

## **REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

### **TO THE SHAREHOLDERS AND BOARD OF DIRECTORS THAICOM PUBLIC COMPANY LIMITED**

#### **Opinion**

We have audited the consolidated financial statements of Thaicom Public Company Limited and its subsidiaries (the “Group”) and the separate financial statements of Thaicom Public Company Limited (the “Company”), which comprise the consolidated and separate statements of financial position as at December 31, 2019, and the related consolidated and separate statements of profit or loss, profit or loss and other comprehensive income, changes in shareholders’ equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of Thaicom Public Company Limited and its subsidiaries and of Thaicom Public Company Limited as at December 31, 2019, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards (“TFRSs”).

#### **Basis for Opinion**

We conducted our audit in accordance with Thai Standards on Auditing (“TSAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group in accordance with the Federation of Accounting Professions’ Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to the audit of the consolidated and separate financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	Key Audit Procedures
<p><b>Recognition of revenue from rendering of services</b></p> <p>The Group has many service agreements which have different terms and pricing conditions. Therefore, the key audit matter is occurrence, accuracy and completeness of recognition of revenue from rendering of services whether the revenue from rendering of services has been recorded according to the service agreements accurately in accordance with TFRSs.</p> <p>Accounting policy of revenue recognition and detail of revenue from rendering of services were disclosed in the Note 3.17 and Note 22 to the financial statements, respectively.</p>	<p>Key audit procedures included:</p> <ul style="list-style-type: none"> <li>• Understanding the revenue recognition process related to rendering of services and related internal control procedures</li> <li>• Testing the design and implementation of the internal control procedures related to rendering of services</li> <li>• Performing the operating effectiveness testing over the internal control procedures around revenue recognition process related to rendering of services including related information, and</li> <li>• Performing substantive testing as follows: <ul style="list-style-type: none"> <li>– Examining the terms and condition of the service agreements and recalculating the revenues whether it has been recorded appropriately and examining the related supporting documents of those revenues from rendering of services</li> <li>– Performing substantive analytical procedures relating to the revenue from rendering of services.</li> </ul> </li> </ul>

Key Audit Matters	Key Audit Procedures
<p><b>Impairment of equipment and intangible assets under operating agreement</b></p> <p>The consideration of impairment of equipment and intangible asset under operating agreement is depended on the management judgements and assumptions. Therefore, the key audit matter is whether the valuation of equipment and intangible asset under operating agreement and impairment of equipment and intangible asset under operating agreement have been recognized in accordance with TFRSs.</p> <p>Accounting policies of property, plant and equipment, intangible assets under operating agreement and impairment and detail of property, plant and equipment and intangible assets under operating agreement were disclosed in the Note 3.8, Note 3.9, Note 3.12, Note 10, and Note 11 to the financial statements, respectively.</p>	<p>Key audit procedures included:</p> <ul style="list-style-type: none"> <li>• Understanding the impairment consideration process and impairment recognition and related internal control procedures</li> <li>• Testing the design and implementation of the internal control procedures</li> <li>• Performing the operating effectiveness testing over the internal control procedures around impairment consideration process, and</li> <li>• Performing substantive testing as follows:                         <ul style="list-style-type: none"> <li>– Examining the supporting documents in relation to the management consideration of impairment indicators for equipment and intangible asset under operating agreement.</li> <li>– Involving the internal specialists of the independent auditor in assessing and testing the appropriateness of valuation model and key assumptions the management used in the estimation of the impairment provision for equipment and intangible asset under operating agreement</li> <li>– Examining the correctness of the data used in the estimation of the impairment provision for equipment and intangible asset under operating agreement with supporting documents and relative report</li> <li>– Examining the correctness of the calculation of the impairment provision for equipment and intangible asset under operating agreement.</li> </ul> </li> </ul>

Key Audit Matters	Key Audit Procedures
<p><b>Allowance for doubtful accounts</b></p> <p>The allowance for doubtful accounts of trade receivables represent management's estimation of allowance for doubtful accounts as at the end of financial reporting period. The Company has assessed the allowance for doubtful accounts by consideration of the payment histories and the ability to make payments in the future of customer. Therefore, the key audit matter is whether as valuation of the trade receivables and the allowance for doubtful accounts are in accordance with TFRSs.</p> <p>Accounting policy of allowance for doubtful accounts and detail of trade receivables and allowance for doubtful accounts were disclosed in the Note 3.5 and Note 7 to the financial statements, respectively.</p>	<p>Key audit procedures included:</p> <ul style="list-style-type: none"> <li>• Understanding the allowance for doubtful accounts consideration process and related internal control procedures</li> <li>• Testing the design and implementation of the internal control procedures</li> <li>• Performing the operating effectiveness testing over the internal control procedures around the consideration of allowance for doubtful accounts and</li> <li>• Performing substantive testing as follows: <ul style="list-style-type: none"> <li>- Examining the supporting documents the managements used in considering the indicators of allowance for doubtful accounts</li> <li>- Assessing the appropriateness of considering process and key assumption and information that management used in assessing the allowance for doubtful accounts</li> <li>- Testing the calculation of the allowance for doubtful accounts.</li> </ul> </li> </ul>

## Other Information

Management is responsible for the other information. The other information comprises information in the annual report, we have received such other information in the annual report that has been prepared for issuance before the date of this auditors' report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We have read other information in the annual report that has been prepared for issuance, we did not find any material inconsistency therein which we have to report.

## **Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as management determines is necessary to enable the preparation of the consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**BANGKOK**  
February 5, 2020

Chavala Tienpasertkij  
Certified Public Accountant (Thailand)  
Registration No. 4301  
**DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.**

**Thaicom Public Company Limited and its Subsidiaries**  
**Statements of financial position**  
**As at 31 December 2019**

	Notes	<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
		31 December 2019	31 December 2018	31 December 2019	31 December 2018
		Baht	Baht	Baht	Baht
<b>Assets</b>					
<b><i>Current assets</i></b>					
Cash and cash equivalents	5	2,621,710,435	2,830,234,585	1,717,356,107	1,719,753,567
Current investments	6	3,080,846,431	4,227,209,793	2,633,569,666	3,834,155,421
Trade and other current receivables	7	1,889,979,972	1,851,432,896	3,094,843,758	2,571,027,795
Amounts due from related parties	4	5,849,681	42,699,114	58,399,710	88,525,483
Current portion of long-term loan to related parties	4	630,634,826	485,724,816	655,634,826	525,724,816
Inventories	8	124,027,672	122,483,562	113,600,249	98,280,234
Current tax assets		78,804,510	96,384,799	78,804,510	96,384,799
Other current assets		28,188,571	22,520,023	21,203,460	19,786,409
<b>Total current assets</b>		<b>8,460,042,098</b>	<b>9,678,689,588</b>	<b>8,373,412,286</b>	<b>8,953,638,524</b>
<b><i>Non-current assets</i></b>					
Long-term loans to related parties	4	1,127,498,629	1,457,174,448	1,127,498,629	1,467,174,448
Investments in subsidiaries	9	-	-	1,232,336,021	1,502,621,824
Investments in a joint venture	9	1,408,768,775	1,444,282,683	1,408,768,775	1,444,282,683
Property, plant and equipment	10	3,312,615,980	4,814,703,118	3,305,220,394	4,771,240,586
Intangible assets under operating agreement	11	1,365,689,010	3,007,340,364	1,365,689,010	3,007,340,364
Deferred charges	11	11,597,293	13,614,935	11,597,293	13,614,935
Intangible assets	11	228,075,766	325,027,926	152,270,274	240,374,560
Deferred tax assets	12	797,296,114	1,117,018,424	741,912,231	992,281,352
Other non-current assets	13	299,195,600	344,227,641	287,412,153	326,404,118
<b>Total non-current assets</b>		<b>8,550,737,167</b>	<b>12,523,389,539</b>	<b>9,632,704,780</b>	<b>13,765,334,870</b>
<b>Total assets</b>		<b>17,010,779,265</b>	<b>22,202,079,127</b>	<b>18,006,117,066</b>	<b>22,718,973,394</b>

The accompanying notes are an integral part of these financial statements.

**Thaicom Public Company Limited and its Subsidiaries**  
**Statements of financial position (Continued)**  
**As at 31 December 2019**

		Consolidated		Separate	
		financial statements		financial statements	
		31 December	31 December	31 December	31 December
		2019	2018	2019	2018
Notes		Baht	Baht	Baht	Baht
<b>Liabilities and equity</b>					
<i>Current liabilities</i>					
Trade and other current payables	15	554,716,866	712,891,519	418,755,625	543,581,634
Amounts due to related parties	4	1,028,799	169,230	38,961,588	3,724,256
Current portion of long-term borrowings	14	392,001,950	2,673,841,281	392,001,950	2,695,841,281
Advance receipts from customers		349,788,454	275,480,256	105,904,926	65,907,840
Accrued operating agreement fee		171,654,807	258,340,350	171,654,807	258,340,350
Income tax payable		140,438	34,032,013	-	-
Other current liabilities	16	56,577,787	91,314,282	23,788,529	44,493,053
<b>Total current liabilities</b>		<b>1,525,909,101</b>	<b>4,046,068,931</b>	<b>1,151,067,425</b>	<b>3,611,888,414</b>
<i>Non-current liabilities</i>					
Long-term borrowings	14	3,810,724,091	4,349,010,715	3,813,724,091	4,352,010,715
Long-term accounts payable					
- property and equipment		209,285,970	225,042,120	209,285,970	225,042,120
Net liabilities in subsidiaries	9	-	-	1,399,893,099	980,026,152
Non-current provisions for employee benefit	17	231,765,525	160,746,632	205,055,735	135,591,812
Other non-current liabilities	18	238,134,841	284,153,167	232,130,747	277,356,357
<b>Total non-current liabilities</b>		<b>4,489,910,427</b>	<b>5,018,952,634</b>	<b>5,860,089,642</b>	<b>5,970,027,156</b>
<b>Total liabilities</b>		<b>6,015,819,528</b>	<b>9,065,021,565</b>	<b>7,011,157,067</b>	<b>9,581,915,570</b>
<i>Equity</i>					
Share capital	19				
Authorised share capital		5,499,884,200	5,499,884,200	5,499,884,200	5,499,884,200
Issued and paid-up share capital		5,480,509,770	5,480,509,770	5,480,509,770	5,480,509,770
Premium on ordinary shares	19	4,325,271,183	4,325,271,183	4,325,271,183	4,325,271,183
Retained earnings					
Appropriated					
Legal reserve	20	549,988,420	549,988,420	549,988,420	549,988,420
Unappropriated		873,555,310	2,936,698,328	873,555,310	2,936,698,328
Other components of equity		(234,364,684)	(155,409,877)	(234,364,684)	(155,409,877)
<b>Equity attributable to owners</b>					
<b>of the Company</b>		<b>10,994,959,999</b>	<b>13,137,057,824</b>	<b>10,994,959,999</b>	<b>13,137,057,824</b>
Non-controlling interests		(262)	(262)	-	-
<b>Total equity</b>		<b>10,994,959,737</b>	<b>13,137,057,562</b>	<b>10,994,959,999</b>	<b>13,137,057,824</b>
<b>Total liabilities and equity</b>		<b>17,010,779,265</b>	<b>22,202,079,127</b>	<b>18,006,117,066</b>	<b>22,718,973,394</b>

The accompanying notes are an integral part of these financial statements.



**Thaicom Public Company Limited and its Subsidiaries**

**Statements of profit or loss  
For the year ended 31 December 2019**

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
<b>Continuing operations</b>					
<b>Income</b>	4				
Revenues from sale of goods and rendering of services	22	4,663,285,238	6,008,200,977	4,269,611,432	5,457,530,264
Construction revenue under operating agreement		-	17,980,846	-	17,980,846
Net foreign exchange gain		-	5,515,942	-	-
Gain from sale of investment in a subsidiary	23	-	1,949,515,538	-	-
Other income	24	337,065,896	192,303,277	293,837,264	225,186,039
<b>Total income</b>		<b>5,000,351,134</b>	<b>8,173,516,580</b>	<b>4,563,448,696</b>	<b>5,700,697,149</b>
<b>Expenses</b>	4				
Cost of sale of goods and rendering of services		2,968,072,357	3,301,555,523	2,522,579,097	2,833,216,042
Construction cost under operating agreement		-	17,980,846	-	17,980,846
Operating agreements fee		702,808,759	917,473,311	702,808,759	917,473,311
Selling expenses		42,335,305	97,842,549	17,746,331	62,937,377
Administrative expenses		937,663,149	1,362,031,738	732,488,699	964,284,842
Impairment loss on assets		1,622,699,764	2,253,000,000	1,468,819,073	2,253,000,000
Directors and management benefit expenses		59,951,261	56,957,789	59,697,348	56,589,817
Net foreign exchange loss		128,326,746	-	136,340,095	3,658,714
Loss from sale of investment in a subsidiary		28,542,789	-	28,542,789	-
Finance costs		299,742,497	338,242,739	294,758,082	338,228,829
<b>Total expenses</b>		<b>6,790,142,627</b>	<b>8,345,084,495</b>	<b>5,963,780,273</b>	<b>7,447,369,778</b>
Share of profit (loss) of investment in subsidiaries and a joint venture		(116,447,819)	119,387,670	(597,865,755)	1,628,779,604
<b>Loss before income tax expense from continuing operations</b>		<b>(1,906,239,312)</b>	<b>(52,180,245)</b>	<b>(1,998,197,332)</b>	<b>(117,893,025)</b>
Income tax expense	27	(343,709,537)	269,216,801	(251,751,517)	334,929,581
<b>Profit (loss) from continuing operations</b>		<b>(2,249,948,849)</b>	<b>217,036,556</b>	<b>(2,249,948,849)</b>	<b>217,036,556</b>
<b>Discontinued operation</b>					
Profit from discontinued operation, net of income tax	23	-	29,649,253	-	12,508,799
<b>Profit (loss) for the year</b>		<b>(2,249,948,849)</b>	<b>246,685,809</b>	<b>(2,249,948,849)</b>	<b>229,545,355</b>
Profit (loss) attributable to:					
Owner of the Company		(2,249,948,849)	229,545,355	(2,249,948,849)	229,545,355
Non-controlling interest					
Continuing operation		-	-	-	-
Discontinued operation		-	17,140,454	-	-
<b>Profit (loss) for the year</b>		<b>(2,249,948,849)</b>	<b>246,685,809</b>	<b>(2,249,948,849)</b>	<b>229,545,355</b>
<b>Earnings (loss) per share (Baht)</b>	28				
Basic earnings (loss) per share		(2.05)	0.21	(2.05)	0.21
Diluted earnings (loss) per share		(2.05)	0.21	(2.05)	0.21
<b>Earnings (loss) per share - continuing operation (Baht)</b>	28				
Basic earnings (loss) per share		(2.05)	0.20	(2.05)	0.20
Diluted earnings (loss) per share		(2.05)	0.20	(2.05)	0.20

The accompanying notes are an integral part of these financial statements.

