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Opinion of the Independent Financial Advisor on the Disposal of Assets and Connected Transactions of

Thaicom Public Company Limited

By

Silom Advisory Co., Ltd

18 October 2017

18 October 2017

To Shareholders of Thaicom Public Company Limited

Subject Opinion of the Independent Financial Advisor on the Connected Transaction

As, on 5 September 2017, Thaicom Public Company Limited (the "Company") received a non-binding and conditional Letter to Purchase the Ordinary share from Advanced Info Services Public Company Limited ("ADVANC") which outlines an intent to buy 250,099,999 ordinary shares of CS Loxinfo Public Company Limited ("CSL") or 42.07 percent of CSL's issued and paid-up shares, from DTV Services Co., Ltd ("DTV") -- the Company's subsidiary which the Company holds 99.99 percent of DTV's issued and paid-up shares, with an initial offering price of 7.80 Baht per share. The price can be altered depend on a result of business due diligence and/or a negotiation. The transaction depends on the prerequsit conditions including mandatory conditions as follows;

1. ADVANC's satisfaction on the result of business due diligence and/or the negotiation between buyer and seller, including other relevant agreements. ADVANC is currently undertaking a due diligence on CSL's business which is expected to be completed in the middle of October 2017.
2. Necessary approval from the Board of Directors and shareholders of ADVANC, Singapore Tele-communication Limited and the Company (as required).
3. Other necessitated conditions arising from the result of business due diligence or futher negotiation, including an approval from relevant regulatory authorities.

On 6 October 2017, the Company entered into a share tender agreement to liquidate all ordinary shares of CSL, held by DTV which is 250,099,990 shares or 42.07 percent of CSL's issued and paid-up shares, to Advanced Wireless Network Co., Ltd ("AWN") which is a subsidiary of ADVANC, at the price of 7.80 Baht per share. The transaction amount is equal to 1,950.78 million Baht. The sale of the CSL's ordinary shares will commence with the making of the conditional voluntary tender offer by AWN pursuant to the Securities and Exchange Act B.E. 2535 (1992) (as amended) and the Notification of Capital Market Supervisory Board No. TorChor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers (as amended) ("Notification of Acquisition of Securities for Business Takeovers") subject to the conditions in Clause 3.6 of Part 3.

The share tender agreement was signed according to a resolution of the Board of Directors' extraordinary meeting No. 9/2017 which held on Monday 2 October 2017 4.00pm at Intouch Board Room, No. 349 30th floor SJ Infinit One Business Complex, Vibhavadi Rangsit Road, Jatujak, Bangkok. The meeting approved in principle for DTV; a subsidiary company which 99.99 percent of its issued and paid-up shares were held by the Company, to sell all of its shares in CSL which is 250,099,990 shares or 42.07 percent of CSL's issued and paid-up shares, to ADVANC and/or ADVANC's subsidiary companies at the price of 7.80 Baht which the transaction size is equal to 1,950.78 million Baht. The disposal of CSL ordinary shares will be proceeded via a conditional voluntary tender offer which shall be conducted by ADVANC and/or ADVANC's subsidiary company according to The Securities

and Exchange Act B.E. 2535 (and amendment) and the Noticement Torchor 12/2011, including the execution of the share tender agreement. Mr. Paiboon Panuwattanawong as a CEO of the Company is appointed to review and negotiate over significant terms and conditions of the share tender agreement with ADVANC and/or ADVANC's subsidiary company. After 2 October 2017, the Company has been informed in writing by ADVANC that the due diligence on CSL's business has been completed and ADVANC intends to purchase CSL's ordinary share, in the amount of 250,099,990 shares or 42.07 percent of CSL's issued and paid-up shares, from DTV at the offering price of 7.80 Baht per share (the "Letter to Purchase the Ordinary share"). According to the Letter to Purchase the Ordinary share, DTV must enter into the share tender agreement within 5 days after a response date for the Letter to Purchase the Ordinary share.

The transaction is considered as;

(1) A disposal of assets according to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, dated 31 August 2008, and the amendments thereto, and the Notification of the Board of Governors of the Stock Exchange of Thailand ("SET") Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547, dated 29 October 2004, and the amendments thereto (collectively called "the Notification on Asset Acquisition or Disposal") with a maximum transaction size of 15.70 percent of net profit from operation, which is considered as Type 2 transaction according to the Notification on Asset Acquisition or Disposal. Hence the Companny is obligated to disclose information in respect of the transaction to the Stock Exchange of Thailand ("SET") immediately and send a notice to shareholders of the Company within 21 days after the disclosure of information concerning of the transaction to SET.

(2) A connected transaction according to the Notification of the Capital Market Supervisory Board No.TorChor 21/2551 Re: Rules on Connected Transaction, dated 31 August 2008, and the amendments thereto, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions, B.E. 2546 dated 19 November 2003, and the amendments thereto (collectively called "the Notification on Connected Transaction"). Since it is the transaction with AWN which has the same major shareholder as the Company; which is Intouch Holdings Public Company Limited ("INTOUCH") with a transaction size of 11.40 of the Company's net tangible assets (NTA) which is over than 3.00 percent of NTA's book value and worth over than 20.00 million Baht. Therefore, the Company has an obligation to immediately dislclose information in respect of the transaction to SET, appoint an independent financial advisor to provide an opinion concerning the transaction, and arrage a shareholders' meeting to consider and approve the transaction. Thus, the transaction requires three-fourths of shareholder approval from the shareholders attending the meeting and have voting right; with an exclusion of related party.

Hence, the Company has appointed Silom Advisory Co., Ltd ("the Advisor" or "the Advisor") as the independent financial advisory to provide an opinion of the disposal of ordinary shares of CS Loxinfo Public Company Limited ("CSL") to AWN; which is the connected transaction, to shareholders of the Company as support information for consideration.

As for the calculations, decimal numbers presented in this report are possible rounded from second or third decimal places (case by case), therefore, the actual calculated value may defer from the value presented in the report.

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Attachment

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Definition

Abbreviation		**Meaning**
THCOM or the Company	:	Thaicom Public Company Limited
CSL	:	CS Loxinfo Public Company Limited
ADVANC	:	Advanced Info Services Public Company Limited
AWN	:	Advanced Wireless Network Co., Ltd
TMC	:	Teleinfo Media Public Company Limited
ADV	:	AD Venture Public Company Limited
DTV	:	DTV Service Co., Ltd
INTOUCH	:	Intouch Holdings Public Company Limited
the Advisor or the Advisor	:	Silom Advisory Co., Ltd
Letter to Purchase the Ordinary share	:	Non-binding and Conditional Letter to Purchase the Ordinary share which THCOM received from ADVANC regarding the purchase offering of CSL's ordinary shares amounting to 250,099,990 shares of 42.07 percent of CSL's issued and paid-up shares
SEC	:	The Securities and Exchange Commission, Thailand
SET	:	The Stock Exchange of Thailand
the Advisor's Opinion	:	The Opinion of the Independent Financial Advisor on the disposal of the assets and connected transaction of Thaicom Public Company Limited
The Notification on Asset Acquisition or Disposal	:	The Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, dated 31 August 2008, and the amendments thereto, and the Notification of the Board of Governors of the Stock Exchange of Thailand ("SET") Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E.2547, dated 29 October 2004, and the amendments thereto
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The Notification of Acquisition of Securities for Business Takeovers	:	the Notification of Capital Market Supervisory Board No. TorChor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers (as amended)
Public Company Act	:	Public company act B.E. 2535, and the amendments thereto
Securities Act	:	The Securities and Exchange Act B.E. 2535 and the amendments thereto
P/E	:	Price-to-earning ratio
P/BV	:	Price-to-book ratio

Part 1 : Executive Summary

As on 5 September 2017, Thaicom Public Company Limited (the "Company") received a non-binding and conditional Letter to Purchase the Ordinary share from Advanced Info Services Public Company Limited ("ADVANC") which outlines an intent to buy 250,099,999 ordinary shares of CS Loxinfo Public Company Limited ("CSL") or 42.07 percent of CSL's issued and paid-up shares, from DTV Services Co., Ltd ("DTV") -- the Company's subsidiary which the Company holds 99.99 percent of DTV's issued and paid-up shares, with an initial offering price of 7.80 Baht per share. The price can be altered depend on a result of business due diligence and/or a negotiation. The transaction depends on the prerequsit conditions including mandatory conditions as follows;

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2. Necessary approval from the Board of Directors and shareholders of ADVANC, Singapore Telecommunication Limited and the Company (as required).
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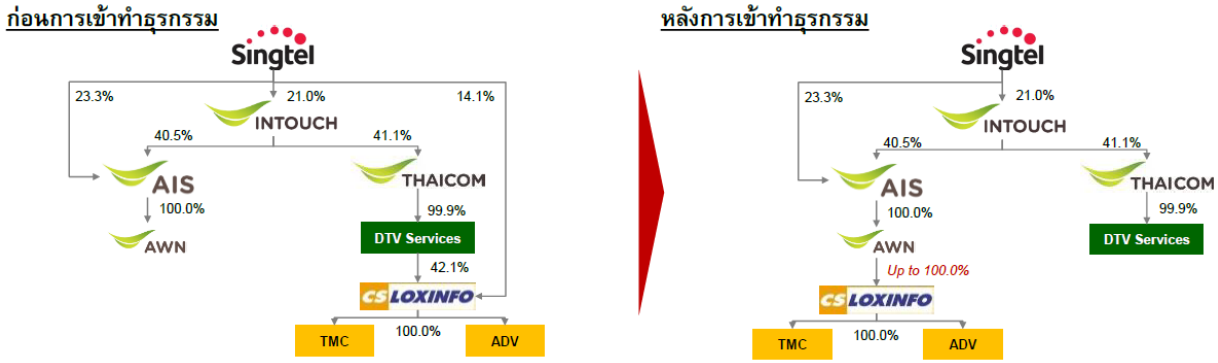
diligence on CSL's business has been completed and ADVANC intends to purchase CSL's ordinary share, in the amount of 250,099,990 shares or 42.07 percent of CSL's issued and paid-up shares, from DTV at the offering price of 7.80 Baht per share (the "Letter to Purchase the Ordinary share"). According to the Letter to Purchase the Ordinary share, DTV must enter into the share tender agreement within 5 days after a response date for the Letter to Purchase the Ordinary share.



Source : Information of ADVANC which has been disclosed to SET

Remark The percentage (up to 100.0%) mentioned above is subject to the result of tender offer launced by by AWN.

The transaction is considered as;

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and approve the transaction. Thus, the transaction requires three-fourths of shareholder approval from the shareholders attending the meeting and have voting right; with an exclusion of related party.

According to a research on several relavant information such as conditions of the transaction, advantages and disadvantages of entering into the transaction, advantages and disadvantages of not entering in to the disposal and appropriateness of the disposal of total ordinary shares of CSL, the the Advisor's opninion can be summarized as follows;

Advantages of Entering into the Transaction

1. The price of CSL's ordinary share offered in the transaction is higher than fair value of CSL's ordinary share

According to a valuation for fair value of CSL's ordinary share using discounted cash flow method, under a hypothesis that CSL will continue its regular business operation, the fair value of CSL's ordinary share ranges between 5.91 Baht per share and 7.19 Baht per share. The fair value is lower than the offering price proposed by AWN; a subsidiary of ADVANC, which is 7.80 Baht per share. Hence, the sale of CSL's ordinary shares at the price higher than its fair value, shall bring benefit to both the Company and its shareholders.

2. The Company shall gain cash flow from selling ordinary shares of CSL

By selling 250,099,990 ordinary shares of CSL at the price of 7.80 Baht per share, the Company will receive cash 1,950.78 million Baht in total. The Company can utilize the fund to generate benefit for its shareholders in the future, such as investment on a new project or a potential business providing which the expected return is higher than the Company's WACC, repayment of loans borrowed from financial institutes which helps reducing financial cost of the Company, or dividend payment to its shareholders, in case that the Company does not find a new project or potential business which can generate expected return higher than the Company's WACC. etc.

However, the Company is currently considering and conducting a research on potential investments that have capability. If there is any project that can generate expected return higher than the Company's WACC, the Company will conduct further research and may invest in the project. Nonetheless, the Company's WACC for each investment period will be different, depending on the cost of debt (K_d) and the cost of equity (K_e) at that time. The Company's current WACC which calculated by the Advisor, is equal to 7.97 percent (See the details of calculation in Part 5 Page 20, the assumption of discounted rate)

3. The Company shall receive accounting profit from selling ordinary shares of CSL

According to the information from the Company's management, it is expected that by selling 250,099,990 ordinary shares of CSL at the price of 7.80 Baht per share which is equal to 1,950.78 million Baht in total, the Company will approximately gain accounting profit from the sale in the amount of 1,675.36 million Baht.

Disadvantages of Entering into the Transaction

1. Losing a source of income from CSL's business and lessen revenue diversification

By entering into the transaction, the Company will not receive revenue from CSL's business anymore which, as a result, will reduce the Company's revenue diversification and cause the Company to depend only on its satellite communication service as a primary source of revenue. As referred to the Company's revenue from sales and services presented in the consolidated Financial Statement for the period of six months ended 30 June 2017, CSL's revenue accounted for 27.83 percent of the Company's revenue from sales and services and the net profit of CSL was equal to 11.50 percent of the Company's net profit. Consider to the Company's consolidated financial statements during 2014-2016, if the Company enter into the transaction, the Company's net profit according to the consolidated financial statement will decrease by 122.07 – 132.56 million Baht; with the details as follows;

Unit : Million	**Consolidated Financial Statement for year ended 31 December**			**Consolidated Financial Statement for 6 months ended 30 June**	
	2014	**2015**	**2016**	**2016**	**2017**
Revenue from sales and services	11,893.03	12,453.09	11,516.63	6,111.69	5,017.25
Revenue from CSL's business	2,975.51	2,909.51	2,875.08	1,441.92	1,396.20
Net profit of CSK in the Company's consolidated financial statements	(63.00)	132.56	122.07	68.73	64.92
Percentage	**25.02**	**23.36**	**24.96**	**23.59**	**27.83**
Net profit of the Company	1,514.03	2,304.68	1,783.26	1,386.24	564.42
Net profit of CSL included in the Company's consolidated financial statements	(63.08)	132.56	122.07	68.73	64.92
Percentage	**N/A**	**5.75**	**6.85**	**4.96**	**11.50**

Source : the Company

However, the Company is currently considering and conducting a research on potential investments that have capability. If there is any project that can generate expected return higher than the Company's WACC, the Company will conduct further research and may invest in the project. Nonetheless, the Company's WACC for each investment period will be different, depending on the cost of debt (K_d) and the cost of equity (K_e) at that time. The Company's current WACC which calculated by the Advisor, is equal to 7.97 percent (See the details of calculation in Part 5 Page 20, the assumption of discounted rate).

Risk from Entering into the Transaction

1. The risk of opportunity cost from the disposal of CSL's ordninary shares, as the Company is unable to generate benefit from cash received from the disposal of CSL ordinary shares higher than expected returns required by shareholders

By entering into the transaction, the Company might have a risk of opportunity cost in case that the Company is unable to generate benefit from cash received from the transaction to the same level of benefit received from CSL or expected return required by shareholders. However the management plans to invest the cash in potential business or early repayment of debt, which will bring the benefit from the transaction to the Company's shareholders, In case that the Company does not have any investment plan which will generate higher returns than shareholder's expectation, the Company is likely to distribute the dividend to shareholders.

However, the Company is currently considering and conducting a research on potential investments that have capability. If there is any project that can generate expected return higher than the Company's WACC, the Company will conduct further research and may invest in the project. Nonetheless, the Company's WACC for each investment period will be different, depending on the cost of debt (K_d) and the cost of equity (K_e) at that time. The Company's current WACC which calculated by the Advisor, is equal to 7.97 percent (See the details of calculation in Part 5 Page 20, the assumption of discounted rate).

2. Risk of unsuccessful transaction because of unfulfilled important prerequisite conditions of the share tender agreement and the conditional voluntary tender offer of CSL's shares

The transaction has a risk to be unsuccessful due to the unfulfilled prerequisite conditions of the share tender agreement of CSL's ordinary shares and the conditional voluntary tender offer, which the important prerequisite conditions which might affect the transaction are;

2.1 AWN's shareholding proportion in CSL must reach over than 50 percent

One of the prerequisite condition for the tender offer is that AWN must own more than 50 percent of CSL's issued and paid-up shares. Major shareholders of CSL consist of DTV which is the Company's subsidiary holding 42.07 percent of shares and Singapore Telecommunication Limited holding 14.14 percent of shares. In case that the two shareholders agree to sell their portion of shares, AWN will acquire 56.21 percent of shares in CSL and this condition will be fulfilled.

2.2 An approval from the National Broadcasting and Telecommunication Commission is required if AWN's shareholding proportion in CSL reachs 100 percent of CSL's issued and paid-up shares, according to the Notification of the National Broadcasting and Telecommunication Commission Re: Criteria and Procedures for Merger and Cross-holding in Telecommunication Business B.E. 2553 (and amendment)

The transaction has a risk of becoming unsuccessful, depending on an approval from the National Broadcasting and Telecommunication Commission is required in case that AWN's shareholding proportion in CSL reachs 100 percent of CSL's issued and paid-up shares, according to the Notification of the National Broadcasting and Telecommunication Commission Re: Criteria and Procedures for Merger and Cross-holding in Telecommunication Business B.E. 2553 (and

amendment). The condition was specific as a prerequisite condition for the conditional voluntary tender offer of CSL's shares proposed by AWN.

The risk that the merger between CSL and AWN will not be approved is considerably low since the major concern of the National Broadcasting and Telecommunication Commission regarding the merger and acquisition of telecommunication businesses is that whether or not the process will cause monopolistic competition in the market. However, there are many competitors in the market which AWN and CSL businesses are overlapping, and it is hardly possible for the merger to cause monopolistic competition.

However, in case that the transaction is unsuccessful according to the conditions previously mentioned, there will not be any negative effect caused to the Company.

Advantages from Not Entering into the Transaction

1. Not losing revenue from CSL which caused less revenue diversification

By not entering into the transaction, the Company will continue to earn revenue from CSL and maintains its level of revenue diversification which the Company does not depend only on the revenue from telecommunication satellite service.

Disadvantages from Not Entering into the Transaction

1. Lose opportunity to make profit from the disposal of CSL's ordinary shares at higher price than the fair value of CSL's ordinary shares

By not entering into the transaction, the Company will lose an opportunity to make profit from the disposal of CSL's ordinary shares at the offering price of 7.80 Baht per share offered by AWN; ADVANC's subsidiary. The offering price is higher than the fair value of CSL's ordinary share, ranging from 5.91 – 7.19 Baht per share, evalutated by the Advisor using the discounted cash flow approach under the assumption that CSL will continue its business.

2. Lose opportunity to receive cash from the disposal of CSL's ordinary shares

By not entering into the transaction, the Company will lose an opportunity to receive cash from the disposal of CSL's ordinary shares amounting to 1,950.78 million Baht and lose an opportunity to generate benefit to it shareholders by spending the amount of cash on, for example, an investment on new project or potential business which will generate higher expected return than the Company's WACC, or repayment of financial institution's debt which will lessen the Company's financial cost, or distributing dividend to its shareholders etc.

3. The Company will not gain accounting profit from the disposal of CSL's ordinary shares

By not entering into the transaction, the Company will lose an opportunity to gain accounting profit from the disposal of CSL's ordinary shares amounting to 1,675.36 million Baht approximately.

Effects Occurs After Entering Into the Transaction

After entering into the transaction, the Company's revenue will decreased by 23.36 – 25.02 percent of revenue from sales and services of the Company, or 2,875.08 – 2,975.51 million Baht. The Company's net profit will decrease by 5.75-6.85 percent of the Company's net profit, or 122.07 – 132.56 million Baht, in consider to the consolidated financial statements for 2014 – 2016.

However, the Company will be able to record accounting profit from the disposal of CSL's ordinary shares, amounting to 1,675.36 million Baht approximately, and the Company's cash flows received from the transaction will be 1,950.78 million Baht, which the Company can spend the amount of cash to generate benefit back to is shareholders in the future, such as investments on a new project or a potential business providing which the expected return is higher than the Company's WACC.

Nonetheless, the Company is currently considering and conducting a research on potential investments that have capability. However, investment contains a risk that the result might not be as expected. Therefore, the Company is unable to immediately invest in those projects and requires a period of time to invest carefully and prevent any risk that might cause unexpected return. As for the length of time required for each project's possibility study, the Company cannot specific due to the difference in nature of each project or business. If there is any project that can generate expected return higher than the Company's WACC, the Company will conduct further research and may invest in the project. Nonetheless, the Company's WACC for each investment period will be different, depending on the cost of debt (K_d) and the cost of equity (K_e) at that time. The Company's current WACC which calculated by the Advisor, is equal to 7.97 percent (See the details of calculation in Part 5 Page 20, the assumption of discounted rate)

In the end, if the Company does not find a new project or potential business which can generate expected return higher than the Company's WACC, the Company might consider to distribute dividend to shareholders.

As for **price appropriateness** of the transaction, the Advisor evaluated fair value of CSL's ordinary shares using serveral approaches with the details as follows;

	Fair value of CSL (Million Baht)	**Price per share (Baht/share)**
Book value approach	736.53	1.24
Adjusted book value approach	814.82	1.37
Market price approach	3,632.49 – 4,559.93	6.11 - 7.67
Market comparable approach - P/E	6,534.15 - 7,876.08	10.99 – 13.25
Market comparable approach - P/BV	1,838.84 - 1,990.59	3.09 – 3.35
Discounted cash flow approach	3,511.62 – 4,276.36	5.91 – 7.19

The Advisor had an opinion that discounted cash flow approach is the most appropriate method for valuation because it takes into account of CSL's performance in the future. The offering price for this transaction

is 7.80 Baht per share which is higher than the fair value evaluated by the Advisor, which CSL's fair value calculated from the discounted cash flow method ranges between **3,511.62 – 4,276.36 million Baht or 5.91 – 7.19 Baht per share.**

With a consideration on advantages and disadvantages as previously mentioned, though by entering into the transaction, the Company will cease to earn revenue from CSL and have less revenue diversification which the Company will solely depend on revenue from its satellite communication service. However, by entering into the transaction, the Company will be able to dispose CSL's ordinary shares at higher price than the fair value of CSL's ordinary shares. Moreover, the Company will receive cash from the disposal of CSL's ordinary shares which the Company can generate benefit to its shareholders by spending the amount of cash on, for example, an investment on new project or potential business, or repayment of financial institution's debt, or distributing dividend to its shareholders etc, The Company will receive accounting profit from the transaction as well.

According to the reasons previously mentioned, the Advisor had an opinion that the disposal of total ordinary shares of CSL **is reasonable** and shareholders **should approve the transaction.** However, shareholders should consider reasonability and the Advisor's opinion which based on an assumption that all data, documents and draft of documents received by the Advisors, including interviews with the management and relevant parties were true, complete and accurate. Shareolders should consider the conditions for the transaction as well.

The Advisor had an opinion that the assumptions used in the valuation were reasonable. However, the assumptions were based on economic condition and information available during the period. Thus, any changes occurred in the future may affect the Adviosor's opinion. Nonetheless, a decision to approve or not to approve is up to shareholder's consideration.

Part 2 : Method and Information used in the Valuation

The Advisor considered and studied the disposal of total ordinary shares of CS Loxinfo Public Company Limited (“CSL”) by DTV Service Co., Ltd (“DTV”); a subsidiary which the Company holds 99.99 percent of issued and paid-up shares of DTV, offered to Advance Wireless Network Co., Ltd (“AWN”); a subsidiary of Advance Info Service Public Company Limited (“ADVANC”), which The transaction is considered as a connected transaction of the Company in accordance with the Notification on Connected Transaction. The Advisor receivced information from the Company, the management’s inveterviews, public information, and other relevant information including, but not limited to;

1. The resolution of the Board of Directors and the information memorandum of the Company, disclosed to SET, regarding the disposl of total ordinary shares of CSL which is a connected transaction in accordance with the Notification on Connected Transaction
2. Documents of the Company, DTV and CSL such as Certification, Memorandum of Association, and company’s regulation etc.
3. Relevant agreement such as the Non-binding and Conditional Letter to Purchase the Ordinary share which THCOM received from ADVANC regarding to purchase ordinary shares of CSL, shareholder agreement of CSL etc.
4. The interviews with the Company, CSL and relevant parties
5. Appraisal reports
6. The National Telecommunications Commission’s Notification Regarding Criteria and Method of Merger & Acquisition and Cross-Shareholding in Telecommunication Business
7. Statistics from SET and industry information

The Advisor’s opinion based on an assumption that all data, documents and draft of documents received by the Advisors, including interviews with the management of the Company, CSL and relevant parties were true, complete and accurate. The Advisor has carefully considered and studied such information to comply with professional standard. Moreover, the Advisor considered that all contracts and business agreements were effective and legally enforceable and the conditions of such agreement will not be changed, revoked or canceled, and there is no circumstance or any condition which might significantly affect the disposal of CSL’s ordinary shares.

Therefore, in case that information and/or documents which the Advisors received ir inaccurate and/or untrue, or the contracts and business agreements are not effective and/or not legally enforceable and/or the conditions of contracts and business agreements are changed, revoked or canceled, and/or there is any circumstance or condition that might cause significant effect to the the disposal of CSL’s ordinary shares, the Advisor’s opinion mught be affected. The Advisor, therefore, will not be able to provide an opinion on such effect to the Company and it shareholders.

The Advisor’s opinion was prepared based on the information received by the Advisor including information on the industry, ecocnomic condition, and other factors occurred during the preparation, which may significantly

change later on and affected the Advisor' s opinion. The Advisor does not have an obligation to edit the report on the Advisor's opinion.

The report on the Advisor' s opinion was prepared for the Company' s shareholders as a reference to consider the connected transaction according to the Notification on the Connected Transaction. Thus, a decision to approve or not to approve is up to shareholder' s consideration. Nonetheless, shareolders should carefully andstudy the information and document enclosed with the invitation to the shareholders meeting, in order to make an appropriate decision.

However, the report on the Advisor' s opinion does not guarantte success of the transaction, including possible impacts, and the Advisor will not be able to, eitherdirectly or indirectly, response forany impact cause from entering into the transaction.

Part 3 : Characteristic and Detail of Transaction

3.1 General Characteristic of transaction

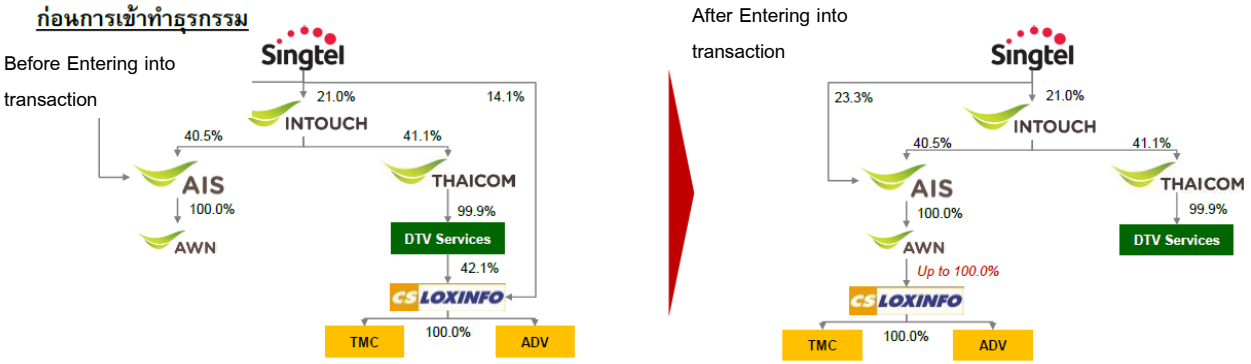
As, on 5 September 2017, Thaicom Public Company Limited (the "Company") received a non-binding and conditional Letter to Purchase the Ordinary share from Advanced Info Services Public Company Limited ("ADVANC") which outlines an intent to buy 250,099,999 ordinary shares of CS Loxinfo Public Company Limited ("CSL") or 42.07 percent of CSL's issued and paid-up shares, from DTV Services Co., Ltd ("DTV") -- the Company's subsidiary which the Company holds 99.99 percent of DTV's issued and paid-up shares, with an initial offering price of 7.80 Baht per share. The price can be altered depend on a result of business due diligence and/or a negotiation. The transaction depends on the prerequsit conditions including mandatory conditions as follows;

1. ADVANC's satisfaction on the result of business due diligence and/or the negotiation between the buyer and seller, including other relevant agreements. ADVANC is currently undertaking a due diligence on CSL's business which is expected to be completed in the middle of October 2017.
2. Necessary approval from the Board of Directors and shareholders of ADVANC, Singapore Tele-communication Limited and the Company (as required).
3. Other necessitated conditions arising from the result of business due diligence or futher negotiation, including an approval from relevant regulatory authorities.

On 6 October 2017, the Company entered into a share tender agreement to liquidate all ordinary shares of CSL, held by DTV which is 250,099,990 shares or 42.07 percent of CSL's issued and paid-up shares, to Advanced Wireless Network Co., Ltd ("AWN") which is a subsidiary of ADVANC, at the price of 7.80 Baht per share. The transaction amount is equal to 1,950.78 million Baht. The sale of the CSL's ordinary shares will commence with the making of the conditional voluntary tender offer by AWN pursuant to the Securities and Exchange Act B.E. 2535 (1992) (as amended) and the Notification of Capital Market Supervisory Board No. TorChor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers (as amended) ("Notification of Acquisition of Securities for Business Takeovers") subject to the conditions in Clause 3.6 of Part 3.

The share tender agreement was signed according to a resolution of the Board of Directors' extraordinary meeting No. 9/2017 which held on Monday 2 October 2017 4.00pm at Intouch Board Room, No. 349 30th floor SJ Infinit One Business Complex, Vibhavadi Rangsit Road, Jatujak, Bangkok. The meeting approved in principle for DTV; a subsidiary company which 99.99 percent of its issued and paid-up shares were held by the Company, to sell all of its shares in CSL which is 250,099,990 shares or 42.07 percent of CSL's issued and paid-up shares, to ADVANC and/or ADVANC's subsidiary companies at the price of 7.80 Baht which the transaction size is equal to 1,950.78 million Baht. the sale of CSL's ordinary shares shall commence upon the making of the conditional voluntary tender offer by AIS and/or AIS's subsidiary pursuant to the Securities and Exchange Act B.E. 2535 (1992) (as amended) and the Notification of Acquisition of Securities for Business Takeovers, and that the Shares Tender Agreement be entered into and executed, and authorized to Mr. Paiboon Panuwattanwong, the Company's Chief Executive Officer as the authorized person having authority to consider and proceed with the

negotiation of the material conditions in the Shares Tender Agreement to be further entered with AIS and/or its subsidiary. After 2 October 2017, the Company has been informed in writing by ADVANC that the due diligence on CSL's business has been completed and ADVANC intends to purchase CSL's ordinary share, in the amount of 250,099,990 shares or 42.07 percent of CSL's issued and paid-up shares, from DTV at the offering price of 7.80 Baht per share ("Letter to Purchase the Ordinary share"). According to the Letter to Purchase the Ordinary share, DTV must enter into the share tender agreement within 5 days after a response date for the Letter to Purchase the Ordinary share.



Source : Information of ADVANC which has been disclosed to SET

Remark The percentage (up to 100.0%) mentioned above is subject to the result of tender offer launced by by AWN.

The transaction is considered as;

(1) The disposal of asset transaction in accordance with the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, dated 31 August 2008, and the amendments thereto, and the Notification of the Board of Governors of the Stock Exchange of Thailand ("SET") Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547, dated 29 October 2004, and the amendments thereto (collectively called "the Notification on Asset Acquisition or Disposal") in which the maximum transaction size is 15.70 percent from net operating profit criteria classified into Class 2 in the Notification on Asset Acquisition or Disposal. As such, the Company is obligated to report the information memorandum in relation to the transaction to the SET immediately and circulate the letter to inform its shareholders within 21 days from the date that the information memorandum in relation to the transaction is reported to the SET..

(2) The Connected transaction in accordance with the Notification of the Capital Market Supervisory Board No.TorChor 21/2551 Re: Rules on Connected Transaction, dated 31 August 2008, and the amendments thereto, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions, B.E. 2546 dated 19 November 2003, and the amendments thereto (collectively called "the Notification on Connected Transaction") due to the fact that major shareholder of AWN and the Company is Intouch Holdings Public Company Limited ("INTOUCH"). The transaction size is 11.40 percent of the Company's net tangible assets (NTA) which exceeds 3.00 percent of the Company's net tangible assets and exceeds 20.00 million Baht. As such, the Company is obligated to report the information memorandum in relation to the transaction to the SET immediately, appoint

the Independent Financial Advisor (IFA) to provide opinion on the transaction and organize a shareholders' meeting for approval to enter into the transaction, provided that the approval shall be passed by votes of no less than three-fourths of the total votes of shareholders attending the meeting and entitled to vote where shares of interested persons shall be discarded.

3.2 Date of the Transaction

DTV, a subsidiary of the Company, will sell its total ordinary shares of CSL to AWN after the approval from the Extraordinary General Meeting of Shareholders
No. 1/2017 of the Company which will be held on 30 November 2017 and after the approval from DTV's shareholders and after the completion of the conditions in Clause 1.9. It is expected that the disposal of CSL's ordinary shares shall be completed within the first quarter of 2018. The sale of CSL's ordinary shares shall commence upon the making of the conditional voluntary tender offer by AWN pursuant to the Notification of Acquisition of Securities for Business Takeovers

3.3 Counterparty and Relationship

Seller	:	DTV, a subsidiary of the Company
Buyer	:	AWN, a subsidiary company of AIS, whose 99.99 percent of the total issued and paid-up shares were held by AIS
Relationship	:	AWN, a subsidiary company of AIS, whose 99.99 percent of the total issued and paid-up shares were held by AIS, is the connected person of the Company in accordance with the Notification on Connected Transaction as the major shareholder of AIS and the Company is INTOUCH, holding 41.14 percent and 40.45 percent of the total issued and paid-up shares of AIS and the Company, respectively.

