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TC-CP 019/2017

25 October 2017

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

To: The President  
The Stock Exchange of Thailand

Thaicom Public Company Limited (the “**Company**”) would like to inform that on 5 October 2017, the Company received a letter from the Ministry of Digital Economy and Society (the “**Ministry**”) stating that THAICOM 7 and THAICOM 8 satellites were the satellites under the Operating Agreement on Domestic Communication Satellite dated 11 September 1991 between Intouch Holdings Public Company Limited (“**INTOUCH**”), which is a major shareholder of the Company holding 41.14 percent, and the Ministry (formerly known as the Ministry of Information and Communication Technology (MICT)) (the “**Agreement**”), which INTOUCH established the Company to operate works under the Agreement. In this regard, the letter from the Ministry stated a request for the full compliance with the Agreement on an urgent basis; e.g. transfer of ownership and delivery of assets, procurement of the backup satellite(s), payment of overdue revenue sharing, and property insurance.

The Extra-Ordinary Board of Directors’ Meeting of the Company No. 11/2017 held on 24 October 2017 at 17.00 hours (the “**Meeting**”) considered such letter and consulted with the Company’s legal advisor and then opined that THAICOM 7 and THAICOM 8 satellites were not the satellites under the Agreement as the procedures of THAICOM 7 and THAICOM 8 satellites fell under the scope of license received from the National Broadcasting and Telecommunications Commission. Moreover, the Company has fully complied with the terms and conditions of the Agreement and has not proceed with any operations against or violating the Agreement. Therefore, the Company had a different opinion from the Ministry on THAICOM 7 and THAICOM 8 satellites. Accordingly, the Meeting resolved that the Company submit to an arbitrator the dispute, resulting from the terms of and compliance with the Agreement and that the parties thereto have not been able to resolve it, for further settlement. This is in accordance with Clause 45.1 of the Agreement and the Company has submitted the dispute to the Arbitration Institute on 25 October 2017, as appeared in the Black case no. 97/2560.

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



In this regard, if the Company has any progresses regarding the dispute submission to the arbitrator, the Company shall inform and report them henceforth.

Yours sincerely,

-Signed-

(Ms. Yupapan Panclurbthong)  
Vice President of Executive Office and Company Secretary  
Thaicom Public Company Limited