**Thaicom Public Company Limited and its Subsidiaries**  
**Statements of profit or loss and other comprehensive income**  
**For the year ended 31 December 2019**

	Notes	Consolidated financial statements		Separate financial statements	
		2019 Baht	2018 Baht	2019 Baht	2018 Baht
<b>Profit (loss) for the year</b>		<b>(2,249,948,849)</b>	<b>246,685,809</b>	<b>(2,249,948,849)</b>	<b>229,545,355</b>
<b>Other comprehensive income</b>					
<i>Items that will not be reclassified to profit or loss</i>					
Defined benefit plan actuarial gains (loss)		233,780,317	(4,949,366)	233,780,317	(4,949,366)
Income tax on other comprehensive income		(46,974,486)	931,481	(46,974,486)	931,481
		<b>186,805,831</b>	<b>(4,017,885)</b>	<b>186,805,831</b>	<b>(4,017,885)</b>
<i>Items that maybe reclassified to profit or loss</i>					
Foreign currency translation differences for foreign operations		(98,016,940)	(61,929,642)	(98,016,940)	(61,929,642)
Change in cumulative gain on dilution of investment in a subsidiary	23	-	(350,970,688)	-	(350,970,688)
Changes in fair value of available-for-sale investment transfers to profit or loss		(2,677,724)	(1,481,089)	(2,677,724)	(1,481,089)
Changes in fair value of available-for-sale investment		23,722,310	(12,182,265)	23,722,310	(12,182,265)
Income tax on other comprehensive income		(4,208,917)	2,732,671	(4,208,917)	2,732,671
		<b>(81,181,271)</b>	<b>(423,831,013)</b>	<b>(81,181,271)</b>	<b>(423,831,013)</b>
<b>Other comprehensive income for the year, net of income tax</b>		<b>105,624,560</b>	<b>(427,848,898)</b>	<b>105,624,560</b>	<b>(427,848,898)</b>
<b>Total comprehensive income for the year</b>		<b>(2,144,324,289)</b>	<b>(181,163,089)</b>	<b>(2,144,324,289)</b>	<b>(198,303,543)</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		(2,144,324,289)	(198,303,543)	(2,144,324,289)	(198,303,543)
Non-controlling interests		-	17,140,454	-	-
<b>Total comprehensive income for the year</b>		<b>(2,144,324,289)</b>	<b>(181,163,089)</b>	<b>(2,144,324,289)</b>	<b>(198,303,543)</b>

The accompanying notes are an integral part of these financial statements.

**Thaicom Public Company Limited and its Subsidiaries**  
**Statement of changes in equity**  
**For the year ended 31 December 2019**

Consolidated financial statements												
		Retained earnings				Other components of equity						
	Issued and paid-up	Share premium	Legal reserve	Unappropriated	Other reserve for share-based payment	Cumulative gain on dilution of investment in subsidiaries	Foreign currency translation differences	Changes in fair value of available-for-sale investments	Total other components of equity	Equity attributable to owners of the Company	Non-controlling interests	Total equity
Notes	share capital	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Year ended 31 December 2018												
Balance as at 1 January 2018	5,480,333,200	4,324,626,137	549,988,420	4,201,676,132	11,792,737	328,844,639	(77,646,719)	2,478,518	265,469,175	14,822,093,064	457,616,373	15,279,709,437
Transactions with owners, recorded directly in equity												
Shares options exercised	19	176,570	645,046	-	-	(821,616)	-	-	(821,616)	-	-	-
Share-based payment transactions	19	-	-	-	-	3,773,577	-	-	3,773,577	3,773,577	-	3,773,577
Dividends to owners of the Company	29	-	-	-	(1,490,505,274)	-	-	-	-	(1,490,505,274)	-	(1,490,505,274)
Disposal of investment in an indirect subsidiary		-	-	-	-	-	-	-	-	-	(474,757,089)	(474,757,089)
Total transactions with owners, recorded directly in equity												
		176,570	645,046	-	(1,490,505,274)	2,951,961	-	-	2,951,961	(1,486,731,697)	(474,757,089)	(1,961,488,786)
Comprehensive income for the year												
Profit	28	-	-	-	229,545,355	-	-	-	-	229,545,355	17,140,454	246,685,809
Other comprehensive income		-	-	-	(4,017,885)	-	(350,970,688)	(61,929,642)	(10,930,683)	(427,848,898)	-	(427,848,898)
Total comprehensive income for the year		-	-	-	225,527,470	-	(350,970,688)	(61,929,642)	(10,930,683)	(423,831,013)	17,140,454	(181,163,089)
Balance as at 31 December 2018												
		5,480,509,770	4,325,271,183	549,988,420	2,936,698,328	14,744,698	(22,126,049)	(139,576,361)	(8,452,165)	(155,409,877)	(262)	13,137,057,562

The accompanying notes are an integral part of these financial statements.

**Thaicom Public Company Limited and its Subsidiaries**

**Statement of changes in equity (Continued)**

**For the year ended 31 December 2019**

Consolidated financial statements													
		Retained earnings				Other components of equity							
Notes	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Other reserve for share-based payment	Cumulative gain on dilution of investment in subsidiaries	Foreign currency translation differences	Changes in fair value of available-for-sale investments	Total other components of equity	Equity attributable to owners of the Company	Non-controlling interests	Total equity	
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	
Year ended 31 December 2019													
Balance as at 1 January 2019	5,480,509,770	4,325,271,183	549,988,420	2,936,698,328	14,744,698	(22,126,049)	(139,576,361)	(8,452,165)	(155,409,877)	13,137,057,824	(262)	13,137,057,562	
Transactions with owners, recorded directly in equity													
Share-based payment transactions	19	-	-	-	-	2,226,464	-	-	-	2,226,464	2,226,464	-	2,226,464
Total transactions with owners, recorded directly in equity													
		-	-	-	-	2,226,464	-	-	-	2,226,464	2,226,464	-	2,226,464
Comprehensive income for the year													
Loss	28	-	-	-	(2,249,948,849)	-	-	-	-	(2,249,948,849)	-	(2,249,948,849)	
Other comprehensive income		-	-	-	186,805,831	-	-	(98,016,940)	16,835,669	(81,181,271)	105,624,560	-	105,624,560
Total comprehensive income for the year													
		-	-	-	(2,063,143,018)	-	-	(98,016,940)	16,835,669	(81,181,271)	(2,144,324,289)	-	(2,144,324,289)
Balance as at 31 December 2019													
		5,480,509,770	4,325,271,183	549,988,420	873,555,310	16,971,162	(22,126,049)	(237,593,301)	8,383,504	(234,364,684)	10,994,959,999	(262)	10,994,959,737

The accompanying notes are an integral part of these financial statements.

**For the year ended 31 December 2019**

Notes	Separate financial statements									
	Retained earnings				Other components of equity					
	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Other reserves for share-based payment	Cumulative gain on dilution of investment in subsidiaries	Foreign currency translation differences	Changes in fair value of available-for-sale investments	Total other components of equity	Total equity
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
<b>Year ended 31 December 2018</b>										
<b>Balance as at 1 January 2018</b>	<b>5,480,333,200</b>	<b>4,324,626,137</b>	<b>549,988,420</b>	<b>4,201,676,132</b>	<b>11,792,737</b>	<b>328,844,639</b>	<b>(77,646,719)</b>	<b>2,478,518</b>	<b>265,469,175</b>	<b>14,822,093,064</b>
<b>Transactions with owners, recorded directly in equity</b>										
Shares options exercised	19 176,570	645,046	-	-	(821,616)	-	-	-	(821,616)	-
Share-based payment transactions	19 -	-	-	-	3,773,577	-	-	-	3,773,577	3,773,577
Dividends to owners of the Company	29 -	-	-	(1,490,505,274)	-	-	-	-	-	(1,490,505,274)
<b>Total transactions with owners, recorded directly in equity</b>	<b>176,570</b>	<b>645,046</b>	<b>-</b>	<b>(1,490,505,274)</b>	<b>2,951,961</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,951,961</b>	<b>(1,486,731,697)</b>
<b>Comprehensive income for the year</b>										
Profit	28 -	-	-	229,545,355	-	-	-	-	-	229,545,355
Other comprehensive income	-	-	-	(4,017,885)	-	(350,970,688)	(61,929,642)	(10,930,683)	(423,831,013)	(427,848,898)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>225,527,470</b>	<b>-</b>	<b>(350,970,688)</b>	<b>(61,929,642)</b>	<b>(10,930,683)</b>	<b>(423,831,013)</b>	<b>(198,303,543)</b>
<b>Balance as at 31 December 2018</b>	<b>5,480,509,770</b>	<b>4,325,271,183</b>	<b>549,988,420</b>	<b>2,936,698,328</b>	<b>14,744,698</b>	<b>(22,126,049)</b>	<b>(139,576,361)</b>	<b>(8,452,165)</b>	<b>(155,409,877)</b>	<b>13,137,057,824</b>

The accompanying notes are an integral part of these financial statements.

**Thaicom Public Company Limited and its Subsidiaries**

**Statement of changes in equity (Continued)**

**For the year ended 31 December 2019**

		Separate financial statements								
		Retained earnings				Other components of equity				
		Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Other reserve for share-based payment	Cumulative gain on dilution of investment in subsidiaries	Foreign currency translation differences	Changes in fair value of available-for-sale investments	Total other components of equity
Notes		Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
<b>Year ended 31 December 2019</b>										
<b>Balance as at 1 January 2019</b>		<b>5,480,509,770</b>	<b>4,325,271,183</b>	<b>549,988,420</b>	<b>2,936,698,328</b>	<b>14,744,698</b>	<b>(22,126,049)</b>	<b>(139,576,361)</b>	<b>(8,452,165)</b>	<b>(155,409,877)</b>
<b>Transactions with owners, recorded directly in equity</b>										
Share-based payment transactions		-	-	-	-	2,226,464	-	-	-	2,226,464
<b>Total transactions with owners, recorded directly in equity</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,226,464</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,226,464</b>
<b>Comprehensive income for the year</b>										
Loss		-	-	-	(2,249,948,849)	-	-	-	-	-
Other comprehensive income		-	-	-	186,805,831	-	-	(98,016,940)	16,835,669	(81,181,271)
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,063,143,018)</b>	<b>-</b>	<b>-</b>	<b>(98,016,940)</b>	<b>16,835,669</b>	<b>(81,181,271)</b>
<b>Balance as at 31 December 2019</b>		<b>5,480,509,770</b>	<b>4,325,271,183</b>	<b>549,988,420</b>	<b>873,555,310</b>	<b>16,971,162</b>	<b>(22,126,049)</b>	<b>(237,593,301)</b>	<b>8,383,504</b>	<b>(234,364,684)</b>

The accompanying notes are an integral part of these financial statements.

**Thaicom Public Company Limited and its Subsidiaries**  
**Statements of cash flows**  
**For the year ended 31 December 2019**

	Notes	<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
<b><i>Cash flows from operating activities</i></b>					
Profit (loss) for the year		(2,249,948,849)	246,685,809	(2,249,948,849)	229,545,355
<b><i>Adjustments for</i></b>					
Depreciation of plant and equipment	10	500,283,459	719,411,686	455,050,178	673,105,752
Amortisation of intangible assets					
under operating agreements	11	1,213,974,532	1,150,329,737	1,213,974,532	1,150,329,737
Amortisation of deferred charges	11	2,017,642	2,017,642	2,017,642	2,017,642
Amortisation of intangible assets	11	97,795,101	103,920,740	88,811,135	94,592,453
Impairment loss on assets		1,613,406,614	2,253,000,000	1,459,525,923	2,253,000,000
Impairment loss on intangible asset		9,293,150	-	9,293,150	-
Investment income		(200,657,578)	(181,558,213)	(192,648,091)	(177,488,647)
Share-based payment	19	2,226,464	3,773,577	2,226,464	3,773,577
Finance costs		299,742,497	338,242,739	294,758,082	338,228,829
(Gain) loss on exchange rate		248,538,557	12,420,499	217,720,861	(18,933,924)
Amortisation of borrowing costs	14, 25	910,874	1,065,891	910,874	1,065,891
Bad and doubtful debts expense	7	65,866,756	358,394,586	111,680,903	337,681,328
Allowance for (reversal of) obsolete inventories		(5,570,270)	9,996,089	(7,333,429)	5,680,403
(Gain) loss on disposal of plant and equipment		(5,161,397)	4,585,037	(4,812,966)	4,541,280
Write-off plant and equipment		1,393,792	148,358	1,393,450	148,350
(Gain) loss from sale of investment in subsidiaries	23	28,542,789	(1,949,515,538)	28,542,789	-
Write-off intangible assets		-	7,223	-	7,223
Share of (profits) loss of investment in subsidiaries and a joint venture	9	116,447,819	(119,387,670)	597,865,755	(1,641,288,403)
Income tax expense		343,709,537	(260,628,962)	251,751,517	(334,929,581)
		2,082,811,489	2,692,909,230	2,280,779,920	2,921,077,265
<b><i>Changes in operating assets and liabilities</i></b>					
Trade and other current receivables		(212,409,540)	(549,956,343)	(731,197,250)	(967,715,787)
Amounts due from related parties		36,341,168	48,053,827	27,768,502	101,771,630
Inventories		(5,494,623)	(25,011,294)	(17,128,156)	(14,277,128)
Other current assets		7,888,805	25,282,541	(1,819,929)	8,090,689
Other non-current assets		5,615,895	(43,119,327)	407,929	(45,387,964)
Trade and other current payables		(141,090,524)	(212,108,369)	(104,973,195)	(121,335,822)
Amounts due to related parties		1,183,688	(681,364)	35,550,377	(19,819,551)
Advance receipts from customers		74,308,197	57,088,032	39,997,086	5,887,548
Accrued operating agreement fee		(86,685,543)	(5,004,497)	(86,685,543)	(5,004,497)
Other current liabilities		(32,487,566)	(5,606,818)	(19,994,082)	(19,836,906)
Other non-current liabilities		(24,658,947)	(18,772,759)	(25,144,055)	(21,922,548)
Non-current provisions for employee benefit		38,012,101	(27,643,171)	37,313,681	(24,253,642)
Income tax paid		(83,017,850)	(66,474,200)	(420,951)	(450,012)
<b>Net cash from operating activities</b>		<b>1,660,316,750</b>	<b>1,868,955,488</b>	<b>1,434,454,334</b>	<b>1,796,823,275</b>

The accompanying notes are an integral part of these financial statements.

**Thaicom Public Company Limited and its Subsidiaries**  
**Statements of cash flows (Continued)**  
**For the year ended 31 December 2019**

		<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
	Notes	2019	2018	2019	2018
		Baht	Baht	Baht	Baht
<b><i>Cash flows from investing activities</i></b>					
Interest received		208,956,365	169,092,557	198,650,148	174,454,150
Dividends received	9	-	-	184,088,137	1,717,154,736
Current investments		1,167,407,949	(818,477,229)	1,221,630,342	(359,635,556)
Payment for plant and equipment		(224,126,037)	(81,963,778)	(13,105,888)	(59,518,209)
Proceeds from sale of plant and equipment		25,290,324	5,989,370	6,532,828	5,888,374
Proceeds from loan to a subsidiary	4	-	-	25,000,000	-
Proceeds from loan to a joint venture	4	46,858,086	-	46,858,086	-
Loan to related party	4	-	-	-	(10,000,000)
Purchase of intangible assets		(1,658,484)	(1,409,200)	-	(1,409,200)
Proceeds from sale of investment in subsidiaries	23	18,100,341	1,950,779,922	24,640,320	-
<b>Net cash from investing activities</b>		<b>1,240,828,544</b>	<b>1,224,011,642</b>	<b>1,694,293,973</b>	<b>1,466,934,295</b>
<b><i>Cash flows from financing activities</i></b>					
Dividends paid to owners of the Company	29	-	(1,490,585,395)	-	(1,490,585,214)
Repayments of borrowings	14	(2,790,944,948)	(414,482,938)	(2,812,944,948)	(414,482,938)
Interest paid		(318,735,726)	(318,269,838)	(318,212,049)	(322,536,394)
<b>Net cash used in financing activities</b>		<b>(3,109,680,674)</b>	<b>(2,223,338,171)</b>	<b>(3,131,156,997)</b>	<b>(2,227,604,546)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(208,535,380)</b>	<b>869,628,959</b>	<b>(2,408,690)</b>	<b>1,036,153,024</b>
Cash and cash equivalents as at 1 January		2,830,234,585	1,960,770,857	1,719,753,567	683,765,774
Effect of exchange rate changes on ending balances held in foreign currencies		11,230	(165,231)	11,230	(165,231)
<b>Cash and cash equivalents as at 31 December</b>	5	<b>2,621,710,435</b>	<b>2,830,234,585</b>	<b>1,717,356,107</b>	<b>1,719,753,567</b>
<b><i>Non-cash transactions</i></b>					
Acquisition of property and equipment through credit		1,808,702	6,191,328	1,744,942	1,701,109
Acquisition of property and equipment under operating agreement		-	271,331	-	271,331
Finance lease liabilities		25,906,391	30,788,907	25,906,391	30,788,907

The accompanying notes are an integral part of these financial statements.