3.4 The criteria to determine consideration value

3.4.1 Disposal of Assets

The disposal of total ordinary shares of CSL is considered as a disposal of assets according to the Notification on Acquisition and Disposition of Assets, from the calculation of transaction size base on the consolidated financial statements for year ended 31 December 2016 and 6 moths ended 30 June 2017 of the Company and CSL. The details of calculation are as follows;

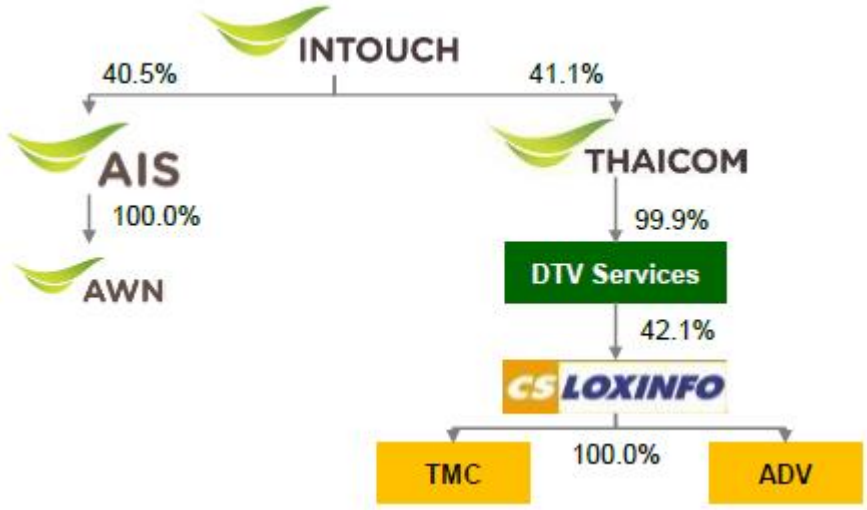
Criteria		Calculation
Net Tangible Asset Value	=	(Disposal proportion x net tangible assets of CSL) x 100 Net tangible assets of the Company
	=	42.07% x 610.56 million Baht 17,104.61 million Baht
	=	1.50 percent
Net profit from operation	=	(Disposal proportion x Net profit of CSL) x 100 Net Profit of the Company

Criteria		Calculation
	=	42.07% x 296.82 million Baht 795.22 million Baht
	=	15.70 percent
Value of consideration	=	Total value of consideration received from disposal x 100 Total assets of the Company
	=	1,950.78 31,476.12 million Baht
	=	6.20 percent
Value of securities issued for the payment	=	Not applicable as the Company does not issue any securities.

According to the above calculation, the maximum transaction size is 15.70 percent from net operating profit criteria classified into Class 2 in the Notification on Asset Acquisition or Disposal. As such, the Company is obligated to report the information memorandum in relation to the transaction to the SET immediately and circulate the letter to inform its shareholders within 21 days from the date that information memorandum in relation to the transaction is reported to the SET.

3.4.2 Connected Transaction

Entering in to the disposal of total ordinary shares of CSL is considered as the connected transaction (transaction relating to assets or services) in accordance with the Notification on Connected Transaction. The transaction size is 11.40 percent of the Company's net tangible assets (Net tangible assets of the Company as of 30 June 2017 is 17,104.61 million Baht) which exceeds 3.00 percent of the Company's net tangible assets and exceeds 20.00 million Baht. As such, the Company is obligated to report the information memorandum in relation to the transaction to the SET immediately, appoint the Independent Financial Advisor (IFA) to provide opinion on the transaction and organize a shareholders' meeting for approval to enter into the transaction, provided that the approval shall be passed by votes of no less than three-fourths of the total votes of shareholders attending the meeting and entitled to vote where shares of interested persons shall be discarded, which is INTOUCH since the Company and AWN are both subsidiaries of ADVANC in which ADVANC holds 99.99 percent of issue and paid-up shares and has the same major shareholders which is INTOUCH. While INTOUCH holds 450,870,934 shares of the Company or 41.14 percent of the Company's issued and paid-up shares (the latest book closing date was 28 September 2017) and holds 1,202,712,000 shares of ADVANC or 40.42 percent of ADVANC's issued and paid-up shares (the latest book closing date was 10 August 2017). Thus, AWN is considered as a connected person of the Company regarding the Notification on Connected Transaction, as showed in the following diagram;



Since INTOUCH is the major shareholder of the Company and ADVANC holding 99.99 percent of issued and paid-up shares of AWN, INTOUCH is considered as related peson and does not have the right to vote for this agenda in the shareholders meeting.

3.5 General Information of the Disposed Assets

3.5.1 General Information of CSL

Company Name	:	CS Loxinfo Public Company Limited
Registration Number	:	0107548000609
Address	:	90 CW Tower A, 17th-20th Floor, Ratchadapisek Road, Huai Khwang Bangkok, 10310
Registered Capital	:	148,628,692.25 Baht divided into 594,514,769 ordinary shares at the par value of 0.25 Baht per share
Paid-up Capital	:	148,628,692.25 Baht divided into 594,514,769 ordinary shares at the par value of 0.25 Baht per share
Type of Business	:	CSL conducts 3 types of business including: 1. Internet Access and ICT Services Business (ICT) 2. Media and Advertising on YellowPages Business 3. Voice Info Services and Mobile Content Business

3.5.2 Shareholder Structure of CSL (As of 18 August 2017)

	Name-Surname	No. of Shares	Percent
1.	DTV Service Company Limited	250,099,990	42.07
2.	SINGAPORE TELECOMMUNICATION LIMITED	84,057,030	14.14
3.	Thai NVDR Company Limited	24,567,853	4.13
4.	Miss Sudrangsri Rojruengtawee	5,693,800	0.96
5.	Dr. Chatchawin Charoenruchpak	5,650,000	0.95

	Name-Surname	No. of Shares	Percent
6.	CAT Telecom Public Company Limited	4,900,000	0.82
7.	Mr. Suroj Trilojwong	3,800,000	0.64
8.	Mr. Thawat Tantimate	3,646,500	0.61
9.	Mr. Thawatchai Taecha-itsaatham	3,500,000	0.59
10.	Others	208,599,596	35.09
	Total	**594,514,769**	**100.00**

Source : Information Memorandum of THCOM disclosed to SET

3.5.3 CSL's Board of Director

	Name-Surname	Position
1.	Mr. Wichian Mektrakarn	Chairman of the Board of Directors
2.	Mr. Paiboon Panuwattanawong	Director
3.	Mr. Anant Kaewruamvongs	Director
4.	Mr. Hansa Chevapruke	Director
5.	Mr. Goh Boon Huat	Director
6.	Mr. Anuwat Sanguansappayakorn	Director
7.	Mr. Sitthichai Chantravadee	Independent director
8.	Mr. Sillapaporn Srijunpetch	Independent director
9.	Mr. Suraphol Pluemarom	Independent director

Source: Company

3.5.4 CSL's Financial Status

Unit : million Baht	Year ended 31 December 2015	Year ended 31 December 2016	6-months ended 30 June 2017
Key accounting numbers			
Total assets	1,908.23	1,898.35	1,786.12
Total liabilities	1,251.42	1,185.32	1,049.59
Shareholders' equity	656.82	713.02	736.53
Paid-up capital	148.63	148.63	148.63
Total revenue	2,963.84	2,917.86	1,410.83
Net profit	315.10	305.90	154.30
Net profit per share (Baht)	0.53	0.51	0.26
Key Financial Ratios			
ROA (%)	22.05	21.20	20.76
ROE (%)	49.67	44.66	41.29
Net Profit Margin (%)	10.63	10.48	10.94

Source : Company

3.6 Conditions for Transaction

Within a period of 180 days from the execute date of the Shares Tender Agreement (6 October 2017), AWN must make the voluntary tender offer ("VTO") to purchase ordinary shares of CSL under the following conditions

1. Approval from the Office of the National Broadcasting and Telecommunications Commission for AIS to acquire up to 100 percent of CSL's total issued and paid-up shares pursuant to the Notification of the National Telecommunications Commission Re: Criteria and Procedures for Merger and Cross-holding in Telecommunications Business B.E. 2553 (2010) (as may be amended from time to time);
2. Approval by the Board of Directors and the shareholders of AWN in regards to the Voluntary Tender Offer to purchase ordinary shares of CSL and related matters; and
3. Approval by the Board of Directors and the shareholders of DTV relating to connected party transactions in accordance with the Notification on Connected Transaction

AWN may also set additional conditions for the VTO to purchase ordinary shares of CSL (Conditional Voluntary Tender Offer) including setting a minimum amount of shares to be acquired through the Conditional Voluntary Tender Offer at greater than or equal to 50 percent of CSL's total issued and paid-up shares pursuant to the laws and regulations pertaining to the voluntary tender offer. As this is a Condition Voluntary Tender Offer to purchase ordinary shares of CSL, AWN has also made offer to other shareholders of CSL. Thus, in order to consider other additional conditions for the transaction, the addinal conditions proposed by ADVANC in accordance to the information memorandum of ADVANC disclosed to SET with the details as follws;

1. All corporate approvals in relation to the sale of CSL shares by SingTel to AWN in the conditional voluntary tender offer have been obtained by SingTel (as required);
2. The Share Tender Agreement between AWN and SingTel has been concluded and executed by all parties thereto;
3. The approvals by the board of directors and the shareholders of THCOM in relation to the sale of CSL shares by CSL by DTV to AWN under the connected party transaction rulesl have been obtained;
4. All corporate approvals in relation to the sale of CSL shares by DTV to to AWN in the conditional voluntary tender offer (as required);
5. CSL have to comply with the prerequisite conditions specified in the share tender agreement of CSL, throughout the period between the date of Letter to Purchase the Ordinary share and the date on which the definite voluntary tender offer (Form 247-4) submitted to the SEC.

Nonetheless, on 24 October 2017, AWN has executed the share tender agreement with Singtel, which resulting in the prerequisite condition of the conditional voluntary tender offer to be fulfilled.

3.7 The capital utilization plan on cash received from asset disposal

The Company has it plans on cash received from the disposal of CSL's ordinary shares as below:

1) Reserve as its working capital or invest in the satellite business or related potential businesses in which it is expected that the Company shall generate addition revenues from such investment.
2) Repay its debts which shall decrease its interest expense and increase net profit to the Company
3) Distribute the dividends to shareholders

The capital utilization plan will be in accordance with the approvals from the Company's Executive Committee and/or Board of Directors and/or shareholders

Part 4 : Appropriateness of the Transaction

4.1 Objective of the Transaction

The Company received the non-binding and conditional Letter to Purchase the Ordinary share from Advance Info Service Public Company Limited ("ADVANC") to purchase ordinary shares of CS Loxinfo Public Company Limited ("CSL") amounting to 250,099,990 shares or 42.07 percent of CSL's issued and paid-up shares from DTV Service Co., Ltd ("DTV"); a subsidiary which the Company holds 99.99 percent of its issued and paid-up shares. The offering price is 7.80 Baht per share.

The Company's board of directors considered that the transaction is benefit for the Company's shareholders, thus the Company's Board of Directors' meeting No.9/2017 held on 2 October 2017 approved in principle for DTV; a subsidiary company which 99.99 percent of its issued and paid-up shares were held by the Company, to sell all of its shares in CSL which is 250,099,990 shares or 42.07 percent of CSL's issued and paid-up shares, to ADVANC and/or ADVANC's subsidiary companies at the price of 7.80 Baht which the transaction size is equal to 1,950.78 million Baht. The disposal of CSL ordinary shares will be proceeded via a conditional voluntary tender offer which shall be conducted by ADVANC and/or ADVANC's subsidiary company according to the Securities Act and the Notification of Acquisition of Securities for Business Takeovers, including the execution of the share tender agreement. Mr. Paiboon Panuwattanwong, the Company's Chief Executive Officer, is authorized as the authorized person having authority to consider and proceed with the negotiation of the material conditions in the Shares Tender Agreement to be further entered with ADVANCE and/or ADVANC's subsidiary.

The Board of directors' meeting No.8/2017 held on 2 October 2017 approved to submit the agenda to the Extraordinary General Meeting of Shareholders No. 1/2017 of the Company which will be held on 30 November 2017, to consider DTV Service Co., Ltd ("DTV"), which 99.99 percent of its issued and paid-up capital held by the Company, to dispose total of CSL's ordinary shares to ADVANC and/or ADVANC's subsidiary.

On 6 October 2017, the Company entered into a share tender agreement to liquidate all ordinary shares of CSL, held by DTV which is 250,099,990 shares or 42.07 percent of CSL's issued and paid-up shares, to Advanced Wireless Network Co., Ltd ("AWN") which is a subsidiary of ADVANC, at the price of 7.80 Baht per share. The transaction amount is equal to 1,950.78 million Baht. The sale of the CSL's ordinary shares will commence with the making of the conditional voluntary tender offer by AWN pursuant to the Securities and Exchange Act B.E. 2535 (1992) (as amended) and the Notification of Capital Market Supervisory Board No. TorChor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers (as amended) ("Notification of Acquisition of Securities for Business Takeovers") subject to the conditions in Clause 3.6 of Part 3.

4.2 Necessity of Transactions

The Company's Board of Directors opined that the transaction is appropriate and conducted regarding to the benefits of the Company, as the shareholder of DTV, and the Company's shareholders, on the reasonable conditions.

4.3 Advantages of Entering into the Transaction with Related Parties, in compared to third party

4.3.1 Ease of Negotiation and Operation

Since the Company and ADVANC have the same major shareholder which is INTOUCH, a negotiation for the transaction can be conducted faster than a negotiation with third party.

4.3.2 Decrease a Conflict of Interest and Business Competition

Since ADVANC has entered into broadband internet business under the brand "AIS Fiber" focusing on corporate customers, condominium residents and home resident which as of the end of 2016, there was 301,500 subsrcibers. The business of ADVANC directly compete with the primary business of CSL which are leased line internet service for corporate customers and broadband internet service for condominium residents. By disposal of CSL's shares to AWN which is a subsidiary of ADVANC, the Company can lessen a conflict of interest and business competition between the Company and ADVANC. Moreover, the buyer also has a good insight in CSL business and willing to purchase ordinary shares of CSL at higher price than fair value because CSL can generate business synergy to the buyer's current business.

4.4 Disadvantages Entering into the Transaction with Related Parties, in compared to third party

4.4.1 Third party may offer better conditions

Due to the transaction is a connected transaction, a negotiation for price and other conditions may not be able to fully conducted unlike a third party. Moreover, as the Company received an offer from ADVANC which is the only connected person, the Advisor cannont estimate whether the price is the best price can be offered to the Company regarding the disposal of ordinary shares of CSL

With this regards, the shareholders of the Company might be affected. However, in order to protect shareholder's benefit, the Company's Extraordinary Board of Directors' meeting No. 9/2017 held on 2 October 2017 approved a resolution to call for the extraordinary shareholders meeting to consider the disposal of ordinary shares of CSL, which the interested person; INTOUCH, will not be able to vote for the agenda.

4.5 Advantages of Entering into the Transaction

4.5.1 The price of CSL's ordinary share offered in the transaction is higher than fair value of CSL's ordinary share

According to a valuation for fair value of CSL's ordinary share using discounted cash flow method, under a hypothesis that CSL will continue its regular business operation, the fair value of CSL's ordinary share ranges between 5.91 Baht per share and 7.19 Baht per share. The fair value is lower than the offering price proposed by AWN; a subsidiary of ADVANC, which is 7.80 Baht per share. Hence, the sale of CSL's ordinary shares at the price higher than its fair value, shall bring benefit to both the Company and its shareholders.

4.5.2 The Company shall gain cash flow from selling ordinary shares of CSL

By selling 250,099,990 ordinary shares of CSL at the price of 7.80 Baht per share, the Company will receive cash 1,950.78 million Baht in total. The Company can utilize the fund to generate benefit for its shareholders in the future, such as investment on a new project or a potential business providing which the

expected return is higher than the Company's WACC, repayment of loans borrowed from financial institutes which helps reducing financial cost of the Company, or dividend payment to its shareholders, in case that the Company does not find a new project or potential business which can generate expected return higher than the Company's WACC. etc.

However, the Company is currently considering and conducting a research on potential investments that have capability. If there is any project that can generate expected return higher than the Company's WACC, the Company will conduct further research and may invest in the project. Nonetheless, the Company's WACC for each investment period will be different, depending on the cost of debt (K_d) and the cost of equity (K_e) at that time. The Company's current WACC which calculated by the Advisor, is equal to 7.97 percent (See the details of calculation in Part 5 Page 20, the assumption of discounted rate)

4.5.3 The Company shall receive accounting profit from selling ordinary shares of CSL

According to the information from the Company's management, it is expected that by selling 250,099,990 ordinary shares of CSL at the price of 7.80 Baht per share which is equal to 1,950.78 million Baht in total, the Company will approximately gain accounting profit from the sale in the amount of 1,675.36 million Baht.

4.6 Disadvantages of Entering into the Transaction

4.6.1 Losing a source of income from CSL's business and lessen revenue diversification

By entering into the transaction, the Company will not receive revenue from CSL's business anymore which, as a result, will reduce the Company's revenue diversification and cause the Company to depend only on its satellite communication service as a primary source of revenue. As referred to the Company's revenue from sales and services presented in the consolidated Financial Statement for the period of six months ended 30 June 2017, CSL's revenue accounted for 27.83 percent of the Company's revenue from sales and services and the net profit of CSL was equal to 11.50 percent of the Company's net profit. Consider to the Company's consolidated financial statements during 2014-2016, if the Company enter into the transaction, the Company's net profit according to the consolidated financial statement will decrease by 122.07 – 132.56 million Baht; with the details as follows;

Unit : Million	Consolidated Financial Statement for year ended 31 December			Consolidated Financial Statement for 6 months ended 30 June	
	2014	2015	2016	2016	2017
Revenue from sales and services	11,893.03	12,453.09	11,516.63	6,111.69	5,017.25
Revenue from CSL's business	2,975.51	2,909.51	2,875.08	1,441.92	1,396.20
Net profit of CSK in the Company's consolidated financial statements	(63.00)	132.56	122.07	68.73	64.92
Percentage	**25.02**	**23.36**	**24.96**	**23.59**	**27.83**
Net profit of the Company	1,514.03	2,304.68	1,783.26	1,386.24	564.42

Unit : Million	Consolidated Financial Statement for year ended 31 December			Consolidated Financial Statement for 6 months ended 30 June	
	2014	2015	2016	2016	2017
Net profit of CSL included in the Company's consolidated financial statements	(63.08)	132.56	122.07	68.73	64.92
Percentage	**N/A**	**5.75**	**6.85**	**4.96**	**11.50**

Source : the Company

However, the Company is currently considering and conducting a research on potential investments that have capability. If there is any project that can generate expected return higher than the Company's WACC, the Company will conduct further research and may invest in the project. Nonetheless, the Company's WACC for each investment period will be different, depending on the cost of debt (K_d) and the cost of equity (K_e) at that time. The Company's current WACC which calculated by the Advisor, is equal to 7.97 percent (See the details of calculation in Part 5 Page 20, the assumption of discounted rate)

4.7 Advantages from Not Entering into the Transaction

4.7.1 Not losing revenue from CSL which caused less revenue diversification

By not entering into the transaction, the Company will continue to earn revenue from CSL and maintain its level of revenue diversification which the Company does not depend only on the revenue from telecommunication satellite service.

4.8 Disadvantages from Not Entering into the Transaction

4.8.1 Lose opportunity to make profit from the disposal of CSL's ordinary shares at higher price than the fair price of CSL's ordinary shares

By not entering into the transaction, the Company will lose an opportunity to make profit from the disposal of CSL's ordinary shares at the offering price of 7.80 Baht per share offered by AWN; ADVANC's subsidiary. The offering price is higher than the fair price of CSL's ordinary share, ranging from 5.91 – 7.19 Baht per share, evalutated by the Advisor using the discounted cash flow approach under the assumption that CSL will continue its business.

4.8.2 Lose opportunity to receive cash from the disposal of CSL's ordinary shares

By not entering into the transaction, the Company will lose an opportunity to receive cash from the disposal of CSL's ordinary shares amounting to 1,950.78 million Baht and lose an opportunity to generate benefit to it shareholders by spending the amount of cash on, for example, an investment on new project or potential business which will generate higher expected return than the Company's WACC, or repayment of financial institution's debt which will lessen the Company's financial cost, or distributing dividend to its shareholders etc.

4.8.3 The Company will not gain accounting profit from the disposal of CSL's ordinary shares

By not entering into the transaction, the Company will lose an opportunity to gain accounting profit from the disposal of CSL's ordinary shares amounting to 1,675.36 million Baht approximately.

4.9 Risk from Entering into the Transaction

4.9.1 The risk of opportunity cost from the disposal of CSL's ordninary shares, as the Company is unable to generate benefit from cash received from the disposal of CSL ordinary shares higher than expected returns required by shareholders

By entering into the transaction, the Company might have a risk of opportunity cost in case that the Company is unable to generate benefit from cash received from the transaction to the same level of benefit received from CSL or expected return required by shareholders. However the management plans to invest the cash in potential business or early repayment of debt, which will bring the benefit from the transaction to the Company's shareholders, In case that the Company does not have any investment plan which will generate higher returns than shareholder's expectation, the Company is likely to distribute the dividend to shareholders.

However, the Company is currently considering and conducting a research on potential investments that have capability. If there is any project that can generate expected return higher than the Company's WACC, the Company will conduct further research and may invest in the project. Nonetheless, the Company's WACC for each investment period will be different, depending on the cost of debt (Kd) and the cost of equity (Ke) at that time. The Company's current WACC which calculated by the Advisor, is equal to 7.97 percent (See the details of calculation in Part 5 Page 20, the assumption of discounted rate).

4.9.2 Risk of unsuccessful transaction because of unfulfilled important prerequisite conditions of the share tender agreement and the conditional voluntary tender offer of CSL's shares

The transaction has a risk to be unsuccessful depending on the fulfillment of the prerequisite conditions indicated in the share tender agreement and the conditional voluntary tender offer of CSL's ordinary shares. The important prerequisite conditions leading to successful transaction are;

4.9.2.1 AWN's shareholding proportion in CSL must reach over than 50 percent

One of the prerequisite condition for the tender offer is that AWN must own more than 50 percent of CSL's issued and paid-up shares. Major shareholders of CSL consist of DTV which is the Company's subsidiary holding 42.07 percent of shares and Singapore Telecommunication Limited holding 14.14 percent of shares. In case that the two shareholders agree to sell their portion of shares, AWN will acquire 56.21 percent of shares in CSL and this condition will be fulfilled.

4.9.2.2 An approval from the National Broadcasting and Telecommunication Commission is required if AWN's shareholding proportion in CSL reachs 100 percent of CSL's issued and paid-up shares, according to the Notification of the National Broadcasting and Telecommunication Commission Re: Criteria and Procedures for Merger and Cross-holding in Telecommunication Business B.E. 2553 (2010) (and amendment)

The transaction has a risk of becoming unsuccessful, depending on an approval from the National Broadcasting and Telecommunication Commission is required in case that AWN's

shareholding proportion in CSL reachs 100 percent of CSL's issued and paid-up shares, according to the Notification of the National Broadcasting and Telecommunication Commission Re: Criteria and Procedures for Merger and Cross-holding in Telecommunication Business B.E. 2553 (and amendment). The condition was specific as a prerequisite condition for the conditional voluntary tender offer of CSL's shares proposed by AWN.

The risk that the merger between CSL and AWN will not be approved is considerably low since the major concern of the National Broadcasting and Telecommunication Commission regarding the merger and acquisition of telecommunication businesses is that whether or not the process will cause monopolistic competition in the market. However, there are many competitors in the market which AWN and CSL businesses are overlapping, and it is hardly possible for the merger to cause monopolistic competition.

However, in case that the transaction is unsuccessful according to the conditions previously mentioned, there will not be any negative effect caused to the Company.

4.10 Effects Occurs After Entering Into the Transaction

After entering into the transaction, the Company's revenue will decreased by 23.36 – 25.02 percent of revenue from sales and services of the Company, or 2,875.08 – 2,975.51 million Baht. The Company's net profit will decrease by 5.75-6.85 percent of the Company's net profit, or 122.07 – 132.56 million Baht, in consider to the consolidated financial statements for 2014 – 2016.

However, the Company will be able to record accounting profit from the disposal of CSL's ordinary shares, amounting to 1,675.36 million Baht approximately, and the Company's cash flows received from the transaction will be 1,950.78 million Baht, which the Company can spend the amount of cash to generate benefit back to is shareholders in the future, such as investments on a new project or a potential business providing which the expected return is higher than the Company's WACC.

Nonetheless, the Company is currently considering and conducting a research on potential investments that have capability. However, investment contains a risk that the result might not be as expected. Therefore, the Company is unable to immediately invest in those projects and requires a period of time to invest carefully and prevent any risk that might cause unexpected return. As for the length of time required for each project's possibility study, the Company cannot specific due to the difference in nature of each project or business. If there is any project that can generate expected return higher than the Company's WACC, the Company will conduct further research and may invest in the project. Nonetheless, the Company's WACC for each investment period will be different, depending on the cost of debt (K_d) and the cost of equity (K_e) at that time. The Company's current WACC which calculated by the Advisor, is equal to 7.97 percent (See the details of calculation in Part 5 Page 20, the assumption of discounted rate)

In the end, if the Company does not find a new project or potential business which can generate expected return higher than the Company's WACC, the Company might consider to distribute dividend to shareholders.

4.11 Summary of the Advisor's Opinion

With a consideration on the advantages and disadvantages of entering into the connected transaction with related parties in comparison to third party, the advantages and disadvantages of entering/not entering into the transaction, and the risks of transaction, in overall, the disposal of total ordinary shares of CSL which is the connected transaction of the Company according to the Notification on Connected Transaction will be benefit to the Company and shareholders of the Company. Thus, **the Advisor had an opnion that the transaction is reasonable.**

Part 5 : Valuation

The valuation of CSL's fair value can be done by evaluating CSL's shareholders equity and divided the value by the number of CSL's issued and paid-up shares to get the fair value per share of CSL's ordinary share. The the Advisor has evaluated the fair value of CSL's ordinary share using 4 approachs as follows;

1. Book Value Approach
2. Adjusted Book Value Approach
3. Market Price Approach
4. Market Comparable Approach
5. Discounted Cash Flow Approach

The detailed valuation of each approachs are as follows;

5.1 Book Value Approach

By using the book value approach, the fair value of CSL's ordinary share can be evaluated using the amount of CSL's assets less by its liabilities. the Advisor refered CSL's assets and liabilities from the consolidated fianancial statements for 6 months ended 6 June 2017 which reviewed by Mr. Chavala Tienpasertkij Auditor Number 4301 of Deloitte Touche Tohmatsu Jaiyos Co., Ltd. The detailed valuation of CSL's fair value are as follows;

	As at 30 June 2017	Unit
Total assets	**1,786.12**	**Million Baht**
Less Total liabilities	1,049.59	Million Baht
Less Non-controlling interest	-	Million Baht
Shareholders equity of parent company	**736.53**	**Million Baht**
Divided by Number of ordinary shares	594,514,769	Shares
Ordinary share value	**1.24**	**Baht per share**

Using book value approach, the fair value of CSL's ordinary share as at 30 June 2017 is equal to 736.53 million Baht or 1.24 Baht per share.

However, the fair value valuation of CSL's ordinary share by book value approach represented the book value of CSL at any given period of time, without taking into account of CSL's performance and growth prospects, and may not reflect CSL's profitability in the future. the Advisor, therefore, has an opinion that the book value approach is inappropriate for the fair value valuation of CSL's ordinary share.

5.2 Adjusted Book Value Approach

By using adjusted book value approach, the fair value of CSL's ordinary share can be evaluated by adjsusting CSL's shareholders equity. the Advisor then adjusted CSL's assets and liabilities with important items which affected to, or caused a significant change in the book value, refered from the consolidated fianancial statements for 6 months ended 6 June 2017 which reviewed the auditor, to reflect the updated fair value of

assets and liabilities such as, an adjustement on property value booked at cost to market value, and an adjustment of building to reflect market value etc.

CSL has appointed an independent appraiser; Landmark Consultants Co., Ltd, to evaluate the fair value of assets, including land and building of The Cloud Data Center and 1-storied commercial building located in Bang Lamung district, Chonburi (See more details in the Attachment 6: Summary of Appraisal Report) which the book value of the two assets contributed to 12.69 percent of CSL's total assets as of 30 June 2017, with details as follows:

	As at 30 June 2017	Unit
Shareholders equity of parent company	**736.53**	**Million Baht**
Adjustment		
- Land and building; The Cloud Data Center	296.94	Million Baht
- Book value of Land and building; The Cloud Data Center	(222.47)	Million Baht
- a commercial building in Chonburi	8.00	Million Baht
- Book value of the commercial building in Chonburi	(4.18)	Million Baht
Adjustment by appraisal value of the assets	**78.29**	**Million Baht**
Adjusted shareholders equity of parent company	**814.82**	**Million Baht**
Divided by Number of common shars	594,514,769	Shares
Ordinary share value	**1.37**	**Baht per share**

Based on the adjusted book value approach, the fair value of CSL's ordinary share as of 30 June 2017 was 814.82 million or 1.37 Baht per share.

However, the fair value valuation of CSL's ordinary share by adjusted book value approach did not include the book value of other assets especially the assets related to technology, since the Advisor opined that the technology related assets can be changed rapidly. Thus, other assets adjusted according with the accounting policy are deemed appropriate. As for CSL's liabilities, since the Advisor opined that there is no significant change in the book value and fair value of CSL's liabilities according to the fianancial statements as of 30 June 2017,

Nonetheless, the adjusted book value approach did not take into account of CSL's capability and profitability, as well as future economic and industrial trends. As a result, the valuation might not reflect true fair market value of CSL's share. Thus, the adjusted book value approach might be inappropriate for CSL's ordinary shares valuation.

5.3 Market Price Approach

By using market price approach, the fair value of CSL's ordinary share can be evaluated using the market price of CSL's ordinary share traded in the stock market. the Advisor used the weighted average price of CSL's ordinary shares for the past month, 3 months, 6 months, 9 months and 12 months, from 2 October 2017 which is the date prior to the Company's board of directors approved the Company to enter into the transaction. Since

the Advisor opined that the period can represent the movement and trend of market price of shares appropriately and consistently with CSL's business. The details are as follows;

	Market price of CSL's ordinary share (Baht)			Average trading volume (shares)	% of average trading volum to total number of issued and paid-up shares of CSL
	High	Low	Weighted average		
As of 2 October 2017	7.70	7.65	7.67	391,800.00	0.07
Past 1 month	7.37	7.22	7.29	7,564,203.29	1.27
Past 3 month	6.52	6.43	6.47	2,930,880.35	0.49
Past 6 month	6.28	6.20	6.23	1,843,220.28	0.31
Past 9 month	6.25	6.18	6.21	1,375,627.09	0.23
Past 12 month	6.16	6.08	6.11	1,101,068.01	0.19

Market price is determined by demand and supply of investors regarding CLS's shares which can, to some degree, reflect the value of share at the point of time, as well as the fundamental and expectation of investor regarding CSL's capability and growth in the future. Therefore, in some case historical price of CSL can be used as reference for the actual value or price of CSL. By using the market price approach, the fair value of CSL's ordinary share ranged between 6.11 – 7.67 Baht per share.

However the Advisor noticed that CSL's share price has been significantly increased within the past month prior to the announcement of the resolution of the board of directors meeting held on 2 October 2017. The trading volume has been increased significantly as well, whereas there is no information disclosed or significant change in the Company's business. Thus the Advisor opine that the fair value valuation of CSL's ordinary share by market price approach during the period might not be able to reflect the fair value of CSL's ordinary shares. The Advisor, therefore, has an opinion that the market price approach is appropriate for comparison only.

5.4 Market Comparison Approach

Market comparison approach is a valuation method using a hypothesis that companies in similar business should have similar market ratios. Market ratios reflect market mechanism and investor's perception of companies at any given time. However, the peer companies are different from each other in terms of, for example, source of income, financial structure, accounting policy etc., which is the limitation of the market comparison approach.

By using the market comparison approach for the fair value valuation of CSL's ordinary shares, the following market ratios are used in the valuation;

1. Price to Earnings Ratio (P/E ratio)
2. Price to Book Value Ratio (P/BV ratio)

the Advisor has considered the peer companies which are listed in the stock market and operates similar businesses as CSL which operated internet and ICT services business such as leased line internet service,

indernet data center, cloud computing service etc., to compare with CSL. There are 7 peer companies which listed in the stock market and operated similar businesses as CSL's, as follows;

1. Interlink Communication Plc. ("ILINK")
2. Interling Telecom Plc. ("ITEL")
3. Jasmine International Plc. ("JAS")
4. Jasmine Telecom Systems Plc. ("JTS")
5. Internet Thailand Plc. ("INET")
6. True Corporation Plc. ("TRUE")
7. Symphony Communication Plc. ("SYMC")

Interlink Communication Public Company Limited

Interlink Communication Public Company Limited operates information and communication technology (ICT) business. As of 30 June 2017, Interlink Communication Public Company Limited has total assets of 6,048.71 million Baht, and for 2016 and the first 6 months of 2017, Interlink Communication Public Company Limited has total revenue of 2,971.94 million Baht and 1,637.52 million Baht respectively, and net profit of 227.16 million Baht and 85.70 million Baht respectively (According to the consolidated financial statements)

Interlink Telecom Public Company Limited

Interlink Telecom Public Company Limited operates information and communication technology (ICT) business. As of 30 June 2017, Interlink Telecom Public Company Limited has total assets of 3,593.87 million Baht, and for 2016 and the first 6 months of 2017, Interlink Communication Public Company Limited has total revenue of 809.29 million Baht and 394.03 million Baht respectively, and net profit of 67.24 million Baht and 43.25 million Baht respectively (According to the financial statements using equity method)

Jasmine International Public Company Limited

Jasmine International Public Company Limited is a holding company investing in telecommunication and information business and other relevant businesses such as high-speed internet service, telecommunication network, intetnet services etc.

As of 30 June 2017, Jasmine International Public Company Limited has total assets of 47,725.00 million Baht, and for 2016 and the first 6 months of 2017, Jasmine International Public Company Limited has total revenue of 18,150.84 million Baht and 9,210.61 million Baht respectively, and net profit of 2,991.78 million Baht and 1,262.12 million Baht respectively (According to the consolidated financial statements).

Jasmine Telecom Public Company Limited

Jasmine Telecom Public Company Limited operates information and communication technology (ICT) business such as, cloud computing service, telecommunication and information technology system solutions etc.

As of 30 June 2017, Jasmine Telecom Public Company Limited has total assets of 1,255.29 million Baht, and for 2016 and the first 6 months of 2017, Jasmine Telecom Public Company Limited has total revenue of

142.06 million Baht and 53.79 million Baht respectively, and net profit (loss) of (57.81) million Baht and 13.94 million Baht respectively (According to the consolidated financial statements).

Internet Thailand Public Company Limited

Internet Thailand Public Company Limited operates information and communication technology (ICT) solutions business, providing full range of services from full internet access, internet data center (IDC) with equipments for customers seeking for quality services that meets international standards, to could solutions which are tools enhancing business efficiency and effectiveness.

As of 30 June 2017, Internet Thailand Public Company Limited has total assets of 3,291.81 million Baht, and for 2016 and the first 6 months of 2017, Jasmine Telecom Public Company Limited has total revenue of 1,020.68 million Baht and 887.41 million Baht respectively, and net profit (loss) of 84.37 million Baht and 260.21 million Baht respectively (According to the consolidated financial statements).

