flow

Unit: MB

Consolidated CF	1H17	1H16
CF from Operating	2,073	3,312
CF from Investing	317	(1,480)
CF from Financing	(1,393)	(1,133)
Ending Cash	3,681	4,093

1. Interest-bearing Debt / Equity
2. Excludes Cash and Current Investment
3. Excludes Interest-Bearing Debt

Moving Forward

Moving Forward in 2H17



Generate short-term revenue through value-added services & sales

- Expand retail broadband services in Australia & New Zealand
- Accelerate project sales: TCSTAR 1
- Increased system integration and user terminal sales in all markets



Increase utilization of existing satellites

- Pursue bulk bandwidth sales on THAICOM 4 in Thailand and Philippines
- Secure significant African telecom prospects on THAICOM 6 Africa beam
- Accelerate THAICOM 8 bandwidth sales to DTH operators in GMS and South Asia

DTH = Direct-to-home
GMS = Greater Mekong Subregion

Thank You

Awards & Distinctions



“Thailand Sustainability Investment 2016”
from The Stock exchange of Thailand (SET)



“Investor Relations Awards 2016 : SET ”
Market Cap. THB 30 bln. – THB 100 bln.
by The Stock exchange of Thailand (SET)

bsi. ISO 9001 Quality Management
bsi. ISO 22301 Business Continuity Management

ISO 9001: 2008 and ISO 22301:2012
(Business Continuity Management System
(BCMS) 2017 for the second consecutive year