**Thaicom Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2019**

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**Thaicom Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2019**

These notes form an integral part of the financial statements.

The financial statements were approved and authorized for issuing by the Board of Directors on 5 February 2020.

**1 General information**

Thaicom Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 414 Phaholyotin Road, SamsenNai, Phayathai, Bangkok 10400.

The Company was listed on the Stock Exchange of Thailand in January 1994.

The Company’s parent company during the financial year was Intouch Holdings Public Company Limited (41.13% shareholding) which is incorporated in Thailand.

The Company, its subsidiaries and a joint venture (collectively referred to as “the Group”) are primarily involved in transponder service is for domestic and international communications, sale of user terminal of iPSTAR, broadband content services, sale of direct television equipment, internet data center services, internet services, satellite uplink-downlink services, providing technical support in relation satellite business, broadcasting television service, telecommunication, telephone network services, mobile contents, and engineering and development services on communication technology and electronics, which are mainly operated under agreements for operation.

The Group has operations in 10 countries; Thailand, Singapore, Cambodia, Lao PDR, Australia, New Zealand, Mauritius, the British Virgin Islands, Japan and India.

The Company obtained agreements for operation from the Ministry of Transport and Communication for a period of 30 years to operate and administer satellite projects and to render transponder services for domestic and international communications as well as the right to collect, for a 30-year period, service charges from users of the transponders. These agreements for operation have been transferred to the Ministry of Digital Economy and Society and will expire in 2021.

The Company received a license from the National Broadcasting and Telecommunications Commission (“NBTC”), to provide telecommunication services on its network for domestic and international communications. The license has a term of 20 years and will expire in 2032.

**Thaicom Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2019**

Details of the Company's subsidiaries and a joint venture as at 31 December 2019 and 2018 were as follows:

Name of the entity	Type of business	Country of incorporation	Ownership interest	
			2019 (%)	2018 (%)
<i>Direct subsidiaries</i>				
Thai Advance Innovation Company Limited	Sale of direct television equipment, providing system integration consultancy service for broadband network and broadband content services	Thailand	99.99	99.99
iPSTAR Company Limited	Providing Thaicom 4 transponder services	The British Virgin Islands	100	100
Star Nucleus Company Limited	Providing engineering and development services, technology and electronics	The British Virgin Islands	100	100
IPSTAR International Pte Limited	Providing Thaicom 4 transponder services and sale of satellite equipment of Thaicom 4	Singapore	100	100
IPSTAR Global Services Company Limited	Providing Thaicom 4 transponder services	Mauritius	100	100
Cambodian DTV Network Limited	Sale of direct television equipment	Cambodia	-(1)	100
IPSTAR Australia Pty Limited	Providing Thaicom 4 transponder services and sale of user terminal of Thaicom 4 in Australia	Australia	100	100
TC Broadcasting Company Limited	Providing broadcasting, television and telecommunication services	Thailand	99.99	99.99
IPSTAR Japan Company Limited	Providing Thaicom 4 transponder services and sale of user terminal of Thaicom 4 in Japan	Japan	100	100
IPSTAR New Zealand Company Limited	Providing Thaicom 4 transponder services and sale of user terminal of Thaicom 4 in New Zealand	New Zealand	100	100
International Satellite Company Limited	Providing Thaicom 7 and Thaicom 8 transponder services	Mauritius	100	100

**Thaicom Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2019**

Name of the entity	Type of business	Country of incorporation	Ownership interest	
			2019 (%)	2018 (%)
IPSTAR (India) Private Limited	Providing of service for technical support for satellite network	India	100	100
TC Global Services Company Limited	Providing technology service	Mauritius	100	100
<b><i>Indirect subsidiaries</i></b>				
Orion Satellite Systems Pty Limited	Providing satellite communication services and business solutions in Australia	Australia	100	100
<b><i>Joint venture</i></b>				
Shenington Investments Pte Limited	Holding company for investment in international telecommunications	Singapore	51	51
<b><i>Joint ventures of Shenington Investments Pte Limited</i></b>				
Lao Telecommunications Company Limited	Providing fixed line, mobile phone, public phone, public international facilities and Internet services	Lao PDR	24.99	24.99

<sup>(1)</sup> The Group sold all of investment in Cambodian DTV Network Limited on 17 September 2019. (Note 9)

Material intercompany transactions between the Company and its subsidiaries have been eliminated from this consolidated financial statements. The consolidated financial statements for the year ended 31 December 2019 have included the subsidiaries' financial information for the year ended 31 December 2019 which were audited.

**Thaicom Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2019**

**2. Basis of preparation of the financial statements**

**2.1 Statement of compliance**

The Group maintains its accounting records in Thai Baht and prepares its statutory financial statements in the Thai language in conformity with Thai Financial Reporting Standards (“TFRSs”) and accounting practices generally accepted in Thailand.

The Group’s financial statements have been prepared in accordance with the Thai Accounting Standard (TAS) No. 1 (Revised 2018) “Presentation of Financial Statements”, which was effective for financial periods beginning on or after January 1, 2019 onward, and the Regulation of The Stock Exchange of Thailand (SET) dated October 2, 2017, regarding the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2560 and the Notification of the Department of Business Development regarding “The Brief Particulars in the Financial Statements (No.2) B.E. 2559” dated October 11, 2016.

During the period, the Group has adopted the revised and new financial reporting standards and guidelines on accounting issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after January 1, 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Group’s financial.

Since 1 January 2019, the Group has adopted Thai Financial Reporting Standard No.15 “Revenue from Contracts with Customers” which has been announced in the Royal Gazette on 14 March 2018 and will be effective for the financial statements for the period beginning on or after 1 January 2019 onwards. The Group has considered adoption of this financial reporting standard does not have significant impact on the Group’s financial statements.

**2.2 Basis of measurement**

The financial statements have been prepared on the historical cost basis unless otherwise stated.

**2.3 Functional and presentation currency**

The financial statements are prepared and presented in Thai Baht, which is the Company’s functional currency. All financial information presented in Thai Baht has been rounded to the nearest thousand unless otherwise stated.

**Thaicom Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2019**

**2.4 Use of estimates and judgements**

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

(i) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Note 9	Classification of the joint venture
Note 9	Consolidation: whether the Group has De facto control over an investee

(ii) Assumptions and estimation uncertainties

Information about significant areas of estimation uncertainties that have a significant risk of resulting in a material adjustments to the amounts recognised in the financial statements is included in the following notes:

Note 7	Allowance for doubtful accounts
Note 8	Realisable value of inventory
Note 9, 10, 11	Key assumptions used in discounted cash flow projections
Note 10	Estimated useful lives and measurement of the recoverable amounts of property and equipment
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Note 12	Deferred income tax
Note 17	Measurement of employee benefits
Note 19	Measurement of share-based payment
Note 30	The measurement of fair values of foreign currency forward contracts
Note 32 and 33	Provisions and contingencies

**3. Significant accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

**3.1 Basis of consolidation**

The consolidated financial statements relate to the Company and its subsidiaries and joint ventures.

*Business combinations*

The Group applies the acquisition method for all business combinations when control is transferred to the Group, as describe in subsidiaries section, other than those with entities under common control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

**Thaicom Public Company Limited and its Subsidiaries**  
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Goodwill is measured as the fair value of the consideration transferred including the recognized amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. Any gain on bargain purchase is recognised in profit or loss immediately.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration and share-based payment awards of the acquiree that are replaced mandatorily in the business combination. If a business combination results in the termination of pre-existing relationships between the Group and the acquiree, then the lower of the termination amount, as contained in the agreement, and the value of the off-market element is deducted from the consideration transferred and recognised in other expenses.

When share-based payment awards exchanged (replacement awards) for awards held by the acquiree's employees (acquiree's awards) relate to past services, then a part of the market-based measure of the awards replaced is included in the consideration transferred. If they require future services, then the difference between the amount included in consideration transferred and the market-based measure of the replacement awards is treated as post-combination compensation cost.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

The Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Transaction costs that the Group incurs in connection with a business combination, such as legal fees, and other professional and consulting fees are expensed as incurred.

*Acquisitions from entities under common control*

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose comparatives are revised. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group controlling shareholder's consolidated financial statements. The components of equity of the acquired entities are added to the same components within Group equity except that any share capital of the acquired entities is recognised as part of share premium. Any cash paid for the acquisition is recognised directly in equity.

*Subsidiaries*

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

*Loss of control*

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

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*Interests in equity - accounted investees*

The Group's interests in equity-accounted investees is interests in a joint venture.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases.

*Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates and jointly-controlled entities are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

**3.2 Foreign currencies**

*Foreign currency transactions*

Transactions in foreign currencies are translated to the functional currency at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognised in profit or loss.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the foreign exchange rates ruling at the dates of the transactions.

*Foreign entities*

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Thai Baht at the foreign exchange rates ruling at the reporting date.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are translated to Thai Baht at the foreign exchange rates ruling on the reporting date.

The revenues and expenses of foreign operations are translated to Thai Baht at the weighted average foreign exchange rates for the year.

Foreign exchange differences are recognised in other comprehensive income and accumulated in the translation reserve, except to extent that the translation difference is allocated to non-controlling interest.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.



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**3.3 Derivative financial instruments**

Derivative financial instruments are used to manage exposure to foreign exchange arising from operational, financing and investment activities. Derivative financial instruments are not used for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Derivative financial instruments are recognised initially at fair value; attributable transaction costs are recognised in the profit or loss when incurred. Subsequent to initial recognition, they are remeasured at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged.

The fair value of forward exchange contracts is based on their listed market price, if available. If a listed market price is not available, then fair value is estimated by discounting the difference between the contractual forward price and the current forward price at the reporting date for the residual maturity of the contract using a risk-free interest rate (based on government bonds).

**3.4 Cash and cash equivalents**

Cash and cash equivalents in the statements of cash flows comprise cash balances, call deposits and highly liquid short-term investments with original maturities of three months or less. Bank overdrafts that are repayable on demand are a component of operating activities for the purpose of the statement of cash flows.

**3.5 Trade and other current receivables**

Trade and other current receivables are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments, net of deposit from customers. Bad debts are written off when incurred.

**3.6 Inventories**

Inventories are measured at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost principle, and comprises all costs of purchase and costs directly attributable to the acquisition of the inventory, such as taxes and transportation charges, less all attributable discounts, allowances or rebates. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads based on normal operating capacity, but excludes borrowing costs.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

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**3.7 Investments**

*Investments in subsidiaries and joint ventures*

Investments in subsidiaries and joint ventures in the separate financial statements of the Company are accounted for using the equity method. Investments in joint ventures in the consolidated financial statements are accounted for using the equity method.

Interests in associates, subsidiaries and joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the separate financial statements include the Company's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases.

*Investments in other debt and equity securities*

Debt securities and marketable equity securities held for trading are classified as current assets and are stated at fair value, with any resultant gain or loss recognised in profit or loss.

Debt securities that the Group has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are stated at amortised cost, less any impairment losses. The difference between the acquisition cost and redemption value of such debt securities is amortised using the effective interest rate method over the period to maturity.

Debt securities and marketable equity securities, other than those securities held for trading or intended to be held to maturity, are classified as available-for-sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses and foreign currency differences on available-for-sale monetary items, are recognised in other comprehensive income. Impairment losses and foreign exchange differences are recognised in profit or loss. When these investments are derecognised, the cumulative gain or loss previously recognised in other comprehensive income is recognised in profit or loss. Where these investments are interest-bearing, interest calculated using the effective interest method is recognised in profit or loss.

Equity securities which are not marketable are stated at cost less any impairment losses.

The fair value of financial instruments classified as held-for-trading and available-for-sale is determined as the quoted bid price at the reporting date.

*Disposal of investments*

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

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**3.8 Property, plant and equipment**

*Owned assets*

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

Any gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property and equipment, and are recognised net in profit or loss.

*Leased assets*

Leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss.

*Assets for rent*

Assets leased out under operating leases are included in property and equipment in the statements of financial position. They are depreciated over their expected useful lives on a basis consistent with similar fixed assets.

*Subsequent costs*

The cost of replacing a part of an item of property and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property and equipment are recognised as expenses in profit or loss as incurred.

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*Depreciation*

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property and equipment or, if shorter, the lease term. The estimated useful lives are as follows:

Leasehold land	30 years
Buildings and improvements	5-10 years
Equipment	5-18 years
Furniture fixtures and office equipment	5-18 years
Computer equipment	3-5 years
Motor vehicles	5 years

No depreciation is provided on freehold land or assets under construction.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

**3.9 Intangible assets under operating agreement**

Intangible assets under operating agreement comprise rights of the charges for satellite services under the operating agreement.

Amortisation is amortised on the straight-line basis over the lower of the period of useful lives or operating agreement.

**3.10 Deferred charges**

Deferred charges principally represent bond issuing and long-term borrowing costs and are amortised on the straight-line basis over the period of time to maturity of the bond or long-term loan agreement.

**3.11 Intangible assets**

*Goodwill*

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. The measurement of goodwill at initial recognition is described in note 3.1. Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted investee.

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*Research and development*

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in profit or loss as incurred.

Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when it is probable that the project will be a success considering its commercial and technological feasibility, and only if the cost can be measured reliably. Other development expenditure is recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Development costs that have been capitalised are amortised from the commencement of the commercial production of the product.

Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses.

*Other intangible assets*

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

The cost of other intangible assets comprises the development of IPSTAR technology, expenditure on acquired software, patents, trademarks and licenses and is amortised using the straight-line method over their period of their benefits of related assets for a period of 5 to 15.75 years.

Specific software is recognised as assets when acquired and operated to intend purposes and is amortised using the straight-line method over their expected benefits for a period of 3 - 5 years.

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

**3.12 Impairment**

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year, at the same time.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss.

*Calculation of recoverable amount*

The recoverable amount of available-for-sale financial assets is calculated by reference to the fair value.

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

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*Reversals of impairment*

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.

An impairment loss in respect of goodwill is not reversed. Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**3.13 Interest-bearing liabilities**

Interest-bearing liabilities are recognised initially at fair value less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings on an effective interest basis.

**3.14 Trade and other current payables**

Trade and other current payables are stated at cost.

**3.15 Provision for employee benefits**

*Defined contribution plans*

The Group operates a provident fund, which is a defined contribution plan. The assets of which are held in a separate trust fund which is managed by external fund manager. The provident fund is funded by payments from employees and by the relevant Group companies. Contributions to the provident fund are charged to the statements of profit or loss in the year to which they relate.

*Defined benefit plans*

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed at least one in three years by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any application minimum funding requirements.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in other comprehensive income. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

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When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

*Other long-term employee benefits*

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

*Termination benefits*

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

*Short-term employee benefits*

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

*Share-based payments*

The grant-date fair value of equity-settled share-based payment awards granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The fair value of the amount payable to employees in respect of share appreciation rights, which are settled in cash, is recognised as an expense with a corresponding increase in liabilities, over the period that the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date. Any changes in the fair value of the liability are recognised as personnel expenses in profit or loss.

### **3.16 Provisions**

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

*Provision for warranties*

A provision for warranties is recognised when the underlying products or services are sold. The provision is based on historical expense related to warranty data and a weighting of all possible outcomes against their associated probabilities.

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**3.17 Revenue**

Revenue excludes value added tax and is arrived at after deduction of trade discounts.

*Sale of goods and services rendered*

Revenue is recognised when a performance obligation is satisfied by transferring a promised good or service to a customer. The revenue from contracts with customers should be allocated to the performance obligations in the contract by reference to their relative standalone selling prices.

Revenue from sale of goods includes revenue and cost of sales of equipment with installation are recognised in profit or loss when control of that goods or equipment with installation have been transferred to the buyer. That may indicate that the buyer has obtained the ability to direct the use of that goods or equipment with installation, and obtain substantially all of the remaining benefits from that goods or equipment with installation. Also, the Company's group has a right to receive payment for those goods and equipment with installation. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods.

Revenue from rendering transponder services and services related to the satellite business, internet services, and other business related to the internet business, and telephone services is recognised when the said services are provided to customers and there are certainties regarding recovery of the consideration due.

Revenue from leases on equipment is recognised over the period and at the rate of the leasing contract.