True Corporation Public Company Limted

True Corporation Public Company Limted operates is the only integrated communication services and solutions provider in Thailand which the company makes a different by integrating products and services of True group such as, wired/ wireless broadband internet services, subscription TV service, digital TV channel, voice service (landline phone and mobile phone), information and contents, including the integration of service networks amd variety of products of True group. Therefore, True group has capability to grow strong and become a part of telecommunication development in Thailand to reach the same level with other countries, and ready for digital generation.

As of 30 June 2017, True Corporation Public Company Limted has total assets of 463,880.64 million Baht, and for 2016 and the first 6 months of 2017, True Corporation Public Company Limted has total revenue of 131,157.90 million Baht and 72,324.69 million Baht respectively, and net profit (loss) of (2,807.03) million Baht and (2,394.06) million Baht respectively (According to the consolidated financial statements).

Symphony Communication Public Company Limited

Symphony Communication Public Company Limited is a domestic and international network provider of high speed data communication circuits, providing services through optical cable networks. As of 30 June 2017, Symphony Communication Public Company Limited has total assets of 4,176.15 million Baht, and for 2016 and the first 6 months of 2017, Symphony Communication Public Company Limited has total revenue of 1,388.72 million Baht and 723.58 million Baht respectively, and net profit of 99.36 million Baht and 48.00 million Baht respectively (According to the consolidated financial statements).

Unit: million Baht

Company	Total assets	Total revenue		Net profit	
	30 Jun 17	31 Dec 16	30 Jun 17	31 Dec 16	30 Jun 17
ILINK	6,048.71	2,971.94	1,637.52	227.16	85.70
ITEL	3,593.87	809.29	394.03	67.24	43.25
JAS	47,725.00	18,150.84	9,210.61	2,991.78	1,262.12
JTS	1,255.29	142.06	53.79	(57.81)	13.94
INET	3,291.81	1,020.68	887.41	84.37	260.21
TRUE	463,880.64	131,157.90	72,324.69	(2,807.03)	(2,394.06)
SYMC	4,176.15	1,388.72	723.58	99.36	48.00
CSL	1,786.12	2,917.86	1,410.83	305.90	154.30

The Advisor has collected market ratios of the peer companies from October 2016 to 2 October 2017, in orer to compare and evaluate the fair value of CSL's ordinary share with the details as follows;

P/E Ratios

Company	Unit	As of 2	Backward from 2 October 2017				
		October 2017	1 month	3 months	6 months	9 months	12 months
ILINK	time	30.50x	29.84x	29.69x	29.47x	30.45x	31.65x
JAS	time	16.96x	17.18x	15.65x	15.82x	16.44x	16.22x
INET	time	7.03x	6.69x	11.07x	15.30x	18.87x	22.56x
SYMC	time	35.00x	34.34x	33.64x	34.37x	36.05x	35.71x
Average	**time**	**22.37x**	**22.01x**	**22.51x**	**23.74x**	**25.45x**	**26.53x**

Source : SETSMART

Remark :
1. Interlink Telecom Public Company Limited had abnormal P/E ratio during the period, so it was excluded from average value.
2. Jasmine Telecom Systems Plc. had abnormal P/E ratio during the period, so it was excluded from average value.
3. True Corporation Public Company Limted reported net loss from operations for the past 9 months, thus P/E ratio cannot be calculated. The company also had abnormal P/E ratio during 12 months backward from 2 October 2017, therefore it was excluded from average value.

P/BV Ratios

Company	Unit	As of 2	Backward from 2 October 2017				
		October 2017	1 month	3 months	6 months	9 months	12 months
ILINK	time	2.06x	2.02x	1.98x	2.04x	2.24x	2.47x
ITEL	time	3.86x	3.86x	3.86x	3.71x	3.80x	3.82x
JAS	time	4.92x	4.98x	4.70x	4.80x	5.11x	5.25x
JTS	time	1.47x	1.45x	1.42x	1.50x	1.54x	1.48x
INET	time	1.39x	1.33x	1.38x	1.44x	1.53x	1.85x
TRUE	time	1.61x	1.59x	1.50x	1.56x	1.59x	1.63x

Company	Unit	As of 2 October 2017	Backward from 2 October 2017				
			1 month	3 months	6 months	9 months	12 months
SYMC	time	2.67x	2.62x	2.63x	2.66x	2.60x	2.43x
Average	**time**	**2.57x**	**2.55x**	**2.50x**	**2.53x**	**2.63x**	**2.70x**

Source : SETSMART

5.4.1 P/E Ratio

As fot the fair value valuation of CSL's ordinary shares by comparing P/E ratios, CSL's net profit for the last 12 months ended 30 June 2017, according to the consolidated financial statements for year ended 31 December 2016 audited by Mr. Chavala Tienpasertkij, auditor number 4301 from Deloitte Touche Tohmatsu Jaiyos Co., Ltd, and the consolidated financial statements for 6 months ended 30 June 2016 and 30 June 2017 audited by Mr. Chavala Tienpasertkij, auditor number 4301 from Deloitte Touche Tohmatsu Jaiyos Co., Ltd, were used in calculation. By multiplying CSL's net profit with P/E ratio of the peer companies. The details of valuation are as follows;

	Unit	As of 2 October 2017	Backward from 2 October 2017				
			1 month	3 months	6 months	9 months	12 months
CSL's net profit for the period ended 30 June 2017	**Million Baht**	**296.82**					
P/E Ratio	Time	22.37x	22.01x	22.51x	23.74x	25.45x	26.53x
Shareholders' equity	**Million Baht**	6,640.69	6,534.15	6,682.34	7,047.03	7,555.00	7,876.08
Divided by Ordinary shares	Share	594,514,769					
Share value	**Baht per share**	**11.17**	**10.99**	**11.24**	**11.85**	**12.71**	**13.25**

By P/E ratio comparison, the fair value of CSL's ordinary shares as of 30 June 2017 is between 6,534.15 - 7,876.08 million Baht, or 10.99 - 13.25 Baht per share.

However, according to the fair valuation of CSL's ordinary shares calculated by P/E ratio comparison, the peer companies are different from each other in terms of, for example, source of income, financial structure, accounting policy etc. In addition, the P/E ratio comparison approach is only a comparison between price and net profit which reflects the surplus from investor's perception on net profit of the peer companies. Moreover, by multiplying P/E ratio with CSL's net profit for 6 month ended 30 June 2017 without taking into account of CSL's performance and future growth, the result cannot reflect CSL's profitability in the future. the Advisor, therefore, has an opinion that the P/E ratio comparison approach is appropriate for comparison only.

5.4.2 P/BV Ratios

As fot the fair value valuation of CSL's ordinary shares by comparing P/BV ratios, CSL's book value as of 30 June 2017, according to the consolidated financial statements for 6 months ended 31 December 2017 audited by Mr. Chavala Tienpasertkij, auditor number 4301 from Deloitte Touche Tohmatsu Jaiyos Co., Ltd, were

used in calculation. By multiplying CSL's book value with P/BV ratio of the peer companies. The details of valuation are as follows;

	Unit	As of 2 October 2017	Backward from 2 October 2017				
			1 month	3 months	6 months	9 months	12 months
CSL's book value as at 30 June 2017	**Million Baht**	**736.53**					
P/BV Ratio	Time	2.57x	2.55x	2.50x	2.53x	2.63x	2.70x
Shareholders' equity	**Million Baht**	1,891.83	1,877.65	1,838.84	1,864.37	1,935.84	1,990.59
Divided by Ordinary shares	Share	594,514,769					
Share value	**Baht per share**	3.18	3.16	3.09	3.14	3.26	3.35

By P/BV ratio comparison, the fair value of CSL's ordinary shares as of 30 June 2017 is between 1,838.84 - 1,990.59 million Baht, or 3.09 - 3.35 Baht per share.

However, according to the fair valuation of CSL's ordinary shares calculated by P/BV ratio comparison, the peer companies are different from each other in terms of, for example, source of income, financial structure, accounting policy etc.

In addition, the P/E ratio comparison approach is only a comparison between price and net profit which reflects the surplus from investor's perception on book value of the peer companies. Moreover, by multiplying P/BV ratio with CSL's book value as of 30 June 2017 without taking into account of CSL's performance and future growth, the result cannot reflect CSL's profitability in the future. the Advisor, therefore, has an opinion that the P/BV ratio comparison approach is appropriate for comparison only.

5.5 Discounted Cash Flow Approach

By using discounted cash flow approach, the fair value of CSL's ordinary share can be evaluated from its capability to generate future cash flow. In order to evaluate the net current value of CSL's ordinary share, expected free cash flow to firm of CSL, from a financial projection, will be discounted with weighted average cost of capital (WACC) of the company. the Advisor has prepared the financial forecast of CSL for 2017 – 2021 or for the next 5 years, based on going concern basis and there is no significant change during the period, and under the current economic and investment condition, which the Advisor opined that the projection period, under the assumptions, is appropriate and adequate to cover a business cycle of CSL which operated technology related business which has rapid change. Based on the consolidated financial statement of CSL for year ended 2014 – 2016 audited by Mr. Chavala Tienpasertkij Auditor No. 4301 from Deloitte Touche Tohmatsu Jaiyos Co., Ltd, and the consolidated financial statements for 6 months ended 30 June 2017 audited by Mr. Chavala Tienpasertkij, Auditor No. 4301 from Deloitte Touche Tohmatsu Jaiyos Co., Ltd, in addition with an operating forecast surmised from industrial growth, investment plan, operating plan, industry outlook, CSL's management interview and related documents. The details of valuation are as follows;

Assumptions on Revenue Projection

1. Service Revenue generated by 1) ICT services (composed of, internet service, IDC service, ICT solutions, Uplink-Downlink service), 2) YellowPages business and 3) Voice info and mobile content. Details of the forecast are as follows;

1) Revenue from ICT Service

1.1 Internet Service Revenue consists of revenue from, leased line internet, dial-up internet, and broadband internet, with the following details;

1.1.1. Revenue from Leased Line Internet

- **Subscriber Growth Rate** the Advisor estimated that the subscriber growth rate of CSL's leased line internet service, which focusing on corporate customers, is equal to 2.63 percent per annum throughout the projection period. The estimation is based on historical subscriber growth rate of CSL for the past 2 years which was 2.63 percent per annum with an exclusion of the growth of CSL's leased line internet subscriber during 2014, because during that year CSL had a sharp growth rate of leased line internet subscriber due to its small customer base in 2013. Moreover, current competition in the business is very challenging, hence the company cannot expect to have such growth rate like in 2014. The subscriber growth rate estimation of the Advisor also consistents with CSL's management's estimation expecting that the number of subscribers should grow 2-3 percent annually.
- **Average Revenue per Unit (ARPU) per Subscriber** the Advisor estimated ARPU per subscriber of CSL's leased line internet to be declined by (3.74) percent per annum throughout the projection period, which the Advisor did not use 3-year historical average declining rate of ARPU per subscriber which was (4.68) percent per annum as a reference, since ARPU per subscriber of CSL has been in a declining trend continuously. Therefore, the rate is more proper than average 3-year historical average declining of CSL's ARPU per subscriber.

Table 5.1 Summary of Assumptions on Revenue from Leased Line Internet

Assumption	Unit	2014	2015	2016	2017F	2018F	2019F	2020F	2021F
Subscribers at the beginning of the year (1)	user	4,905	5,498	5,740	5,789	5,941	6,097	6,257	6,422
Increase	user	593	242	49	152	156	160	164	169
Subscribers at the end of the year (2)	user	5,498	5,740	5,789	5,941	6,097	6,257	6,422	6,591
Growth rate	*%*	*12.09*	*4.40*	*0.85*	*2.63*	*2.63*	*2.63*	*2.63*	*2.63*
Average subscribers [(1) and (2)]	user	**5,202**	**5,619**	**5,765**	**5,865**	**6,019**	**6,177**	**6,340**	**6,506**
ARPU per subscriber	**Baht**	**21,847.72**	**20,737.89**	**19,962.73**	**19,216.54**	**18,498.24**	**17,806.79**	**17,141.19**	**16,500.47**
Decline rate	*%*	*(5.22)*	*(5.08)*	*(3.74)*	*(3.74)*	*(3.74)*	*(3.74)*	*(3.74)*	*(3.74)*
Revenue from leased line internet	**Million Baht**	**1,363.69**	**1,398.31**	**1,380.90**	**1,352.47**	**1,336.13**	**1,319.98**	**1,304.03**	**1,288.27**
Increase (Decrease)	*%*	*4.74*	*2.54*	*(1.25)*	*(2.06)*	*(1.21)*	*(1.21)*	*(1.21)*	*(1.21)*

1.1.2. Revenue from dial-up internet

- the Advisor estimated revenue from dial-up internet to be dropped by (7.35) percent per annum throughout the projection period. The estimation relied on the decrease in revenue from dial-up internet during 2016 which was (7.35) percent per annum, which is lower than 3-year average rate of change in dial-up internet revenue which was 2.20 percen per annum. The decline in revenue caused from the change in technology and ICT industry which current users, mostly home residents, are less likely to use dial-up internet whereas broadband internet has become more widespread (according to the telecommunication industial index of Thailand by NBTC). The assumption consistents with the management's estimation that revenue from this business is in declining trend.

Table 5.2 Summary of Assumptions on Revenue from Dial-up Internet

Assumption	Unit	2014	2015	2016	2017F	2018F	2019F	2020F	2021F
Revenue from dial-up internet	**Million Baht**	**16.91**	**21.28**	**19.71**	**18.26**	**16.92**	**15.68**	**14.53**	**13.46**
Growth (Decline) rate	*%*	*(11.86)*	*(25.81)*	*(7.35)*	*(7.35)*	*(7.35)*	*(7.35)*	*(7.35)*	*(7.35)*

1.1.3. Revenue from broadband internet

- **Subscriber Growth Rate** the Advisor estimated the number of CSL's broadband internet subscribers, mostly condominium residents, for each year based on the management's estimation that in the next 5 years, CSL's broadband internet subscribers will reach approximately 100,000 users, or 1.33 percent of broadband subscibers in Thailand, as of 26 October 2017 which is equal to 7,542,002 subscribers (according to NBTC's databse). the Advisor has considered CSL's historical growth of broadband internet subscribers along with broadband internet business which the number of subscribers to be

increase to 8.45 million subcscribers in 2019 (according to telecommunication industrial index by NBTC). and concluded that the assumption is reasonable and possible.

Table 5.3 Summary of Assumptionss on Subscriber Growth Rate of Broadband Internet

Assumption	Unit	2014	2015	2016	2017F	2018F	2019F	2020F	2021F
Subscribers at the beginning of the year	User	1,996	1,338	4,527	10,620	20,000	30,000	50,000	75,000
Increase (Decrease)	User	(658)	3,189	6,093	9,380	10,000	20,000	25,000	25,000
Subscribers at the end of the year	User	1,338	4,527	10,620	20,000	30,000	50,000	75,000	100,000
Growth rate	*%*	*(32.97)*	*238.34*	*134.59*	*88.32*	*50.00*	*66.67*	*50.00*	*33.33*
Average subscribers	User	**1,667**	**2,933**	**7,574**	**15,310**	**25,000**	**40,000**	**62,500**	**87,500**

- **Average Revenue per Unit (ARPU) per Subscriber** the Advisor estimate ARPU per subscriber of CSL's broadband internet to be declined by (12.20) percent per annum throughout the projection period, based on the decline in 3-year average ARPU per subscriber of CSL's broadband internet during 2014-2016 which is (12.20) percent per annum.

Table 5.4 Summary of Assumptions on Revenue from Broadband Internet

Assumption	Unit	2014	2015	2016	2017F	2018F	2019F	2020F	2021F
Average subscribers	User	1,667	2,933	7,574	15,310	25,000	40,000	62,500	87,500
ARPU per subscriber (monthly)	Baht	2,305.92	1,005.18	652.05	572.49	502.64	441.31	387.46	340.18
Revenue from Broadband Internet	**Million Baht**	**46.13**	**35.37**	**59.26**	**105.18**	**150.79**	**211.83**	**290.60**	**357.19**

Table 5.5 Summary of Assumptions on Revenue from Internet Service

Assumption	Unit	2014	2015	2016	2017F	2018F	2019F	2020F	2021F
Leased line internet revenue	Million Baht	1,363.69	1,398.31	1,380.90	1,352.47	1,336.13	1,319.98	1,304.03	1,288.27
Dial-up internet revenue	Million Baht	16.91	21.28	19.71	18.26	16.92	15.68	14.53	13.46
Broadband internet revenue	Million Baht	46.13	35.37	59.26	105.18	150.79	211.83	290.60	357.19
Internet service revenue	**Million Baht**	**1,426.73**	**1,454.96**	**1,459.88**	**1,475.92**	**1,503.84**	**1,547.49**	**1,609.15**	**1,658.92**

1.2 Revenue from Data Center Service

- **Rack Server Growth Rate** the Advisor estimated rack server growth rate to be 6.18 percent per annum throughout the projection period, based on the growth of rack server in 2016 which was 6.18 percent per annum. The growth rates of rack server in 2014 and 2015 were excluded from the calculation

because during the past 3 years, CSL's rack server growth rate has increased in diminishing rate from the growth in customer base compared to previous years and higher competition in the business which cause CSL to be able to expand its customer rate in declining rate. Therefore, the rack server growth rate of 2016 was used in the projection.

- **Monthly Average Revenue per Rack Server** the Advisor estimated the growth of monthly average revenue per rack server to be 0.37 percent per annum throughout the projection period, based on the 3-year average growth of revenue per rack server which was 0.37 percent per annum.

Table 5.6 Summary of Assumptions on Revenue from Data Center Service

Assumption	Unit	2014	2015	2016	2017F	2018F	2019F	2020F	2021F
No. of occupied rack servers at the beginning of the year	servers	364	434	502	533	566	601	638	677
Increase (Decrease)	servers	70	68	31	33	35	37	39	42
No. of occupied rack servers at the end of the year	servers	434	502	533	566	601	638	677	719
Growth rate	*%*	*19.23*	*15.67*	*6.18*	*6.18*	*6.18*	*6.18*	*6.18*	*6.18*
Average No. of occupied rack servers	**servers**	**399**	**468**	**518**	**549**	**583**	**619**	**658**	**698**
Monthly average revenue per rack server	**Baht**	**47,205.27**	**46,687.38**	**46,766.66**	**46,941.78**	**47,117.55**	**47,293.98**	**47,471.07**	**47,648.83**
Growth (Decline) rate	*%*	*2.05*	*(1.10)*	*0.17*	*0.37*	*0.37*	*0.37*	*0.37*	*0.37*
Revenue from Data Center Service	**Million Baht**	**226.02**	**262.20**	**290.42**	**309.51**	**329.85**	**351.53**	**374.64**	**399.27**

1.3 Revenue from ICT Solution Service Revenue the Advisor estimated revenue from ICT solutions to be decreased in consistent with revenue from leased line internet throughout the projection period. The estimatation was based on information from the management interview which indicated that revenue from ICT solutions will change in the same way with revenue from leased line internet, because cusomters of ICT solutions are corporate customers of leased line internet of CSL. Moreover, during 2015-2016, CSL reported a declining trend of ICT solution revenue for the part 3 years.

Table 5.7 Summary of Assumptions on Revenue from ICT Solution Service

Assumption	Unit	2014	2015	2016	2017F	2018F	2019F	2020F	2021F
ICT solution service revenue	**Million Baht**	**536.31**	**525.30**	**510.47**	**499.96**	**493.91**	**487.95**	**482.05**	**476.22**
Growth (Decline) rate	*%*	*16.81*	*(2.05)*	*(2.82)*	*(2.06)*	*(1.21)*	*(1.21)*	*(1.21)*	*(1.21)*

1.4 Revenue from Uplink-Downlink Service Revenue the Advisor estimated revenue from uplink-downlink service from the management's forecast. The revenue will be generated until 2018 and stopped from 2019 onward due to the end of service agreement between CSL and THCOM which there is no extention because THCOM will outsourced its subsidiary, which capable for the business, instead of CSL.

Table 5.8 Summary of Assumptions on Revenue from Uplink-Downlink Service

Assumption	Unit	2014	2015	2016	2017F	2018F	2019F	2020F	2021F
Revenue from Uplink-Downlink Service	**Million Baht**	**32.98**	**31.43**	**25.38**	**8.68**	**6.51**	**-**	**-**	**-**
Growth (Decline) rate	*%*	*24.32*	*(4.71)*	*(19.25)*	*(65.82)*	*(25.00)*	-	-	-

Hence, revenue from ICT business can be summarized as follows;

Table 5.9 Summary of Revenue from ICT Business

Assumption	Unit	2014	2015	2016	2017F	2018F	2019F	2020F	2021F
1.1 Revenue from internet	Million Baht	1,426.73	1,454.96	1,459.88	1,475.92	1,503.84	1,547.49	1,609.15	1,658.92
1.2 Revenue from data center	Million Baht	226.02	262.20	290.42	309.51	329.85	351.53	374.64	399.27
1.3 Revenue from ICT solutions	Million Baht	536.31	525.30	510.47	499.96	493.91	487.95	482.05	476.22
1.4 Revenue from uplink-downlink service	Million Baht	32.98	31.43	25.38	8.68	6.51	-	-	-
Revenue from ICT business	**Million Baht**	**2,222.05**	**2,273.89**	**2,286.14**	**2,294.06**	**2,334.12**	**2,386.97**	**2,465.84**	**2,534.41**

2) Revenue from YellowPages Business Revenue) the Advisor estimated revenue from YellowPages business to be decreased by (13.95) percent per annum throught out the projection period, based on the average declining rate of YellowPages' business for the past 3 years which is (13.95) percent per annum.

Table 5.10 Summary of Assumptions on Revenue from YellowPages Business

Assumption	Unit	2014	2015	2016	2017F	2018F	2019F	2020F	2021F
Revenue from YellowPages Business	**Million Baht**	**289.34**	**237.00**	**210.95**	**181.51**	**156.18**	**134.39**	**115.64**	**99.50**
Declining rate	*%*	*(12.78)*	*(18.09)*	*(10.99)*	*(13.95)*	*(13.95)*	*(13.95)*	*(13.95)*	*(13.95)*

3) Revenue from Voice Info and Mobile Content Business The revenue composed of 1900 audiotex service, call center outsourcing service (CCO), ring tone and graphic, and mobile horoscope, game and SMS (See more details of each services in the Attachment 3: Summary Information of CS Loxinfo Public Company Limited). The details are as follows;

1.6.1. Revenue from 1900 audiotex and CCO the Advisor estimated the revenue to increase 6.78 percent per annum throughout the projection period, based on 3-year average growth which is 6.78 percent pear annum.

1.6.2. Revenue from mobile ring tone and graphic the Advisor estimated the revenue to increase 3.04 percent per annum throughout the projection period, based on average inflation rate of Thailand for the past 25 years which is 3.04 percent per year, to be consistent with CSL's management forecasting the revenue to be relatively stable.

1.6.3. Revenue from mobile horoscope, game and SMS the Advisor estimated the revenue in 2017 to decrease (31.82) percent per annum based on 3-year average decline which is (31.82) percent pear annum. As for the revenue in years onward, the Advisor estimated the revenue to be the sameas the revenue in 2017 throughout the projection period, to be consistent with the declining trend of the revenue for the past 3 year. the Advisor has adjusted the forecast of CSL's management expecting the revenue to be relatively stable compared to the revenue in 2016 which was 152.81 million Baht.

Table 5.11 Summary of Revenue from Voice Info and Mobile Content Business

Assumption	Unit	2014	2015	2016	2017F	2018F	2019F	2020F	2021F
Revenue from 1900 audiotex and CCO	Million Baht	140.03	138.86	156.97	167.61	178.97	191.10	204.06	217.89
Declining rate	*%*	*8.13*	*(0.84)*	*13.04*	*6.78*	*6.78*	*6.78*	*6.78*	*6.78*
Revenue from mobile ring tone and graphic	Million Baht	16.87	48.42	83.20	85.73	88.34	91.02	93.79	96.64
Declining rate	*%*	*24.46*	*187.10*	*71.83*	*3.04*	*3.04*	*3.04*	*3.04*	*3.04*
Revenue from mobile horoscope, game and SMS	Million Baht	345.15	236.03	152.81	104.18	104.18	104.18	104.18	104.18
Declining rate	*%*	(28.60)	(31.61)	(35.26)	(31.82)	-	-	-	-
Revenue from Voice Info and Mobile Content Business	**Million Baht**	**502.05**	**423.32**	**392.99**	**357.52**	**371.49**	**386.31**	**402.03**	**418.71**

2. Other Revenue the Advisor estimated other revenue of CSL to be 1.01 percent of revenue from rendering services throughout the projection period, based on the average proportion of other revenue to service revenue for the past 3 years which is equal to 1.01 percent of revenue from services. After considering other revenue for the past 3 years, the Advisor found that the proportion of other revenue to service revenue of CSL is relatively stable, ranging between 0.96 – 1.04 percent of revenue from services during 2014-2016.

The revenue forecast can be summarized as follows;

Table 5.12 Summary of Assumptions on Revenues

Assumption	Unit	2014	2015	2016	2017F	2018F	2019F	2020F	2021F
Revenue from services									
1. Revenue from ICT business	Million Baht	2,222.05	2,273.89	2,286.14	2,294.06	2,334.12	2,386.97	2,465.84	2,534.41
2. Revenue from YellowPages	Million Baht	289.34	237.00	210.95	181.51	156.18	134.39	115.64	99.50
3. Revemie from voice info and mobile content	Million Baht	502.05	423.32	392.99	357.52	371.49	386.31	402.03	418.71
Revenue from services	**Million Baht**	**3,013.44**	**2,934.21**	**2,890.08**	**2,833.10**	**2,861.79**	**2,907.67**	**2,983.51**	**3,052.63**
Other revenue	Million Baht	31.47	29.63	27.78	28.48	28.76	29.22	29.99	30.68
Total revenue	**Million Baht**	**3,044.91**	**2,963.84**	**2,917.86**	**2,861.57**	**2,890.56**	**2,936.89**	**3,013.50**	**3,083.31**

Assumptions on Cost Projection

1. **Cost of ICT Business** consist of the cost of internet service, data center service, ICT solution service, and uplink-downlink service. the Advisor estimated the cost of ICT business to be 62.30 percent of revenue from ICT business throughout the projection period. The estimation is based on the proportion of ICT business cost to ICT business revenue in 2016 amounting to 62.30 percent which is lower than 3-year average proportion of ICT business cost to ICT business revenue, which was 64.16 percent. the Advisor found that the proportion of ICT business cost to ICT business revenue is presenting a declining trend for the past 3 years consecutively.

Table 5.13 Summary of Assumptions on Cost of ICT Business

Assumption	Unit	2014	2015	2016	2017F	2018F	2019F	2020F	2021F
Cost of ICT business	Million Baht	1,462.00	1,464.00	1,424.33	1,429.26	1,454.22	1,487.15	1,536.29	1,579.01
Revenue from ICT business	Million Baht	2,222.05	2,273.89	2,286.14	2,294.06	2,334.12	2,386.97	2,465.84	2,534.41
Cost to revenue proportion	*%*	*65.80*	*64.38*	*62.30*	*62.30*	*62.30*	*62.30*	*62.30*	*62.30*

2. **Cost of YellowPages Business** the Advisor estimated the cost of YellowPages business to be 36.99 percent of revenue from YellowPages throughout the projection period, based on average proportion of cost to revenue of YellowPages business from 2014 - 2016 which was 36.99 percent of revenue from YellowPages.

Table 5.14 Summary of Assumptions on Cost of YellowPages Business

Assumption	Unit	2014	2015	2016	2017F	2018F	2019F	2020F	2021F
Cost of services	Million Baht	107.00	86.58	79.03	67.15	57.78	49.71	42.78	36.81
Revenue from YellowPages business	Million Baht	289.34	237.00	210.95	181.51	156.18	134.39	115.64	99.50
Cost to revenue proportion	*%*	*36.98*	*36.53*	*37.47*	*36.99*	*36.99*	*36.99*	*36.99*	*36.99*

3. Cost of Voice Info and Mobile Content Business the Advisor estimated cost of voice info and mobile content business tobe 61.68 percent of revenue from voice info and mobile content business throughout the projection period, base on 3-year average proportion of the cost to the revenue from voice info and mobile content business from 2014-2016 which is 61.68 percent of revenue from voice info and mobile content business.

Table 5.15 Summry of Assumptions on Cost of Voice & Mobile Content Business

Assumption	Unit	2014	2015	2016	2017F	2018F	2019F	2020F	2021F
Cost of services	Million Baht	231.67	272.60	292.80	220.53	229.15	238.29	247.98	258.28
Revenue from voice info and mobile content business	Million Baht	502.05	423.32	392.99	357.52	371.49	386.31	402.03	418.71
Cost to revenue proportion	*%*	*46.14*	*64.40*	*74.51*	*61.68*	*61.68*	*61.68*	*61.68*	*61.68*

The cost of services can be summarized as follows;

Table 5.16 Summary of Assumptions on Cost of Services

Assumption	Unit	2014	2015	2016	2017F	2018F	2019F	2020F	2021F
Cost of ICT business	Million Baht	1,462.00	1,464.00	1,424.33	1,429.26	1,454.22	1,487.15	1,536.29	1,579.01
Cost of YellowPages business	Million Baht	107.00	86.58	79.03	67.15	57.78	49.71	42.78	36.81
Cost of YellowPages voice info and mobile content business	Million Baht	231.67	272.60	292.80	220.53	229.15	238.29	247.98	258.28
Total costs of sales and services	**Million Baht**	**1,800.67**	**1,823.19**	**1,796.17**	**1,716.94**	**1,741.14**	**1,775.15**	**1,827.05**	**1,874.09**
Revenue from services	Million Baht	3,013.44	2,934.21	2,890.08	2,833.10	2,861.79	2,907.67	2,983.51	3,052.63
Cost to revenue proportion	*%*	*59.75*	*62.14*	*62.15*	*60.60*	*60.84*	*61.05*	*61.24*	*61.39*

Assumptions on Expense Projection

1. Selling Expense consists of commission expense and marketing expense. the Advisor estimated commission expense to be 3.06 percent of revenue from services throughout the projection period, based on the proportion of 3-year average commission expense to revenue from services from 2014-2016 which was 3.06 percent of revenue from services. The marketing cost is expected to be 1.37 of revenue from services throughout the projection period, based on the proportion of 3-year average marketing expense to revenue from services from 2014-2016 which was 1.37 of revenue from services.

Table 5.17 Summary of Assumptions on Selling Expense

Assumption	Unit	2014	2015	2016	2017F	2018F	2019F	2020F	2021F
Comission expense	Million Baht	91.02	91.88	87.57	86.71	87.59	88.99	91.31	93.43
Proportion to service revenue	*%*	*3.02*	*3.13*	*3.03*	*3.06*	*3.06*	*3.06*	*3.06*	*3.06*
Marketing expense	Million Baht	48.51	38.75	34.16	38.83	39.23	39.86	40.90	41.84
Proportion to service revenue	*%*	*1.61*	*1.32*	*1.18*	*1.37*	*1.37*	*1.37*	*1.37*	*1.37*
Selling expense	**Million Baht**	**139.53**	**130.63**	**121.73**	**125.54**	**126.82**	**128.85**	**132.21**	**135.27**

2. Administrative Expense consists of employee benefit obligations, depreciation and amortization, and other administrative expenses with the details as follows;

2.1 **Staff Expense** consists of salary, benefits and other remunerations paid to back-office employees of CSL group. the Advisor estimated staff expense to grow 5.00 percent per annum throughout the projection period, based on CSL's management interview regarding the employee remuneration policy.

2.2 **Executive Benefits Expenses** the Advisor estimated that executive benefits expense to be 0.94 percent of revenue from services throughout the projection period, based on 3-year average proportion of executive benefits expense to revenue from services for 2014-2016 which was 0.94 of revenue from services.

2.3 **Depreciation Expense)** the Advisor estimated depreciation expense of CSL's current assets based on CSL's accounting policy.

2.4 **Other Administrative Expenses** consists of office rental expense, travel expense of employees and the management, advisory fees, and other expenses related to administration. the Advisor estimated other administrative expenses to grow 3.04 percent per anuum throughout the projection period, based on Thailand's inflation rate for the past 25 years.

Administrative expenses can be summarized as follows;

Table 5.18 Summary of Assumptions on Administrative Expenses

Assumption	Unit	2014	2015	2016	2017F	2018F	2019F	2020F	2021F
Staff expense	Million Baht	405.80	420.21	432.64	454.27	476.98	500.83	525.88	552.17
Executive benefit expenses	Million Baht	27.22	29.22	26.95	26.74	27.01	27.44	28.16	28.81
Depreciations	Million Baht	22.62	20.65	16.65	18.23	19.65	21.07	22.49	23.90
Other administrative expenses	Million Baht	131.74	120.65	120.19	123.85	127.61	131.49	135.49	139.61
Impaired investment on TMC	Million Baht	550.01	-	-	-	-	-	-	-
Administrative expenses	**Million Baht**	**1,137.39**	**590.73**	**596.43**	**623.09**	**651.25**	**680.83**	**712.01**	**744.49**

Assumptions on expenses can be summarized as follows;

Table 5.19 Summary of Assumptions on Expenses

Assumption	Unit	2014	2015	2016	2017F	2018F	2019F	2020F	2021F
Selling expenses	Million Baht	139.53	130.63	121.73	125.54	126.82	128.85	132.21	135.27
Administrative expenses	Million Baht	1,137.39	590.73	596.43	623.09	651.25	680.83	712.01	744.49
Total expenses	**Million Baht**	**1,276.92**	**721.36**	**718.16**	**748.63**	**778.07**	**809.68**	**844.22**	**879.76**

Other Assumptions

(1) **Tax Expense** the Advisor estimated corporate income tax rate to be 20 percent throughout the projection period according to current corporate income tax rate.

(2) **Working Capital** the Advisor estimated each type of working capital according to the consolidated financial statements of CSL for 2014-2016 audited by by Mr. Chavala Tienpasertkij Auditor Number 4301 of Deloitte Touche Tohmatsu Jaiyos Co., Ltd. the Advisor estimated average collection period to be 48 days and average payable conversion period to be 56 days, while average inventory conversion period is expected to be 7 days. The estimation is based on average collection period, average collection period and average inventory conversion period of the last 3 years from 2014-2016.

(3) **Capital Expenditure** the Advisor assumed CSL to invest in fixed assets and intangible assets in the amount of 180.00 million Baht and 20.00 million Baht each year respectively. The assumption is based on the forecast of CSL's management and teams regarding the fixed and intangible asset investment policy of CSL.