Revenue arising from royalties is recognised on an accrual basis in accordance with the substance of the relevant agreements.

*Interest income*

Interest income is recognised in profit or loss as it accrues.

**3.18 Finance costs**

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and contingent consideration, losses on disposal of available-for-sale financial assets, dividends on preference shares classified as liabilities, fair value losses on financial assets at fair value through profit or loss, impairment losses recognised on financial assets (other than trade receivables), and losses on hedging instruments that are recognised in profit or loss.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.



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**3.19 Lease payment**

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

*Determining whether an arrangement contains a lease*

At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group the right to control the use of the underlying asset.

At inception or upon reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Group's incremental borrowing rate.

**3.20 Income tax**

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint venture to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

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Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

#### **4. Related parties**

Related parties are enterprises and/or individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Joint ventures and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals, and companies associated with these individuals also constitute related parties. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The Company is controlled by Intouch Holdings Public Company Limited (“Intouch”) (incorporated in Thailand), which owns 41.13% of the Company’s shares. Transactions with Intouch Group and shareholders of the Intouch Group are recognised as related party transactions of the Group.

Sales and service transactions with related parties were conducted under normal commercial terms and conditions, which were the same as for other customers. Consulting and management services were charged at an agreed percentage of assets.

Significant transactions for the years ended 31 December 2019 and 2018 with related parties were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>Baht’000</b>	<b>Baht’000</b>	<b>Baht’000</b>	<b>Baht’000</b>
<b>Revenue</b>				
<i>Revenue from sale of goods and rendering of services</i>				
Parent	-	91	-	-
Subsidiaries	-	-	1,709,980	1,794,641
Related parties under common control	73,077	114,016	52,346	72,121
Other related party	-	45	-	-
<b>Other income</b>				
Subsidiaries	-	-	30,748	43,476
Joint venture	110,648	109,316	110,648	109,316
Related parties under common control	176	19	176	19
<b>Total revenue</b>	<b>183,901</b>	<b>223,487</b>	<b>1,903,898</b>	<b>2,019,573</b>

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	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	Baht'000	Baht'000	Baht'000	Baht'000
<b>Expenses</b>				
<i><b>Purchases of goods and services</b></i>				
Subsidiaries	-	-	102,936	135,827
Joint venture	929	5,322	-	-
Related parties under common control	2,665	4,658	2,665	2,945
Other related party	-	21,760	-	7,768
<i><b>Selling and administrative expenses</b></i>				
Parent	1,445	771	1,445	723
Subsidiaries	-	-	16,718	17,767
Related parties under common control	10,863	7,898	10,527	7,153
Director and management benefit expenses	60,673	57,782	60,419	57,414
<b>Total expenses</b>	<b>76,575</b>	<b>98,191</b>	<b>194,710</b>	<b>229,597</b>

Balance as at 31 December 2019 and 2018 with related parties were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	Baht'000	Baht'000	Baht'000	Baht'000
<b>Trade receivables and accrued income</b>				
<i><b>Trade receivables</b></i>				
Subsidiaries	-	-	2,025,736	1,295,882
Related parties under common control	8,762	29,288	5,705	28,834
Other related parties	-	52,736	-	2,629
<b>Total</b>	<b>8,762</b>	<b>82,024</b>	<b>2,031,441</b>	<b>1,327,345</b>
<i><b>Accrued income</b></i>				
Subsidiaries	-	-	2,372	1,580
Joint venture	-	350	-	350
Related parties under common control	3,505	1	3,388	-
<b>Total</b>	<b>3,505</b>	<b>351</b>	<b>5,760</b>	<b>1,930</b>
<b>Total trade receivables and accrued income</b>	<b>12,267</b>	<b>82,375</b>	<b>2,037,201</b>	<b>1,329,275</b>
<i>Less allowance for doubtful accounts</i>	-	(52,737)	-	(2,629)
<b>Net</b>	<b>12,267</b>	<b>29,638</b>	<b>2,037,201</b>	<b>1,326,646</b>
<b>Other current receivables</b>				
Parent	180	250	180	250
Subsidiaries	-	-	52,550	45,826
Joint venture	5,670	42,449	5,670	42,449
<b>Total</b>	<b>5,850</b>	<b>42,699</b>	<b>58,400</b>	<b>88,525</b>

**Thaicom Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2019**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	Baht'000	Baht'000	Baht'000	Baht'000
<b>Loan to related parties</b>				
<b>Current portion of long-term loans</b>				
Subsidiary	-	-	25,000	40,000
Joint venture	630,635	485,725	630,635	485,725
	<u>630,635</u>	<u>485,725</u>	<u>655,635</u>	<u>525,725</u>
<b>Long-term Loans</b>				
Subsidiary	-	-	-	10,000
Joint venture	1,127,499	1,457,174	1,127,499	1,457,174
	<u>1,127,499</u>	<u>1,457,174</u>	<u>1,127,499</u>	<u>1,467,174</u>
<b>Total</b>	<u>1,758,134</u>	<u>1,942,899</u>	<u>1,783,134</u>	<u>1,992,899</u>

The term of the long-term loan to subsidiary is 2 years. As at 31 December 2019, the interest rate at the rate of 5.77 % per annum (31 December 2018: rate of 5.05% to 5.64% per annum).

The term of the long-term loan to a joint venture is 10 years with the interest rate at the rate of LIBOR + 3.

Movements during the years ended 31 December 2019 and 2018 of loans to subsidiary and a joint venture were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	Baht'000	Baht'000	Baht'000	Baht'000
<b>Long-term loans</b>				
<b>Subsidiary</b>				
As at 1 January	-	-	50,000	40,000
Increase (Decrease)	-	-	(25,000)	10,000
<b>As at 31 December</b>	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>50,000</u>
<b>Joint venture</b>				
As at 1 January	1,942,899	1,956,729	1,942,899	1,956,729
Decrease	(46,858)	-	(46,858)	-
Unrealised loss on exchange rate	(137,907)	(13,830)	(137,907)	(13,830)
<b>As at 31 December</b>	<u>1,758,134</u>	<u>1,942,899</u>	<u>1,758,134</u>	<u>1,942,899</u>

**Thaicom Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2019**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	Baht'000	Baht'000	Baht'000	Baht'000
<b>Other current assets</b>				
Subsidiaries	-	-	3	-
Related party under common control	11	2	11	2
<b>Total</b>	<b>11</b>	<b>2</b>	<b>14</b>	<b>2</b>
<b>Trade payables</b>				
Parent	132	72	133	72
Subsidiaries	-	-	3,744	13,596
Joint venture	-	445	-	-
Related party under common control	2,499	2,052	1,985	1,781
Other related parties	-	1,252	-	1,252
<b>Total</b>	<b>2,631</b>	<b>3,821</b>	<b>5,862</b>	<b>16,701</b>
<b>Other current payables</b>				
Subsidiaries	-	-	38,254	3,555
Related party under common control	1,029	97	708	97
Other related party	-	72	-	72
<b>Total</b>	<b>1,029</b>	<b>169</b>	<b>38,962</b>	<b>3,724</b>
<b>Advance receipts from customers</b>				
Subsidiaries	-	-	360	3,411
Related party under common control	5,294	9,974	4,386	8,865
<b>Total</b>	<b>5,294</b>	<b>9,974</b>	<b>4,746</b>	<b>12,276</b>
<b>Accrued expenses</b>				
Subsidiaries	-	-	126,726	143,663
Related party under common control	34	374	32	370
Other related party	-	14,686	-	-
<b>Total</b>	<b>34</b>	<b>15,060</b>	<b>126,758</b>	<b>144,033</b>
<b>Other current liabilities</b>				
Related party under common control	<b>1,740</b>	<b>2,200</b>	-	<b>160</b>
<b>Other non-current liabilities</b>				
Subsidiaries	-	-	-	<b>1,308</b>

**Thaicom Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2019**

***Key management personnel compensation***

Key management personnel compensation comprised:

<i>For the year ended 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	Baht'000	Baht'000	Baht'000	Baht'000
Short-term benefits	58,819	55,403	58,565	55,035
Other long-term benefits				
- Current service costs, included in administrative expenses	922	1,154	922	1,154
- Interest on obligation, included in finance costs	722	824	722	824
- Share-based payment	210	401	210	401
<b>Total</b>	<b>60,673</b>	<b>57,782</b>	<b>60,419</b>	<b>57,414</b>

From time to time directors of the Group, or their related entities, may purchase goods from the Group. These purchases are on the same terms and conditions as those entered into by the Group with employees or customers.

***Directors' remuneration***

The directors' remuneration represents monthly compensation, annual remuneration, meeting fees, and other benefits. The directors' remuneration was approved by the shareholders of the Company at their annual general meetings. The directors' remuneration was presented as part of directors and management benefit expenses presented in the statement of profit or loss.

***Significant agreements with related parties***

1. The Company and subsidiary entered into agreements with a subsidiary, under which the Company and subsidiaries were committed to pay royalty fee at 1% of revenue from sale or lease of IPSTAR gateway, 1% of revenue from sale or lease of IPSTAR user terminal and 3% of revenue from sale or service of Thaicom 4.
2. The Company entered into agreements with subsidiaries and related parties under common control, under which the Company was committed to provide transponder service and advisory service. Subsidiaries and related parties under common control were committed to pay the Company for the service of the agreements at approximately USD 6.36 million and Baht 4.38 million (2018: approximately USD 14.97 million and Baht 9.20 million). The service fees of contracts vary to the actual used or number of installed user terminal at the rate stated in the contract.
3. The Company had entered into agreements with a subsidiary, under which a subsidiary was committed to provide broadcasting, television and telecommunication service. The Company was committed to pay for the service in respect of the agreements at USD 6,480 per channel/per year.

**Thaicom Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2019**

**5. Cash and cash equivalents**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	Baht'000	Baht'000	Baht'000	Baht'000
Cash on hand	2,008	105,311	1,786	91,879
Current accounts and saving deposits	1,697,169	2,230,682	844,016	1,330,209
Highly liquid short-term investments	922,533	494,242	871,554	297,666
<b>Total</b>	<b>2,621,710</b>	<b>2,830,235</b>	<b>1,717,356</b>	<b>1,719,754</b>
The weighted average interest rate of saving deposits and fixed deposits	<b>0.47%</b>	<b>0.71%</b>	<b>0.58%</b>	<b>0.77%</b>

**6. Current investments**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	Baht'000	Baht'000	Baht'000	Baht'000
Short-term deposit and bill of exchange	1,135,692	2,272,934	524,892	1,787,934
Debt securities available for sale	1,945,154	1,954,276	2,108,678	2,046,221
<b>Total</b>	<b>3,080,846</b>	<b>4,227,210</b>	<b>2,633,570</b>	<b>3,834,155</b>

As at 31 December 2019, short-term deposit and bill of exchange have interest rates of 1.50% to 2.40% per annum (31 December 2018: 0.80% to 2.87% per annum) and mature within 1 year.

**Thaicom Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2019**

**7. Trade and other current receivables**

		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	Note	2019	2018	2019	2018
		Baht'000	Baht'000	Baht'000	Baht'000
<b><i>Trade receivables</i></b>					
Related parties	4	8,762	82,024	2,031,441	1,327,345
Other parties		1,910,811	1,891,098	989,884	1,144,910
<b>Total</b>		<b>1,919,573</b>	<b>1,973,122</b>	<b>3,021,325</b>	<b>2,472,255</b>
<b><i>Accrued income</i></b>					
Related parties	4	3,505	351	5,760	1,930
Other parties		557,974	639,793	415,304	447,482
<b>Total</b>		<b>561,479</b>	<b>640,144</b>	<b>421,064</b>	<b>449,412</b>
<b><i>Other current receivables</i></b>					
Prepaid expenses		55,240	49,760	41,228	28,567
Advance payments		96,123	159,038	95,328	139,418
Others		194,028	106,599	168,313	79,881
<b>Total</b>		<b>345,391</b>	<b>315,397</b>	<b>304,869</b>	<b>247,866</b>
<b>Total trade receivables accrued income and other current receivables</b>		<b>2,826,443</b>	<b>2,928,663</b>	<b>3,747,258</b>	<b>3,169,533</b>
<i>Less allowance for doubtful accounts</i>		<i>(936,463)</i>	<i>(1,077,230)</i>	<i>(652,414)</i>	<i>(598,505)</i>
<b>Net</b>		<b>1,889,980</b>	<b>1,851,433</b>	<b>3,094,844</b>	<b>2,571,028</b>
		2019	2018	2019	2018
		Baht'000	Baht'000	Baht'000	Baht'000
Bad and doubtful debts expenses for the years ended 31 December		<b>65,867</b>	<b>358,395</b>	<b>111,681</b>	<b>337,681</b>



**Thaicom Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2019**

Aging analyses for trade receivables were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	Baht'000	Baht'000	Baht'000	Baht'000
<b>Related parties</b>				
Within credit terms	5,464	8,668	247,576	795,961
Overdue:				
Less than 3 months	2,837	3,721	361,480	411,054
3 - 6 months	-	15,537	376,769	115,739
6 - 12 months	-	463	1,045,155	1,063
Over 12 months	461	53,635	461	3,528
	<b>8,762</b>	<b>82,024</b>	<b>2,031,441</b>	<b>1,327,345</b>
<i>Less allowance for doubtful accounts</i>	-	(52,737)	-	(2,629)
	<b>8,762</b>	<b>29,287</b>	<b>2,031,441</b>	<b>1,324,716</b>
<b>Other parties</b>				
Within credit terms	92,857	138,934	50,409	97,118
Overdue:				
Less than 3 months	147,626	416,532	101,957	345,010
3 - 6 months	188,277	226,721	76,523	100,455
6 - 12 months	525,542	256,184	65,030	148,889
Over 12 months	956,509	852,727	695,965	453,438
	<b>1,910,811</b>	<b>1,891,098</b>	<b>989,884</b>	<b>1,144,910</b>
<i>Less allowance for doubtful accounts</i>	(811,815)	(1,024,493)	(527,766)	(595,876)
	<b>1,098,996</b>	<b>866,605</b>	<b>462,118</b>	<b>549,034</b>
<b>Net</b>	<b>1,107,758</b>	<b>895,892</b>	<b>2,493,559</b>	<b>1,873,750</b>

The normal credit term for general customers were granted by the Group ranging 15 - 120 days.

## 8. Inventories

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	Baht'000	Baht'000	Baht'000	Baht'000
Raw material and supplies	26,873	45,066	26,600	44,777
Work in process	72,144	15,434	72,144	15,434
Finished goods	110,852	154,303	83,005	113,551
Goods in transit	1,042	134	-	-
	<b>210,911</b>	<b>214,937</b>	<b>181,749</b>	<b>173,762</b>
<i>Less allowance for decline in value</i>	(86,883)	(92,453)	(68,149)	(75,482)
<b>Net</b>	<b>124,028</b>	<b>122,484</b>	<b>113,600</b>	<b>98,280</b>

**Thaicom Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2019**

**9. Investments in subsidiaries and a joint venture**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	Baht'000	Baht'000	Baht'000	Baht'000
Investments in subsidiaries	-	-	(167,557)	522,595
Investments in a joint venture	1,408,769	1,444,283	1,408,769	1,444,283
<b>Total investments, net</b>	<b>1,408,769</b>	<b>1,444,283</b>	<b>1,241,212</b>	<b>1,966,878</b>

**Presentation in the statement  
of financial position as follows:**

Investments - equity method	1,408,769	1,444,283	2,641,105	2,946,904
Net liabilities in subsidiaries	-	-	(1,399,893)	(980,026)
<b>Total investments, net</b>	<b>1,408,769</b>	<b>1,444,283</b>	<b>1,241,212</b>	<b>1,966,878</b>

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	Baht'000	Baht'000	Baht'000	Baht'000
As at 1 January	1,444,283	1,356,701	1,966,878	2,455,515
Share of net profits (loss) of investments in equity method	(116,448)	119,388	(597,866)	1,628,780
Share of net profits of discontinued operation	-	-	-	12,509
Dividend income	-	-	(184,088)	(1,717,155)
Defined benefit plan actuarial gain	207,939	-	207,488	130
Written-off from sale of investment in a subsidiary	-	-	(40,685)	(350,971)
Foreign currency translation adjustments	(127,005)	(31,806)	(110,515)	(61,930)
<b>As at 31 December</b>	<b>1,408,769</b>	<b>1,444,283</b>	<b>1,241,212</b>	<b>1,966,878</b>

**Thaicom Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2019**

Investments in subsidiaries and joint venture as at 31 December 2019 and 2018 and dividend income from those investments for the years then ended were as follows:

				Consolidated financial statements					
Ownership interest		Paid-up capital		Cost		Equity		Dividend income	
2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
%	%			Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
<i>Joint venture</i>									
Shenington									
Investments Pte		SGD							
Limited	51.00	51.00	15 million	15 million	138	138	1,409	1,444	-
					138	138	1,409	1,444	-

Name of the Company's joint venture is not publicly listed and consequently do not have published price quotations.