(4) **Loans and Borrowing** the Advisor estimated interest expense and repayment of loans and borrowing based on information from all current loan agreements of CSL and from the forecast of CSL's management.

(5) **Dividend payout** the Advisor estimated CSL to pay dividend in the amount of 0.42 Baht per share annually throughout the projection period, based on average dividend payout of CSL during the last 3 years from 2014-2016.

Assumptions on Discount Rate

The discount rate used in net present value calculation is weighted average cost of capital (WACC) which is calculated by using the following formula.

$$\textbf{WACC} = (D/(D+E))^* K_d^* (1-T) + (E/(D+E)) ^*K_e$$

Where,

WACC	=	Weighted average cost of capital
D	=	Interest bearing debt according to CSL's financial statements as of 30 June 17
E	=	CSL's shareholders equity as of 30 June 17
K_d	=	Cost of long term debt of CSL as of 30 June 17 which is 4.25 percent
T	=	Corporate income tax rate which is 20.0 percent
K_e	=	Cost of equity calculated from CAPM which is 9.98 percent. The calculation of K_e is as follows;

$$K_e = R_f + \beta(R_m - R_f)$$

Where,

K_e	=	Cost of equity
Risk Free Rate (R_f)	=	The rate of return from risk-free investment, based on the interest rate of 25-year government bond which is 3.13 percent (Refered from www.thaibma.or.th, as of 2 October 2017) which the Advisor used the rate since its term is consistent with average 25-year historical rate of return of SET.
R_m	=	Expected market return, based on average market return of SET for the past 25 years from 1993-2017 which is 9.94

percent. The 25 years period can represent stock market investment in different period of time better than short term period. (Reffered from www.set.or.th)

Beta (β) = Beta of the security. It is a variance of daily retrun of listed companies operating internet and ICT services such as leased line internet service, internet center, cloud service etc.. which similar to CSL's businesses. The beta is calculated by comparing the daily return of;

1. Interlink Communication Plc. ("ILINK")
2. Interling Telecom Plc. ("ITEL")
3. Jasmine International Plc. ("JAS")
4. Jasmine Telecom Systems Plc. ("JTS")
5. Internet Thailand Plc. ("INET")
6. True Corporation Plc. ("TRUE")
7. Symphony Communication Plc. ("SYMC")

including CSL, with the market return of SET from the last year, from 3 October 2016 to 2 October 2017 (Source: Bloomberg). Unlevered beta of the 7 companies and CSL are adjusted according to the company's capital structures which has D/E ratio of 0.44 and the Beta value is equal to 1.006 (Source: Bloomberg) to reflect the financial structure and average beta of the business. The details of calculation are as follows;

Company	Levered Beta (β_L)	Debt to Equity Ratio	Unlevered Beta (β_U)
ILINK	1.284	0.478	0.929
ITEL	1.247	1.055	0.676
JAS	0.979	0.795	0.598
JTS	0.936	-	0.936
INET	1.270	0.738	0.799
TRUE	1.603	0.710	1.022
SYMC	1.042	1.638	0.451
CSL	0.729	0.440	0.539
Average Unlevered Beta of CSL			**0.744**

Based on the formula and variables used in the calculation, the cost of equity (K_e) is equal to 9.98 percent per annum.

Substitute the value in the formula to calculate cost of equity.

$$K_e = R_f + \beta(R_m - R_f)$$
$$= 3.13\% + 1.006\ (9.94\% - 3.13\%)$$
$$= 9.98\%$$

Substitute the value in the formula to calculate weighted average cost of capital

$$WACC = (D/(D+E))^* K_d^* (1-T) + (E/(D+E)) ^*K_e$$
$$= 1.04\% + 6.93\%$$
$$= 7.97\%$$

Assumptions on Terminal Value

the Advisor has prepared the financial projection for the next 5 years ended December 2021, with an assumption that CSL do not have new investment after the projection period, according to conservative basis. Morover, in consider of CSL financial statements for the past 3 years, revenue and profit of CSL has been decreased during 2014 – 2016.

Financial Projection

Unit : Million Baht	2014	2015	2016	2017F	2018F	2019F	2020F	2021F
Revenue from services	3,013.44	2,934.21	2,890.08	2,833.10	2,861.79	2,907.67	2,983.51	3,052.63
Other revenue	31.47	29.63	27.78	28.48	28.76	29.22	29.99	30.68
Total revenue	**3,044.91**	**2,963.84**	**2,917.86**	**2,861.57**	**2,890.56**	**2,936.89**	**3,013.50**	**3,083.31**
Cost of sales and services	1,800.67	1,823.19	1,796.17	1,716.94	1,741.14	1,775.15	1,827.05	1,874.09
Selling expenses	139.53	130.63	121.73	125.54	126.82	128.85	132.21	135.27
Administrative expense	1,137.39	590.73	596.43	623.09	651.25	680.83	712.01	744.49
Total expenses	**3,077.58**	**2,544.54**	**2,514.32**	**2,465.57**	**2,519.22**	**2,584.83**	**2,671.26**	**2,753.85**
Profit before interest expense and income tax	**(35.60)**	**416.49**	**400.63**	**396.00**	**371.34**	**352.06**	**342.23**	**329.45**
Interest expense	15.18	21.41	17.81	17.75	15.46	14.45	14.73	15.08
Profit before income tax	**(50.78)**	**395.08**	**382.83**	**378.25**	**355.88**	**337.61**	**327.50**	**314.37**
Income tax expenses	102.07	82.79	79.83	75.65	71.18	67.52	65.50	62.87
Net profit (loss)	**(152.86)**	**312.28**	**303.00**	**302.60**	**284.70**	**270.09**	**262.00**	**251.50**
Net profit after tax				316.80	297.07	281.65	273.78	263.56
+ Depreciation				166.96	183.63	200.30	216.97	233.64
- Capital expenditure				(200.00)	(200.00)	(200.00)	(200.00)	(200.00)
- Working capital				9.11	7.79	8.08	8.65	8.56
- Free cash frlow during the first 6 months of 2017				(41.61)				

Unit : Million Baht	2014	2015	2016	2017F	2018F	2019F	2020F	2021F
Free cash flow of CSL				**251.26**	**288.49**	**290.03**	**299.40**	**305.77**
Terminal Value								3,837.65
Discounted free cash flow (DCF) of CSL				**241.82**	**257.16**	**239.45**	**228.94**	**2,934.53**
Total discounted cash flow of CSL	**3,901.89 million Baht**							

Fair value Valuation of CSL

According to the previous information and assumptions, the fair value of CSL's ordinary shares can be calculated using the discounted cash flow method as follows;

	หน่วย: million Baht
Net present value of free cash flows from the second half of 2017 - 2021	1,183.92
Net present value of terminal value	2,717.97
Cash and cash equivalent as of 30 June 2017	290.26
Total present value of cash flows before financial liabilities	**4,192.15**
Less Financial liabilities as of 30 June 2017	(324.36)
Fair value of CSL	**3,867.80**
Number of ordinary shares	**594,514,769**
Fair value of CSL's ordinary shares (Baht/share)	**6.51**

According to cash flow forecasted using assumptions as previously mentioned and WACC method, the net present value of cash flows is equal to 1,183.92 million Baht and the net present value of terminal value is 2,717.97 million Baht, plus cash and cash equivalents as of 30 June 2017 which was 290.26 million Baht and the net present value before financial liabilities is equal to 4,192.15 million Baht. However, as of 30 June 2017, CSL reported financial liabilities of 324.36 million Baht, thus the fair value of CSL totals 3,867.80 million Baht or 6.51 Baht per share.

5.6 Sensitivity Analysis

The accuracy of the fair value valuation of CLS's ordinary share depends on appropriate and accurate assumptions used in the financial projection, a business plan, and the company's management policy in the future, under current economy and circumstances. Threfore, if there is a circumstance that causes any change in economy, natural environment and government policy, the financial projection which has been prepared under the assumptions might be different significantly, as well as the fair value of CSL's ordinary share which might be affected.

Due to uncertain factors which might affect the fair value valuation of CLS's ordinary share, the Advisor conducted a sensitivity analysis of the fair value valuation to study the effect from uncertain factors. the Advisor then studied and analyzed the effect on the fair value valuation caused by a change in 2 main factorsl CSL's weighted average cost of capital (WACC) and the change in ARPU per subscriber of leased line internet service

which is CSL's primary source of revenue. The conclusion of sensity analysis on the fair value valuation of CSL's ordinary share for each case, using the discounted cash flow method, is as follows;

Table 5.20 Summary of Sensitivity Analysis on the Fair Value Valuation of CSL

(Unit : Million Baht)

Weighted Average Cost of Capital (WACC)	Declining Rate of ARPU per Subscriber of Leased Line Revenue				
	(4.74%)	(4.24%)	(3.74%)	(3.24%)	(2.74%)
WACC – 1.0%	3,198.91	3,318.50	3,440.41	3,564.68	3,691.35
WACC – 0.5%	3,384.26	**3,511.62**	**3,641.47**	**3,773.85**	3,908.79
WACC	3,592.88	**3,729.00**	**3,867.80**	**4,009.31**	4,153.59
WACC + 0.5%	3,829.43	**3,975.51**	**4,124.47**	**4,276.36**	4,431.23
WACC + 1.0%	4,099.94	4,257.41	4,418.01	4,581.79	4,748.79

According to the sensitivity analysis of the fair value valuation of CSL, using weighted average cost of capital (WACC) of CSL and the declining rate of ARPU per scubsriber of leased line service which is CSL's primary source of revenue, **the fair value of CSL ranges between 3,511.62 – 4,276.36 million Baht with base case value of 3,867.80 million Baht.**

Table 5.21 Summary of Sensitivity Analysis on the Fair Value Valuation of CSL's Ordinary shares

(Unit : Baht/share)

Weighted Average Cost of Capital (WACC)	Declining Rate of ARPU per Subscriber of Leased Line Revenue				
	(4.74%)	(4.24%)	(3.74%)	(3.24%)	(2.74%)
WACC – 1.0%	5.38	5.58	5.79	6.00	6.21
WACC – 0.5%	5.69	**5.91**	**6.13**	**6.35**	6.57
WACC	6.04	**6.27**	**6.51**	**6.74**	6.99
WACC + 0.5%	6.44	**6.69**	**6.94**	**7.19**	7.45
WACC + 1.0%	6.90	7.16	7.43	7.71	7.99

According to the sensitivity analysis of the fair value valuation of CSL's ordinary shares, using weighted average cost of capital (WACC) of CSL and the declining rate of ARPU per scubsriber of leased line service which is CSL's primary source of revenue, **the fair value of CSL's ordinary share ranges between 5.91 – 7.19 Baht per share with base case value of 6.51 Baht per share.**

5.7 Conclusion of the Valuation

The fair value valuation of CSL's ordinary shares can be summarized as follows;

	Fair value of CSL (Million Baht)	**Price per share (Baht/share)**
Book value approach	736.53	1.24
Adjusted book value approach	814.82	1.37
Market price approach	3,632.49 – 4,559.93	6.11 - 7.67
Market comparable approach - P/E	6,534.15 - 7,876.08	10.99 – 13.25
Market comparable approach - P/BV	1,838.84 - 1,990.59	3.09 – 3.35
Discounted cash flow approach	3,511.62 – 4,276.36	5.91 – 7.19

In conclusion, the Advisor has an opinion that the fair value of CSL's ordinary share estimated by discounted cash flow approach is appropriate, because discounted cash flow approach takes into account of CSL's future capability to generate cash flows. Whereas adjusted book value approach reflects the market price by adjusting book value of assets, the method does not take CSL's capability and profitability into account, as well as economic and industrial trends in the future. Therefore, the method might not reflect true market price of CSL. The adjusted book value approach might not be an appropriate method to evaluate fair value of CSL's ordinary share. Book value approach, market price approach, market comparable approach use historical data as reference data without taking into consideration of CSL's performance and growth in the future, therefore the approachs might not appropriately reflect the fair value of CSL's ordinary share.

CSL's fair value calculated from the discounted cash flow method ranges between **3,511.62 – 4,276.36 million Baht or 5.91 – 7.19 Baht per share.**

However, the fair value of CSL and its ordinary share depends on historical information received from CSL as previously mentioned. Accuracy of the financial projection depends on accurate and appropriate assumptions applied in the financial projection, which the Advisor has carefully reviewed all assuptions used in the calculation, to comply with professional ethics. Therefore, the Advisor assured that the assumptions are appropriate and possible. However, shareholders may consider the valuation calculated by other valuation approcahs as references.

Part 6 : Summary of the Opinion of Independent Financial Advisor

Please read the Independent Financial Advisor's opinion Part 1 "Executive Summary" of the the Advisor's Opinion

As for consideration to approve/not approve the disposal of CSL's ordinary shares which is the conncected transaction of the Company according to the Notification on Conncected Transaction, shareholders of the Company can use information, rationale, opinions regarding each issues as presented in the the Advisor's Opinion. However, a decision to approve/ not approve the disposal of CSL's ordinary shares depends on the shareholders' discretion.

Silom Advisory Co., Ltd, as the independent financial advisor of the Company, hereby certified that the the Advisor has considered and studied the information with caution and reason in compliance with the professional standards, and has given the opinion based on reasonableness and fair analysis, in concern of benefit of the Company's shareholders.

Best Regards,

.....	.....
(Mr. Pitak Kittiakrastien)	(Mr. Pipah Kittiakrastien)
Managing Director	Supervisor
Silom Advisory Co., Ltd	Silom Advisory Co., Ltd

Attachment 1 : Summary Information of Thaicom Public Company Limited

1. General Information

Company Name	: Thaicom Public Company Limited
Type of Business	: The Company operates 3 major businesses (1) Satellite and Related Services (2) Internet and Media Services and (3) Telephone Services Abroad
Registration Number	: 0107536000897
Address	: 414 Pahoyothin Road, Samsen Nai, Phayathai Bangkok 10400
Registered Capital	: 5,499,884,200 Baht; 1,099,976,840 ordinary shares at par value of 5.00 Baht (as of 22 September 2017)
Paid-up Capital	: 5,480,333,200 Baht; 1,096,066,640 ordinary shares at par value of 5.00 Baht (as of 22 September 2017)

2. Company Background

Thaicom Public Company Limtied ("THCOM") was founded on 7 November 1991 to operate satellite communication services under a contract of communication satellite for domestic services, between the Company and the Ministry of Transport (At the present, the custody of this contract has been transferred to the Ministry of Digital Economy and Society), which the term of contract is 30 years ended in 2021. According to the contract, the Company would launch satellites into orbit and provide satellite communication services which the Company had to pay an operating agreement fee to the Ministry of Digital Economy and Society ("MDES") in percentage of its revnue from satellite communication services or in minimum amount as specified in the agreement. The Company then had to deliver ownership of the satellites and ground station including related equipments to MDES once the construction and installation had been completed.

The Company succeed in launcing and operating 8 satellites in total which are; Thaicom-1, Thaicom-2, Thaicom-3 (Thaicom 1-3 has been decommissioned.) Thaicom-4, Thaicom-5, Thaicom-6, Thaicom-7 and; the latest, Thaicom-8. Moreover, the Company has extended its scope of business into internet providing services, telephone servoces, and satellite dish and receiver distribution in 1997, 2000 and 2007 respectively.

3. Type of Business

THCOM operates 3 businesses through its subsidiaries as follows;

1. Satellite and Related Services: The Company is a satellite service provider and the national communication satellite operator under the agreement of communication satellite for domestic services, between the Company and the Ministry of Digital Economy and Society ("MDES"), which the term of contract is 30 years ended in 2021. The Company succeed in launcing and operating 8 satellites in total which are; Thaicom-1, Thaicom-2, Thaicom-3 (Thaicom 1-3 has been decommissioned.) Thaicom-4, Thaicom-5, Thaicom-6, Thaicom-7 and; the latest, Thaicom-8.

Moreover, the Company have licenses granted by the National Broadcasting and Telecommunication Commission ("NBTC") consist of; Type I Telecommunication License; for a telecommunication business operators

without its own telecommunication network and telecommunication businesses which should be opened for free competition between service providers, Type III Telecommunication License; for satellite network operators and transponders, and Type I Internet Service License; for operators providing mobile satellite internet service without its own telecommunication network (rented from other operators), and providing internet services directly to end users for 5 years.

2. Internet and Media Services: The business consists of satellite receiver set sales business, consultation and installation services for broadband network system integration in Laos and Cambodia, and lastly, internet, computer and telecommunication services which the Company operates via CSL, that serves demand of businesses by offering mixed-media advertisement through print, website, computer, and mobile phone to reach both individuals and businesses. News, information and entertainment are carefully selected to suit customer demand and delivered via mobile content providers and community portal on the internet.

3. Telephone Business Abroad: Operated by THCOM via Shenington Investments Pte Ltd. ("Shen") which is a joint-venture of THCOM. Shen is a holding company investing in telecommunication business abroad and is currently investing in one company; Lao Telecommunications Co., Ltd, which is a joint-venture owned by Laos government and gained a privilage to operate telecommunication business in Laos for 25 years until 2021. Laos government and Shen, moreover, agreed to sign the new joint-venture agreement to extend the concession term for another 25 years from 2022 to 2046, to offer services for landline telephone, mobile phone, public telephone, international telephone and internet.

Revenue structure of the Company according to the consolidated Financial Statement s for 2014, 2015 and 2016 can be categorized as follows;

Revenue	**Operated by**	**Consolidated Financial Statement (Audited) (Unit: Million Baht)**					
		2014		**2015**		**2016**	
Satellite and Related services	THCOM TC Broadcasting IPStar Group	8,783	71.45%	9,258	73.82%	8,414	69.72%
Internet Service and Media	DTV Service Cambodian DTV Network CS Loxinfo	3,230	26.28%	3,272	26.09%	3,185	26.39%
Intercompany elimination		(120)	(0.98%)	(77)	(0.61%)	(83)	(0.69%)
Net rofit (Loss) from exchange rate		72	0.59%	(595)	(4.74%)	152	1.26%
Other Revenue		173	1.41%	489	3.90%	202	1.67%
Share of profit from investment in associated companies		154	1.25%	194	1.55%	198	1.64%
Total revenue		**12,292**	**100%**	**12,541**	**100%**	**12,068**	**100%**

4. Board of Directors

As of 15 September 2017, THCOM has 11 directors as follows;

	Name – Surname	Position
1.	Mr. Paron Israsena Na Ayudhya	Chairman of the Board and Independent Director
2.	Mr. Prasert Bunsumpun	Chairman of the Executive Committee and Independent Director
3.	Mr. Paiboon Panuwattanawong	Chief Executive Officer and Director
4.	Mr. Somprasong Boonyachai	Director
5.	Mr. Kwek Buck Chye	Director
6.	Mr. Virasak Kittivat	Director
7.	Mr. Anek Pana-Apichon	Director
8.	Mr. Hiran Redeesri	Chairman of the Audit Committee and Independent Director
9.	Mrs. Charintorn Vongspootorn	Audit Committee and Independent Director
10.	Mr. Samrieng Mekkriengkrai	Audit Committee and Independent Director
11.	Mr. Patareeya Benjapolchai	Audit Committee and Independent Director

Source : www.set.or.th

5. Shareholder Structure

As of 10 April 2017, THCOM's major shareholders are as follows;

	Name – Surname	No. of shares	Percent
1.	Intouch Holdings Plc.	450,870,934	41.14
2.	State Street Bank Europe Limited	97,292,130	8.88
3.	Thai NVDR Co., Ltd	82,598,693	7.54
4.	Mr. Narit Jia-apha	17,613,000	1.61
5.	Citibank Nominees Singapore Pte Ltd-Lembaga Tabung Haji-Asia Pacific	15,520,000	1.42
6.	Chase Nominees Limited	14,656,900	1.34
7.	Mrs. Jarunee Shinwongworakul	10,349,400	0.94
8.	HSBC (Singapore) Nominees Pte Ltd	9,155,570	0.84
9.	Credit Suisse Ag, Singapore Branch	8,301,500	0.76
10.	KGI Securities Plc.	7,605,100	0.69
11.	Nortrust Nominees Ltd-Cl Ac	6,839,500	0.62
12.	Mr. Kitti Gnam-maharat	5,797,200	0.53

Source: www.set.or.th

6. Financial Statement

6.1 Statement of Financial Position

Statement of Financial Position	Consolidated Financial Statement for year ended/ 6 months ended							
	31 December 2014 (Audited)		31 December 2015 (Audited)		31 December 2016 (Audited)		30 June 2017 (Reviewed)	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Assets								
Current Assets								
Cash and cash equivalents	2,769.15	8.68	3,401.14	10.12	2,683.69	8.17	3,680.68	11.69
Short-term investment	1,736.20	5.44	1,645.15	4.90	3,537.89	10.77	3,120.04	9.91
Trade account receivables and other receivables	1,946.17	6.10	2,417.50	7.20	2,427.97	7.39	2,123.64	6.75
Account receivable – related parties	71.23	0.22	82.40	0.25	124.39	0.38	157.94	0.50
Short-term loans to a joint-venture	291.14	0.91	168.52	0.50	18.19	0.06	-	-
Inventory	236.50	0.74	229.80	0.68	323.88	0.99	166.66	0.53
Other current assets	21.24	0.07	60.60	0.18	11.37	0.03	32.53	0.10
Total current assets	**7,071.63**	**22.18**	**8,005.12**	**23.83**	**9,127.35**	**27.79**	**9,281.05**	**29.49**
Non-current assets								
Long-term loans to related parties	-	-	2,161.86	6.44	2,145.95	6.53	2,034.96	6.47
Investment in associates and joint-ventures	1,082.91	3.40	1,210.35	3.60	1,417.20	4.32	1,410.01	4.48
Property, plant and equipments	8,352.63	26.19	9,031.83	26.89	9,347.16	28.46	9,029.05	28.69
Intangible assets under operating agreement	13,249.34	41.55	11,227.19	33.42	9,204.75	28.03	8,202.06	26.06
Deferred expenditure	44.36	0.14	19.65	0.06	17.65	0.05	16.65	0.05
Intangible assets	966.82	3.03	829.13	2.47	710.77	2.16	670.39	2.13
Deferred tax assets	248.17	0.78	240.04	0.71	310.41	0.95	275.27	0.87
Other non-current assets	871.85	2.73	866.58	2.58	558.53	1.70	557.64	1.77
Total non-current assets	**24,816.09**	**77.82**	**25,586.64**	**76.17**	**23,712.42**	**72.21**	**22,195.07**	**70.51**
Total assets	**31,887.71**	**100.00**	**33,591.76**	**100.00**	**32,839.76**	**100.00**	**31,476.12**	**100.00**

Statement of Financial Position	Consolidated Financial Statement for year ended/ 6 months ended							
	31 December 2014 (Audited)		31 December 2015 (Audited)		31 December 2016 (Audited)		30 June 2017 (Reviewed)	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Liabilities and shareholders' equity								
Current liabilities								
Short-term borrowing from financial institutions	871.10	2.73	1,650.52	4.91	230.00	0.70	230.00	0.73
Trade account payables and other payables	1,060.95	3.33	1,225.86	3.65	1,406.07	4.28	967.35	3.07
Account payable – propoerty and equipment	170.51	0.54	92.46	0.28	11.05	0.03	-	-
Account payable – related parties	0.28	0.00	0.22	0.00	0.05	0.00	0.78	0.00
Current portion of long-term borrowing	639.54	2.01	69.06	0.21	728.87	2.22	694.40	2.21
Advances received from customers	783.38	2.46	733.96	2.18	805.73	2.45	524.84	1.67
Accrued operating agreement fee	285.70	0.90	333.40	0.99	316.22	0.96	792.39	2.52
Corporate income tax payable	53.62	0.17	161.90	0.48	32.84	0.10	37.73	0.12
Other current liabilities	118.38	0.37	112.54	0.34	81.35	0.25	81.17	0.26
Total current liabilities	**3,985.95**	**12.50**	**4,379.93**	**13.04**	**3,612.18**	**11.00**	**3,328.66**	**10.58**
Non-current liabilities								
Account payable – property and long-term equipment	307.95	0.97	250.15	0.74	248.42	0.76	235.62	0.75
Long-term borrowing	9,590.33	30.08	10,030.36	29.86	9,265.99	28.22	8,646.95	27.47
Employee benefit obligations	337.04	1.06	404.26	1.20	429.77	1.31	424.43	1.35
Other non-current liabilities	381.81	1.20	416.28	1.24	362.24	1.10	348.35	1.11
Total non-current liabilities	**10,617.13**	**33.30**	**11,101.05**	**33.05**	**10,306.42**	**31.38**	**9,655.35**	**30.68**
Total liabilities	**14,603.08**	**45.80**	**15,480.98**	**46.09**	**13,918.59**	**42.38**	**12,984.01**	**41.25**
Shareholders' equity								
Registered capital	5,489.09	17.21	5,494.51	16.36	5,499.88	16.75	5,499.88	17.47
Paid-up capital	5,479.69	17.18	5,479.69	16.31	5,479.97	16.69	5,480.33	17.41
Premium on share capital	4,301.99	13.49	4,301.99	12.81	4,305.39	13.11	4,313.93	13.71
Retained earnings								
Appropriated – Legal reserves	544.15	1.71	549.45	1.64	549.99	1.67	549.99	1.75

Statement of Financial Position	Consolidated Financial Statement for year ended/ 6 months ended							
	31 December 2014 (Audited)		31 December 2015 (Audited)		31 December 2016 (Audited)		30 June 2017 (Reviewed)	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Unappropriated	5,469.86	17.15	6,715.45	19.99	7,614.33	23.19	7,322.18	23.26
Other components of equity	1,091.67	3.42	637.24	1.90	559.93	1.71	400.50	1.27
Non-controlling interests	397.27	1.25	426.96	1.27	411.57	1.25	425.18	1.35
Total shareholders' equity	**17,284.63**	**54.20**	**18,110.78**	**53.91**	**18,921.17**	**57.62**	**18,492.11**	**57.40**
Total liabilities and shareholders' equity	**1,894.76**	**100.0**	**33,591.76**	**100.0**	**32,839.76**	**100.0**	**31,476.12**	**100.00**

6.2 Statement of Comprehensive Income

Statement of Comprehensive Income	Consolidated Financial Statement for year ended/ 6 months ended									
	31 December 2014 (Audited)		31 December 2015 (Audited)		31 December 2016 (Audited)		30 June 2016 (Reviewed)		30 June 2017 (Reviewed)	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Revenue										
Revenue from sales and services	11,893.03	96.62	12,453.09	96.22	11,516.63	97.02	6,111.69	96.70	5,017.25	92.57
Revenue from constructions under operating agreements	172.27	1.40	0.54	0.00	0.11	0.00	-	-	0.19	0.00
Profit from foreing exchange – net	71.87	0.58	-	-	152.11	1.28	118.87	1.88	116.04	2.14
Other revenue	172.65	1.40	489.11	3.78	202.03	1.70	89.75	1.42	286.67	5.29
Total revenue	**12,309.82**	**100.00**	**12,942.74**	**100.00**	**11,870.87**	**100.00**	**6,320.31**	**100.00**	**5,420.15**	**100.00**
Costs										
Cost of sales and services	(6,055.78)	(49.19)	(6,287.17)	(48.58)	(6,296.85)	(53.04)	(2,994.62)	(49.97)	(3,113.43)	(57.44)
Cost of constructions under operating agreements	(172.27)	(1.40)	(0.54)	(0.00)	(0.11)	(0.00)	-	-	(0.19)	(0.00)
Cost of license extention	(985.26)	(8.00)	(1,066.62)	(8.24)	(1,057.05)	(8.90)	(533.27)	(8.44)	(514.67)	(9.50)
Selling expenses	(376.28)	(3.06)	(338.45)	(2.61)	(316.74)	(2.67)	(157.81)	(2.50)	(119.86)	(2.21)
Adminstrative expenses	(1,825.06)	(14.83)	(1,676.99)	(12.96)	(1,793.27)	(15.11)	(857.71)	(13.57)	(353.74)	(14.84)
Loss from impaired goodwill	(550.01)	(4.47)	-	-	-	-	-	-	-	-

Statement of Comprehensive Income	Consolidated Financial Statement for year ended/ 6 months ended									
	31 December 2014 (Audited)		31 December 2015 (Audited)		31 December 2016 (Audited)		30 June 2016 (Reviewed)		30 June 2017 (Reviewed)	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Directors and management remuneration	(102.63)	(0.83)	(102.59)	(0.79)	(115.67)	(0.97)	(38.60)	(0.61)	(45.12)	(0.83)
Loss from foreing exchange – net	-	-	(595.02)	(4.60)	-	-	-	-	-	-
Financial costs	(384.48)	(3.12)	(306.04)	(2.36)	(358.78)	(3.02)	(142.32)	(2.25)	(209.33)	(3.86)
Total expenses	**(10,451.77)**	**(84.90)**	**(10,373.44)**	**(80.14)**	**(9,938.47)**	**(83.71)**	**(4,724.33)**	**(74.75)**	**(4,807.20)**	**(88.69)**
Share of profit of investment in a joint-venture	154.06	1.25	193.66	1.49	198.47	1.67	103.35	1.64	91.08	1.68
Profit (loss) befor corporate income tax	**2,012.10**	**16.35**	**2,762.96**	**21.35**	**2,130.87**	**17.95**	**1,699.32**	**26.89**	**704.03**	**12.99**
Corporate income tax	(498.08)	(4.05)	(458.28)	(3.54)	(347.61)	(2.93)	(313.08)	(4.95)	(139.60)	(2.58)
Net profit (loss)	**1,514.03**	**12.30**	**2,304.68**	**17.81**	**1,783.26**	**13.78**	**1,386.24**	**21.93**	**564.42**	**10.41**

6.3 Statement of Cash Flow

Statement of cash flow	Consolidated Financial Statement for year ended/ 6 months ended				
	31 December 2014 (Audited)	31 December 2015 (Audited)	31 December 2016 (Audited)	30 June 2016 (Reviewed)	30 June 2017 (Reviewed)
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Cash flows from operating activities					
Profit for the period	1,514.03	2,304.68	1,783.26	1,386.24	564.42
Adjustments for					
Depreciation	465.75	618.76	773.28	297.50	456.82
Amortization of intangible assets	1,967.01	2,022.70	2,002.54	1,005.79	1,002.88
Amortization of deferred charges	10.51	25.04	2.00	0.99	1.00
Amortization of intangible assets	129.05	135.55	127.04	63.93	62.05
(Reverted) Loss from impaired assets	59.77	(42.20)	23.29	-	-
Loss from impaired goodwill	550.01	-	-	-	-
Investment income	(72.92)	(413.55)	(130.34)	(57.48)	(79.63)
Share-based payment	6.87	7.94	7.96	3.04	4.93

Statement of cash flow	Consolidated Financial Statement for year ended/ 6 months ended				
	31 December 2014 (Audited)	31 December 2015 (Audited)	31 December 2016 (Audited)	30 June 2016 (Reviewed)	30 June 2017 (Reviewed)
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Financial cost	384.48	306.04	358.78	142.32	209.33
(Profit) Loss on exchange rate	(28.36)	269.76	(125.46)	(117.24)	(205.26)
Amortization of borrowing costs	2.36	1.07	1.07	0.53	0.53
Bad and doubtful debts expense	17.75	61.69	138.11	78.17	16.59
(Reverted) Allowance for decline-in-value- inventory	31.05	(49.96)	15.75	4.12	2.10
Gain (loss) on disposal of property and equipment	1.44	(3.46)	(10.13)	(8.04)	(1.71)
Write-off property and equipment	18.80	25.86	0.57	0.08	0.12
Write-off intangible assets	0.53	5.27	0.52	-	
Share of profit of investment in a joint-venture	(154.06)	(193.66)	(198.47)	(103.35)	(91.08)
Income tax expense	498.08	458.28	347.61	313.08	139.09
Change in operating assets and liabilities, (Increase) decrease					
Trade and other receiviables	(13.60)	(507.53)	(121.87)	188.51	254.99
Accounting receivables – related parties	(22.45)	(11.06)	(41.81)	(40.99)	(33.34)
Inventory	54.07	73.67	(109.83)	20.69	156.94
Other current assets	54.47	(5.38)	25.27	21.59	(12.73)
Other non-current assets	(51.18)	(16.30)	278.20	285.83	(6.19)
Trade and other payables	(65.61)	(80.37)	82.64	(217.45)	(448.12)
Account payable – related parties	(0.92)	(0.23)	(0.17)	0.98	0.73
Advances received from customers	(348.93)	(49.46)	71.77	(50.37)	(281.49)
Accrued operating agreement fee	20.42	47.70	(17,178.77)	487.33	476.17
Other current payables	53.05	27.55	(26,138.24)	(142.37)	(1.33)
Other non-current payables	3.09	1.67	(42.37)	(12.95)	(0.60)
Defined employee benefit obligations	17.03	29.64	11.64	18.40	(12.63)
Income tax paid	(270.47)	(321.03)	(536.52)	(256.77)	(101.83)
Net cash from operating activities	**4,831.11**	**4,728.64**	**4,711.03**	**3,312.11**	**2,072.75**

Statement of cash flow	Consolidated Financial Statement for year ended/ 6 months ended				
	31 December 2014 (Audited)	31 December 2015 (Audited)	31 December 2016 (Audited)	30 June 2016 (Reviewed)	30 June 2017 (Reviewed)
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Cash flows from investing activities					
Interest received	66.15	73.35	135.82	64.53	74.64
Dividend received	68.57	-	-	-	-
Current investment	505.17	(364.64)	(1,911.10)	(852.37)	386.36
Payment for property and equipment	(6,344.03)	(1,247.04)	(1,075.38)	(803.74)	(145.93)
	8.05	5.25	15.71	12.95	1.96
Repayment from loans to a joint venture	-	137.21	150.20	102.30	18.19
Lont-term loans to related parties	-	(1,972.42)	-	-	
Payment for deferred expenses	(20.18)	-	-	-	-
Purchase of intangible assets	(22.09)	(9.54)	(9.27)	(3.23)	(18.10)
Net investment in subsidiaries	(174.24)	-	-	-	-
Net cash received (used in) investing activities	**(5,912.59)**	**(3,377.84)**	**(2,694.01)**	**(1,479.56)**	**317.12**
Cash flows from financing activities					
Dividend paid to shareholders of the Company	(754.93)	(850.13)	(857.00)	(781.23)	(842.96)
Proceeds from short-term borrowing from financial institutions	2,074.03	1,351.39	2,433.67	1,856.13	230.00
Repayments of borrowing from financial institutions	(1,202.93)	(657.31)	(3,854.19)	(2,076.99)	(582.12)
Proceeds from long-term borrowing	6,289.93	3,768.15	-	-	-
Repayments of long-term borrowing	(4,485.40)	(4,038.02)	(72.08)	-	-
Proceeds returned to shareholders from dissolution of a subsidiary	-	-	(41.92)	-	-
Interest payment	(353.25)	(290.29)	(342.96)	(130.97)	(197.82)
Net cash flow received (used in) financing activities	**(1,567.46)**	**(716.21)**	**(2,734.48)**	**(1,133.07)**	**(1,392.90)**

Statement of cash flow	Consolidated Financial Statement for year ended/ 6 months ended				
	31 December 2014 (Audited)	31 December 2015 (Audited)	31 December 2016 (Audited)	30 June 2016 (Reviewed)	30 June 2017 (Reviewed)
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Net (increase) decrease of cash and cash equivalents	**485.98**	**634.60**	**(717.46)**	**699.49**	**996.97**
Cash and cash equivalents at the begining of period	2,278.60	2,769.15	3,401.14	3,401.14	2,683.69
Effect of indirect investment on subsidiaries	2.07	-	-	-	-
Effect from exchange rates	2.50	(2.61)	0.00	7.21	0.02
Cash and cash equivalents at the end of period	**2,769.15**	**3,401.14**	**2,683.69**	**4,093.42**	**3,680.68**

6.4 Financial Ratios

	Unit	Consolidated Financial Statement for year ended		
		2014	2015	2016
Liquidity Ratio				
Current Ratio	times	1.77	1.83	2.53
Quick Ratio	times	1.56	1.65	2.34
Cash Ratio	times	0.88	1.13	1.18
Account Receivable Turnover Ratio	times	7.72	6.67	5.50
Average Collection Period	days	47	54	65
Inventory Turnover Ratio	times	4.69	6.44	5.24
Inventory Convertion Period	days	77	56	69
Payable Turnover Ratio	times	14.16	12.31	11.08
Payable Conversion Period	days	25	29	32
Cash Cycle	days	98	81	102
Profitability Ratio				
Gross Profit Margin	%	40.80	40.95	36.15
Operating Profit Margin	%	16.80	23.94	16.82
Other Profir Margin	%	3.24	5.20	4.58
Cash to Profit Ratio	%	241.80	158.61	243.21
Net Profit Ration	%	13.46	17.04	14.00
Return on Equity	%	9.87	12.28	8.91
Efficiency Ratio				
Return on Assets	%	5.31	6.48	4.85
Return on Fixed Assets	%	21.42	23.53	23.38
Total Asset Turnover	times	0.41	0.40	0.36
Financial Policy Ratio				
Debt to Equity Ratio	times	0.84	0.85	0.54
Interest Coverage Ratio	times	14.86	17.95	15.10
Capability Ratio	times	0.38	0.54	0.80
Dividend Ratio	%	44.50	33.57	47.60

7. Explanation of Operational Performance and Financial Status

7.1 Operational Performance and Financial Status

For Q2/2017, the Company's revenue from sales and services totaled 2,286 million Baht; a decrease of 616 million Baht or 21.2 percent from 2,902 million Baht for Q2/2016, mainly due to the revenue drop from satellites and related services, especially from the decrease of the Thaicom-4 broadbande service revenue in Australia and Thailand.