**Thaicom Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2019**

**Separate financial statements**

	Ownership interest		Paid-up capital		Cost-net of impairment		Equity method		Dividend income	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	%	%			Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
<b><i>Subsidiaries</i></b>										
Thai Advance Innovation Company Limited	99.99	99.99	Baht 399 million	Baht 399 million	399	399	464	478	-	1,491
iPSTAR Company Limited	100.00	100.00	USD 2 million	USD 2 million	157	157	(1,331)	(964)	-	-
Star Nucleus Company Limited	100.00	100.00	-	-	-	-	88	74	-	99
IPSTAR International Pte Limited	100.00	100.00	SGD 20,000	SGD 20,000	1	1	(51)	1	-	-
IPSTAR Global Services Company Limited	100.00	100.00	USD 20,000	USD 20,000	1	1	17	54	44	-
Cambodian DTV Network Limited	-	100.00	-	USD 600,000	-	21	-	84	29	-
IPSTAR Australia Pty Limited	100.00	100.00	AUD 6.95 million	AUD 6.95 million	425	425	178	249	-	-
TC Broadcasting Company Limited	99.99	99.99	Baht 0.25 million	Baht 0.25 million	-	-	14	8	-	-
IPSTAR Japan Company Limited	100.00	100.00	JPY 100 million	JPY 100 million	33	33	301	261	-	29
IPSTAR New Zealand Company Limited	100.00	100.00	NZD 3.20 million	NZD 3.20 million	98	98	94	102	-	-
International Satellite Company Limited	100.00	100.00	USD 50,000	USD 50,000	2	2	41	160	111	98
IPSTAR (India) Private Limited	100.00	100.00	INR 30 million	INR 30 million	16	16	36	32	-	-
TC Global Services Company Limited	100.00	100.00	USD 12,500	USD 12,500	1	1	(19)	(16)	-	-
<b>Total</b>					<b>1,133</b>	<b>1,154</b>	<b>(168)</b>	<b>523</b>	<b>184</b>	<b>1,717</b>
<b><i>Joint venture</i></b>										
Shenington Investments Pte Limited	51.00	51.00	SGD 15 million	SGD 15 million	<b>138</b>	<b>138</b>	<b>1,409</b>	<b>1,444</b>	<b>-</b>	<b>-</b>

**Thaicom Public Company Limited and its Subsidiaries**  
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**Joint Venture**

The following table summarises the financial information of the joint venture as included in their own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in this company.

	<b>Reporting date</b>	<b>Ownership</b>	<b>Current assets</b>	<b>Non-current assets</b>	<b>Current liabilities</b>	<b>Non-current liabilities</b>	<b>Net assets</b>	<b>Total revenues</b>	<b>Net profit (loss)</b>	<b>Other comprehensive income (loss)</b>	<b>Total other comprehensive income (loss)</b>
		<b>(%)</b>	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
<b>2019</b>											
Shenington Investments Pte Limited	31 December	51.00	1,714,903	4,591,210	(1,355,402)	(2,133,396)	2,817,315	-	(228,329)	(297,664)	(525,993)
<b>Total</b>			<b>1,714,903</b>	<b>4,591,210</b>	<b>(1,355,402)</b>	<b>(2,133,396)</b>	<b>2,817,315</b>	<b>-</b>	<b>(228,329)</b>	<b>(297,664)</b>	<b>(525,993)</b>
<b>2018</b>											
Shenington Investments Pte Limited	31 December	51.00	151,905	6,701,997	(89,239)	(3,829,076)	2,935,587	4	234,093	(73,483)	160,610
<b>Total</b>			<b>151,905</b>	<b>6,701,997</b>	<b>(89,239)</b>	<b>(3,829,076)</b>	<b>2,935,587</b>	<b>4</b>	<b>234,093</b>	<b>(73,483)</b>	<b>160,610</b>

**Thaicom Public Company Limited and its Subsidiaries**  
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Significant movements in investments in subsidiaries and joint ventures for the year ended 31 December 2019 and 2018 were as follows:

**Subsidiary**

On 2 September 2019, the Company entered into the Share Purchase Agreement with a company in Cambodia to sale the 1,000 shares, equivalent to 100% shareholding in Cambodian DTV Network Limited (“CDN”). The Company agreed to sale share at USD 0.8 million or approximately Baht 24.64 million. The share payment was received on 17 September 2019.

**Joint venture**

*Dividend payment of Lao Telecommunications Company Limited (“LTC”)*

At the Annual General Meeting of the shareholders of LTC held on 7 February 2019, the shareholders approved the appropriation of dividend from 2018 operation of USD 26 million.

At the Extraordinary Shareholders’ Meeting of LTC held on 12 December 2019, the shareholders approved the appropriation of special dividend from Company’s retained earnings of USD 123 million. The dividends will be paid over 15 installments for a total payment per year of USD 8 million.

*Purchase Contract for Shares in Vimpelcom Lao Company Limited*

On 16 January 2019, Lao Telecommunication Public Company (“LTC”) entered into the Sale and Purchase Contract for Shares in Vimpelcom Lao Company Limited with the Government of The Lao PDR (“LAOGOV”) to purchase the 500,000 shares, equivalent to 100% shareholding in Vimpelcom Lao Company Limited. LTC agreed to purchase at the price of USD 42 million. LTC paid to LAOGOV in July 2019. In addition, 500,000 shares certificate, equivalent to 100% shareholding in Vimpelcom Lao Company Limited was delivered to LTC by on 1 August 2019. Afterwards, Vimpelcom Lao Company Limited has changed its name to TPLUS Digital Company Limited.

**Commitments**

According to the joint venture agreement between the Group and the Government of the Lao People’s Democratic Republic, the Group must transfer all of LTC’s shares to the Government of the Lao People’s Democratic Republic, without any charges or compensation, on the expiration date of the joint venture agreement in 2046 (Note 31.2).

**Thaicom Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2019**

**10. Property, plant and equipment**

	<b>Consolidated financial statements</b>				
	Land Leasehold land & building	Equipment	Vehicles & equipment	Asset under construction	Total
	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
<i><b>Cost</b></i>					
<b>As at 1 January 2018</b>	<b>438,709</b>	<b>11,443,954</b>	<b>378,881</b>	<b>4,380</b>	<b>12,265,924</b>
Additions	2,010	61,474	24,061	5,237	92,782
Transfers	(1,630)	(9,939)	(9,122)	(77)	(20,768)
Disposals	(427)	(32,149)	(33,594)	-	(66,170)
Write-offs	(1,138)	(17,704)	(2,994)	-	(21,836)
Foreign currency translation adjustments	(27,248)	(19,726)	(5,004)	(577)	(52,555)
<b>As at 31 December 2018 and 1 January 2019</b>	<b>410,276</b>	<b>11,425,910</b>	<b>352,228</b>	<b>8,963</b>	<b>12,197,377</b>
Additions	35	183,713	7,666	10,365	201,779
Transfers	522	17,920	-	(9,711)	8,731
Disposals	(6,131)	(41,814)	(71,440)	(277)	(119,662)
Write-offs	(5,824)	(11,762)	(451)	-	(18,037)
Foreign currency translation adjustments	(18,927)	(30,361)	(7,042)	(773)	(57,103)
<b>As at 31 December 2019</b>	<b>379,951</b>	<b>11,543,606</b>	<b>280,961</b>	<b>8,567</b>	<b>12,213,085</b>
<i><b>Accumulated depreciation and impairment loss</b></i>					
<b>As at 1 January 2018</b>	<b>379,094</b>	<b>3,740,605</b>	<b>286,909</b>	<b>-</b>	<b>4,406,608</b>
Depreciation for the year	19,752	660,192	39,468	-	719,412
Loss on impairment	-	2,423,000	-	-	2,423,000
Transfers	(1,558)	(29,015)	(8,370)	-	(38,943)
Disposals	(356)	(25,349)	(29,891)	-	(55,596)
Write-offs	(1,136)	(17,620)	(2,931)	-	(21,687)
Foreign currency translation adjustments	(27,027)	(18,638)	(4,455)	-	(50,120)
<b>As at 31 December 2018 and 1 January 2019</b>	<b>368,769</b>	<b>6,733,175</b>	<b>280,730</b>	<b>-</b>	<b>7,382,674</b>
Depreciation for the year	15,693	444,005	40,586	-	500,284
Loss on impairment	-	1,186,881	-	-	1,186,881
Transfers	-	(410)	-	-	(410)
Disposals	(3,762)	(41,046)	(54,725)	-	(99,533)
Write-offs	(5,615)	(11,762)	(418)	-	(17,795)
Foreign currency translation adjustments	(18,616)	(27,577)	(5,439)	-	(51,632)
<b>As at 31 December 2019</b>	<b>356,469</b>	<b>8,283,226</b>	<b>260,734</b>	<b>-</b>	<b>8,900,469</b>

**Thaicom Public Company Limited and its Subsidiaries**  
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	<b>Consolidated financial statements</b>				
	Land Leasehold land & building Baht'000	Equipment Baht'000	Vehicles & equipment Baht'000	Asset under construction Baht'000	Total Baht'000
<b>Net book value</b>					
<b>As at 1 January 2018</b>					
Owned assets	59,615	7,703,349	70,984	4,380	7,838,328
Assets under finance leases	-	-	20,988	-	20,988
	<b>59,615</b>	<b>7,703,349</b>	<b>91,972</b>	<b>4,380</b>	<b>7,859,316</b>
<b>As at 31 December 2018 and 1 January 2019</b>					
Owned assets	41,507	4,692,735	55,131	8,963	4,798,336
Assets under finance leases	-	-	16,367	-	16,367
	<b>41,507</b>	<b>4,692,735</b>	<b>71,498</b>	<b>8,963</b>	<b>4,814,703</b>
<b>As at 31 December 2019</b>					
Owned assets	23,482	3,260,340	12,236	8,567	3,304,625
Assets under finance leases	-	-	7,991	-	7,991
	<b>23,482</b>	<b>3,260,340</b>	<b>20,227</b>	<b>8,567</b>	<b>3,312,616</b>

The gross amount of the Group's fully depreciated plant and equipment that was still in use as at 31 December 2019 of Baht 2,422.43 million (31 December 2018: Baht 2,239.61 million).

**Impairment loss for equipment**

The fierce competition in satellite industry has resulted to a significant market price erosion. As a consequence, the satellite operating result of the company has been affected. As at 31 December 2019 and 2018, the Company has assessed the impairment of equipment which was measured by recoverable amount of the equipment (value in use) by way of discounted cash flow approach applying the discount rate of 8.3% and 8%, respectively. The book value of the assets were higher than the recoverable amount estimated by the discounted cash flow. Therefore, the impairment losses were recorded in the amount of Baht 1,187 million and Baht 2,423 million, respectively, which were presented as impairment losses for the years ended 31 December 2019 and 2018, respectively.



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	Separate financial statements				
	Leasehold land & building	Equipment	Vehicles & equipment	Asset under construction	Total
	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
<i><b>Cost</b></i>					
<b>As at 1 January 2018</b>	<b>168,560</b>	<b>10,554,888</b>	<b>222,817</b>	<b>-</b>	<b>10,946,265</b>
Additions	2,004	51,233	12,608	-	65,845
Transfers	(1,630)	11,030	(8,298)	-	1,102
Disposals	(427)	(32,149)	(24,450)	-	(57,026)
Write-offs	(1,138)	(17,468)	(1,878)	-	(20,484)
<b>As at 31 December 2018 and 1 January 2019</b>	<b>167,369</b>	<b>10,567,534</b>	<b>200,799</b>	<b>-</b>	<b>10,935,702</b>
Additions	35	9,385	3,876	1,555	14,851
Transfers	-	9,478	-	(746)	8,732
Disposals	-	(39,198)	(26,244)	(55)	(65,497)
Write-offs	(5,824)	(11,713)	(355)	-	(17,892)
<b>As at 31 December 2019</b>	<b>161,580</b>	<b>10,535,486</b>	<b>178,076</b>	<b>754</b>	<b>10,875,896</b>
<i><b>Accumulated depreciation and impairment loss</b></i>					
<b>As at 1 January 2018</b>	<b>114,783</b>	<b>2,875,368</b>	<b>162,073</b>	<b>-</b>	<b>3,152,224</b>
Depreciation for the year	18,841	629,635	24,630	-	673,106
Loss on impairment	-	2,423,000	-	-	2,423,000
Transfers	(1,558)	(7,831)	(7,548)	-	(16,937)
Disposals	(356)	(25,349)	(20,892)	-	(46,597)
Write-offs	(1,136)	(17,384)	(1,815)	-	(20,335)
<b>As at 31 December 2018 and 1 January 2019</b>	<b>130,574</b>	<b>5,877,439</b>	<b>156,448</b>	<b>-</b>	<b>6,164,461</b>
Depreciation for the year	14,927	419,462	20,661	-	455,050
Loss on impairment	-	1,033,000	-	-	1,033,000
Transfers	-	(410)	-	-	(410)
Disposals	-	(38,839)	(24,938)	-	(63,777)
Write-offs	(5,614)	(11,713)	(321)	-	(17,648)
<b>As at 31 December 2019</b>	<b>139,887</b>	<b>7,278,939</b>	<b>151,850</b>	<b>-</b>	<b>7,570,676</b>
<i><b>Net book value</b></i>					
<b>As at 1 January 2018</b>					
Owned assets	53,777	7,679,520	39,756	-	7,773,053
Assets under finance leases	-	-	20,988	-	20,988
	<b>53,777</b>	<b>7,679,520</b>	<b>60,744</b>	<b>-</b>	<b>7,794,041</b>
<b>As at 31 December 2018 and 1 January 2019</b>					
Owned assets	36,795	4,690,095	27,984	-	4,754,874
Assets under finance leases	-	-	16,367	-	16,367
	<b>36,795</b>	<b>4,690,095</b>	<b>44,351</b>	<b>-</b>	<b>4,771,241</b>
<b>As at 31 December 2019</b>					
Owned assets	21,693	3,256,547	18,235	754	3,297,229
Assets under finance leases	-	-	7,991	-	7,991
	<b>21,693</b>	<b>3,256,547</b>	<b>26,226</b>	<b>754</b>	<b>3,305,220</b>

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The gross amount of the Company's fully depreciated plant and equipment that was still in use as at 31 December 2019 amount of Baht 1,860.39 million (31 December 2018: Baht 1,722.15 million).