Cost of sales and services increased from Q2/2016 mainly due to the cost relating to Thaicom-8 satellite such as depreciation and insurance. As a result, the Company's operating profit (EBIT) was 101 million Baht; decreased by 609 million Baht or 85.8 percent from 710 million Baht for Q2/2016, and net profit was 216 million Baht which decreased by 375 million Baht or 63.5 percent from Q2/2016.

Revenue from sales and services decreased by 445 million Baht or 16.3 percent QoQ from 2,731 million Baht of the previous quarter, due to a drop in revenue generated from Thaicom-4 satellite broadband services. However, revenue decrease is compensated by other revenues generated in Australia and share of profit from investment in the joint-venture providing telephone services abroad which, as a result, the Company's net profit decreased by 43 million Baht or 16.6 percent from 259 million Baht QoQ.

7.1.1 Revenue from sales and services

Revenue from sales and services for 2016 totaled 11,517 million Baht, a decrease of 936 million Baht or 7.5 percent from 12,453 million Baht for 2015, mainly from the decline in revenue from satellite, internet and media services.

As for the first half of 2017, the Company's revenue from sales and services was 5,017 million Baht which decreased by 1,095 million Baht or 17.9 percent from 6,112 million Baht for the same period in 2016 due to a drop in satellite service revenue.

Revenue from sales and services	2016	2015	%YoY	1H/2017	1H/2016	%YoY
Satellite and related services	8,414	9,258	-9.1%	3,510	4,525	-22.4%
Internet and media services*	3,185	3,272	-2.7%	1,553	1,633	-4.9%
Intercompany eleimination	(82)	(77)	6.5%	(46)	(46)	0.0%
Total	**11,517**	**12,453**	**-7.5%**	**5,017**	**6,112**	**-17.9%**

***consist of revenue from sales and services of DTV Service Co., Ltd ("DTV"), Cambodian DTV Network Co., Ltd ("DN") and CSL**

For Q2/2017, the Company's revenue from satellite and releated services totaled 1,555 million Baht which decreased by 576 million Baht or 27.0 percent from 2,131 million Baht year-over-year. Revenue from satellite and releated services decreased by 401 million Baht or 20.5 percent from 1,956 million Baht QoQ, mainly from a drop in revenue from conventional and broadband satellite services of Thaicom-4.

For the first 6 months of 2017, the Company's revenue from satellite and releated services totaled 3,510 million Baht which decreased by 1,015 million Baht or 22.4 percent from 4,525 million Baht for 2015, due to a drop in revenue from conventional and broadband satellite services of Thaicom-4.

Revenue from Satellite and related services	2016	2015	%YoY	1H/2017	1H/2016	%YoY
Conventional Satellite Services*	4,414	5,031	-12.3%	1,929	2,354	-18.1%
Thaicom-4 Broadband Satellite Services	4,000	4,227	-5.4%	1,581	2,171	-27.2%
Revenue from Services	3,731	3,910	-4.6%	1,355	1,949	-30.5%
Revenue from Sales	269	317	-15.1%	226	222	1.8%
Total	**8,414**	**9,258**	**-9.1%**	**3,510**	**4,525**	**-22.4%**

*** consist of Thaicom 5, 6, 7 and 8 satellites**

Revenue from conventional satellite and related services in Q2/2017 was 949 million Baht, downed by 133 million Baht or 12.3 percent from 1,082 million Baht for Q2/2016. As for the first half of 2017, the Company has revenue from conventional satellite and releated services of 1,929 million Baht, a decrease of 425 million

Baht or 18.1 percent year-over-year. The main reason for the lower revenue was a decrease of overalll untilization rate of transponders due a churn of Thai major clients together with a decrease of revenue from value-added services, compensateting with the increase of revenue from new clients mostly from Greater Mekong Subregion. Revenue from conventional satellite service downed by 32 million Baht or 3.3 percent from 981 million Baht compared to the previous quarter, due to the decrease of sales revnue from of satellite equipment which incurred occasionally based on customer's dermand.

Revenue from sales and services of Thaicom-4 broadband satellite in Q2/2017 was 606 million Baht, decreased by 443 million Baht or 42.2 percent from 1,049 million Baht year-orver-year, and downed by 369 million Baht or 37.8 percent from 975 million Baht QoQ; mainly from a decrease of services revnue in Australia caused by early termination of service contract with National Broadband Network (NBN). However, the Company was compensated by the termination fee recognized as other revenue. The lower revenue was also due to a drop in revenue from domestic services from the ending of the service contract with TOT Public Company Limited which ended in Q2/2017, and a drop in sales revenue from satellite broadband equipments which incurred occasionally based on customer's demand, compensateting with an increase in revenue from growing number of retail subscribers in Australia.

As for revenue from sales and services of Thaicom-4 broadband satellite, for the first 6 months of 2017, the Company earned 1,581 million Baht of revenue which decreased by 590 million Baht or 27.2 percent from 2,171 million Baht year-over-year, mainly from a decrease revenue in Australia nad Thailand compensateting with increasing service revenue in India.

Revenue from internet and media services in Q2/2017 was 745 million Baht, decreased by 48 million Baht or 6.1 percent from 793 million Baht for Q2/2016, mainly from a decrease of revenue from sales and services of CLS which decreased by 25 million Baht or 3.5 percent of media and advertising on YellowPages, voice info services and mobile content services, compensateting with a growth in revenue from ICT services. The lower revenue was as well contributed by, a decrease revenue of CDN which downed by 15 million Baht or 21.7 percent, from a decrease of sale revenue from satellite receiver sets, a decrease revenue of DTV which downed by 8 million Baht or 53.3 percent from a decrease of service revenue from D Channel, and a decrease of sale revenue incurred from network installation services.

Compared to the previous quarter, revenue from internet and media services in Q2/2017 decreased by 62 million Baht or 7.7 percent from 807 million Baht, mainly from CLS's decrease in revenue from ICT services, voice info services and mobile content services, which downed by 30 million Baht or 4.2 percent; and from CDN's sale revenue decrease which downed by 31 million Baht or 36.5 percent from a decrease sale revenue from satellite receiver sets.

As for the first 6 months of 2017, revenue from internet and media services totaled 1,553 million Baht, decreased by 80 million Baht or 4.9 percent from 1,633 million Baht, mainly from the decline of revenue from sales and services of CSL which downed by 56 million Baht or 3.9 percent, from media and advertising on YellowPages, voice info services and mobile content services compensateting with a growth in revenue from ICT services, CDN's sale revenue decrease which downed by 12 million Baht or 7.7 percent from a decrease sale revenue from satellite receiver sets; and a decrease revenue of DTV which downed by 12 million Baht or 43.8

percent from a decrease of service revenue from D Channel, and a decrease of sale revenue from network equipments.

7.1.2 Cost of sales and services

The Company's cost of sales and services for 2016 was 7,354 million Baht, equaled to the cost of sales and services for 2015, while for the first half of 2017 the Company's cost of sales and services totaled 3,628 million Baht; increased by 100 million Baht or 2.8 percent from 3,528 million Baht for the first half of 2016, due to an increase cost of satellite services compensateting with a decrease of the cost of internet and media services.

Cost of Sales and Services	2016	2015	%YoY	1H/2017	1H/2016	%YoY
Satellite and related services	5,419	5,302	2.2%	2,667	2,539	5.0%
Internet and media services	2,019	2,115	-4.5%	1,003	1,035	-3.1%
Intercompany elimination	(84)	(63)	33.3%	(42)	(46)	-8.7%
Total	**7,354**	**7,354**	**0.0%**	**3,628**	**3,528**	**2.8%**

*** consist of cost of sales and services of DTV, CDN and CSL**

Cost of satellite and related services in Q2/2017 totaled 1,284 million Baht, increased by 31 million Baht or 2.5 percent from 1,253 million Baht for Q2/2016, mainly from an increase in the cost of conventional sateliite services, compensateting with a decrease of the cost of Thaicom-4 broadband satellite. Compared to the cost of satellite and related services of 1,383 million Baht in Q1/2017, the cost decreased by 99 million Baht or 7.2 percent from a decrease of the cost of conventional satellite services and Thaicom-4 broadband satellite services.

Compared to the first half of 2017 year-over-year, the Company's cost of satellite and related services increased by 128 million Baht or 5.0 percent due to an increase in the cost of Thaicom conventional satellite services, compensateting with a decrease of the cost of Thaicom-4 broadband satellite services.

Cost of satellite and related services	2016	2015	%YoY	1H/2017	1H/2016	%YoY
Thaicom Conventional Satellites*	2,529	2,557	-1.1%	1,333	1,173	13.6%
Thaicom-4 Broadband Satellite	2,890	2,745	5.3%	1,334	1,366	-2.3%
Total	**5,419**	**5,302**	**2.2%**	**2,667**	**2,539**	**5.0%**

*** Consist of Thaicom-5, 6, 7, 8 satellites**

The cost of conventional satellite and related services in Q2/2017 totaled 663 million Baht, increased by 64 million Baht or 10.7 percent from 599 million Baht for Q2/2016. Compared to 6M/2016, the cost of conventional satellite services for 6m/2017 increased by 160 million Baht or 13.6 percent from 1,173 million Baht year-over-year, mainly from the cost relating to Thaicom-8 satellite such as depreciation and insurance, compensateted with a decrease of operating costs as a result of efficient cost management. Compared to Q1/2017, the cost of conventional satellite services decreased 7 million Baht or 1.0 percent from 670 million Baht Quarter-on-quarter, due to a decrease of the cost of sales of sateillite equipments proportionally with lower revenue from sales of sateillite equipments.

Cost ot Thaicom-4 satellite broadband services and related services in Q2/2017 totaled 621 million Baht, decreased by 33 million Baht or 5.0 percent from 654 million Baht for Q2/2016. As for 6M/2017 the cost ot Thaicom-4 satellite broadband and related services decreased by 32 million Baht or 2.3 percent from 1,366 million Baht due to; a decrease of operating fee proportional with revenue from bandwidth sevices provided to government sector which is consistenting with declining overall bandwidth usage, a decrease of depreciation cost resulting from the increase of fully-depreciated assets compensateting with higher cost of sales from the increase of revenue from broadband equipment sales, and the increase of cos relating to retail revenue in Australia following the growth of such revenue.

Compared with Q1/2017, cost relating to the Thaicom-4 broadband satellite fro Q2/2017 decreased by 92 million Baht or 12.9 percent from 713 million Baht from the decrease of cost of equipment following sales revenue and lower operating fee proportional with revenue from bandwidth sevices provided to government sector which is consistenting with declining overall bandwidth usage.

Cost of internet and media services in Q2/2017 totaled 488 million Baht, dropped by 16 million Baht or 3.2 percent from 504 million Baht for Q2/2016, mainly from the decrease of the cost of CDN's sale of 10 million Baht or 18.2 percent following the decrease of sales of satellite receiver sets, the cost of sales and services of DTV of 5 million Baht or 38.5 percent following the lower revenue from sales and services compensateting with the cost of sales and services of CSL following the decrease of revenue from media and advertising on YellowPages, voice info services and mobile content services, compensateting with a growth in revenue from ICT services resulting in the decrease in cost of sales and services of CSL which dropped by 1 million Baht or 0.2 percent.

Compared to Q1/2017, the cost of internet and media services decreased by 26 million Baht or 5.1 percent from 514 million Baht, mainly from a decrease of CDN's cost of sales amounted to 21 million Baht or 31.8 percent following a decrase of sale revenue, and a decrease of sales and services cost of CSL amounted to 9 million Baht or 5.0 percent following a decrease of the revenue, compensateting with an increase of DTV's cost amounted to 4 million Baht or 100 percent, from one-time adjustment of license cost during Q1/2017

Cost of internet and media services for 6M/2017 totaled 1,003 million Baht, decreased by 32 million Baht or 3.1 percent from 1,035 million Baht for 6M/2016, mainly from; the decrease of the cost of sales and services from CSL amounted to 16 million Baht or 1.8 percent from the decrease of cost from media and advertising on YellowPages and voice info services and mobile content services following the drop of revenue, compensateting with the increase of cost from ICT business, declining cost of sales and services of DTV amounted to 12 million Baht or 49.9 percent following the diminishing revenue from sales and services, and the decrease of CDN's cost of sales of 4 million Baht or 3.5 percent following sale revenue.

7.1.3 Selling and Administrative Expenses

The Company has selling and administrative expenses, including directors and management benefit expenses (SG&A) pf 427 million Baht in Q2/2017, decreased by 31 million Baht or 6.8 percent from 458 million Baht for Q2/2016 due to the decrease in marketing expenses for both satellite business and internet and media business.

Compared to Q1/2016, SG&A expenses in Q2/2017 decreased by 116 million Baht or 21.4 percent from 543 million Baht, and for 6M/2017, SG&A expenses totaled 969 million Baht, decreased by 85 million Baht or 8.1 percent from 6M/2016, mainly from the decrease in marketing expenses for both satellite business and internet and media businesses, and the decrease in provision for doubtful debts for the satellite business due to cash received from clients in doubtful account.

7.1.4 Profit from Exchage Rate

For Q2/2017, the Company gained profit from exchange rate of 21 million Baht, mainly contributed from the revaluation of borrowings for the satellite projects as a result of the appreciation of the Thai Baht against US Dollar.

7.1.5 Financial Cost

In Q2/2017, the Company's financial costs totaled 104 million Baht, increased by 31 million Baht or 42.5 percent from 73 million Baht for Q2/2016, mainly from the increase of interest expense of Thaicom-8 project which has commercialized since Q3/2016, compensateting with the decrease of interest expense of short-term loans since the Company had repaid all short-term loans for both the satellite business and the loan for LTC's concession extension for telecommunication businesss.

7.1.6 Net Profit

The Company has profit attributable to owner of the Company of 216 million Baht in Q2/2017, downed by 375 million Baht or 63.5 percent from 591 million Baht for Q2/2016, mainly caused by the decrease of revenue from sales and services from both satellite business and internet and media business, and the cost relating to Thaicom-8. Compared to the previous quarter, the Company's net profit dropped by 43 million Baht or 16.6 percent from 259 million Baht, mainly from the decrease of revenue from Thaicom-4 broadband satellite and related services in Australia and Thailand, compensateting with a compensation for early termination of the contract from NBN which was recognized in other revenues, and the increasing share of profit from investment in the joint-venture in telephone business.

7.2 Financial Position

7.2.1 Assets

As at the end of Q2/2017, the Company's total assets was 31.476 million Baht, decreased by 1,364 million Baht or 4.2 percent from 32,840 million Baht at the end of 2016, mainly from depreciation and amortization of property, plant and equipment, and intangible assets under operating agreement during 6M/2017.

As at the end of Q2/2017, trade account receivables and net accrued income (exclude of other account receivables) totaled 1,907 million Baht or accounted for 6.1 percent of total assets; which consisted of account receivables and account receivables from related parties, accounted for 95 percent and 5 percent of total account receivables respectively.

Allowance for doubtful account was 347 million Baht or 21.7 percent of trade account receivables which decreased from the end of 2016 which was 252 million Baht. Trade account receivable, accrued income and net

other account receivables as at the end of Q2/2016 decreased by 304 million Baht from the end of 2016, as a result of the termination of contract with NBN.

Property, plant and equipment (PP&E) as at the end of Q2/2017 was 9,029 million Baht, decreased by 318 million Baht or 3.4 percent from 9,347 million Baht at the end of 2016, mainly from depreciation/amortization of PP&E during 6M/2017.

7.2.2 Liabilities

As at the end of 2016, the Company's interest-bearing liabilities totaled 10,225 million Baht which mainly consisted of;

Borrowing	31 December 2016			31 December 205
	Currency	Duration (Year)	Amount (M. Baht)	Amount (M. Baht)
Short-term borrowing for Thaicom-8 project	US Dollar	Within 1 year	-	406
Short-term borrowing for Shen	US Dollar	Within 1 year	-	1,055
Long-term borrowing for Thaicom-6 project*	US Dollar	8	3,694	3,720
Long-term borrowing for Thaicom-8 project*	US Dollar	8	1,591	1,603
Long-term debenture for Thaicom-7 and 8 projects	Baht	3,5	4,546	4,545
Other borrowings	Baht	-	394	422
Total borrowings			**10,225**	**11,750**

*** The duration of long-term loan for Thaicom-6 and 8 projects is 10 years with float interest rate based on LIBOR. The Company has to comply with conditions of the loan agreement and maintain its debt to euiqty ratio within 2:1.**

As at the end of Q2/2017, net borrowing of the Company was 9,571 million Baht, decreased by 654 million Baht or 6.4 percent from 10,225 million Baht as at the end of 2016, mainly from the repayment of long-term borrowing for the satellite projects and the revaluation of borrowings as a result of the appreciation of the Thai Baht against US Dollar.

7.2.3 Shareholders' Equity

As at the end of Q2/2017, the Company's shareholder equity was 18,492 million Baht, decreased by 429 million Baht or 2.3 percent from 18,921 million Baht as at the end of 2016, mainly from the dividend payment compensateting with retained earning for 6M/2017.

8. Industry Outlook

TV Broadcasting and Media Services Outlook

According to the report of Northern Sky Research: NSR (Global Satellite Capacity Supply and Demand Study, 13th Edition), TV broadcasting services will continue to rely on conventional satellite broadcasting in C-Band and KU-band worldwide, which accounts for 61 percent of demand for over the next 10 years, which supporting services and satellite distribution services account for 37 percent of the demand while direct-to-home satellite broadcasting service accounts for 23 percent of the demand.

Industry Outlook in Asia-Pasific

Broadcasting industry in Asia-Pacific continues to grow consistently with global trend. The demand for conventional satellite services on KU-band and C-band for the next ten years will continue to be driven by supporting services and satellite distribution services which contribute to 39 percent of the demand while direct-to-home satellite broadcasting service will account for 30 percent of total demand.

As for Thailand, subscription satellite television providers must be licensed by the National Broadcasting and Telecommunication Commission ("NBTC"). The regulation induces TV channels to improve its quality and become more beneficial to consumers, and promotes fair competition between satellite TV providers which ultimately moves domestic broadcasting industry towards continuous and sustainable development.

Within Asia-Pasific, major competitors of the Company consist of Asia Satellite Telecommunications (Asiasat), APT Satellite (Apstar), and Asia Broadcast Satellite (ABS) from Hong Kong, Eutelsat from France, IntelSat and SES Astra from Luxembourg, Measat Satellite Systems from Malaysia, and lastly, Vietnam Posts and Telecommunications from Vietnam. While competition within the region remains high, the Company considers that such competition will not much affect the Company, because of the Company's reputation and strong relationship with its long-standing clients, combine with the selection of clients and quality satellite TV channels to be broadcasted via Thaicom satellites, make Thaicom become a preferable choice for new clients. Thailand's approximately 18.4 million households or 73 percent of population watch satellite TV and cable TV programs via Thaicom satellite located at 78.5 degrees East. As for international market, the Company remains a leader in Greater Mekong Subregion and one of leading service providers in South Asia. Since the last year, the Company has strengthen its competitive position in the regions by providing satellite distribution services in Myanmar and India.

Industry Outlook in Africa

Africa is an emerging market with a lot of capability. Major factors driving satellite broadcasting industry in this region are; the demand for supporting services and satellite distribution services arised from increasing number of new television channels broadcasting local contents for Africans which contributed to 35 percent of total demand; the demand from mobile phone operators to use satellite service for cellular network interconnection to support rapid expansion of service areas in suburbs and rural areas, and lastly, the demand for connections between internal and external data networks for businesses and government sectors.

Serveral satellite services providers see an opportunity to expand their target market to Africa. The Company's major competitors in the region are; Arabsat from Saudi Arabia, Eutelsat from Franch, IntelSat and SES Astra from Luxembourg. With the availability of several satellite providers, the region has experienced intense competition. Nonetheless, Africa remains a quantifiable market in term of demand since it is a second largest continent with a large population, even though there is a limit access to communication technology. The Company, therefore, is confident that it will be able to compete in African market by focusing on its target market; both satellite distribution services and telecommunication network expansion. The Company also develops cooperation between strategic partners to efficiently serve customer demand.

Broadband and Data Transmission Services Outlook

According to the report of Northern Sky Research: NSR (Global Satellite Capacity Supply and Demand Study, 13th Edition), the demand for broadband satellites or high throughput satellite (HTS) will continue to grow globally for the next 10 years and Asia-Pasific will has the second highest demand after North-America. However, Asia-Pasific is the region with the highest growth with an average annual growth rate of approximately 32 percent.

From the demand for broadband services in Asia-Pasific as previously mentioned, the demand from business sector for the services to connect the internal and external data networks accounted for the highest proportion of 49 percent, followed by the demand for internet from retail consumers which accounted for 44 percent.

The use of services in business sectors to connect between internal and external data networks is approximately 49 percent of total demand. At the same time, using average annual growth rate, the demand for mobile broadband services has highest growth rate of 61 percent annually, followed by the demand from government sectors which accounted for 48 percent, while the demand from retail consumers and business sector are of 40 percent and 26 percent annually.

During the last year, a competition in broadband satellite services industry became more challenging from the entrance of a group of major players in broadband satellite business providing global network coverage and the operator of Australian's National Broadband Network (NBN Co Limited). However, the major broadband satellite service providers have different target segments and requires a period of time for technical test and submission for licenses in each country, and NBN Co Limited only operates in Australia, which allows Thaicom-4 to secure its advantages whichin this strong competition; as the first broadband satellite with landing rights in more than 10 countries all over Asia-Pasific, altogether with the Company's more than 10 years of experince in broadband services.

Attachment 2 : Summary Information of DTV Service Co., Ltd

1. General Information

Company Name	: DTV Service Co., Ltd
Type of Business	: Internet and related services, consists of; 1) Satellite receivers distribution 2) Broadband and in-door TV network system integration consultation and installation 3) Platform services
Registration Number	: 0105543050231
Address	: 414 Phaholyothin Road, Samsen Nai, Phayathai Bangkok 10400
Registered Capital	: 398,791,470 Baht, divided into 39,879,147 ordinary shares Par value 10.00 Baht (as of 29 September 2017)
Paid-up Capital	: 398,791,470 Baht divided into 39,879,147 ordinary shares Par value 10.00 Baht (as of 29 September 2017)

2. Company Background

DTV Service Co., Ltd (DTV) was founded on 29 Mar 2000, to distribute satellite receivers and provide consultation and installation services for broadband network system integration.

DTV received a license for Type I Internet Provider from NBTC, which valids for 5 years from 18 October 2009 to 17 October 2014. To ensure the continuity of services, DTV has filed for the license's renewal which is 5 years term. The renewal has been approved and will valid for another 5 years from 18 October 2014 to 17 October 2019. In addition, DTV received a license from NBTC for national radio or television broadcasting services not using radio frequency which valid for 15 years from 21 January 2013 to 20 January 2028, and 7 licenses for over-the-top voice or television channel broadcasting.

3. Type of Businesses

DTV operates 3 businesses consisted of,

1. Satellite receivers distribution: The products distributed under the brand "DTV" which consist of a satellite dish and a KU-Band receiver, for receiving satellite signal from Thaicom-5 and 6 satellites. The satellite dish comes with cheap, small size, and easy to install feature, which customers can buy a full-set equipments or IRD box separately. With the products, consumers can experience clear picture on TV especially free TV channels, education channels and other entertainment channels. DTV distributes its products; equipment only or installation included, nationwide through satellite shops, electric shops, some department stores etc.

2. Broadband and in-door TV network system integration consulting and installation: DTV offers custom system design and installation services, focusing on the system using satellite and internet network such as (1) platform services, for example, IPTV, VDO conference, data transfer, online multimedia (2) broadband network services, to serve customer demand for network connection to transfer data in various forms and to provide on-demand training; bot one-way or two-way training (3) in-door TV network services, to serve customer demand for in-door TV networks installed within residential buildings; for both free TV and subscription TV.

3. Platform services: DTV provides platforms or self-developed systems for sale or rent, such as IPTV channels or internet TV channels, and multimedia streaming platforms which used for broadcasting video or audio contents via internet, such as internet radio and TV broadcasting. Platforms and custom-built applications suit to integrate with broadband internet. DTV also develops custom services depending on customer demand.

4. Board of Directors

As of 29 September 2017, DTV has 4 directors as follows;

	Name – Surname	Position
1.	Mr. Aekchai Phakturonk	Director
2.	Mr. Pramoth Bunnamsuk	Director
3.	Mr. Salin Jarujinda	Director
4.	Mrs. Punnee Niwasnun	Director

Source : BOL

5. Shareholders Structure

As of 29 September 2017, DTV's major shareholders are as follows;

	Name – Surname	No. of shares	Percent
1.	Thaicom Public Company Limited	39,879,140	100.00
2.	Mr. Patomphob Suwansiri	1	0.00
3.	Mr. Paiboon Panuwattanawong	2	0.00
4.	Mr. Wuth Asawachareon	1	0.00
5.	Mr. Salin Jarujinda	2	0.00
6.	Mr. Anan Kaewruamwong	1	0.00

Source : BOL

6. Financial Statement

6.1 Statement of Financial Position

Statement of Financial Position	Consolidated Financial Statement for year ended/ 6 months ended					
	31 December 2014 (Audited)		31 December 2015 (Audited)		31 December 2016 (Audited)	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Assets						
Current Assets						
Cash and cash equivalents	108,503,165	11.87	97,553,423	11.12	9,693,914	1.11
Short-term investment	-	-	-	-	95,000,000	10.84
Trade account receivables and other receivables	27,083,470	2.96	13,145,942	1.50	2,578,222	0.29
Inventory	2,065,808	0.23	655,914	0.07	1,714,929	0.20
Advance payment	249,808	0.03	-	-	-	-
Other current assets	16,540,406	1.81	7,591,478	0.87	9,802,218	1.12
Total current assets	**154,442,657**	**16.89**	**118,946,757**	**13.56**	**118,789,283**	**13.55**
Non-current assets						
Investment in subsidiaries	754,024,948	82.48	754,024,948	85.97	754,024,948	86.02
Property, plant and equipments-Net	2,873,897	0.31	1,980,069	0.23	1,251,993	0.14
Intangible assets	268,150	0.03	226,353	0.03	166,311	0.02
Other non-current assets	2,611,836	0.29	1,872,370	0.21	2,375,366	0.27
Total non-current assets	**759,778,831**	**83.11**	**758,103,740**	**86.44**	**757,818,618**	**86.45**
Total assets	**914,221,488**	**100.00**	**877,050,497**	**100.00**	**876,607,901**	**100.00**
Liabilities and shareholders' equity						
Liabilities						
Current liabilities						
Trade account payables and other payables	22,375,961	2.45	27,156,177	3.10	27,777,799	3.17
Advances received from customers	32,589	0.00	-	-	-	-
Other current liabilities	277,480	0.03	149,830	0.02	853,440	0.10
Total current liabilities	**22,686,030**	**2.48**	**27,306,007**	**3.11**	**28,631,239**	**3.27**
Non-current liabilities						
Employee benefit obligations	4,294,535	0.47	6,279,762	0.72	7,163,081	0.82
Total non-current liabilities	**4,294,535**	**0.47**	**6,279,762**	**0.72**	**7,163,081**	**0.82**
Total liabilities	**26,980,565**	**2.95**	**33,585,769**	**3.83**	**35,794,320**	**4.08**
Shareholders' equity						
Registered capital	398,791,470	43.62	398,791,470	45.47	398,791,470	45.49
Paid-up capital	398,791,470	43.62	398,791,470	45.47	398,791,470	45.49
Premium on share capital						
Retained earnings	7,193,483	0.79	11,690,735	1.33	14,012,283	1.60
Appropriated – Legal reserves	481,255,970	52.64	432,982,523	49.37	428,009,828	48.83

Statement of Financial Position	Consolidated Financial Statement for year ended/ 6 months ended					
	31 December 2014 (Audited)		31 December 2015 (Audited)		31 December 2016 (Audited)	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Total shareholders' equity	**887,240,923**	**97.05**	**843,464,728**	**96.17**	**840,813,581**	**95.92**
Total liabilities and shareholders' equity	**914,221,488**	**100.00**	**877,050,497**	**100.00**	**876,607,901**	**100.00**

6.2 Statement of Comprehensive Income

Statement of Comprehensive Income	Consolidated Financial Statement for year ended/ 6 months ended					
	31 December 2014 (Audited)		31 December 2015 (Audited)		31 December 2016 (Audited)	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Revenue						
Revenue from sales and services	92,009,707	32.45	49,930,532	32.66	53,518,073	33.14
Other revenue	191,547,407	67.55	102,965,823	67.34	107,978,865	66.86
Total revenue	**283,557,114**	**100.00**	**152,896,355**	**100.00**	**161,496,938**	**100.00**
Costs						
Cost of sales and services	(133,199,144)	(46.97)	(27,141,543)	(17.75)	(42,304,992)	(26.20)
Selling expenses	(14,841,062)	(5.23)	(12,882,133)	(8.43)	(5,754,306)	(3.56)
Adminstrative expenses	(52,171,544)	(18.40)	(36,569,991)	(23.92)	(15,843,539)	(9.81)
Other expenses	-	-	(64,317)	(0.04)	-	-
Total expenses	**(200,211,750)**	**(70.61)**	**76,657,984**	**(50.14)**	**(63,902,837)**	**(39.57)**
Profit (loss) before financial costs	**83,345,364**	**29.39**	**76,238,371**	**49.86**	**97,594,101**	**60.43**
Financial costs	(840,298)	(0.30)	(14,566)	(0.01)	(245,248)	(0.15)
Net profit (loss)	**82,505,066**	**29.10**	**76,223,805**	**49.85**	**97,348,853**	**60.28**

7. Industry Outlook

Satellite Rceivers Distribution Business Outlook

Multiple types of television signal receivers are currently sold the market such as satellite receivers, local cable TV and digital TV antenna, which create high competition in the market especially competitions in price, channels, new models of satellite receiver and digital TV receiver which are launched into the market in a cheaper price, including indirect competitors such as, AIS Playbox- AIS Fibre which receives broadcasting signal from internet using internet router.

Broadband Network System Integration Consultation and Installation Service Business Outlook

Various service providers are offering their broadband network services, while each service provider specializes in different technique. DTV mainly emphasizes on a technology for IP file transfer using satellite broadband network or IPSTAR broadband service, focusing on file transfer for internal training program only. As for in- door TV network services, there is high competition either satellite TV; as DTV, or cable TV. DTV emphasizes on new buildings especially the growing number of condominiums, and emphsizes its strength by offering HDTV box for in- door TV network installation which provides superior customer experience that normal

satellite receivers. Moreover, DTV has established a connection with local cable TV providers to offer DTV-IP Gateway Box to switch from analog broadcasting to digital broadcasting.

Platforms Business Outlook

DTV currently maintains its customers and sells the same model of products without much of business expansion. Since the platform services are wide spreading and require low expenditure, customers have variety of alternatives; whether to outsource, commissioning or in-house develop.

Attachment 3 : Summary Information of CS Loxinfo Public Company Limited

1. General Information

Company Name	: CS Loxinfo Public Company Limited
Type of Business	: Internet, computer and telecommunication services for businesses
Registration Number	: 0107546000377
Address	: 90 CW Building Tower A, 17- 20 floor, Ratchadaphisek Road, Huaykwang, Huaykwang, Bangkok
Registered Capital	: 148,628,692 Baht, divided into 594,514,768 ordinary shares Par value 0.25 Baht (as of 1 September 2017)
Paid-up Capital	: 148,628,692 Baht, divided into 594,514,768 ordinary shares Par value 0.25 Baht (as of 1 September 2017)

2. Company Background

CS Loxinfo Public Company Limited (CSL) started its business as an internet service provider (ISP) (previous name was CS Communication Co., Ltd). CSL gained a license for internet providing service since 1997 and listed in the Stock Exchange of Thailand in 2004. CSL, in the present, has changed its strategy and transferred its business from "ISP" to "ICT services provider" which specializes in ICT (Internet, Computer, Telecommunications) to offer integrated technological services serving the demand of new generation organizations.

3. Type of Businesses

CSL operates 3 businesses by itself and through subsidiaries as follows;

1. Internet and ICT Services: Operated under the name CS Loxinfo, CSL offers internet, computer and telecommunication services to corporates, emphasizing on quality of services and flexibility to serve customer demand. CSL's current customers are medium to large businesses. In 2016, the business contributed to 79 percent of consolidated revenue and 89 percent of consolidated net profit. Main revenue of the business comes from lease-line internet service, internet data center, ICT solutions and cloud computing services, which generates 95 percent of revenue from the internet and ICT services.

1.1 Leased- line internet service: CSL provides high quality internet service for business which the cost of services is progressively increase in contrast with stable revenue, due to the price competition between large scale operators.

1.2 ICT services for corporates: CSL offers multiple services including (1) network infrastructure such as wired/ wireless network for office and factory, and wi- fi networks for hotel and school (2) cloud and computer infrastructure such as virtualization which requires less number of servers, and Server & Storage DR Site/ Backup Site and (3) business communication services such as CCTV system, digital security system and video conference system for communication between office branches

1.3 Data center services: CSL offers Data center services for (1) corporates who wish to migrate their IT system infrastructute from their offices to a data center for better efficiency and security (2) customers in

media and content business which shows increasing growth due to video streaming is becoming more popular among consumers watching video streaming from their homes, smartphones or tablets (3) financial institutes which requires to buid a backup for systems or sites, as a prevention in case of disaster or unpredicted event, or to improve their internet transaction service efficiency, and (4) customer in online service businesses such as online games, e-commerce, social applications. CSL currently has 3 data centers located at; The Cloud Building--Ratchadaphisek-Ramintra Road, CW Building—Ratchadaphisek Road, and CAT Telecom Building. As for The Cloud, the new data center, CSL owns the land and designed the building specialized for data center, thus CSL can offer international standard of service to meet the demand from all groups of customer adequately.

1.4 Broadband internet for condominium: CSL currenetly offers the service to more than 250 condominiums along BTS lines and receives good response from customers. Since CSL already has the infrastructures and resources for internet service and bandwidth usage rate is lower during night time because the majority ofcustomers are corporates which mainly use the internet during woking hours, CSL therefore, is able to offer internet service to individual customers living in condominiums at lower price while maintain the quality and speed of internet service that meet customer demand without offering any unnecessary value-added services. The service has promising growth and is possible to become CLS's major income in the future.

1.5 Software as a service (SAAS) for SMEs: CSL has serveral advantages as a cloud computing data center service provider (infrastructure as a service) and a secured internet service provider with several expert staffs and international-standard management system, including a strong brand trusted by corporates. Thus CSL, with a cooperation with its strategic software partners, develops SAAS in main functions which increasingly have a business growth, starting with the softwares that helps increase efficiency of corporate's functions such as, CRM, accounting, POS, HRM, and ERP. The softwares were buit to meet the demand of SMEs in the country, in terms of price and functions. CSL also started market launch for hotel management system which is the software specialized for entrepreneurs in hotel industry. Though the number of customers is still relatively small, it is expected to grow accordingly with the growth of hotel industry in the country. Even though revenue from the SAAS is currently low, there is an opportunity for the business to generate long-term revenue to CSL.

2. Media and Advertising on YellowPages: CSL operates telephone directoy publication and distribution business through by means of the investment in Teleinfo Media Public Company Limited (TMC) which is the subsidiary operating mix-media advertising services via prints, websites, computers and mobile phones for individual customers and businesses. For 2016, revenue from YellowPages media and advertising service contributed to 7 percent of the Company's total consolidated revenue. However, YellowPages reported a net loss of 20 million Baht or -7 percent of the Company's total consolidated revenue.

2.1 Print Media, consists of (1) YellowPages, for Bangkok and regional areas, were published in both Thai and English version, and in form of YellowPages DVD as well. (2) Factory Supply Guide, an annual free copy of industrial goods and services information, focusing on manufacturers and distributors offering supplies, tools and equipment for factories and industrial service providers. (3) Builder and Construction Guide; an annual free copy on construction goods and services information, focusing on contractors, construction companies, distributors of construction tools and equipment, and construction service providers.

2.2 Online Soltions on 2 websites (1) www. yellowpages. co. th; a business directory website providing information of products and services of various business which helps businesses to increase accessibility to reach customers in digital society. The website has more than 85 million accesses per year or 200,000 of average daily accesses from 77,000 users each day. The website consecutively ranks Top-5 most accessed business websites on Truehits. net, from its online adverstising solutions service. (2) www. aroi. com; The website offers a collection of delicious restuarants from all over Bangkok and other provinces with reviews and discounted coupons to be offered via the website and mobile application available for both iOS and Android.

2.3 Business Solutions Consulting Services: (1) Enterprise Business Management Solutions (EBMS): Solutions for large-scale inventory management which can manage up to 1 million items and directly connect to buyers, branches, suppliers, and manufacturers, which allows busineeses to manage sales faster with better accuracy and efficiency. EBMS consists of 6 main modules which enhances competency of business, and connect a business with online business world with e-Commerce system specialized for B2B entrepreneurs. (2) Direct Marketing Services: The services include, Data Rental Service which offer a full length of services from rental, adminstration, updates, database preparation, printing, mailing, to reporting, including Outsource Call Center Services. (3) Customer Service: The first and only one resource which can help professionally strengthen a business with the new service "YellowPages Customer Service" which offer supports and correspondence with buyers and sellers via "Get More Information" at the product showroom and online catalog service on www.yellowpages.co.th.

3. Voice Info Service and Mobile Content, which consists of the main services as follows;

3.1 Voice Info Services: CSL offers News and entertainment content for mobile users and a website; hunsa.com, which CSL operates through investment in AD Venture Co., Ltd (ADV), a subsidiary. Target customers are "general mobile users" which the business can be divided into 3 categories: (1) Mobile Content Business; operated under the name "Shinee" which offers mobile content to all mobile phones in every system such as AIS, DTAC, TrueMove, TrueMove-H, includinig Audiotex serviceswhich can be accessed by landline telephones such as ring tones, wallpapers, news, entertainment news and fortune telling. (2) Application Services for Corporates such as applications for corporate communication, mobile approval service for both requesters and granters, conference room booking application service, or online poll/survey service. (3) Website business via www. hunsa. com focusing on clients aged between 10-35 years, which provides News, entertainment, webboard and advertising banners.

3.2 Outsourcing Call Center & Audiotex services: CSL operates the business through investment in Teleinfo Media Public Company Limited (TMC), focusing on providing services to corporate clients; large and small scales. The services include (1) Business Inquiries Service 1188: Offer inquiry services of businesses, shops, and individuals throughout the country, covering all categories of products and services. (2) Telephone Voice Info Service: Operated under "2Get & 2Load" which is a 24hours audio news and entertainmen services, including live fortune telling service from famous fortune tellers, love horoscops, government/GSB/BAAC lottery check, sport programs, live boxing narration, and horror story telling. (3) Full ranges of standardized call center services: The service can helps corporates, without investment in systems or staffs required, to enhance their businesses and marketing capability instantly. With the service, customers can make 24-hours contact with corporates, while corporates can offers new services any time. The services has been trusted by clients such as

home delivery restuarants, life insurance companies, embassies, telecommunication businesses, superstores and leasing business etc.

For, 2016, Voice info service and mobile content businesses generated 14 percent of CSL's consolidated revenue and 18 percent of CSL's consolidated net profit.

CSL's revenue structure, according to the consolidate financial statements for 2014, 2015 and 2016 can be summarized as follows;

Revenue	Operated by	Consolidated Financial Statements (Audited) (M.Baht)					
		2014		2015		2016	
Revenue from Internet Services	CSL	1,429	47%	1,456	49%	1,460	50%
- Dial up Internet		19	1%	22	1%	20	1%
- Leased Line Internet		1,364	44%	1,398	47%	1,381	47%
- Broadband Internet		46	2%	36	1%	59	2%
Revenue from Internet Data Center (IDC)		226	7%	262	9%	290	10%
Revenue from ICT Services		536	18%	525	18%	511	18%
Revenue from TV Broadcasting Services (Uplink-Downlink)		32	1%	31	1%	25	1%
Revenue from YellowPages	TMC	289	9%	237	8%	211	7%
Revenue from Voice Info Service and Mobile Content	ADV	502	17%	423	14%	393	13%
Revenue from Sales and Services		**3,014**	**99%**	**2,934**	**99%**	**2,890**	**99%**
Other Revenue		31	1%	30	1%	28	1%
Total Revenue		**3,045**	**100%**	**2,964**	**100%**	**2,918**	**100%**

4. Board of Directors

As of 1 September 2017, CSL has 9 directors as follows;

	Name – Surname	Position
1.	Mr, Wichian Mektrakarn	Chairman of the Board
2.	Mr. Sillapaporn Srijunpetch	Audit Committee and Independent Director
3.	Mr. Hansa Chevapurke	Director
4.	Mr. Sitthichai Chantravadee	Chairman of the Audit Committee and Independent Director
5.	Mr, Anant Kaewruamvongs	Chief Executive Officer and Managing Director
6.	Mr. Suraphol Pluemarom	Audit Committee and Independent Director
7.	Mr, Paiboon Panuwattanawong	Chairman of the Executive Committee
8.	Mr. Goh Boon Huat	Independent Director
9.	Mr. Anuwat Sanguansappayakorn	Independent Director

Source : www.set.or.th

5. Shareholder Structure

As of 18 August 2017, CSL's major shareholders are as follows;

	Name – Surname	No. of shares	Percent
1.	DTV Service Company Limited	250,099,990	42.07
2.	SINGAPORE TELECOMMUNICATION LIMITED	84,057,030	14.14
3.	Thai NVDR Company Limited	24,567,853	4.13
4.	Miss Sudrangsri Rojruengtawee	5,693,800	0.96
5.	Dr. Chatchawin Charoenruchpak	5,650,000	0.95
6.	CAT Telecom Public Company Limited	4,900,000	0.82
7.	Mr. Suroj Trilojwong	3,800,000	0.64
8.	Mr. Thawat Tantimate	3,646,500	0.61
9.	Mr. Thawatchai Taecha-itsaatham	3,500,000	0.59
10.	Others	208,599,596	35.09
	Total	**594,514,769**	**100.00**

Source : www.set.or.th

6. Financial Statement

6.1 Statement of Financial Position

Statement of Financial Position	Consolidated Financial Statement for year ended/ 6 months ended							
	31 December 2014 (Audited)		31 December 2015 (Audited)		31 December 2016 (Audited)		30 June 2017 (Reviewed)	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Assets								
Current Assets								
Cash and cash equivalents	386.20	20.4	399.46	20.9	420.33	22.1	290.26	16.3
Trade account receivables and advance payment	404.56	21.4	409.05	21.4	357.13	18.8	360.39	20.2
Other receivables	86.19	4.5	113.88	6.0	131.07	6.9	107.75	6.0
Inventory	42.82	2.3	21.73	1.1	32.19	1.7	31.94	1.8
Other current assets	1.29	0.1	2.34	0.1	3.10	0.2	4.10	0.2
Total current assets	**921.06**	**48.6**	**946.47**	**49.6**	**943.83**	**49.7**	**794.43**	**44.5**
Non-current assets								
Property, plant and equipments	814.59	43.0	810.98	42.5	812.28	42.8	841.86	47.1
Intangible assets	82.51	4.4	67.85	3.6	59.99	3.2	68.53	3.8
Deferred tax assets	52.98	2.8	59.33	3.1	58.57	3.1	57.45	3.2
Other non-current assets	23.62	1.2	23.61	1.2	23.66	1.2	23.86	1.3
Total non-current assets	**973.70**	**51.4**	**961.77**	**50.4**	**954.51**	**50.3**	**991.69**	**55.5**
Total assets	**1,894.76**	**100.00**	**1,908.23**	**100.00**	**1,898.35**	**100.00**	**1,786.12**	**100.00**
Liabilities and shareholders' equity								
Liabilities								
Current liabilities								
Short-term borrowing from financial institutions	230.00	12.1	190.00	10.0	230.00	12.1	230.00	12.9
Trade account payables	265.35	14.0	285.55	15.0	283.86	15.0	272.19	15.2
Other payables	170.51	9.0	166.39	8.7	148.40	7.8	109.22	6.1
Current portion of long-term borrowing	60.00	3.2	60.00	3.1	60.00	3.2	60.00	3.4
Deferred revenue and advances received from customers	185.60	9.8	186.58	9.8	171.21	9.0	133.93	7.5

Statement of Financial Position	Consolidated Financial Statement for year ended/ 6 months ended							
	31 December 2014 (Audited)		31 December 2015 (Audited)		31 December 2016 (Audited)		30 June 2017 (Reviewed)	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Accrued income taxes payable	12.05	0.6	5.45	0.3	7.05	0.4	5.47	0.3
Other current liabilities	30.42	1.6	23.46	1.2	16.01	0.8	16.16	0.9
Total current liabilities	**953.92**	**50.3**	**917.42**	**48.1**	**916.53**	**48.3**	**827.80**	**46.3**
Non-current liabilities								
Long-term borrowing	160.00	8.4	120.00	6.3	60.00	3.2	30.00	1.7
Employee benefit obligations	133.68	7.1	189.13	9.9	186.59	9.8	167.95	9.4
Other non-current liabilities	35.29	1.9	24.86	1.3	22.20	1.2	20.31	1.1
Total non-current liabilities	**328.97**	**17.4**	**334.00**	**17.5**	**268.79**	**14.2**	**221.80**	**12.4**
Total liabilities	**1,282.89**	**67.7**	**1,251.42**	**65.6**	**1,185.32**	**62.4**	**1,049.59**	**58.8**
Shareholders' equity								
Registered capital	148.63	7.8	148.63	7.8	148.63	7.8	148.63	8.3
Paid-up capital	148.63	7.8	148.63	7.8	148.63	7.8	148.63	8.3
Premium on share capital	321.21	17.0	321.21	16.8	321.21	16.9	321.21	18.0
Retained earnings								
Appropriated – Legal reserves	5.34	0.3	14.86	0.8	14.86	0.8	14.86	0.8
Unappropriated	136.70	7.2	172.12	9.0	228.33	12.0	251.83	14.1
Total shareholders' equity	**611.87**	**32.3**	**656.82**	**34.4**	**713.02**	**37.10**	**736.53**	**41.2**
Total liabilities and shareholders' equity	**1,894.76**	**100.0**	**1,908.23**	**100.0**	**1,898.35**	**100.0**	**1,786.12**	**100.00**

6.2 Statement of Comprehensive Income

Statement of Comprehensive Income	Consolidated Financial Statement for year ended/ 6 months ended									
	31 December 2014 (Audited)		31 December 2015 (Audited)		31 December 2016 (Audited)		30 June 2016 (Reviewed)		30 June 2017 (Reviewed)	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Million Baht	Percent	Million Baht	Percent	Million Baht
Revenue										
Revenue from sales and services	3,013.44	99.0	2,934.22	99.0	2,890.08	99.0	1,453.62	99.5	1,397.67)	99.1
Revenue from investments	2.92	0.1	2.81	0.1	2.91	0.1	1.38	0.1	1.11	0.1
Other revenue	28.55	0.9	26.81	0.9	24.88	0.9	5.79	0.4	12.05	0.9
Total revenue	**3,044.91**	**100.00**	**2,963.84**	**100.00**	**2,917.86**	**100.00**	**1,460.79**	**100.00**	**1,410.83**	**100.00**
Costs										
Cost of sales and services	(1,800.67)	(59.1)	(1,823.19)	(61.5)	(1,796.17)	(61.6)	(894.64)	(61.2)	(879.40)	(62.3)
Selling and administrative expenses	(699.69)	(23.0)	(692.13)	(23.4)	(691.21)	(23.7)	(337.52)	(23.1)	(324.06)	(23.0)
Impairment in investment in subsidiaries	(550.01)	(18.1)	-	-	-	-	-	-	-	-
Directors and management remuneration	(27.21)	(0.9)	(29.22)	(1.0)	(26.95)	(0.9)	(13.40)	(0.9)	(14.13)	(1.0)
Financial costs	(15.19)	(0.5)	(21.41)	(0.7)	(17.81)	(0.6)	(9.41)	(0.6)	(7.56)	(0.5)
Total expenses	**(3,092.77)**	**(101.6)**	**(2,565.96)**	**(86.6)**	**(2,532.13)**	**(86.8)**	**(1,254.98)**	**(85.9)**	**(1,225.15)**	**(86.8)**
Profit (loss) before corporate income tax	**(47.86)**	**(1.6)**	**397.89**	**13.4**	**385.73**	**13.2**	**205.81**	**14.1**	**185.68**	**13.2**
Corporate income tax	(102.07)	(3.4)	(82.79)	(2.8)	(79.83)	(2.7)	(42.43)	(2.9)	(31.38)	(2.2)
Net profit (loss)	**(149.94)**	**(4.9)**	**315.10**	**10.6**	**305.91**	**10.5**	**163.38**	**11.2**	**154.30**	**10.9**
Other comprehensive income										
Actuarial loss	-	-	(40.43)	(1.4)	-	-	-	-	-	-
Income tax relating to components of other comprehensive income	-	-	8.09	0.3	-	-	-	-	-	-
Other comprehensive income -Net	**-**	**-**	**(32.35)**	**(1.1)**	**-**	**-**	**-**	**-**	**-**	**-**
Total comprehensive income	**(149.94)**	**(4.9)**	**282.75**	**9.5**	**305.91**	**10.5**	**163.38**	**11.2**	**154.30**	**10.9**

6.3 Statement of Cash Flow

Statement of cash flow	Consolidated Financial Statement for year ended/ 6 months ended				
	31 December 2014 (Audited)	31 December 2015 (Audited)	31 December 2016 (Audited)	30 June 2016 (Reviewed)	30 June 2017 (Reviewed)
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Cash flows from operating activities					
Profit for the period	(149.94)	315.10	305.91	163.38	154.30
Adjustment for operating activities					
Depreciation	132.70	146.56	146.30	74.49	72.11
Amortization of intangible assets	20.42	20.87	17.22	9.09	7.56
Loss from impaired investment in subsidiaries	550.01	-	-	-	-
Loss from impaired intangible assets	6.81	1.78	-	-	-
Investment income	(2.92)	(2.81)	(2.91)	(1.38)	(1.11)
Financial cost	15.19	21.41	17.81	9.41	7.56
(Profit) Loss on unrealized exchange rate	(0.00)	0.03	(0.04)	(0.02)	0.03
Doubtful debts expense	18.71	20.14	17.26	8.49	8.66
Allowance for obsolete inventory	0.28	0.46	0.05	(0.01)	(0.01)
Gain (loss) on disposal of property and equipment	0.42	(2.25)	(12.45)	0.22	(0.47)
Loss from disposal of intangible assets	(0.08)	0.00	0.51	(0.65)	0.01
Employee benefit expenses	14.28	10.65	23.22	8.14	15.40
Write-off withhoulding tax	-	(0.03)	-	-	-
Income tax expense	102.07	75.71	79.83	42.43	31.38
Change in operating assets and liabilities, (Increase) decrease					
Trade account receivables and accrued income	(10.37)	(24.64)	34.68	(18.14)	(11.90)
Other receivables	21.99	(28.06)	(27.93)	(5.34)	17.37
Inventory	24.90	20.63	(10.41)	(16.77)	0.27
Other current assets	7.10	(1.05)	(0.76)	(0.80)	(0.99)
Other non-current assets	0.20	8.10	(0.07)	0.18	(0.19)
Trade account payables	(8.72)	20.21	(1.67)	(6.07)	(11.66)
Other payables	14.07	5.59	(9.65)	(49.48)	(42.88)

Statement of cash flow	Consolidated Financial Statement for year ended/ 6 months ended				
	31 December 2014 (Audited)	31 December 2015 (Audited)	31 December 2016 (Audited)	30 June 2016 (Reviewed)	30 June 2017 (Reviewed)
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Deferred revenue and advances received from customers	(74.03)	0.98	(15.37)	(3.41)	(37.28)
Other current payables	3.39	(0.02)	0.08	1.07	1.02
Other non-current payables	0.82	(4.06)	(1.37)	(0.27)	2.04
Defined employee benefit obligations	(8.31)	(0.81)	(32.21)	0.08	(37.08)
Returned withhoulding tax	31.56	11.32	20.59	8.99	10.90
Income tax paid	(124.75)	(99.63)	(87.32)	(43.17)	(36.77)
Net cash from operating activities	**585.96**	**516.26**	**461.17**	**180.96**	**148.26**
Cash flows from investing activities					
Interest received	2.92	2.81	2.91	1.38	1.11
Payment for property, building and equipment	(319.57)	(151.05)	(158.99)	(62.93)	(98.18)
Cash received from disposal of property, building and equipment	3.15	2.97	14.08	0.64	0.77
Payment for intangible assets	(14.28)	(8.28)	(8.97)	(4.20)	(16.03)
Cash received from disposal of intangible assets	-	-	0.00	0.00	-
Net cash received (used in) investing activities	**(327.78)**	**(153.55)**	**(150.97)**	**(65.10)**	**(112.33)**
Cash flows from financing activities					
Interest payment	(15.62)	(16.23)	(10.34)	(5.12)	(4.64)
Dividend payment	(451.83)	(237.81)	(249.70)	(118.90)	(130.79)
Repayments of financial lease liabilities	(16.52)	(15.37)	(9.30)	(8.74)	(0.56)
Cash received from borrowing	520.00	360.00	640.00	410.00	230.00
Repayments of borrowing	(190.00)	(440.00)	(660.00)	(410.00)	(260.00)
Net cash flow received (used in) financing activities	**(153.97)**	**(349.41)**	**(289.33)**	**(132.76)**	**(166.00)**
Net (increase) decrease of cash and cash equivalents	**104.21**	**13.29**	**20.87**	**(16.90)**	**(130.07)**
Cash and cash equivalents at the begining of period	281.99	386.20	399.46	399.46	420.33

Statement of cash flow	Consolidated Financial Statement for year ended/ 6 months ended				
	31 December 2014 (Audited)	31 December 2015 (Audited)	31 December 2016 (Audited)	30 June 2016 (Reviewed)	30 June 2017 (Reviewed)
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Effect from exchange rates	0.00	(0.03)	(0.00)	0.01	-
Cash and cash equivalents at the end of period	**386.20**	**399.46**	**420.33**	**382.56**	**290.26**

6.4 Financial Ratios

	Unit	Consolidated Financial Statement for year ended		
		2014	2015	2016
Liquidity Ratio				
Current Ratio	times	0.97	1.03	1.03
Quick Ratio	times	0.92	1.01	0.99
Cash Ratio	times	0.68	0.55	0.50
Account Receivable Turnover Ratio	times	7.37	7.21	7.54
Average Collection Period	days	49.51	50.60	48.38
Inventory Turnover Ratio	times	5.36	8.42	10.04
Inventory Convertion Period	days	68.13	43.37	36.37
Payable Turnover Ratio	times	6.68	6.62	6.31
Payable Conversion Period	days	54.67	55.14	57.85
Cash Cycle	days	62.97	38.83	26.90
Profitability Ratio				
Gross Profit Margin	%	40.25	37.86	37.85
Operating Profit Margin	%	16.99	14.15	13.83
Other Profir Margin	%	1.03	1.00	0.95
Cash to Profit Ratio	%	96.53	126.77	137.41
Net Profit Ration	%	13.14	10.63	10.48
Return on Equity	%	43.83	49.67	44.66
Efficiency Ratio				
Return on Assets	%	19.46	16.57	16.07
Return on Fixed Assets	%	56.67	38.77	37.69
Total Asset Turnover	times	1.48	1.56	1.53
Financial Policy Ratio				
Debt to Equity Ratio	times	2.10	1.91	1.66
Interest Coverage Ratio	times	34.07	19.58	22.66
Capability Ratio	times	0.73	1.25	1.08
Dividend Ratio	%	76.10	84.62	85.51

7. Explanation of Operational Performance and Financial Status

7.1 Operational Performance and Financial Status

Revenue from sales and services for 2016 totaled 2,890 million Baht. CSL's revenue consists of 1) Revenue from ICT services 2) Revenue from YellowPages advertising business and 3) Revenue from voice info service and mobile contents business

As for the first half of 2017, CSL's total revenue was 1,411 million Baht, decreased by 50 million Baht or 3 percent from the first half of 2016. The net profit totaled 154 million Baht or 0.26 Baht per share, decreased by 9 million Baht or 6 percent from the first half of 2016, due to the change in YellowPages's business operation which ceased to sell printing advertisement business and focused only on online advertisement, thus it could not generate adequate revenue. Moreover, the growth of revenue from ICT services could not cover the decline in revenue from voice info service and mobile content business. Apart from YellowPages's business transferation,

from printing to online advertisement, CSL has restructured its managerial structure. As a result, during this period, CSL had restructuring expense of 13 million Baht approximately, which is one time expense.

7.1.1 Revenue from ICT services

CSL's revenue from ICT services for 2016 totaled 2,286 million Baht, increased by 12 million Baht or 1 percent from 2016. For Q2/2017 the revenue was 569 million Baht, decreased by 13 million Baht or 2 percent from the previous quarter. The details are as follows;

Revenue from ICT services	2015 (Million Baht)	2016 (Million Baht)	Change (%)	Q1/2017 (Million Baht)	Q2/2017 (Million Baht)	Change (%)
Leased Line Internet	1,398	1,381	(1)	343	342	-
Internet Data Center (IDC)	262	290	11	79	79	-
ICT Solutions	525	511	(3)	138	123	(11)
Broadband	36	59	64	18	21	17
Other value-added services	53	45	(15)	4	4	-
Total	**2,274**	**2,286**	**1**	**582**	**569**	**(2)**

Revenue from leased line internet and revenue from internet data center were stable compared to the previous quarter due to intense competition.

Revenue from ICT solution services decreased by 11 percent from the previous quarter in consistent with the percentage of completion and project delivery, combined with CSL's decision to postpone investment/expansion of the company.

Revenue from broadband internet service increase by 17 percent compared to the last quarter due to the growing number of new clients from the expansion of condominium customer base.

Revenue from value-added services dropped by 15 percent from last year due to intense competition and slow economic growth.

7.1.2 Revenue from YellowPages advertising

Revenue from YellowPages advertising for 2016 totaled 211 million Baht, downed by 26 million Baht or 11 percent from last year which the revenue was 237 million Baht. For Q2/2017, the revenue was 36 million Baht, decreased by 9 million Baht or 20 percent in comparison to Q1/2017 which was 45 million Baht, due to the recession of worldwide printing media industry; while CSL's revenue from online media, showing comparatively small growth and having comparatively cheaper price than printing media, could not cover the diminished revenue from printing media.

7.1.3 Revenue from voice info services and mobile content

Revenue from voice info services and mobile content for 2016 totaled 393 million Baht, decreased by 30 million Baht or 7 percent from last year which was 423 million Baht. As for Q2/2017, the revenue was 79 million Baht, dropped by 8 million Baht or 9 percent from the previous quarter which was 87 million Baht, due to changing consumer behavior and technology.

7.1.4 Cost of ICT services

The cost of ICT services for 2016 was 1,424 million Baht; decreased by 40 million Baht or 3 percent from last year which was 1,464 million Baht. As for Q2/2017, the cost was 366 million Baht; increased by 6 million Baht or 2 percent in comparison to the previous quarter, due to efficient cost management of media leased line and the decrease in cost of ICT solution service which was consistent with the percentage of completion.

7.1.5 Cost of YellowPages advertising

The cost of YellowPages advertising for 2016 was 79 million Baht, decreased by 8 million Baht or 9 percent YoY which was 87 million Baht. As for Q2/2017, the cost totaled 12 million Baht, similar to the previous quarter.

7.1.6 Cost of Voice Info Services and Mobile Content

The cost of voice info service and mobile content in Q2/2017 totaled 57 million Baht, decreased by 16 million Baht or 22 percent from the previous quarter which was 73 million Baht, from the effect of business restructuring during the last quarter.

7.1.7 Selling and administrative expenses

CSL had selling and administrative expenses for 2017 of 718 million Baht which was comparatively lower than the last year which was 721 million Baht. As for Q2/2017, the expenses totaled 172 million Baht, increased by 6 million Baht or 4 percent from the previous quarter which was 166 million Baht.

7.1.8 Gross profit and operating profit

Over the last year, CSL generated gross profit of 1,094 million Baht, decreased by 17 million Baht or 2 percent YoY which was 1,111 million Baht. The company's operating profit was 386 million Baht, decreased by 12 million Baht or 3 percent year-over-year, due to the decline of revenue from voice info services and mobile content business which was directly affected from changing consumer behavior and technology.

7.2 Financial Status

7.2.1 Assets

As of 30 June 2017, CSL had total assets of 1,786 million Baht, decreased by 112 million Baht or 6 percent compared to the end of 2016, mainly from a decrease in cash and cash equivalents from dividend payout from the company's operating performance in 2H2016 and repayment of borrowing from financial instituitions.

7.2.2 Liabilities

As of 30 June 2017, CSL had total liabilities of 1,050 million Baht; decreased by 135 million Baht or 11 percent from the end of 2016, mainly due to a decrease of 51 million Baht in trade account payable and other payables or 12 percent due to repayment of internet equipment for ICT service business, and a decrease of 37 million Baht in deferred income and advanced receive from customers or 22 percent in comparison to the end of

2016, due to business restructure by transferring from printing advertisement business to online advertising and a repayment of long-term borrowing from financial institutes which totaled 30 million Baht.

7.2.3 Shareholders' equity

As of 30 June 2017, CSL's shareholders equity totaled 736 million Baht; increased by 23 million Baht or 3 percent from the end of 2016, mainly from an operating profit for the first half of 2017 which was 154 million Baht, and dividend payout from 2H/2016 operating performance amounted to 131 million Baht (0.22 Baht per share) which the company paid to shareholders on 25 April 2017.

8. Industry Outlook

Telecommunication and ICT Industry Outlook

Telecommunications and ICT market is still highly competitive because of sluggish economy which caused corporates to slowdown their investment. However, CSL tried to maintain its growth and developed various products and services to reduce the risk of reliance on internet services which is the compay's sole major business.

The market of corporate internet service business is highly competitive, especially for the price competitiveness between 4-5 major telecommunication operators. CSL tried to maintain its revenue from corporate broadband internet service; which the company gain advantages from being an internet gateway operator both for domestic and overseas connection, by focusing on corporate customer's need and cost control, to maintain its competitiveness with the major telecommunication operators at reasonable price, as well as expand its customer base demanding for quality Internet services. The advantage of IDC market is that IDC's service fee does not show any downtrend, unlike the conventional telecommunication service. IDC services emphasizes on the strength of business foundations; continuity, security and unbiased service. Customer can chooses any service provider to enhance efficiency of their internet gateway connection. Moreover, IDC services can be customized to meet the demand of each customer. CSL experienced in the implementation and management of IDC. The company currently cooperates with a foreign company to build large scale IDCs in provincial areas which have different locations. However, CSL considers the target customer to be different.

ICT market is a very large and competitive market, both from major international operators and several small local operators. The company, therefore, with its long experience in dealing with the business, uses its understanding of customer demand to offer services that suit the current customers, which is more advantegous than price competition. The company, with experienced engineer teams rusted by customers and a business partner of world-renowned brand, is accepted and trusted by customers using "One stop ICT service" that customized to fit their needs.

The market of broadband internet services for condominiums in the inner city of Bangkok is a competitive market dominated by 3-4 operators, often competing at internet speeds (bandwidth) and value-added services (or on-top services), such as movies, etc., that are not required for many customers. Since the company has a corporate customer base which most customers are located in the inner city of Bangkok, CSL has the potential for internet services within the area. Thus, the company provides internet services for customers living in condominiums in the inner city of Bangkok at reasonable prices.

The market for software as a Service (SAAS) is recognized as a high growth market in developed countries. In overseas, telecommunication companies, large-scale software companies has started using cloud computing service. But in Thailand, the market is currently in the initiation phase with very small size. However, the domestic market has the potential to grow in the long run. The company, together with its partner which is the software developer company, provides IDC service to SMEs at reasonable prices. The company's strength is being the owner of infrastructures and high-efficiency admistrative applications which are fundamental for IDC service such as data center, virtual computer, security system, after-sales services etc. Over the last year, the company has offered several fundamental application services such as, hotel management software, customer relationship management softwares (CRM), accounting software, POS software, human resource management (HRM) software, enterprise resource planning (ERP) software, and emphasized on building up understanding among the target customer and listening to the feedback for further development of services.

Attachement 4 : Summary Information of Advance Info Service Public Company Limited

1. General Information

Company Name	: Advance Info Service Public Company Limited
Type of Business	: 0107535000265
Registration Number	: Mobile phone operator, broadband internet service provider and digital content
Address	: AIS Tower 1, 414 Phaholyothin Road, Samsen Nai, Phayathai, Bangkok
Registered Capital	: 4,997,459,800.00 Baht, divided into 4,997,459,800 ordinary shares Par value of 1.00 Baht (as of 10 October 2017)
Paid-up Capital	: 2,973,095,330.00 Baht, divided into 2,973,095,330 ordinary shares Par value of 1.00 Baht (as of 10 October 2017)

2. Company Background

Advance Info Service Public Company Limited or AIS ("ADVANC") founded under the name Advance Info Service Co., Ltd on 24 April 1986, and became a listed company on 5 November 1991. AIS currently is "Digital Life Service Provider" with 3 major businesses consist of, mobile phone service, high-speed internet, and digital content. AIS has been provided mobile phone service for over than 26 years and became a leading mobile phone service provider with the market share of 48 percent. The company served more than 40.5 million customers with 4G/3G/2G networks covering 98 percent of Thailand in the last year.

3. Type of Businesses

AIS's fundamental businesses can be divided into 3 categories as follows;

1. Mobile Phone Service

AIS currently offers mobile phone service on 2.1GHz, 1800MHz and 900 MHz frequency band using 2G, 3G and 4G technology. The company serves more than 41 million customers which divided into 34.6 million and 6.4 million of customers using prepaid and postpaid phone services respectively. As of 2016, AIS has expanded its 3G coverage all over the country with more than 51,200 base stations in total covering 98 percent of population, and 42,100 4G base stations covering 98 percent of population.

About 34.6 million prepaid subscribers and around 6.4 million monthly subscribers. In 2016, AIS has expanded its 3G base stations nationwide to more than 51,200 stations, covering 98 percent of the population and 4G base stations. 42,100 stations cover 98 percent of the population.