**11. Intangible assets under operating agreement, deferred charges and intangible assets**

	Consolidated financial statements				
	Intangible assets under operating agreement	Deferred charges	Intangible assets		
			Goodwill	Other intangible assets	Total intangible assets
	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
<i>Cost</i>					
<b>As at 1 January 2018</b>	<b>26,233,096</b>	<b>20,177</b>	<b>967,503</b>	<b>1,615,807</b>	<b>2,583,310</b>
Additions	271	-	-	1,409	1,409
Transfer	17,710	-	-	-	-
Disposal	-	-	-	(298)	(298)
Write-offs	-	-	-	(8,135)	(8,135)
Foreign currency translation adjustment	-	-	(5,096)	(5,639)	(10,735)
<b>As at 31 December 2018 and 1 January 2019</b>	<b>26,251,077</b>	<b>20,177</b>	<b>962,407</b>	<b>1,603,144</b>	<b>2,565,551</b>
Additions	-	-	-	1,658	1,658
Transfer	-	-	-	10,000	10,000
Disposal	(430)	-	-	(18)	(18)
Write-offs	(237,171)	-	-	(144)	(144)
Foreign currency translation adjustment	-	-	-	(12,390)	(12,390)
<b>As at 31 December 2019</b>	<b>26,013,476</b>	<b>20,177</b>	<b>962,407</b>	<b>1,602,250</b>	<b>2,564,657</b>

**Thaicom Public Company Limited and its Subsidiaries**  
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**For the year ended 31 December 2019**

	Consolidated financial statements				
	Intangible assets under operating agreement Baht'000	Deferred charges Baht'000	Intangible assets		
			Goodwill Baht'000	Other intangible assets Baht'000	Total intangible assets Baht'000
<b><i>Accumulated amortisation and impairment loss</i></b>					
<b>As at 1 January 2018</b>	<b>22,246,527</b>	<b>4,544</b>	<b>913,539</b>	<b>1,242,723</b>	<b>2,156,262</b>
Amortisation for the year	1,150,330	2,018	-	103,921	103,921
Reversal of impairment	(170,000)	-	-	-	-
Transfers	16,880	-	-	-	-
Disposals	-	-	-	(298)	(298)
Write-offs	-	-	-	(8,128)	(8,128)
Foreign currency translation adjustment	-	-	(5,877)	(5,357)	(11,234)
<b>As at 31 December 2018 and 1 January 2019</b>	<b>23,243,737</b>	<b>6,562</b>	<b>907,662</b>	<b>1,332,861</b>	<b>2,240,523</b>
Amortisation for the year	1,213,975	2,018	-	97,795	97,795
Loss on impairment	426,526	-	-	9,293	9,293
Disposals	(430)	-	-	(1)	(1)
Write-offs	(236,021)	-	-	(144)	(144)
Foreign currency translation adjustment	-	-	-	(10,885)	(10,885)
<b>As at 31 December 2019</b>	<b>24,647,787</b>	<b>8,580</b>	<b>907,662</b>	<b>1,428,919</b>	<b>2,336,581</b>
<b><i>Net book value</i></b>					
<b>As at 1 January 2018</b>	<b>3,986,569</b>	<b>15,633</b>	<b>53,964</b>	<b>373,084</b>	<b>427,048</b>
<b>As at 31 December 2018 and 1 January 2019</b>	<b>3,007,340</b>	<b>13,615</b>	<b>54,745</b>	<b>270,283</b>	<b>325,028</b>
<b>As at 31 December 2019</b>	<b>1,365,689</b>	<b>11,597</b>	<b>54,745</b>	<b>173,331</b>	<b>228,076</b>

**Impairment loss for intangible assets under operating agreement**

The fierce competition in satellite industry has resulted to a significant market price erosion. Moreover, the major customers were churned both domestic and international with uncertainty of replacement. As a consequence, the satellite operating result of the company has been affected. The Company recorded impairment loss for intangible assets under operating agreement amounting to Baht 3,196 million for the year ended 31 December 2017. However, the Company has assessed the impairment of equipment which were measured by recoverable amount of intangible assets under operating agreement (value in use) by way of discounted cash flow approach applying the discount rate of 8%. The recoverable amount estimated by the discounted cash flow were higher than the book value of the assets. Therefore, the reversal of impairment loss was recorded in the amount of Baht 170 million for the year ended 31 December 2018.

On 17 December 2019, the Thaicom 5 Satellite has experienced a technical incident on the status notification system. The Company, together with the manufacturer of Thaicom 5 Satellite and specialists are in process of attempting to restore the status notification system. Then the specialists will provide an opinion regarding administrative procedure of Thaicom 5 Satellite, which may result in ceasing of the service of Thaicom 5 Satellite in the future. Nonetheless, to be able to continuously render the service to the customers, the Company, together with all relevant customers, has been cooperating in order to migrate the customers to other satellites.

# Thaicom Public Company Limited and its Subsidiaries

## Notes to the financial statements

### For the year ended 31 December 2019

The Company recognised an impairment loss for Thaicom 5 Satellite and related equipment with net book value amounting to Baht 222 million for the year ended 31 December 2019. In addition, the Company has assessed the impairment of intangible assets under operating agreement (excluded Thaicom 5 Satellite) which were measured by recoverable amount of intangible assets under operating agreement (value in use) by way of discounted cash flow approach applying discount rate of 8.3% resulting the recoverable amount was lower than the book value in the amount of Baht 205 million. The Company has recognised an impairment loss for the year ended 31 December 2019.

	Separate financial statements		
	Intangible assets under operating agreement	Deferred charges	Other intangible assets
	Baht'000	Baht'000	Baht'000
<b>Cost</b>			
<b>As at 1 January 2018</b>	<b>26,233,096</b>	<b>20,177</b>	<b>1,426,004</b>
Additions	271	-	1,409
Transfers	17,710	-	-
Disposals	-	-	(298)
Write-offs	-	-	(8,135)
<b>As at 31 December 2018 and 1 January 2019</b>	<b>26,251,077</b>	<b>20,177</b>	<b>1,418,980</b>
Transfers	-	-	10,000
Disposals	(430)	-	-
Write-offs	(237,171)	-	(144)
<b>As at 31 December 2019</b>	<b>26,013,476</b>	<b>20,177</b>	<b>1,428,836</b>
<b>Accumulated amortisation and impairment loss</b>			
<b>As at 1 January 2018</b>	<b>22,246,527</b>	<b>4,544</b>	<b>1,092,439</b>
Amortisation for the year	1,150,330	2,018	94,592
Reversal of impairment	(170,000)	-	-
Transfers	16,880	-	-
Disposal	-	-	(298)
Write-offs	-	-	(8,128)
<b>As at 31 December 2018 and 1 January 2019</b>	<b>23,243,737</b>	<b>6,562</b>	<b>1,178,605</b>
Amortisation for the year	1,213,975	2,018	88,812
Loss on impairment	426,526	-	9,293
Disposal	(430)	-	-
Write-offs	(236,021)	-	(144)
<b>As at 31 December 2019</b>	<b>24,647,787</b>	<b>8,580</b>	<b>1,276,566</b>
<b>Net book value</b>			
<b>As at 1 January 2018</b>	<b>3,986,569</b>	<b>15,633</b>	<b>333,565</b>
<b>As at 31 December 2018 and 1 January 2019</b>	<b>3,007,340</b>	<b>13,615</b>	<b>240,375</b>
<b>As at 31 December 2019</b>	<b>1,365,689</b>	<b>11,597</b>	<b>152,270</b>

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**12. Deferred tax assets**

Deferred tax assets determined after appropriate off-setting are included in the statement of financial position as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	Baht'000	Baht'000	Baht'000	Baht'000
Deferred tax assets	797,296	1,117,018	741,912	992,281
	<b>797,296</b>	<b>1,117,018</b>	<b>741,912</b>	<b>992,281</b>

Movements in total deferred tax assets during the year were as follows:

	<b>Consolidated financial statements (Charged)/credited to:</b>			<b>As at 31 December 2019</b>
	<b>As at 1 January 2019</b>	Profit or loss (Note 27)	Other comprehensive income	
	Baht'000	Baht'000	Baht'000	Baht'000
<i>Deferred tax assets</i>				
Loss carry forward	61,228	(60,136)	(659)	433
Allowance for doubtful accounts	6,202	1,922	(486)	7,638
Allowance for obsolete inventories	15,096	(1,467)	-	13,629
Deposits	24,463	(3,537)	-	20,926
Advance receipts from customers	12,948	1,524	(1,226)	13,246
Employee benefit obligations	31,016	14,350	5,010	50,376
Accrued expenses	34,015	(9,950)	(1,815)	22,250
Impairment loss on assets	915,429	(261,421)	(2,187)	651,821
Others	16,621	6,398	(6,042)	16,977
<b>Total</b>	<b>1,117,018</b>	<b>(312,317)</b>	<b>(7,405)</b>	<b>797,296</b>

	<b>Consolidated financial statements (Charged)/credited to:</b>			<b>As at 31 December 2018</b>
	<b>As at 1 January 2018</b>	Profit or loss (Note 27)	Other comprehensive income	
	Baht'000	Baht'000	Baht'000	Baht'000
<i>Deferred tax assets</i>				
Loss carry forward	3,122	63,904	(5,798)	61,228
Allowance for doubtful accounts	4,350	2,284	(432)	6,202
Allowance for obsolete inventories	16,250	(293)	(861)	15,096
Deposits	30,735	(6,272)	-	24,463
Advance receipts from customers	21,131	(7,452)	(731)	12,948
Employee benefit obligations	33,941	(3,856)	931	31,016
Accrued expenses	17,765	18,946	(2,696)	34,015
Impairment loss on assets	639,200	276,229	-	915,429
Others	9,331	5,854	1,436	16,621
<b>Total</b>	<b>775,825</b>	<b>349,344</b>	<b>(8,151)</b>	<b>1,117,018</b>

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	<b>As at 1 January 2019</b>	<b>Separate financial statements (Charged)/credited to:</b>		<b>As at 31 December 2019</b>
		Profit or loss (Note 27)	Other comprehensive income	
	Baht'000	Baht'000	Baht'000	Baht'000
<b>Deferred tax assets</b>				
Allowance for obsolete inventories	15,096	(1,467)	-	13,629
Deposits	23,301	(3,233)	-	20,068
Employee benefit obligations	27,118	13,893	5,170	46,181
Impairment loss on assets	915,429	(258,303)	-	657,126
Others	11,337	(2,221)	(4,208)	4,908
<b>Total</b>	<b>992,281</b>	<b>(251,331)</b>	<b>962</b>	<b>741,912</b>

	<b>As at 1 January 2018</b>	<b>Separate financial statements (Charged)/credited to:</b>		<b>As at 31 December 2018</b>
		Profit or loss (Note 27)	Other comprehensive income	
	Baht'000	Baht'000	Baht'000	Baht'000
<b>Deferred tax assets</b>				
Allowance for obsolete inventories	13,960	1,136	-	15,096
Deposits	29,963	(6,662)	-	23,301
Employee benefit obligations	29,790	(3,709)	1,037	27,118
Impairment loss on assets	639,200	276,229	-	915,429
Others	(8,060)	16,664	2,733	11,337
<b>Total</b>	<b>704,853</b>	<b>283,658</b>	<b>3,770</b>	<b>992,281</b>

**13. Other non-current assets**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	Baht'000	Baht'000	Baht'000	Baht'000
Withholding taxes receivable	147,970	164,440	140,608	154,075
Tax assessment's deposits	182,701	200,994	182,701	200,994
Others deposit	15,256	15,290	15,256	15,290
Others	4,422	17,459	-	10,000
	350,349	398,183	338,565	380,359
<i>Less accumulated impairment loss</i>	<i>(51,153)</i>	<i>(53,955)</i>	<i>(51,153)</i>	<i>(53,955)</i>
<b>Total</b>	<b>299,196</b>	<b>344,228</b>	<b>287,412</b>	<b>326,404</b>

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**14. Interest-bearing liabilities**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	Baht'000	Baht'000	Baht'000	Baht'000
<b><i>Current</i></b>				
<i>Current portion of long-term borrowings</i>				
Loans from financial institutions	383,273	412,127	383,273	412,127
Loans from others	8,729	8,714	8,729	8,714
Total current portion of long-term borrowings	392,002	420,841	392,002	420,841
Current portion of debenture	-	2,253,000	-	2,275,000
Total current interest-bearing liabilities	392,002	2,673,841	392,002	2,695,841
<b><i>Non-current</i></b>				
<i>Long-term borrowings</i>				
Loans from financial institutions	1,533,091	2,060,638	1,533,091	2,060,638
Loans from others	6,410	18,061	6,410	18,061
Total long-term borrowings	1,539,501	2,078,699	1,539,501	2,078,699
Long-term debentures	2,271,223	2,270,312	2,274,223	2,273,312
Total non-current interest-bearing liabilities	3,810,724	4,349,011	3,813,724	4,352,011
<b>Total</b>	<b>4,202,726</b>	<b>7,022,852</b>	<b>4,205,726</b>	<b>7,047,852</b>

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**Long-term debentures**

As at 31 December 2019, the Company has one tranche totaling Baht 2,275 million, with a par value of Baht 1,000 each, unsubordinated and unsecured with having registered and bond holders' representative debentures as follows:

<b>Issue date</b>	<b>No. of units</b>	<b>Amount</b>	<b>Interest rate (per annum)</b>	<b>Term of interest payment</b>	<b>Principal payment term</b>	<b>Outstanding balance as at 31 December 2019</b>
	Million	Million Baht				Million Baht
29 September 2014	2.275	2,275	4.68%	Semiannually	Entirely redeemed on 2 October 2021	2,275
Total debenture						2,275
Less bond issuing cost						(1)
<b>Net</b>						<b>2,274</b>



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The movements in the borrowing can be analysed as follows:

	Note	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		2019	2018	2019	2018
		Baht'000	Baht'000	Baht'000	Baht'000
<b>For the year ended 31 December</b>					
Opening net book value		7,022,852	7,446,417	7,047,852	7,483,417
Repayment of borrowings		(2,790,945)	(414,483)	(2,812,945)	(414,483)
Amortisation of finance costs	25	911	1,066	911	1,066
Gain on exchange rate		(30,092)	(28,433)	(30,092)	(28,433)
Others		-	18,285	-	6,285
<b>Closing net book value</b>		<b>4,202,726</b>	<b>7,022,852</b>	<b>4,205,726</b>	<b>7,047,852</b>

The group has to maintain the financial ratios restricted in the long-term loan agreements.

The interest rate exposure of the borrowings of the Group is as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	Baht'000	Baht'000	Baht'000	Baht'000
Total borrowings:				
- at fixed rates	2,286,362	4,550,086	2,289,362	4,575,086
- at floating rates	1,916,364	2,472,766	1,916,364	2,472,766
<b>Total</b>	<b>4,202,726</b>	<b>7,022,852</b>	<b>4,205,726</b>	<b>7,047,852</b>
Weighted average interest rates:				
- Loans	4.27%	4.78%	4.27%	4.78%
- Debentures	4.68%	4.48%	4.68%	4.48%

The periods to maturity of long-term borrowings and long-term debentures net of financial costs were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	Baht'000	Baht'000	Baht'000	Baht'000
Later than 1 year but not later than 2 years	2,656,315	423,778	2,659,315	423,778
Later than 2 years but not later than 5 years	1,154,409	3,925,233	1,154,409	3,928,233
<b>Total</b>	<b>3,810,724</b>	<b>4,349,011</b>	<b>3,813,724</b>	<b>4,352,011</b>

The Group has to maintain the financial ratios restricted in the long-term borrowing agreements and to comply with certain restrictions and maintain certain financial ratios under the terms and conditions of the debentures.

### **Credit facilities**

As at 31 December 2019, available credit facilities for loans from local and overseas banks are Baht 3,247.57 million and USD 30.00 million (2018: Baht 3,924.41 million and USD 30.00 million).