Prepaid Customers can top up their phones via multiple channels such as AIS shops, mPAY, banks, ATMs, convenient stores etc. to ensure there is enough credits, and select preferable service that suit their usage from available service packages under the name AIS 1-2-Call! In general, after SIM registration customers can choose main package which available for both phone and internet services; normally AIS Wi-Fi is included in the package, or choose the popular NET SIM package for internet only which can be used with other devices

designed for internet usage such as tablets. Customers can also choose to use only voice call service which has different calling rates for AIS network and other networks. Special price voice call package is available for customers with hearing or visual impairment,

Postpaid Customers have to subsribe for month subscription prior using and pays for usage fees at the end of billing cycle. Like prepaid services, multiple service packages, for voice calling and internet, internet-only packages or voice calling only, are available for postpaid customers with AIS Wi-Fi included in the packages. The only different from prepaid services is that customers pay for the bill at the end of each month which is satisfied by many customers.

2. High-Speed Internet

AIS offers high-speed internet service for home under the brand "AIS Fiber". The broadband internet services are provided using optical cable directed to homes (FTTH) and buildings (FTTB). With a determination to become a leader in digital home service infrastructure, the company serves customer demand with full efficiency in terms of speed and stability. The packages come with AIS Playbox; an internet TV box, for home entertainments.

In 2016, AIS has 301,500 subsribers with coverage area in 28 provinces including Bangkok, Nonthaburi, Pathum Thani, Samut Prakan, Nakhon Pathom, Samut Sakhon, Chonburi, Khon Kaen, Udon Thani, Nakhon Ratchasima, Chiang Mai, Phuket, Phra Nakhon Si Ayutthaya, Rayong, Ubon Ratchathani, Buriram, Nong Khai, Songkhla, Saraburi, Surin, Ratchaburi, Sakon Nakhon, Narathiwat and Nakhon Si Thammarat. The company then aimed to be a leader of high-speed internet providers within 3 years.

AIS offers 3 different packages of AIS Fiber to serve different demand of customers, which are;

PowerHome Package for home use, which comes with high upload speed that allows users to enjoy internet surfing, social media, online games, photo upload and download, including video streaming, video clip upload, or youtube.

PowerPRO Package for home use or small business. The package suits for those who want internet service which has low network sharing to increase efficiency, no bandwidth bottleneck, and more bandwidth for oversea connection.

PowerBiz Package for business. The package can serve business needs, with a fix IP for server allowing multiple services for business via high-speed internet such as, full HD video conference, and fast after sales service, keeping business running smoothly.

Over the past year, the company has expand its customer base as follows;

Dormitory Internet AIS Fiber offers "Dormitory Internet by AIS Fiber" service; the new generation of prepaid high-speed internet in Thailand which meets the lifestyles of university students living in dormitories closed to universities.

Cooperation with Property Developers AIS becomes a partner with several property developers such as, Property Perfect Plc. N.C. Housing Co., Ltd, Dwell Grand Asset Co., Ltd and M.K. Real Estate Development Plc., to install high-speed internet network within their projects so customers can access to the internet instantly once moving in.

3. Digital Content

Apart from network development to support customer demand, AIS has continuously develop value-added services for customers in addition to voice calling. With the development, AIS is always a leader of value-added services such as, calling melody, e-book, and other value-added services with cooperation with business partners. As a result, the market for value-added services has grown steadily. At the present, internet network has became more efficient and can support advanced technology such as 3G, 4G, and super Wi-Fi. Moreover, smartphone usage has been increased. Thus, AIS developed digital services and digital content to meet customer needs and lifestyle. AIS focuses on 5 areas of digital content to respond the needs of today's customers, which are video, games, mobile banking, clouds and machine-to-machine connection (M2M).

ธุรกิจมือถือ จำนวนผู้ใช้บริการ (เลขหมาย)	ไตรมาส 4/2558	ไตรมาส 1/2559	ไตรมาส 2/2559	ไตรมาส 32559	ไตรมาส 4/2559
ระบบรายเดือน	5,431,200	5,412,400	5,812,800	6,108,700	6,429,600
ระบบเติมเงิน	33,056,900	33,515,900	33,542,200	33,764,700	34,601,600
รวมจำนวนผู้ใช้บริการ	**38,488,100**	**38,928,300**	**39,355,000**	**39,873,400**	**41,031,200**
จำนวนผู้ใช้บริการที่เพิ่มขึ้น (เลขหมาย)					
ระบบรายเดือน	68,000	-18,800	400,400	295,900	320,900
ระบบเติมเงิน	609,400	459,000	26,300	222,500	836,900
รวมจำนวนผู้ใช้บริการที่เพิ่มขึ้น	**677,400**	**440,200**	**426,700**	**518,400**	**1,157,800**
ARPU (บาท/เลขหมาย/เดือน)					
ระบบรายเดือน	612	608	608	597	600
ระบบเติมเงิน	195	194	188	186	186
เฉลี่ย	**254**	**251**	**248**	**248**	**251**
MOU (นาที/เลขหมาย/เดือน)					
ระบบรายเดือน	330	320	313	305	296
ระบบเติมเงิน	286	272	234	213	201
เฉลี่ย	**292**	**279**	**246**	**226**	**215**
VOU (เมกะไบต์/เลขหมายที่ใช้อินเทอร์เน็ต/เดือน)					
ระบบรายเดือน	2,360	2,680	3,430	4,090	4,970
ระบบเติมเงิน	1,910	2,030	2,380	2,670	3,200
เฉลี่ย	**2,000**	**2,160**	**2,590**	**2,960**	**3,580**
อัตราการใช้เครื่องโทรศัพท์					
โทรศัพท์มือถือ 4G	N/A	16%	19%	24%	29%
ธุรกิจอินเทอร์เน็ตความเร็วสูง					
จำนวนผู้ใช้บริการ	44,000	72,000	115,000	195,000	301,500
จำนวนผู้ใช้บริการที่เพิ่มขึ้น	18,000	28,000	43,000	80,000	106,500
ARPU (บาท/ราย/เดือน)	615	583	520	498	510

4. Board of Directors

As of 11 October 2017, ADVANC had 11 directors as follows;

	Name-Surname	Position
1.	Mr. Kan Trakulhoon	Chairman of the Board and Independent Director
2.	Mr. Allen Lew Yoong Keong	Chairman of Executive Committee
3.	Mr. Somchai Lertsutiwong	Chief Executive Officer
4.	Mr. Somprasong Boonyachai	Vice Chairman of the Board
5.	Ms. Jeann Low Ngiap Jong	Director
6.	Mr. Stephen Miller	Director
7.	Mr. Hui Weng Cheong	Director
8.	Mr. Krairit Euchukanonchai	Independent Director and Chairman of Audit Committee
9.	Mr. Surasak Vajasit	Independent Director and Audit Committee
10.	Mr. Prasan Chuaphanich	Independent Director and Audit Committee
11.	Mr. Gerardo C. Jr. Ablaza	Independent Director

Source : www.set.or.th

5. Shareholder Structure

As of 11 October 2017, ADVANC's major shareholders are as follows;

	Name-Surname	Shares	Percent
1.	Intouch Holdings Public Company Limited	1,202,712,000	40.45
2.	SINGTEL STRATEGIC INVESTMENTS PTE LTD.	693,359,000	23.32
3.	Thai NVDR Co., Ltd	149,850,387	5.04
4.	LITTLEDOWN NOMINEES LIMITED	100,370,100	3.38
5.	Social Security Office	72,026,900	2.42
6.	STATE STREET BANK EUROPE LIMITED	39,847,498	1.34
7.	CHASE NOMINEES LIMITED	36,963,717	1.24
8.	THE BANK OF NEW YORK MELLON	30,832,000	1.04
9.	STATE STREET BANK AND TRUST COMPANY	26,540,300	0.89
10.	GIC PRIVATE LIMITED	20,065,037	0.67
11.	HSBC (SINGAPORE) NOMINEES PTE LTD	19,682,415	0.66

Source : www.set.or.th

6. Financial Statement

6.1 Statement of Financial Position

Statement of Financial Position	Consolidated Financial Statement for year ended/ 6 months ended							
	31 December 2014 (Audited)		31 December 2015 (Audited)		31 December 2016 (Audited)		30 June 2017 (Reviewed)	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Assets								
Current Assets								
Cash and cash equivalents	14,258,066	11.28	9,864,913	5.43	11,226,141	4.07	9,525,649	3.39
Specific-designate bank deposit	3,709,328	2.94	4,447,280	2.45	2,963,183	1.08	2,725,609	0.97
Short term investment	1,542,449	1.22	304,674	0.17	-	-		
Trade account receivables and other receivables	14,545,609	11.51	16,388,529	9.01	14,116,309	5.12		
Short-term loans to related parties	95,000	0.08	-	-	-	-	14,875,867	5.29
Inventory	2,519,497	1.99	5,059,252	2.78	3,085,252	1.12	4,346,762	1.54
Other current assets	1,288,943	1.02	1,942,221	1.07	508,454	0.18	503,197	0.18
Total current assets	**37,958,892**	**30.04**	**38,006,869**	**20.91**	**31,899,339**	**11.57**	**31,977,084**	**11.37**
Non-current assets								
Investment in associates	-	-	-	-	24,235	0.01	30,585	0.01
Investment in joint-ventures	-	-	-	-	14,662	0.01	59,062	0.02
Other long-term investments	58,399	0.05	58,399	0.03	59,399	0.02	59,399	0.02
Swaps and forward contract receivables	568,881	0.45	795,449	0.44	577,660	0.21	-	-
Property, plant and equipments	60,702,587	48.04	84,291,103	46.37	118,271,443	42.9	129,013,608	45.86
Intangible assets under operating agreement	8,738,039	6.92	-	-	-	-	-	-
Goodwill	34,931	0.03	34,931	0.02	34,931	0.01	34,931	0.01
Spectrum licenses for telecommunication service	12,624,410	9.99	51,790,574	28.49	115,378,418	41.85	111,483,271	39.62
Other intangible assets	2,504,683	1.98	3,192,332	1.76	4,099,208	1.49	4,338,027	1.54
Deferred tax assets	1,441,856	1.14	1,251,588	0.69	2,617,832	0.95	2,660,024	0.95
Other non-current assets	1,717,885	1.36	2,340,028	1.29	2,693,224	0.98	1,694,426	0.60
Total non-current assets	**88,391,671**	**69.96**	**143,754,404**	**79.09**	**243,771,012**	**88.43**	**249,373,333**	**88.63**
Total assets	**126,350,563**	**100.00**	**181,761,273**	**100.00**	**275,670,351**	**100.00**	**281,350,417**	**100.00**

Statement of Financial Position	Consolidated Financial Statement for year ended/ 6 months ended							
	31 December 2014 (Audited)		31 December 2015 (Audited)		31 December 2016 (Audited)		30 June 2017 (Reviewed)	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Liabilities and shareholders' equity								
Liabilities								
Current liabilities								
Short-term borrowing from financial institutions	-	-	8,500,000	4.68	9,200,000	3.34	9,000,000	3.20
Trade account payables and other payables	23,092,055	18.27	27,750,538	15.26	34,292,055	12.44	30,801,025	10.95
Current portion of long-term borrowing	2,571,631	2.04	4,355,627	2.4	2,484,704	0.9	4,159,757	1.48
Current portion of spectrum licenses payable	3,656,250	2.89	-	-	10,017,157	3.63	10,141,609	3.60
Accrued revenue sharing expenses	5,130,157	4.06	5,364,085	2.95	5,360,787	1.95	5,361,820	1.91
Unearned income – mobile phone service	2,183,175	1.73	2,331,763	1.28	3,208,043	1.16	3,529,154	1.25
Advanced payment from customers	3,709,328	2.94	4,447,280	2.45	2,963,183	1.08	2,725,609	0.97
Income tax payable	2,195,546	1.74	4,761,208	2.62	1,756,301	0.63	2,606,867	0.93
Other current liabilities	367,976	0.29	22,792	0.01	45,799	0.02	14,395	0.01
Total current liabilities	**42,906,118**	**33.96**	**57,533,293**	**31.65**	**69,328,029**	**25.15**	**68,340,236**	**24.29**
Non-current liabilities								0.00
Long-term liabilities	34,478,291	27.29	52,576,667	28.93	87,273,400	31.66	90,543,063	32.18
Employee benefit obligations	1,499,743	1.19	2,293,784	1.26	2,554,403	0.93	2,697,014	0.96
Spectrum licenses payable	-	-	19,902,471	10.95	72,180,038	26.18	73,059,541	25.97
Other non-current liabilities	601,656	0.47	962,076	0.53	1,626,147	0.59	1,864,908	0.66
Total non-current liabilities	**36,579,690**	**28.95**	**75,734,998**	**41.67**	**163,633,988**	**59.36**	**168,164,526**	**59.77**
Total liabilities	**79,485,808**	**62.91**	**133,268,291**	**73.32**	**232,962,017**	**84.51**	**236,504,762**	**84.06**
Shareholders' equity								
Paid-up capital	2,973,095	2.35	2,973,095	1.64	2,973,095	1.08	2,973,095	1.06
Premium on share capital	22,372,276	17.71	22,372,276	12.31	22,388,093	8.12	22,418,588	7.97
Retained earnings								
Appropriated – Legal reserves	500,000	0.4	500,000	0.27	500,000	0.18	500,000	0.18

Statement of Financial Position	Consolidated Financial Statement for year ended/ 6 months ended							
	31 December 2014 (Audited)		31 December 2015 (Audited)		31 December 2016 (Audited)		30 June 2017 (Reviewed)	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Unappropriated	20,710,295	16.39	22,313,204	12.28	16,471,015	5.97	18,624,177	6.62
Other components of shareholders' equity	194,732	0.15	217,757	0.12	236,680	0.09	224,170	0.08
Total shareholders' equity attributable to owners of the company	**46,750,398**	**37**	**48,376,332**	**26.62**	**42,568,883**	**15.44**	**44,740,030**	**15.90**
Non-controlling interests	114,357	0.09	116,650	0.06	139,451	0.05	105,625	0.04
Total shareholders' equity	**46,864,755**	**37.09**	**48,492,982**	**26.68**	**42,708,334**	**15.49**	**44,845,655**	**15.94**
Total liabilities and shareholders' equity	**126,350,563**	**100**	**181,761,273**	**100**	**275,670,351**	**100**	**281,350,417**	**100.00**

6.2 Statement of Comprehensive Income

Statement of Comprehensive Income	Consolidated Financial Statement for year ended/ 6 months ended									
	31 December 2014 (Audited)		31 December 2015 (Audited)		31 December 2016 (Audited)		30 June 2016 (Reviewed)		30 June 2017 (Reviewed)	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Revenue										
Revenue from services and equipment rentals	125,396,923	83.97	127,414,763	82.06	128,226,137	84.28	63,189,479	85.70	65,671,575	84.26
Revenue from sales	23,331,862	15.63	27,798,086	17.90	23,923,730	15.72	10,545,194	14.30	12,264,984	15.74
Revenue from constructions under operating agreements	600,262	0.40	63,591	0.04	-	-	-	-	-	-
Total revenue	**149,329,047**	**100.00**	**155,276,440**	**100.00**	**152,149,867**	**100.00**	**73,734,673**	**100.00**	**77,936,559**	**100.00**
Costs										
Cost of services and equipment rentals	45,206,190	30.28	50,020,302	32.21	58,069,918	38.17	26,702,073	36.21	32,774,851	42.05
Reversal of revenue sharing (expense)		-	-	-	-	-	6,466	0.01	1,033	0.00
Revenue sharing	14,593,802	9.77	6,716,228	4.33	3,989	-	-	-	-	-
Cost of sales	23,148,016	15.5	28,018,892	18.04	24,917,977	16.38	10,448,621	14.17	12,850,427	16.49
Cost of constructions under operating agreements	600,262	0.40	63,591	0.04	-	-	-	-	-	-
Total costs	**83,548,270**	**55.95**	**84,819,013**	**54.62**	**82,991,884**	**54.55**	**37,144,228**	**50.38**	**45,626,311**	**58.54**
Gross profit	**65,780,777**	**44.05**	**70,457,427**	**45.38**	**69,157,983**	**45.45**	**36,590,445**	**49.62**	**32,310,248**	**41.46**

Statement of Comprehensive Income	Consolidated Financial Statement for year ended/ 6 months ended									
	31 December 2014 (Audited)		31 December 2015 (Audited)		31 December 2016 (Audited)		30 June 2016 (Reviewed)		30 June 2017 (Reviewed)	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Selling expenses	6,219,706	4.17	6,900,983	4.44	16,012,373	10.52	8,196,887	11.12	5,026,073	6.45
Adminstrative expenses	12,640,674	8.46	13,190,402	8.5	13,763,455	9.05	6,357,861	8.62	7,114,088	9.13
Total selling and administrative expenses	18,860,380	12.63	20,091,385	12.94	29,775,828	19.57	14,554,748	19.74	1,2140,161	15.58
Profit (loss) from sales, services and equipment rentals	**46,920,397**	**31.42**	**50,366,042**	**32.44**	**39,382,155**	**25.88**	**22,035,697**	**29.89**	**20,170,087**	**25.88**
Investment income	370,107	0.25	291,108	0.19	203,951	0.13	97,552	0.13	85,051	0.11
Other operating income	329,786	0.22	447,705	0.29	364,176	0.24	196,316	0.27	294,067	0.38
Share of gain (loss) from investments in an associate, subsidiaries and a joint venture	(3,625)	-	(10,875)	(0.01)	23,897	0.02	10,411	0.01	5,751	0.01
Lost from impairment of assets	(11,973)	(0.01)	-	-	-	-	-	-	-	-
Net gain (loss) on foreign exchange rate	188,934	0.13	228,780	0.15	277,161	0.18	203,743	0.28	162,241	0.21
Management benefit expenses	(183,866)	(0.13)	(209,178)	(0.14)	(150,257)	(0.1)	(70,731)	(0.10)	(82,399)	(0.11)
Financial cost	-1,526,870	-1.02	-1,959,563	-1.26	-4,236,139	-2.78	(1,593,731)	-2.16	-2,616,978	(3.36)
Profit (loss) befor corporate income tax	**46,082,890**	**30.86**	**49,154,019**	**31.66**	**35,864,944**	**23.57**	**20,879,257**	**28.32**	**18,017,820**	**23.12**
Corporate income tax	(10,079,717)	(6.75)	(9,999,167)	(6.44)	(5,175,300)	(3.40)	(3,210,542)	(4.35)	(3,110,503)	(3.99)
Net profit (loss) for the period	**36,003,173**	**24.11**	**39,154,852**	**25.22**	**30,689,644**	**20.17**	**17,668,715**	**23.96**	**14,907,317**	**19.13**
Total comprehensive income attributable to:										
Onwers of the company	36,033,165	24.13	39,152,410	25.21	30,666,538	20.15	17,669,049	23.96	14,907,715	19.13
Non-controlling interests	(29,992)	(0.02)	2,442	0.01	23,106	0.02	(334)	0.00	(398)	(0.00)
Total comprehensive income for the period	**36,003,173**	**24.11**	**39,154,852**	**25.22**	**30,689,644**	**20.17**	**17,668,715**	**23.96**	**14,907,317**	**19.13**

6.3 Statement of Cash Flow

Statement of cash flow	Consolidated Financial Statement for year ended/ 6 months ended				
	31 December 2014 (Audited)	31 December 2015 (Audited)	31 December 2016 (Audited)	30 June 2016 (Reviewed)	30 June 2017 (Reviewed)
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Cash flows from operating activities					
Profit for the period	36,003,173	39,154,852	30,689,644	17,668,715	14,907,317
Adjustments for					
Depreciation	6,224,631	10,153,064	15,464,345	6,664,805	9,962,130
Amortization of intangible assets	12,697,121	10,342,114	6,202,968	1,912,570	4,286,379
Loss from impaired assets	11,973	-	-	-	-
Investment income	(370,107)	(291,108)	(203,951)	(97,552)	(85,051)
Financial cost	1,526,870	1,959,563	4,236,139	1,593,731	2,616,978
Doubtful account	1,240,097	1,315,294	1,537,700	603,810	1,090,500
Share-based payment	18,922	30,661	34,741	17,940	17,985
Allowance for obsolete, delince in value, and write-off inventories	60,997	206,635	301,549	195,003	(336,998)
Loss from disposals	864,997	302,482	23,070	-	-
Allowance for obsoleted equipment	-	-	135,773	-	341,821
Gain from disposals				(396)	(35,094)
Unrealized (gain) loss on foreign exchange rate	19,719	25,736	(29,634)	134,778	56,784
Share of gain from investment in an associate subsidiaries and a joint venture	3,625	10,875	(23,897)	(10,411)	(5,751)
Income tax expense	10,079,717	9,999,167	5,175,300	3,210,542	3,110,503
Cash provided by (used in) operation before changes in operating assets and liabilities	**68,381,735**	**73,209,335**	**63,543,747**	**31,893,535**	**35,927,503**
Change in operating assets and liabilities					
Specifically-designated bank deposits	71,813	(737,952)	1,484,097	939,596	237,574
Trade and other receivables	(1,403,349)	(2,046,091)	731,904	849,734	(1,876,658)
Inventories	284,438	(2,714,490)	1,672,451	(2,310,795)	(924,512)
Other current assets	(156,062)	(146,712)	1,022,641	(405,712)	45,759

Statement of cash flow	Consolidated Financial Statement for year ended/ 6 months ended				
	31 December 2014 (Audited)	31 December 2015 (Audited)	31 December 2016 (Audited)	30 June 2016 (Reviewed)	30 June 2017 (Reviewed)
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Other non-current assets	(568,973)	(622,142)	2,601	335,878	1,063,033
Trade and other payables	2,411,269	2,018,695	3,289,463	1,513,253	(2,047,344)
Accrued revenue sharing expense	1,595,407	233,928	(3,298)	(2,024)	1,033
Unearned income – mobile phone service	583,511	148,588	876,280	462,978	321,111
Advanced receipts from customers	723,400	737,952	(1,484,097)	(939,596)	(237,574)
Other current assets	190,895	(344,346)	23,006	65,224	(31,403)
Swaps and forward contract receivables (payables)	(24,199)	90,217	102,801	(14,292)	36,209
Other non-current payables	84,478	97,008	276,108	132,487	109,480
Cash generated from operating activities	72,174,363	69,923,990	71,537,704	32,520,266	32,624,211
Income tax paid	(9,353,965)	(8,294,588)	(9,902,247)	(5,677,637)	(2,366,364)
Net cash provided by operating activities	**62,820,398**	**61,629,402**	**61,635,457**	**26,842,629**	**30,257,847**
Cash flows from investing activities					
Interest received				100,577	82,188
Purchase of property, plant, equipment and other intangible assets	(31,731,849)	(32,107,980)	(47,554,102)	(23,794,870)	(22,842,901)
Sale of equipment	27,410	22,120	17,398	15,013	8,621
Purchase of intangible assets under the operating agreement	(830,273)	(146,548)	-	-	-
Spectrum license fee paid	(3,656,250)	(24,159,783)	(8,069,267)	(8,067,738)	-
Net decrease (increase) in short term loans to related parties	(95,000)	95,000	-	-	-
Investment in subsidiaries, an associate and a joint venture	(3,625)	(10,875)	(15,000)	-	(45,000)
Net other investment decrease (increase)	82,882	1,230,043	303,674	269,800	-
Dividend received	10,000	40,000	-	-	-

Statement of cash flow	Consolidated Financial Statement for year ended/ 6 months ended				
	31 December 2014 (Audited)	31 December 2015 (Audited)	31 December 2016 (Audited)	30 June 2016 (Reviewed)	30 June 2017 (Reviewed)
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Interest received	372,803	282,277	215,750	-	-
Net cash received (used in) investing activities	**(35,823,902)**	**(54,755,746)**	**(55,101,547)**	**(31,477,218)**	**(22,797,092)**
Cash flows from financing activities					
Interest paid	(1,229,812)	(1,612,269)	(2,568,103)	(1,136,864)	(1,492,961)
Other finance costs paid	(124,186)	(178,230)	(201,233)	(135,598)	(38,450)
Finance lease payments	(35,511)	(42,625)	(47,304)	(23,595)	(24,295)
Net increase (decrease) in short-term loans from financial institutions	(4,000,000)	8,500,000	700,000	2,690,000	(200,000)
Proceed of long-term borrowing	21,600,400	21,500,000	41,153,737	29,000,000	6,653,737
Repayment for long-term borrowing	(5,370,463)	(2,392,023)	(7,699,136)	(4,896,631)	(1,293,830)
Non-controlling interst acquired	(2)	-	-		
Dividend paid	(35,052,353)	(37,042,102)	(36,508,870)	(19,294,953)	(12,754,553)
Net cash flow received (used in) financing activities	**(24,211,927)**	**(11,267,249)**	**(5,170,909)**	**6,202,359**	**(9,150,352)**
Net (increase) decrease of cash and cash equivalents	2,784,569	(4,393,593)	1,363,001	1,564,351	(1,700,492)
Cash and cash equivalents at the begining of period	11,473,121	14,258,066	9,864,913	9,864,913	11,226,141
Effect from exchange rates	376	440	(1,773)	(3,419)	(10,895)
Cash and cash equivalents at the end of period	**14,258,066**	**9,864,913**	**11,226,141**	**11,429,264**	**9,525,649**

6.4 Financial Ratios

	Unit	Consolidated Financial Statement for year ended		
		2014	2015	2016
Liquidity Ratio				
Current Ratio	times	0.88	0.66	0.46
Quick Ratio	times	0.61	0.37	0.33
Cash Ratio	times	1.46	1.07	0.89
Account Receivable Turnover Ratio	times	13.26	13.23	12.27
Average Collection Period	days	27	27	29
Inventory Turnover Ratio	times	8.6	7.39	6.12
Inventory Convertion Period	days	42	49	59
Payable Turnover Ratio	times	5.79	5.94	5.17
Payable Conversion Period	days	62	61	70
Cash Cycle	days	7	15	19
Profitability Ratio				
Gross Profit Margin	%	44.05%	45.38%	45.45%
Operating Profit Margin	%	31.42%	32.44%	25.88%
Other Profit Margin	%	0.47%	0.48%	0.37%
Cash to Profit Ratio	%	57.54%	13.65%	16.59%
Net Profit Ration	%	24.13%	25.21%	20.16%
Average Return on Equity	%	77.69%	82.12%	67.25%
Return on Equity at the end of period	%	76.89%	80.74%	71.80%
Efficiency Ratio				
Return on Assets	%	30.23%	25.41%	13.41%
Return on Fixed Assets	%	55.20%	49.12%	29.23%
Total Asset Turnover	times	1.25	1.01	0.67
Financial Policy Ratio				
Debt to Equity Ratio	times	1.7	2.75	5.45
Interest Coverage Ratio	times	32.79	28.27	13.9
Capability Ratio	times	13.28	3.87	3.35
Dividend Ratio	%	99.01%	98.64%	97.72%

7. Explanation of Operational Performance and Financial Status

7.1 Operational Performance and Financial Status

7.1.1 Revenue

Revenue from services (excluded revenue from interconnection: IC) for Q2/2017 was 32,153 million Baht, increased by 6.6 percent YoY and 2.5 percent QoQ from the increase of postpaid subscribers including the growing number of AIS Fiber's subscribers. Revenue from mobile phone services increased by 4.6 percent YoY and 1.9 percent QoQ since mobile internet usage is growing continually.

Voice revenue For Q2/2017, revenue from voice calling service totaled 11,080 million Baht, decreased by 14 percent YoY and 3.1 percent QoQ as voice uasage contitnue to be substituted by the use of mobile data.

Non-voice revenue In Q2/2017, non-voice revenue was 18,701 million Baht, increased by 21 percent YoY and 5.2 percent QoQ as the number of 4G subsribers has been increased to 39 percent of overall customer base, as well as data usage for video streaming content.

Fixed broadband revenue In Q2/2017, revenue from high-speed internet service totaled 738 million Baht, increased by 404 percent YoY and 34 percent QoQ which caused the proportion of high-speed internet revenue increased to 2.3 percent of service revenue. The number of subsribers at the end of this quarter was 445,900 subscribers, increased by 72,000 subscribers from the beginning of the year. AIS focused on increasing customer base of fiber optic internet, and offered discounts to customers which helps creating uptrend for average monthly revnue which increased from 510 Baht for Q4/2016 to 541 Baht in Q1/2017 and 600 Baht in Q2/2017.

International revenues and others In Q2/2017, international revenue and other revenue was 1,634 million Baht, decreased by 0.9 percent YoY but increased by 2.2 percent QoQ. Revenue from SIM and device sales was 5,858 million Baht, increased by 20 percent YoY which was contributed by increasing sales of mid-range and high-end smartphones. However, revenue from SIM and device sales decreased by 8.6 percent QoQ from seasonality which caused the prorfit margin of device sales for this quarter was -2.7 percent compared to 2.3 percent for Q2/2016 and -6.7 percnet for the previous quarter.

Net revenue from interconnection (Net IC) In Q2/2017, revenue from interconnection was 60 million Baht, decreased from 85 million Baht in Q2/2016, partly due to the IC rate reduction since January 2017. However, the net revenue from interconnection increased from 34 million Baht for the previous quarter.

7.1.2 Costs

Cost of services (excluded revenue from interconnection: IC) For Q2/2017, cost of services totaled 15,512 million Baht, increased by 37.0 percent YoY and 2.0 percent QoQ due to depreciation and amortizeation which were compensateted with the decrease in licence fee.

Regulartory fees In Q2/2017, the cost of regulartory fee was 1,654 million Bat, decreased by 26.0 percent YoY and 8.9 percent QoQ. As for this quarter, license fee contributed to 5.1 percent of service revenue (excluded IC), decreased by 7.4 percent YoY and 5.8 percent QoQ. Since 30 May 2017, NBTC announced a new rate of Universal Services Obligation (USO) which reduced from 3.75 percent of net profit to 2.50 percent. As a result, the regulatory fee on the license scheme has changed from 5.25 percent to 4 percent of service revenue.

Depreciation and amortization

In Q2/2017, depreciation and amortization totaled 7,218 million Baht, increased by 64.0 percent YoY from 4G network investment and the amortization of the 900MHz license granted in the end of June 2016. QoQ, depreciation and amortization increased by 6.0 percent from 4G capacity enhancement.

Network operating expenses In Q2/2017, network operating expense was 4,973 million Baht, increased by 59.0 percent YoY from payment to TOT amounting to 2,375 million Baht (none in the first half of 2016). QoQ, network operating expenses slightly declined by 1.4 percent.

Other cost of services were 1,668 million Baht, increased by 6.7 percent YoY and 8.5 percent QoQ mainly from cost of contents.

7.1.3 Selling and Administrative Expenses

In Q2/2017, Selling and administrative expenses were 6,701 million Baht, 3.7 percent increased YoY from higher admin expenses and bad debt. QoQ, selling and administrative expenses increased by 23.0% from the increase of handset subsidies and admin expenses.

Marketing expenses In Q2/2017, marketing expenses were 2,869 million Baht, decreased by 8.1 percent YoY, but increased by 33 percent QoQ. In this quarter, AIS contitnue to focus on handset subsidies in postpaid segment in order to acquire quality customers and customer demand to move from prepaid to postpaid.

General admin expenses In Q2/2017, general admin expenses were 3,152 million Baht, increasing 8 percent YoY due to higher staff cost and cost related to fixed broadband. QoQ, general admin expenses increased 19 percent mainly due to higher handset provision and the low base in Q1/2017 from staff cost adjustment.

Depreciation and amortization In Q2/2017, depreciation and amortization were 114 million Baht, increased by 13 percent YoY, and 3.7 percent QoQ due to shop expansion.

Allowance on bad debt In Q2/2017, allowance for bad debt was 565 million Baht, increased by 77 percent YoY and 7.6 percent QoQ from larger postpaid and fixed broadband subscriber base. Allowance for bad debt to postpaid revenue was 4.4 percent in Q2/2017, up from 3.1 percent in Q2/2016 but down from 4.5 percent in Q1/2017.

7.1.4 Financial costs

In Q2/2017, financial costs was 1,324 million Baht, inclusive of approximately 500 million Baht of deferred interest from spectrum licenses, increasing 57 percent YoY and 2.4 percent QoQ due to higher interest-bearing debt.

7.1.5 Net gain from foreign exchange

In Q2/2017, net gain from foreign exchange was 12 million Baht, downed from 179 million Baht in Q2/2016 and 150 million Baht in Q1/2017. Expenses and borrowings denominated in foreign currencies are hedged to reduce currency risk.

7.1.6 Profit

EBITDA in Q2/2017 was stable at 17,108 million Baht, increased by 0.6 percent YoY but decreased by 1.4 QoQ, from revenue increase compensated with network cost which increased from the last year, and the increase in cost for handset subsidies QoQ. Net profit margin was 43.8 percent compared to 46.6 percent YoY and 44.6 percent QoQ, from depreciation and amortization of 900MHz license and 4G investment and the increase of financial cost. Consequently, net profit decreased by 25 percent YoY and 6.2 percent QoQ, to 7,215 million Baht. Net profit margin was 18.5 percent, compared to 26.3 percent YoY and 19.8 percent QoQ.

7.2 Financial position

7.2.1 Assets

Assets as of 31 December 2014, 31 December 2015, 31 December 2016 and 30 June 2017 were, 126,350. 56 million Baht, 181,761. 27 million Baht, 275,670. 35 million Baht, and 281,350. 42 million Baht respectively, mainly from property, building and equipment, and spectrum license etc.

At the end of June 2017, AIS's assets totaled 281,350.42 million Baht, increased 2.1 percent YoY from network investment.

As of 31 December 2016, AIS' s assets increased by 52 percent from 900MHz licens granted in June 2016, and 4G investment which property, buildings, network equipment and licenses were accounted for 85 percent of total assets. Current assets was 31,899 million Baht, decreased by 16 percent from 2015 due to the decrease in inventory; mobile phones. Whereas trade account receivables increased by 3.1 percent from 2015.

7.2.2 Liabilities

Liabilities as of of 31 December 2014, 31 December 2015, 31 December 2016 and 30 June 2017 were, 79,485.81 million Baht, 13,268.29 million Baht, 232,962.02 million Baht, and 236,504.76 million Baht respectively, mainly from long-term borrowing and spectrum license payable etc.

At the end of June 2017, AIS' s liabilitiess totaled 236,504. 76 million Baht, increased 1. 5 percent from 98,100 million Baht to 103,500 million Baht from interest-bearing debt. from network investment.

As of 31 December 2016, AIS' s liabilitiess was 232,962. 02 million Baht, significantly increased by 75 percent YoY from the auction for 900MHz license and increase in borrowing. Interest- bearing debt increased from 64,000 million Baht in 2015 to 98,000 million Baht to pay for regulartory fee and network expansion.

7.2.3 Shareholders' equity

Shareholders' equity as of 31 December 2014, 31 December 2015, 31 December 2016 and 30 June 2017 were, 46,864.76 million Baht, 48,492.98 million Baht, 42,708.33 million Baht, and 44,845.66 million Baht respectively.

At the end of June 2017, AIS's shareholders' equity totaled 44,845 million Baht, increased by 5 percent from an increase in retained earnings.

As of 31 December 2016, shareholders' equity totaled 42,708 million Baht, decrease by 12 percent YoY from a decline in net profit and retained earnings.

8. Industry Outlook

In 2016, mobile phone operators reported higher proportion of capital expenditure to revenue, compared to previous year, due to the repid expand of 4G and 3G networks to support an increase demand of data service from subscribers, as well as license fees for 1800MHz and 900MHz which the operators have to pay to NBTC till 2020. AIS estimated that in the industrial trend move toward generating better revenue and profit in comparison to 2016. Operators will launch marketing campaign for mobile phone subsidy, and new service packages focusing on specific target groups. Operators will concentrate on creating differentiation in quality of networks, especially for data service, accessibility of products and services, including customer experience. Mobile phone business

in 2017 is expected to grow in consistent with the growth in GDP, driven by increasing hours and usage spent on mobil phone of consumers.

Broadband internet in 2017 has steady growth from a change in lifestyle of consumers forwarding to digital era which increases a demand for home broadband internet for faster and more efficient internet access. AIS expected that the competition amongs broadband providers will focus on internet speed and fiber optic network coverage. Digital content will play greater roles in consumer's lifestyle, with a government support under Thailand 4.0 model which introduced a concrete policy for innovation and creative development and moving businesses forwad from productions to services. Video content is continue to be a main driver of business growth in consistent with an increase in mobile phone usage and home broadband accessibility. Online-banking and e-commerce will become more popular for product payment and distribution, due to the convenience of shopping and variety of products offered by both large and small manufacturers. Moreover, cloud storage tends to become more widespread, due to increasing data of both medium and larage businesses which requires to store and access data from cloud to enhance service efficiency. There are many factors that will have important roles in telecommunication industry in 2017 such as, issuance of the new act on organization to assign radio frequency, a general election which will be held in late 2017, as well as Thailand's economy etc. However, in every quarter, the company will cleary inform shareholders of the importance factors and the company's direction and strategy.

Attachment 5 : Summary Information of Advance Wireless Network Co., Ltd

1. General Information

Company Name	: Advance Wireless Network Co., Ltd
Type of Business	: 0105548115897
Registration Number	: Telecommunication, telecommunication network, radio and television broadcasting without using radio frequency, and mobile phone sales
Address	: 414 Phaholyothin Road, Samsen Nai, Phayathai, Bangkok 10400
Registered Capital	: 1,350,000,000 Baht, divided into 13,500,000 ordinary shares Par value of 100.00 Baht (as of 10 October 2017)
Paid-up Capital	: 1,350,000,000 Baht, divided into 13,500,000 ordinary shares Par value of 100.00 Baht (as of 10 October 2017)

2. Company Background

Advance Wireless Network Co., Ltd founded under the name AIS Wireless Communication Network Co., Ltd on 2 September 2005, with a register capital of 1.00 million Baht. The company later increased its registered capital to 350.00 million Baht and became a listed company under the name Advance Wireless Network Co., Ltd, on 30 May 2005, and increased its registered capital to 1,350.00 million Baht on 19 September 2013.

3. Type of Businesses

The company operates telecommunication services via 2.1GHz and 1800MHz frequency, mobile phone sales, international calling service, telecommunication service, network service, and radio and television broadcasting without using radio frequency.

4. Board of Directors

As of 11 October 2017, AWN had 5 directos as follows;

	Name – Surname	Position
1.	Mr. Khan Trakulhun	Director
2.	Mr. Somprasong Bunyachai	Director
3.	Mr. Somchai Leodsuthiwong	Director
4.	Mr. Alen Lu Yon Kieng	Director
5.	Mr. Krairit Uchukanonchai	Director

Source : www.corpus.bol.co.th

5. Shareholder Structure

As of 11 October 2017, AWN's major shareholders are as follows;

	Name – Surname	No. of shares	Percent
1.	Advance Info Service Public Company Limited	13,499,998	100.00
2.	Mr. Kamolchanok Thephasadin na Ayudthaya	1	0.00
3.	Ms. Chutima Ananchatree	1	0.00

Source : www.corpus.bol.co.th

6. Financial Statement

6.1 Statement of Financial Position

	Separate Financial Statement for year ended							
	31 December 2013 (Audited)		31 December 2014 (Audited)		31 December 2015 (Audited)		31 December 2016 (Audited)	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Assets								
Current Assets								
Cash and cash equivalents	788.56	2.09	2,139.24	3.95	2,694.84	1.85	4,423.14	1.85
Trade account receivables and other receivables	7,609.43	20.19	10,538.16	19.46	13,086.88	9.00	12,028.15	5.04
Inventory	1,602.97	4.25	1,932.03	3.57	4,726.59	3.25	2,984.81	1.25
Other current assets	71.65	0.19	389.79	0.72	382.60	0.26	154.90	0.06
Total current assets	**10,072.60**	**26.72**	**14,999.23**	**27.70**	**20,890.90**	**14.36**	**19,591.00**	**8.20**
Non-current assets	-	-	-	-	-	-	-	-
Other long-term investment	-	-	0.20	0.00	0.20	0.00	0.20	0.00
Property, plant and equipments-Net	13,703.37	36.35	25,453.37	47.01	70,132.23	48.22	100,721.85	42.18
Spectrum license cost	13,645.53	36.20	12,666.07	23.39	-	-	-	-
Intangible assets	25.67	0.07	20.83	0.04	51,864.56	35.66	115,460.56	48.36
Deferred tax assets	190.04	0.50	595.66	1.10	923.69	0.64	1,428.66	0.60
Other non-current assets	56.32	0.15	410.98	0.76	1,639.92	1.13	1,569.32	0.66
Total non-current assets	**27,620.92**	**73.28**	**39,147.11**	**72.30**	**124,560.60**	**85.64**	**219,180.59**	**91.80**
Total assets	**37,693.53**	**100.00**	**54,146.33**	**100.00**	**145,451.50**	**100.00**	**238,771.59**	**100.00**
Liabilities and shareholders' equity								
Liabilities								
Current liabilities	-		-		-		-	
Short-term borrowing from financial institutions	-	-	-	-	800.00	0.55	3,500.00	1.47
Trade account payables and other payables	14,312.38	37.97	21,516.19	39.74	42,331.09	29.10	51,886.51	21.73
Current portion of long-term borrowing	-	-	-	-	21.58	0.01	424.93	0.18
Current portion of financial lease liabilities	0.57	0.00	4.61	0.01	-	-	-	-

	Separate Financial Statement for year ended							
	31 December 2013 (Audited)		31 December 2014 (Audited)		31 December 2015 (Audited)		31 December 2016 (Audited)	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Short-term loans	13,235.00	35.11	-	-	29,700.00	20.42	20,500.00	8.59
Income taxes payable	526.91	1.40	1,760.91	3.25	4,432.79	3.05	1,636.92	0.69
Accrued payable	-	-	3,656.25	6.75	-	-	-	-
Unearned income – mobile phone service	-	-	1,554.70	2.87	-	-	-	-
Current liabilities	3,656.25	9.70	-	-	-	-	-	-
Other current liabilities	**1.83**	**0.00**	**0.45**	**0.00**	**0.37**	**0.00**	**30.93**	**0.01**
Total current liabilities	**31,732.95**	**84.19**	**28,493.11**	**52.62**	**77,285.82**	**53.14**	**77,979.29**	**32.66**
Non-current liabilities	-	-	-	-	-	-	-	-
Financial lease liabilities	1.26	0.00	13.73	0.03	-	-	-	-
Long-term borrowing	-	-	5,000.00	9.23	43,141.44	29.66	83,912.22	35.14
Employee benefit obligations	80.62	0.21	529.96	0.98	1,038.35	0.71	1,311.04	0.55
Long-term bonds	-	-	16,575.24	30.61	-	-	-	-
Provision for long-term liabilities	-	-	-	-	101.09	0.07	172.11	0.07
Provision for demolition charges	9.67	0.03	44.97	0.08	-	-	-	-
Business license fee payable	3,656.25	9.70	-	-	-	-	-	-
Other non-current liabilities	-	-	0.14	0.00	19,904.83	13.68	72,268.65	30.27
Total non-current liabilities	**3,747.80**	**9.94**	**22,164.04**	**40.93**	**64,185.70**	**44.13**	**157,664.03**	**66.03**
Total liabilities	**35,480.75**	**94.13**	**50,657.15**	**93.56**	**141,471.51**	**97.26**	**235,643.32**	**98.69**
Shareholders' equity	-	-	-	-	-	-	-	-
Share capital	-	-	-	-	-	-	-	-
Registered capital	-	-	-	-	-	-	-	-
13,500,000 shares at par value of 100 Baht	1,350.00	3.58	1,350.00	2.49	1,350.00	0.93	1,350.00	0.57
Paid-up capital	-	-	-	-	-	-	-	-
13,500,000 shares at par value of 100 Baht	1,350.00	3.58	1,350.00	2.49	1,350.00	0.93	1,350.00	0.57
Retained earnings								
Appropriated – Legal reserves								
Unappropriated								

	Separate Financial Statement for year ended							
	31 December 2013 (Audited)		31 December 2014 (Audited)		31 December 2015 (Audited)		31 December 2016 (Audited)	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Total equity of parent company	-	-	-	-	3,979.99	2.74	3,128.27	1.31
Total shareholders' equity	**2,212.78**	**5.87**	**3,489.18**	**6.44**	**3,979.99**	**2.74**	**3,128.27**	**1.31**
Total liabilities and shareholders' equity	**37,693.53**	**100.00**	**54,146.33**	**100.00**	**145,451.50**	**100.00**	**238,771.59**	**100.00**

6.2 Statement of Comprehensive Income

Statement of Comprehensive Income	Separate Financial Statement for year ended/ 6 months ended							
	31 December 2013 (Audited)		31 December 2014 (Audited)		31 December 2015 (Audited)		31 December 2016 (Audited)	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Revenue from sales and services	**22,629.26**	**100.00**	**95,871.66**	**100.00**	**129,807.37**	**100.00**	**146,573.33**	**100.00**
Cost of sales and services	14,389.79	63.59	59,572.83	62.14	69,233.21	53.34	82,959.77	56.60
Gross profit (loss)	**8,239.47**	**36.41**	**36,298.83**	**37.86**	**60,574.16**	**46.66**	**63,613.56**	**43.40**
Interest income	7.80	0.03	205.76	0.21	36.81	0.03	70.62	0.05
Dividend income	-	-	5.00	0.01	-	-	-	-
Other income	46.84	0.21	144.77	0.15	489.61	0.38	606.69	0.41
Gain(loss) from foreign exchange	-	-	132.70	0.14	-	-	-	-
Selling expenses	2,315.93	10.23	5,887.65	6.14	6,899.15	5.31	15,972.09	10.90
Administrative expenses	2,057.73	9.09	8,516.82	8.88	11,601.26	8.94	16,016.02	10.93
Financial costs	460.74	2.04	910.70	0.95	1,750.59	1.35	4,639.17	3.17
Profit (loss) before corporate income tax	**3,459.71**	**15.29**	**21,471.89**	**22.40**	**40,849.58**	**31.47**	**27,663.59**	**18.87**
Corporate income tax	690.23	3.05	4,322.19	4.51	8,226.68	6.34	5,023.42	3.43
Net profit (loss)	**2,769.48**	**12.24**	**17,149.71**	**17.89**	**32,622.90**	**25.13**	**22,640.18**	**15.45**

7. Industry Outlook

Please read the details in item 8 of Attachment 4: Summary Information of Advanced Info Service Public Company Limited, since the main business of Advanced Wireless Network Co., Ltd. is similar to Advanced Info Service Public Company Limited.

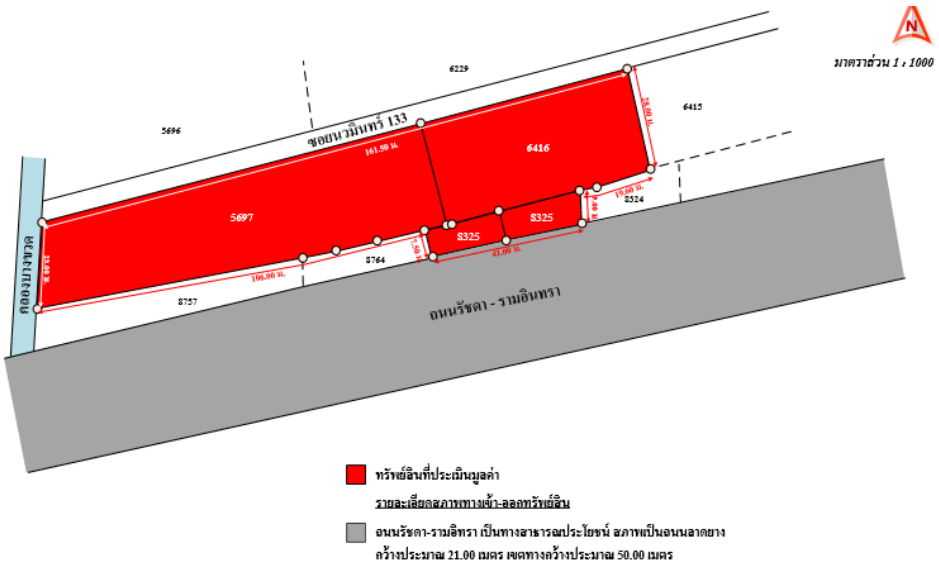
Attachment 6 : Summary of Appraisal Report

1. Property and building of The Cloud Data Center

Landmark Consultant Co., Ltd has appraised the value of the property and building of The Cloud Data Center owned by CS Loxinfo Public Company Limited. The details are as follows;

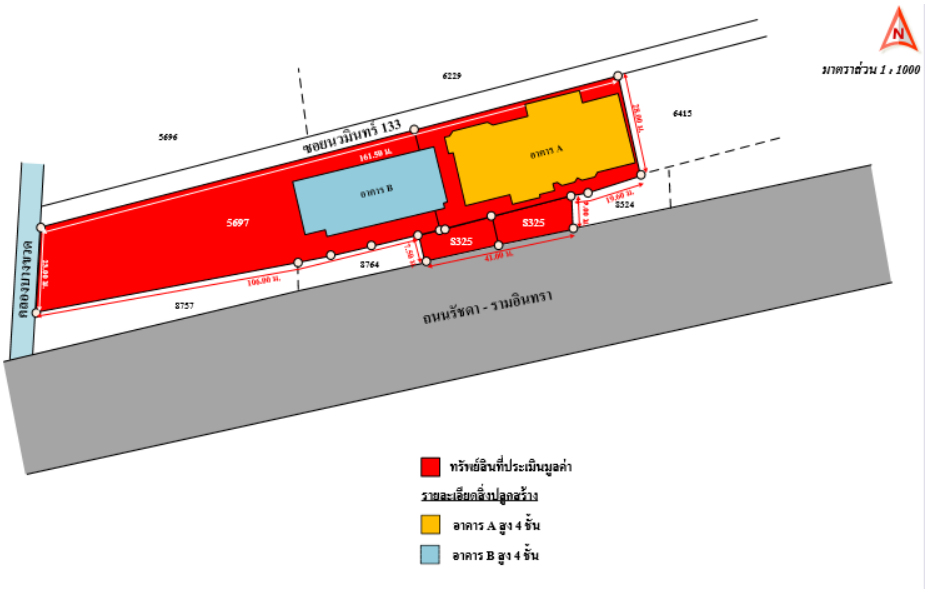
Type of assets	Property and buildings
Objective of appraisal	To appraise current market value of the assets, for public purposes
Details of assets	Land, total area of 2-3-79.0 rai (1,179.0 sq.w.) with 2 buildings
Location of the assets	Ratchada-Ramintra Road, Nuanchan, Buengkum District, Bangkok
Ownership	CS Loxinfo Public Company Limited
Documentations	4 deeds
Registered obligations	-None-
Date of appraisal	11 October 2017

Land Plot



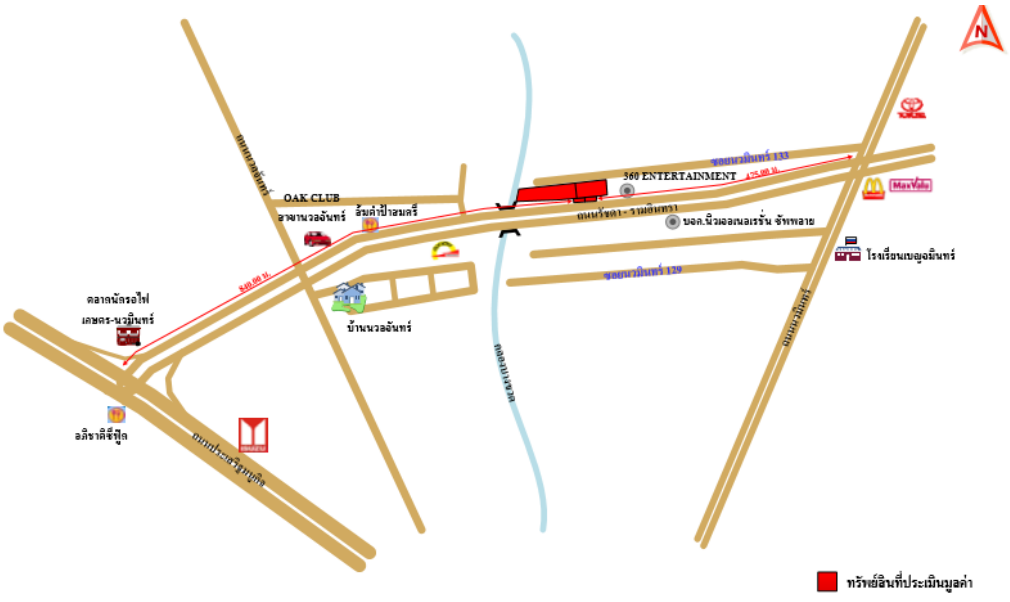
Source : Appraisal report by Landmark Consultant Co., Ltd

Buildings



Source : Appraisal report by Landmark Consultant Co., Ltd

Location of assets



Source : Appraisal report by Landmark Consultant Co., Ltd

Landmark Consultant Co., Ltd has appraised asset value using cost approach, with the details as follows;

Cost Approach

Cost approach is a method for valuation using the cost of equivalent building or the replacement cost, less accrued depreciation to reflect physical deterioration by usage and by obsoleteness of the asset.

Property Appraisal

Landmark Consultant Co., Ltd has surveyed the price of properties close to the property location to evaluate property value with the details as follows;

Details	Appraisal asset	Property 1		Property 2		Property 3	
Location	On Ratchada-Ramintra road, 475 m away from Nawamin road	On Ratchada-Ramintra road, 400 m away from Nawamin road		On Ratchada-Ramintra road, 770 m away from Nawamin road		On Ratchada-Ramintra road, 2.3 km away from Nawamin road	
Environment	Residential area	Residential area		Residential area		Residential area	
Area	1,179.0 sq.w.	1,425.0 sq.w.		1,347.0 sq.w.		1,460.0 sq.w.	
Land width	46 metre	130 metre		46 metre		80 metre	
Terrain level	Same level as front road surface	Same level as front road surface		1.5m below front road surface		1m below front road surface	
Market price (Baht/sq.w.)		175,500		160,000			
Adjustment (Baht/sq.w.)		140,000		100,000		80,000	
Factors of consideration							
Location		+10%	14,000	+10%	10,000	+30%	24,000
Overall environment		0%	0	+5%	5,000	+20%	16,000
Size (w.)		+20%	28,000	+20%	20,000	+20%	16,000
Land lot		0%	0	0%	0	0%	0
Land width		-30%	(42,000)	0%	0	-10%	(8,000)
Terrain level			0		2000		1,500
Utility		0%	0	0%	0	0%	0
Road connection		0%	0	0%	0	0%	0
City plan and legal restriction		0%	0	0%	0	0%	0
Maximize utilization		0%	0	0%	0	0%	0
Total		**0**		**37,000**		**49,500**	
Initial price adjustment		**140,000**		**137,000**		**129,500**	

Final price adjustment

Comparable choice	Final Adj P.	Absolute Adj	Proportion (1)	Inverse	Proportion (2)	Weighted P.
Property 1	140,000	84,000	0.4504	2.2202	0.2196	**30,751**
Property 2	137,000	37,000	0.1984	5.0405	0.4987	**68,317**
Property 3	129,500	65,500	0.3512	2.8473	0.2817	**36,479**
Total	**406,500**	**186,500**	**1.0000**	**10.1081**	**1.0000**	**135,546**
				Rounded (Baht/sq.w.)		**140,000**

Landmark Consultant Co., Ltd appraised the asset value using market price comparison and considered the value of property which is the location of The Cloud Data Center of CS Loxinfo Public Company Limited, to be 140,000 Baht/sw.w. or 165,100,000 Baht in total

Buildings Appraisal

As for the appraisal for buildings, Landmark Consultant Co., Ltd used cost approach starting from calculation of the replacement cost of the buildings. According to the cost for new building as of June 2017, evaluated by Thai Appraisal Foundation, the cost of building with hight less than 23 metre and using high-grade

materials is 20,800 Baht/sq.m. (General or office building). The Appraiser, therefore, made a comparison based on such information and had an opinion that the cost of data center building should higher than that since data center building was built for specific purpose; for data center which operates 24 hours a day. The building structure of data center can support weight load of 1 ton/sq.m. (higher than normal building), while the server rooms were installed with double floor which has elevate structure floor creating a passage for system services and preventing water leakage that might damage computer equipment, and eliminate static electricity created from computer equipments. The void between the raised floor and the sub floor, is used as air couduit or air plenum which air conditioning system is installed within to cool down computer servers. Moreover, this data center is in Tier 3 (which the highest rank is Tier 4) that requires 2 backup generators, 24-hour air conditioning system, electricity system with voltage regulator and UPS. Therefore, the Appraiser estimated the cost of Building A to be 27,000 Baht/sq.m. and 23,000 Baht/sq.m for Building B (Building B is lower than Building A because of flooring, ceiling and air conditioning system installed in server rooms). The appraisal cost of building is higher than the cost evaluated by Thai Appraisal Foundation to some degree, because of its specification which is higher than normal business-office building. The cost of buildings can be summarized as follows;

No.	Detail of asset	Area (sq.m.)	Replacement cost (Baht/unit)	Total Replacement cost (Baht)	Age of building (Year)	Depreciation (%)	Net Replacement cost (Baht)
1	Building A	2,809	26,260	73,763,000	3	6%	69,2337,220
	- Indoor utility space	2,705	27,000	73,035,000	3	6%	68,652,900
	- Balcony space	104	7,000	728,000	3	6%	684,320
2	Building B	2,599	22,538	58,577,000	0	0%	58,577,000
	- Indoor utility space	2,524	23,000	58,052,000	0	0%	58,052,000
	- Balcony space	75	7,000	525,000	0	0%	525,000
3	Road and Reinforced concrete yard	3,372	1,000	3,372,000	3	9%	3,068,520
4	Fence, 2.00 m hight 376 m length	376	2,500	940,000	3	9%	855,400
				Total cost of buildings			**131,838,140**
				Total cost of buildings (Rounded)			**131,840,000**

The value of property and buildings, excluded depreciation of the buildings, of The Cloud Data Center owned by CS Loxinfo Public Company Limited, which appraised by Landmark Consultant Co., Ltd, was 131,840,000 Baht.

Summary of the assets' appraised market value

Detail	Asset value on the appraisal date (Baht)
Value of property	165,100,000
Value of buildings	131,840,000
Total net asset value	**296,940,000**

the Advisor's Opinion

As for the appraisal of property (land only) by using marby using market price comparison , Landmark Consultants Co., Ltd. has appraised the value of the property by comparing with the land plots located close to the location of The Cloud Data Center, and have similar features such as, location, environment, utilities, advertisement period, possible usage, and land lot. Landmark Consultants Co., Ltd. surveyed 7 land plotsd and used the information of 3 land plots the are most similar to CSL's. Those 3 plots have market price between 80,000 – 140,000 Baht/ sq. w. which are adjusted according to relavant factors to represent the feature of the empty plot of The Cloud Data Center. Landmark Consultants Co., Ltd. then weighted the reference data according to reliability of the data and got the value of The Cloud Data Center's empty plot which is 140,000 Baht/sq.w. or 165,100,000 Baht in total.

Landmark Consultants Co., Ltd has appraised the value of building located on the property, using cost approach deducted with depreciation, and the building's value is 131,840,000 Baht. Thus the value of property and building of The Cloud Data Center totaled 296,940,000 Baht.

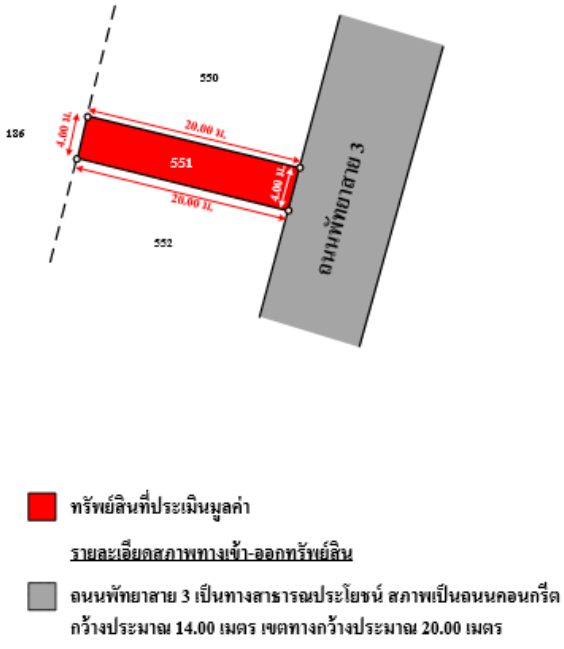
the Advisor has an opinion that the cost approach is an appropriate appraisal method, because Landmark Consultants Co., Ltd has appraised only the value of property located near the location of The Cloud Data Center, without taking in consideration of the value of building located on the property. Hence, the market price comparison is deemed appropriate. Moreover, Landmark Consultants Co., Ltd has adjusted the value of the properties used in comparison, to appropriately reflect the property of the location of The Cloud Data Center. Moreover, the cost approach is appropriate for appraising the value of building located on the property, since the approach assumed the cost of replacement building which has been estimate using the standard cost of building for 2017 evaluated by Thai Appraisal Foundation, which is a reliable source of information. The cost of building was adjusted with accrued depreciation to reflect the remaining useful life of the asset.

2. Commercial Building Located on Pattaya 3 Road

Landmark Consultants Co., Ltd appraised the value of a commercial building located on Pattaya 3 road, owned by CS Loxinfo Public Company Limited. The details are as follows;

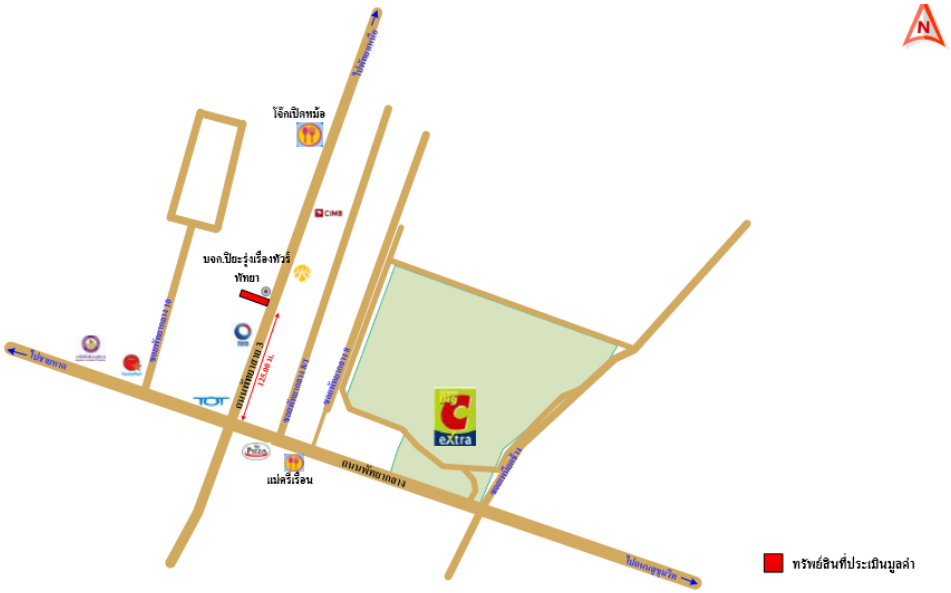
Type of assets	One commercial building
Objective of appraisal	To appraise current market value of the assets, for public purposes
Details of assets	Land, total area of 20 sq.w. with a commercial building
Location of the assets	Pattaya 3rd Road, Tambon Nong Prue Amphur Banglamung Chonburi province
Ownership	CS Loxinfo Public Company Limited
Documentations	1 deed
Registered obligations	-None-
Date of appraisal	11 October 2017

Land plot and building



Source : Appraisal report by Landmark Consultant Co., Ltd

Location



Source : Appraisal report by Landmark Consultant Co., Ltd

Landmark Consultants Co., Ltd appraised the value of assets using market approach and cost approach with the details as follows;

Market Approach

An appraisal method using market comparison, using adequate amount of information to compare market price or sale price of similar or substitutable asets located nearby. The assets will be compared from various aspects related to the assets such as, location, area, terrain level, condition of accessed road, utility, legal limitation, constaints, period which the asset is sold or announced for sale, and reliability of data. These fators will be adjusted in order to provide an opinion on market price appraisal.

Appraisal of Land and Building

Landmark Consultants Co., Ltd surveyed for market price of commercial buildings located nearby, to used in the appraisal. The details are as follows;

Details	Appraisal asset	Property 1		Property 2		Property 3	
Assets	4-storey commercial building with a mezzanine	4-storey commercial building		4-storey commercial building with a mezzanine		2 units of 4-storey commercial building with mezzanines	
Location	Pattaya 3 road, 125m from Central Pattaya road	Pattaya 3 road, 130m from Central Pattaya road		Pattaya 3 road, 120m from Central Pattaya road		Pattaya 3 road, 580m from Central Pattaya road	
Area	20.0 sq.w.	17.0 sq.w.		20.0 sq.w.		25.0 sq.w.	
Usage area	160.0 sq.m.	260.0 sq.m.		210.0 sq.m.		220.0 sq.m.	
Offering price (Baht)		8,500,000		7,750,000		11,500,000	
Expected sale price		7,400,000		7,000,000		10,000,000	
Date of transaction		October 2017		October 2017		October 2017	
Initial price (Baht)		**7,400,000**		**7,000,000**		**10,000,000**	
Additional/Removal area (sq.w.)		3		0		-5	
Price per sq.w.		250,000		250,000		250,000	
Price for Additional/Removal area		750,000		0		1,250,000	
Additional/Removal usage area (sq.m.)		-100		-50		-60	
Price per sq.m.		10,000		10,000		10,000	
Price for Additional/Removal usage area		-1,000,000		-500,000		-600,000	
Adjusted price (Baht)		**7,150,000**		**6,500,000**		**8,150,000**	
Location		20%	1,430,000	20%	1,300,000	0%	0
Environment		0%	0	0%	0	0%	0
Building design		0%	0	0%	0	0%	0
Building condition		0%	0	0%	0	0%	0
Decoration/Materials		-10%	(715,000)	0%	0	0%	0
Accessed road		0%	0	0%	0	0%	0
Summary of Adjusted price (Baht)		**7,865,000**		**7,800,000**		**8,150,000**	
Total Absolute	7,545,000	3,895,000		1,800,000		1,850,000	
Proportion	1.00	0.52		0.24		0.25	
Inverse	10.21	1.94		4.19		4.08	
Weighted	100.00%	18.98%		41.07%		39.96%	
Total (Baht)	7,952,182	1,492,610		3,203,149		3,256,424	
Rounded appraised price (Baht)	**8,000,000**						

The asset value of land and building located on Pattaya 3 road owned by CS Loxinfo Public Company Limited, as appraised with market approach by Landmark Consultants Co., Ltd, is equal to 8,000,000 Baht.

Cost Approach

Cost approach is a method for valuation using the cost of equivalent building or the replacement cost, less accrued depreciation to reflect physical deterioration by usage and by obsoleteness of the asset.

Appraisal of land and bulding

As for the appraisal of land and building, Landmark Consultant Co., Ltd used cost approach starting from calculation of the replacement cost of the buildings using the cost for new building evaluated by Thai Appraisal Foundation. The cost of building can be estimated as follows;

No.	Details of asset	Area (sq.m.)	Price per sq.m.	Appraised value
1	Usage area of the building	160.00	10,000	1,600,000
Building cost prior to depreciation		**160.00**	**10,000**	**1,600,000**
Less Depreciation (useful life of building is 19 years, 2% per year or 38% in total)				(608,000)
Cost of building as current condition (after depreciation)				**992,000**
Add: Cost of land, 250,000 Baht per sq.w.				500,000
Total cost of land and building				5,992,000
Total cost of land and building (rounded)				**6,000,000**

The asset value of land and building located on Pattaya 3 road owned by CS Loxinfo Public Company Limited, as appraised with cost approach by Landmark Consultants Co., Ltd, is equal to 6,000,000 Baht

After consideration on various aspects of the assets, information acquired and used in the appraisal, including the current and previous condition of property market, Landmark Consultant Co., Ltd selected a market approach as the appraisal method, because of adequate market information which can be directly used in comparison. Therefore, the appraised value of the land and building located on Pattaya 3 road, owned by CS Loxinfo Public Company Limited is equal to **8,000,000 Baht.**

the Advisor's Opinion

As for the appraisal of the commercial building located on Pattaya 3 road Banglamung, Chonburi province, appraised by Landmark Consultant Co., Ltd using market approach,

As for the appraisal of land and building located on Pattaya 3 road Banglamung, Chonburi province, as appraised with market approach by Landmark Consultants Co., Ltd, commercial building located in nearby location as CSL's commercial building with similar properties are taken in to account, such as location, environment, utilities, usage, and the shape and design of asset. Landmark Consultant Co., Ltd sureveyed 5 commercial buildings and selected 3 most similar building for comparison, which sales offering price of peer buildings ranged between 8.50 million Baht – 11.50 million Baht. The prices then were adjusted according to related factors, to reflect the property of the appraised commercial building of CLS located on Pattaya 3 road.

Landmark Consultant Co., Ltd then weighted the cost of peer buildings according to reliability, which resulting in the value of CSL's commercial building to be 8.00 million Baht.

the Advisor had an opinion that the market approach appraisal is appropriate because the asset can be directly compared, while there was adequate information to conduct a comparison. Hece, the comparison with nearby commercial building is deemed appropriated. Moreover, Landmark Consultants Co., Ltd, adjusted the sales price of nearby commercial buildings with many factors to reflect the properties of CSL's commercial building and the adjustment reflected the value of CSL's commercial building appropriately.