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***Reconciliation of liabilities arising from financing activities***

Unit: Thousand Baht				
Consolidated financial statements				
	Finance lease liabilities	Long-term loans	Debentures	Total
As at 1 January 2019	26,775	2,472,765	4,523,312	7,022,852
<i>Change in cashflows</i>				
Repayment of borrowings	(11,635)	(526,310)	(2,253,000)	(2,790,945)
<i>Non-cash changes</i>				
Amortisation of finance costs	-	-	911	911
Change in currency translation	-	(30,092)	-	(30,092)
<b>As at 31 December 2019</b>	<b>15,140</b>	<b>1,916,363</b>	<b>2,271,223</b>	<b>4,202,726</b>

Unit: Thousand Baht				
Consolidated financial statements				
	Finance lease liabilities	Long-term loans	Debentures	Total
As at 1 January 2018	30,721	2,905,450	4,510,246	7,446,417
<i>Change in cashflows</i>				
Repayment of borrowings	(10,231)	(404,252)	-	(414,483)
<i>Non-cash changes</i>				
Addition of finance lease	6,285	-	-	6,285
Amortisation of finance costs	-	-	1,066	1,066
Investment in debentures within the Group	-	-	12,000	12,000
Change in currency translation	-	(28,433)	-	(28,433)
<b>As at 31 December 2018</b>	<b>26,775</b>	<b>2,472,765</b>	<b>4,523,312</b>	<b>7,022,852</b>

Unit: Thousand Baht				
Separated financial statements				
	Finance lease liabilities	Long-term loans	Debentures	Total
As at 1 January 2019	26,775	2,472,765	4,548,312	7,047,852
<i>Change in cashflows</i>				
Repayment of borrowings	(11,635)	(526,310)	(2,275,000)	(2,812,945)
<i>Non-cash changes</i>				
Amortisation of finance costs	-	-	911	911
Change in currency translation	-	(30,092)	-	(30,092)
<b>As at 31 December 2019</b>	<b>15,140</b>	<b>1,916,363</b>	<b>2,274,223</b>	<b>4,205,726</b>

Unit: Thousand Baht				
Separated financial statements				
	Finance lease liabilities	Long-term loans	Debentures	Total
As at 1 January 2018	30,721	2,905,450	4,547,246	7,483,417
<i>Change in cashflows</i>				
Repayment of borrowings	(10,231)	(404,252)	-	(414,483)
<i>Non-cash changes</i>				
Addition of finance lease	6,285	-	-	6,285
Amortisation of finance costs	-	-	1,066	1,066
Change in currency translation	-	(28,433)	-	(28,433)
<b>As at 31 December 2018</b>	<b>26,775</b>	<b>2,472,765</b>	<b>4,548,312</b>	<b>7,047,852</b>

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**15. Trade and other current payables**

		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	Note	2019	2018	2019	2018
		Baht'000	Baht'000	Baht'000	Baht'000
<b>Trade payables</b>					
- Related parties	4	2,631	3,821	5,862	16,701
- Other parties		248,507	258,785	127,679	146,204
<b>Total</b>		<b>251,138</b>	<b>262,606</b>	<b>133,541</b>	<b>162,905</b>
<b>Other current payables</b>					
- Accrued expenses		234,211	329,036	250,958	302,859
- Others		69,368	121,250	34,257	77,818
<b>Total</b>		<b>303,579</b>	<b>450,286</b>	<b>285,215</b>	<b>380,677</b>
<b>Total trade and other current payables</b>		<b>554,717</b>	<b>712,892</b>	<b>418,756</b>	<b>543,582</b>

**16. Other current liabilities**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	Baht'000	Baht'000	Baht'000	Baht'000
Short-term deposits from customers	22,228	31,091	19,677	28,197
Other taxes	33,592	58,215	4,111	16,296
Others	758	2,008	1	-
<b>Total</b>	<b>56,578</b>	<b>91,314</b>	<b>23,789</b>	<b>44,493</b>

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**17. Non-current provisions for employee benefit**

The statement of financial position obligations was determined as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	Baht'000	Baht'000	Baht'000	Baht'000
Present value of unfunded obligations	231,766	160,747	205,056	135,592
<b>Statement of financial position</b>	<b>231,766</b>	<b>160,747</b>	<b>205,056</b>	<b>135,592</b>

Movements in the present value of the employee benefit obligations:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	Baht'000	Baht'000	Baht'000	Baht'000
Employee benefit obligations at 1 January	160,747	175,940	135,592	148,951
Benefits paid by the plan	(30,401)	(85,311)	(18,657)	(71,172)
<b>Include in profit or loss:</b>				
Current service costs and interest	75,278	23,212	62,269	19,387
Loss from settlement during the year	-	41,957	-	33,241
	<b>75,278</b>	<b>65,169</b>	<b>62,269</b>	<b>52,628</b>
<b>Included in other comprehensive income:</b>				
Actuarial loss recognised during the year	26,142	4,949	25,852	5,185
	<b>26,142</b>	<b>4,949</b>	<b>25,852</b>	<b>5,185</b>
<b>Employee benefit obligations as at 31 December</b>	<b>231,766</b>	<b>160,747</b>	<b>205,056</b>	<b>135,592</b>

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Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	%	%	%	%
Discount rate	2.40	3.20	2.40	3.20
Future salary increases	5.00	5.00	5.00	5.00

***Sensitivity analysis***

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	Baht'000	Baht'000	Baht'000	Baht'000
<b>Defined benefit obligation 31 December 2019</b>	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(13,056)	14,074	(10,898)	11,739
Future salary growth (0.5% movement)	12,970	(12,188)	10,812	(10,167)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

**18. Other non-current liabilities**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	Baht'000	Baht'000	Baht'000	Baht'000
Long-term deposits from customers	127,165	161,876	121,161	155,079
Others	110,970	122,277	110,970	122,277
<b>Total</b>	<b>238,135</b>	<b>284,153</b>	<b>232,131</b>	<b>277,356</b>

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**19. Share capital and share-based payment transaction**

	<i>Par value per share (Baht)</i>	2019		2018	
		Number Share'000	Amount Baht'000	Number Share'000	Amount Baht'000
<b><i>Authorised</i></b>					
At 1 January					
- ordinary shares	5	1,099,977	5,499,884	1,099,977	5,499,884
Increase of new shares	5	-	-	-	-
<b>At 31 December</b>					
<b>- ordinary shares</b>	<b>5</b>	<b><u>1,099,977</u></b>	<b><u>5,499,884</u></b>	<b><u>1,099,977</u></b>	<b><u>5,499,884</u></b>
<b><i>Issued and paid-up</i></b>					
At 1 January					
- ordinary shares	5	1,096,102	5,480,510	1,096,067	5,480,333
Issue of new shares from exercise warrants	5	-	-	35	177
<b>At 31 December</b>					
<b>- ordinary shares</b>	<b>5</b>	<b><u>1,096,102</u></b>	<b><u>5,480,510</u></b>	<b><u>1,096,102</u></b>	<b><u>5,480,510</u></b>

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

**Thaicom Public Company Limited and its Subsidiaries**  
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*Share-based payment transaction*

**19.1 Share-based payment transaction settled by equity**

**19.1.1 Information of project**

The issuance and offering of warrants to purchase ordinary shares to directors and employees of the Company and its subsidiaries. The warrants are offered directly to employees who are full-time employed and qualify for the Performance Share Plan project (“Project”). Major information is listed below:

	<b>Project II</b>	<b>Project III</b>	<b>Project IV</b>
Issued date:	27 March 2014	26 March 2015	30 March 2016
Issued:	1,197,700 units	1,085,300 units	1,074,300 units
Exercise price:	38.265 Baht/Share	37.626 Baht/Share	25.918 Baht/Share
Number of reserved shares:	1,197,700 shares	1,085,300 shares	1,074,300 shares
Offer period:	5 years after first time to offered the warrant		
Offer price per unit:	Baht 0 (zero Baht)		
Exercise ratio:	One unit of warrant per one ordinary share		

Movements in the number of warrants outstanding are as follows:

	1 January 2019 thousand unit	Issue during the period thousand unit	Return during the period thousand unit	Exercise during the period thousand unit	Expire during the period thousand unit	31 December 2019 thousand unit
<b>ESOP - Grant II</b>						
Directors	374	-	-	-	(374)	-
Employees	769	-	-	-	(769)	-
<b>Total</b>	<b>1,143</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,143)</b>	<b>-</b>
<b>ESOP - Grant III</b>						
Directors	254	-	-	-	-	254
Employees	691	-	-	-	-	691
<b>Total</b>	<b>945</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>945</b>
<b>ESOP - Grant IV</b>						
Directors	155	-	-	-	-	155
Employees	741	-	-	-	-	741
<b>Total</b>	<b>896</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>896</b>
<b>Grand Total</b>	<b>2,984</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,143)</b>	<b>1,841</b>

**Thaicom Public Company Limited and its Subsidiaries**  
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**19.1.2 Fair value measurement**

The measurement is in reference to the fair value of the offered ordinary shares issued at the grant date using Monte Carlo Simulation techniques. The assumptions are as below:

	<b>Project II</b>	<b>Project III</b>	<b>Project IV</b>
Fair value at grant date	Baht 27.864	Baht 20.424	Baht 12.475
Share price at grant date	Baht 40.500	Baht 36.500	Baht 27.000
Exercise price	Baht 38.265	Baht 37.626	Baht 25.918
Expected volatility	41.562%	39.894%	36.534%
Expected dividend	1.111%	1.781%	2.407%
Risk-free interest rate	3.082%	2.340%	1.721%

**Reconciliation of other reserve-shared-base payment settled by equity:**

<i>For the years ended 31 December</i>	<b>Consolidated and separate financial statements</b>	
	<b>2019</b>	<b>2018</b>
	Baht'000	Baht'000
As at 1 January	14,745	11,793
Total expense recognised during the year in the statement of profit and loss	2,226	3,774
Decrease during the year	-	(822)
<b>As at 31 December</b>	<b>16,971</b>	<b>14,745</b>

**19.2 Performance incentive payment settled by cash**

On 9 May 2018, the Board of Director had a resolution to approve the revised amount of performance incentive payment to Baht 22.76 million allocating to the managements at the end of the project if the Absolute Total Shareholder Return and Relative Total Shareholder Return meet the criteria at the third year of the project. As at 31 December 2019, the Company remeasured the criteria of the project and found that the criteria cannot be met. Therefore, the Company did not recognise such expense.

**Share premium**

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.



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**20. Reserves**

Reserves comprise:

*Appropriations of profit and/or retained earnings*

**Legal reserve**

The Public Companies Act B.E. 2535 Section 116 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward (if any), to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

*Other components of equity*

**Currency translation differences**

The currency translation differences account within equity comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

**Fair value changes in available-for-sale investments**

The fair value changes in available-for-sale investments account within equity comprise the cumulative net change in the fair value of available-for-sale investments until the investments are derecognised or impaired.

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**21. Segment information**

Segment information is presented in respect of the Group's business and geographic segments. The primary format, business segments / geographic segments is based on the Group's management and internal reporting structure.

***Business segments***

The Group comprises the following main business segments:

- Segment 1 Services relating to the satellite business and the transponder services segment
- Segment 2 Sales and services relating to the internet and media business
- Segment 3 Sales and services relating to the telephone network business

***Geographic segments***

In presenting information on the basis of geographical segments, segment revenue is based on the geographic location of customers.

The areas of operation in Thailand are principally satellite business services, internet and media services. Lao PDRs' main activities are sales and services relating to telephone network business and satellite business services. Australia, India, Japan, Myanmar, Malaysia and Singapore main activities are sales and services relating to satellite business.

The Group comprises the following main geographic segments:

- Segment 1 Thailand
- Segment 2 Australia
- Segment 3 India
- Segment 4 Japan
- Segment 5 Myanmar
- Segment 6 Malaysia
- Segment 7 Singapore
- Segment 8 Others

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*Disaggregation of revenue*

The Group derives its revenue from the transfer of goods and services over time and at a point in time in the following business segments. This is consistent with the revenue information that is disclosed for each reportable segment for the years ended 31 December 2019 and 2018 were as follows:

		<b>Consolidated financial statements</b>	
		<b>2019</b>	<b>2018</b>
		<b>Baht'000</b>	<b>Baht'000</b>
<b>Segment revenues</b>			
	Satellite business services	4,560,949	5,808,081
	Internet services and media	102,336	200,120
<b>Total</b>		<b>4,663,285</b>	<b>6,008,201</b>
<b>Timing of revenue recognition</b>			
At a point in time			
	Satellite business services	326,316	216,189
	Internet services and media	82,223	177,328
		<b>408,539</b>	<b>393,517</b>
Overtime			
	Satellite business services	4,234,633	5,591,893
	Internet services and media	20,113	22,791
		<b>4,254,746</b>	<b>5,614,684</b>
<b>Total</b>		<b>4,663,285</b>	<b>6,008,201</b>

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Revenue and results, based on business segments, in the consolidated financial statements for the years ended 31 December 2019 and 2018 were as follows:

<i>For the years ended 31 December</i>	<b>Satellite business services</b>		<b>Internet services and media</b>		<b>Telephone network</b>		<b>Consolidation eliminations</b>		<b>Total continuing operations</b>		<b>Discontinued operation</b>		<b>Consolidated financial statements</b>	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	Million	Million	Million	Million	Million	Million	Million	Million	Million	Million	Million	Million	Million	Million
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Revenues	4,594	5,850	122	229	-	-	(53)	(71)	4,663	6,008	-	224	4,663	6,232
Shares of profit (loss) of investment in joint venture	-	-	-	-	(116)	119	-	-	(116)	119	-	-	(116)	119
Cost of sales and services	(3,613)	(4,112)	(112)	(188)	-	-	54	81	(3,671)	(4,219)	-	(137)	(3,671)	(4,356)
Selling and administrative expenses	(1,001)	(1,487)	(39)	(33)	-	-	1	4	(1,039)	(1,516)	-	(51)	(1,039)	(1,567)
Segment results	(20)	251	(29)	8	(116)	119	2	14	(163)	392	-	36	(163)	428
Gain (loss) from sale of investment									(29)	1,950	-	-	(29)	1,950
Other income									337	192	-	3	337	195
Net gain (loss) on foreign exchange									(128)	5	-	-	(128)	5
Loss on impairment asset									(1,623)	(2,253)	-	-	(1,623)	(2,253)
Profit (loss) before finance cost and income tax expense									(1,606)	286	-	39	(1,606)	325
Finance costs									(300)	(338)	-	(1)	(300)	(339)
Operating profit (loss)									(1,906)	(52)	-	38	(1,906)	(14)
Income tax expense									(344)	269	-	(8)	(344)	261
Non-controlling interests									-	-	-	(17)	-	(17)
<b>Net Profit (loss)</b>									<b>(2,250)</b>	<b>217</b>	<b>-</b>	<b>13</b>	<b>(2,250)</b>	<b>230</b>

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	Satellite business services		Internet services and media		Telephone network		Consolidation eliminations		Total continuing operations		Discontinued operation		Consolidated financial statements	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	Million	Million	Million	Million	Million	Million	Million	Million	Million	Million	Million	Million	Million	Million
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Segment assets	13,891	18,741	488	644	-	-	(535)	(570)	13,844	18,815	-	-	13,844	18,815
Loan to related parties	1,758	1,943	-	-	-	-	-	-	1,758	1,943	-	-	1,758	1,943
Investment in joint venture	-	-	-	-	1,409	1,444	-	-	1,409	1,444	-	-	1,409	1,444
<b>Total assets</b>													<b>17,011</b>	<b>22,202</b>
Segment liabilities	1,806	1,987	14	72	-	-	(6)	(17)	1,814	2,042	-	-	1,814	2,042
Borrowings	4,202	7,023	-	-	-	-	-	-	4,202	7,023	-	-	4,202	7,023
<b>Total liabilities</b>													<b>6,016</b>	<b>9,065</b>

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Revenues based on geographical segments, in the consolidated financial statements for the years ended 31 December 2019 and 2018 were as follows:

	2019 Baht'000	2018 Baht'000
<b><i>Segment revenue</i></b>		
Thailand	2,250,706	3,224,969
Australia	250,008	252,494
India	660,084	649,830
Japan	618,626	662,558
Myanmar	126,924	180,258
Malaysia	257,905	272,771
Others	499,032	765,321
<b>Total continued operation</b>	<b>4,663,285</b>	<b>6,008,201</b>
Discontinued Operation	-	224,527
<b>Total</b>	<b>4,663,285</b>	<b>6,232,728</b>

**Major customers of the Group**

For the years ended 31 December 2019 and 2018, the Group has no revenue transactions with a single external customer amount to 10 percent or more of the Group's revenues.

Non-current assets based on geographical segments in the consolidated financial statements as at 31 December 2019 and 2018 were as follows:

	2019 Baht'000	2018 Baht'000
<b><i>Non-current assets</i></b>		
Thailand	5,102,533	8,323,092
Australia	24,295	16,787
India	7,308	17,460
Japan	9,182	17,636
Myanmar	-	19
Singapore	2,536,267	2,901,457
Others	73,856	129,920
<b>Total</b>	<b>7,753,441</b>	<b>11,406,371</b>

**22. Revenues from sale of goods and rendering of services**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019 Baht'000	2018 Baht'000	2019 Baht'000	2018 Baht'000
<b>Continuing operation</b>				
Revenues from sale of goods	264,909	382,882	147,187	191,381
Revenues from rendering of services	4,398,376	5,625,319	4,122,424	5,266,149
	<b>4,663,285</b>	<b>6,008,201</b>	<b>4,269,611</b>	<b>5,457,530</b>
<b>Discontinued operation</b>				
Revenues from sale of goods	-	31,184	-	-
Revenues from rendering of services	-	193,343	-	-
	<b>-</b>	<b>224,527</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>4,663,285</b>	<b>6,232,728</b>	<b>4,269,611</b>	<b>5,457,530</b>

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**23. Gain from sale of investment in a subsidiary**

Thai Advance Innovation Company Limited (“Thai AI”), a subsidiary entered into Shares Tender Agreement on 6 October 2017 to sell entire ordinary shares held in CS Loxinfo Public Company Limited (“CSL”) amount of 250,099,990 shares or 42.07% of the issue and paid-up share capital to Advance Wireless Network Company Limited (“AWN”) at the bid price of Baht 7.80 per share, totaling of Baht 1,950.78 million. The disposal of CSL is accomplished on 25 January 2018 and there were gain on sale of investment in the amount of Baht 1,949.52 million and profit from discontinued operation in the amount of Baht 29.65 million in consolidated statements of profit or loss for the year ended 31 December 2018.

Gain from sale of investment in a subsidiary for the year ended 31 December 2018 was as follows:

	Unit: Thousand Baht
Consideration of sale	1,950,780
Less expenses related to the sale	(4,876)
<b>Net consideration of sale</b>	<b>1,945,904</b>
Total assets	1,842,453
Total liabilities	1,020,338
<b>Net assets</b>	<b>822,115</b>
Less non-controlling interests	(474,756)
<b>Net assets attributable to owners of parent</b>	<b>347,359</b>
Reverse of cumulative gain on dilution of investment in a subsidiary	350,971
	<b>3,612</b>
<b>Gain from sale of investment in a subsidiary</b>	<b>1,949,516</b>

The statement of profit or loss for the year ended 31 December 2018 has been presented to show the discontinued operations separately from continuing operations.

<i>For the year ended 31 December</i>	Note	<b>Consolidated financial statements 2018 Baht’000</b>
<b>Results of discontinued operation</b>		
Revenue		227,372
Expenses		(189,241)
<b>Results from operating activities</b>		<b>38,131</b>
Income tax		(8,482)
<b>Results from operating activities, net of income tax</b>		<b>29,649</b>
<b>Earnings per share</b>		
Basic earnings per share (Baht)	28	0.01
Diluted earnings per share (Baht)	28	0.01

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**24. Other income**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	Baht'000	Baht'000	Baht'000	Baht'000
<b>Continuing operation</b>				
Consulting and management fees	7,389	7,717	35,425	48,603
Interest income	203,335	182,852	192,648	177,488
Gain (loss) on sale of equipment	5,161	(4,585)	4,813	(4,541)
Compensation from customer	59,530	-	-	-
Bad debt recovery	51,752	-	51,752	-
Others	9,899	6,319	9,199	3,636
<b>Total other income from continuing operation</b>	<b>337,066</b>	<b>192,303</b>	<b>293,837</b>	<b>225,186</b>
Discontinued operation	-	2,845	-	-
<b>Total</b>	<b>337,066</b>	<b>195,148</b>	<b>293,837</b>	<b>225,186</b>

**25. Expenses by nature**

The statements of profit or loss include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various TFRS were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	Baht'000	Baht'000	Baht'000	Baht'000
<b>Continuing operation</b>				
Impairment loss on assets	1,622,700	2,253,000	1,468,819	2,253,000
Depreciation of plant and equipment	500,283	719,412	455,050	673,106
Amortisation of intangible assets under the agreements for operations, deferred charges and intangible assets	1,313,787	1,256,268	1,304,803	1,246,940
Amortisation of finance costs	911	1,066	911	1,066
Staff costs	887,799	959,965	627,277	663,717
<b>Discontinued operation</b>				
Depreciation of plant and equipment	-	13,029	-	-
Amortisation of intangible assets	-	1,312	-	-
Staff costs	-	42,221	-	-



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**26. Provident funds**

The defined contribution plans comprise provident funds established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 3% to 7% of their basic salaries and by the Group at rates ranging from 3% to 7% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by a licensed Fund Manager.

**27. Income tax expense**

	Notes	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
		<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
<b>Current tax expense from continuing operation</b>					
<b>Current tax expense</b>		(31,393)	(80,127)	(421)	51,271
<b>Deferred tax expense</b>					
Movement in temporary differences	12	<u>(312,317)</u>	<u>349,344</u>	<u>(251,331)</u>	<u>283,658</u>
<b>Total</b>		<b><u>(343,710)</u></b>	<b><u>269,217</u></b>	<b><u>(251,752)</u></b>	<b><u>334,929</u></b>
<b>Total current tax expense from continuing operation</b>		<b>(343,710)</b>	<b>269,217</b>	<b>(251,752)</b>	<b>334,929</b>
Current tax expense from discontinued operation	23	<u>-</u>	<u>(8,482)</u>	<u>-</u>	<u>-</u>
<b>Total current tax expense</b>		<b><u>(343,710)</u></b>	<b><u>260,735</u></b>	<b><u>(251,752)</u></b>	<b><u>334,929</u></b>

**Thaicom Public Company Limited and its Subsidiaries**  
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*Reconciliation of effective tax rate*

	<b>Consolidated financial statements</b>			
	2019		2018	
	Rate (%)	Baht'000	Rate (%)	Baht'000
Profit (loss) for the year		(2,249,949)		217,036
Total income tax expense		343,710		(269,217)
Loss before total income tax expense		<u>(1,906,239)</u>		<u>(52,181)</u>
Income tax using the Thai corporation tax rate	20	381,248	20	10,436
Effect of different tax rates in foreign jurisdictions		(131,972)		110,897
Share of loss of investment in a joint venture		(23,290)		(23,878)
Effect of the income recognised in different periods for account and tax purposes		-		7,119
Effect of non-deductible tax and expense recognised in different periods for accounting and tax purposes		(201,812)		51,497
Current year losses for which no deferred tax asset was recognised		(68,456)		29,827
Write-off of deferred tax asset		(269,213)		-
Others		(30,215)		83,319
<b>Total</b>	<b>(18)</b>	<b>(343,710)</b>	<b>516</b>	<b>269,217</b>

	<b>Separate financial statements</b>			
	2019		2018	
	Rate (%)	Baht'000	Rate (%)	Baht'000
Profit (loss) for the year		(2,249,949)		217,036
Total income tax expense		251,752		(334,929)
Loss before total income tax expense		<u>(1,998,197)</u>		<u>(117,893)</u>
Income tax using the Thai corporation tax rate	20	399,639	20	23,579
Income not subject to tax		5,951		9,720
Share of profit (loss) of investment in subsidiaries and a joint venture		(119,573)		325,756
Effect of the income recognised in different periods for account and tax purposes		-		6,684
Effect of the non-deductible tax expense and expense recognised in different periods for accounting and tax purposes		(200,557)		(85,442)
Current year losses for which no deferred tax asset was recognised		(67,999)		-
Write-off of deferred tax asset		(269,213)		-
Others		-		54,632
<b>Total</b>	<b>(13)</b>	<b>(251,752)</b>	<b>284</b>	<b>334,929</b>

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**28. Earnings (loss) per share**

*Basic earnings (loss) per share*

The calculations of basic earnings (loss) per share for the years ended 31 December 2019 and 2018 were based on the profit (loss) for the years attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the years by weighted average method as follows:

	Consolidated financial statements and separate financial statements					
	2019			2018		
	Continuing operation	Discontinued operation	Total	Continuing operation	Discontinued operation	Total
	<i>(in thousand Baht/thousand share)</i>					
<i>For the years ended 31 December</i>						
Profit (loss) attributable to ordinary shareholders of the Company (basic)	<u>(2,249,949)</u>	<u>-</u>	<u>(2,249,949)</u>	<u>217,036</u>	<u>12,509</u>	<u>229,545</u>
Number of ordinary shares outstanding	<u>1,096,102</u>	<u>-</u>	<u>1,096,102</u>	<u>1,096,102</u>	<u>1,096,102</u>	<u>1,096,102</u>
Earnings (loss) per share (basic) (Baht)	<u>(2.05)</u>	<u>-</u>	<u>(2.05)</u>	<u>0.20</u>	<u>0.01</u>	<u>0.21</u>

**Diluted earnings (loss) per share**

The calculation of diluted earnings (loss) per share for the years ended 31 December 2019 and 2018, were based on the earnings (loss) for the period attributable to equity holders of the Company and the number of ordinary shares outstanding during the period after adjusting for the effects of all dilutive potential ordinary shares. However, for the years ended 31 December 2019 and 2018, the Company did not calculate diluted earnings per share since exercise price is higher than fair value of weighted ordinary shares during the year.

**29. Dividend**

At the annual general meeting of the shareholders of the Company held on 28 March 2018, the shareholders approved the appropriation of dividend of Baht 1.36 per share, amounting to Baht 1,491 million. The dividend was paid to shareholders on 25 April 2018.

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**30. Financial instruments**

*Financial risk management policies*

The principal financial risks faced by the Group are interest rate risk and exchange rate risk. The Group borrows at fixed and floating rates of interest for capital expenditure. Certain sales, purchases and a portion of borrowings are denominated in foreign currencies. In order to manage the risks arising from fluctuations in exchange rates and interest rates, the Group makes use of derivative financial instruments.

The objectives of using derivative financial instruments are to reduce uncertainty over future cash flows arising from movements in interest and exchange rates, and to manage the liquidity of cash resources. The following strategies are employed to achieve these objectives. Interest rate exposures are managed through interest rate swaps taken out with commercial banks and foreign exchange forward contracts and foreign currency options are taken out to manage the currency risks in future sales, purchases and loan repayments. Decisions on the level of risk undertaken are governed by corporate policy, which has established limits by transaction type and by counterparty.

Trading for speculative purposes is prohibited. All derivative transactions are subject to approval of the management before execution.

Management of currency and interest rate exposures is the responsibility of the Treasury Department. Management reports contain detail of cost and market value for all derivative financial instruments including outstanding forward contracts and cross currency and interest rate swap. An analysis of exposures against the limits established by the management is also provided. These limits principally cover the maximum permitted exposure in respect of short-term investment regarding to guideline to short-term investment policy.

*Capital management*

The primary objective of the Company's capital management is to provide good returns to shareholders and benefits to other stakeholders and to maintain an optimal capital structure in order to support asset management plan and new investment opportunities which will create value and strengthen financial position for the whole group.

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***Foreign currency risk***

The Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies.

As at 31 December 2019 and 2018, the Group was exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

	<b>Consolidated financial statements</b>			
	2019		2018	
	Foreign currency million	Baht million	Foreign currency million	Baht million
<b>Assets</b>				
US Dollars	71.07	2,130.46	114.76	3,704.99
Euro	0.12	3.86	0.11	4.26
India Rupee	463.12	182.70	446.35	193.71
New Zealand Dollars	0.95	19.01	0.14	3.09
Australia Dollars	0.06	1.26	0.10	2.15
Hong Kong Dollars	2.50	9.58	2.50	10.26
Total		<u>2,346.87</u>		<u>3,918.46</u>
<b>Liabilities</b>				
US Dollars	78.61	2,384.48	94.34	3,076.80
India Rupee	246.87	110.97	246.77	122.22
Australia Dollars	0.06	1.25	0.05	1.22
New Zealand Dollars	0.34	6.90	-	-
Vietnam Dong	50.91	6.66	163.63	0.23
Total		<u>2,510.26</u>		<u>3,200.47</u>

Foreign currency assets mainly represent cash at bank and trade receivables. Foreign currency liabilities mainly represent trade payables, accounts payable - plant and equipment and borrowings.

***Credit risk***

The Group has no significant concentrations of credit risks. The Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. Derivative counterparties and cash transactions are limited to high quality financial institutions.

***Liquidity risk***

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations, including finding short term credit facility from various banks for reserve in case of necessary and to mitigate the effects of fluctuations in cash flows.

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***Determination of fair values***

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

The carrying amount of cash and cash equivalents, short-term investments, trade receivables, amounts due from related parties, short-term loans and advances to related parties, trade payables, accounts payable-plant and equipment, amounts due to related parties, and short-term borrowings are assumed to approximate their fair value due to the short maturities of these instruments.

Fair values of interest-bearing liabilities, together with the carrying amount values shown in the statement of financial position as follows:

		Consolidated financial statements			
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
<b>As at 31 December 2019</b>					
<b><i>Current</i></b>					
Debt securities available for sale	1,945,154	-	1,945,154	-	1,945,154
Current portion of long-term loan to related party	630,635	-	-	632,116	632,116
Current portion of long-term borrowings	392,002	-	-	396,693	396,693
<b><i>Non - current</i></b>					
Long-term loan to related party	1,127,499	-	-	1,130,148	1,130,148
Long-term borrowings	1,539,501	-	-	1,558,266	1,558,266
Debentures	2,271,223	-	2,410,492	-	2,410,492
<b>As at 31 December 2018</b>					
<b><i>Current</i></b>					
Debt securities available for sale	1,954,276	-	1,954,276	-	1,954,276
Current portion of long-term loan to related party	485,725	-	-	598,473	598,473
Current portion of long-term borrowings	420,841	-	-	426,386	426,386
Current portion of debentures	2,253,000	-	2,353,503	-	2,353,503
<b><i>Non - current</i></b>					
Long-term loan to related party	1,457,174	-	-	1,795,418	1,795,418
Long-term borrowings	2,078,699	-	-	2,106,425	2,106,425
Debentures	2,270,312	-	2,371,588	-	2,371,588

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	Carrying amount Baht'000	Separated financial statements			
		Fair value			
		Level 1 Baht'000	Level 2 Baht'000	Level 3 Baht'000	Total Baht'000
<b>As at 31 December 2019</b>					
<b><i>Current</i></b>					
Debt securities available for sale	2,108,678	-	2,108,678	-	2,108,678
Current portion of long-term loan to related party	655,635	-	-	657,116	657,116
Current portion of long-term borrowings	392,002	-	-	396,693	396,693
<b><i>Non - current</i></b>					
Long-term loan to related parties	1,127,499	-	-	1,130,148	1,130,148
Long-term borrowings	1,539,501	-	-	1,558,266	1,558,266
Debentures	2,274,223	-	2,414,125	-	2,414,125
<b>As at 31 December 2018</b>					
<b><i>Current</i></b>					
Debt securities available for sale	2,046,221	-	2,046,221	-	2,046,221
Current portion of long-term loan to related party	525,725	-	-	638,473	638,473
Current portion of long-term borrowings	420,841	-	-	426,386	426,386
Current portion of debentures	2,275,000	-	2,376,480	-	2,376,480
<b><i>Non - current</i></b>					
Long-term loan to related parties	1,467,174	-	-	1,795,418	1,795,418
Long-term borrowings	2,078,699	-	-	2,106,425	2,106,425
Debentures	2,273,312	-	2,374,717	-	2,374,717

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***Fair value hierarchy***

The table above analyses recurring fair value measurements for financial assets. These fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to valuation techniques used. The different levels are defined as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group/Company can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

The Group determines Level 2 fair values for debentures have been determined based on quoted selling prices from The Thai Bond Market Association at the close of the business on the reporting date.

The Group determines Level 3 fair values for borrowing have been estimated using discounted cash flows based on the Group's incremental borrowing rates for similar types of borrowings.

**31. Commitments with non-related parties**

**31.1 Agreement for operation of domestic communication satellite**

The Company was permitted by the Ministry of Transport and Communications, under an agreement dated 11 September 1991 and an amendment thereto dated 22 March 1992, to operate and administer certain satellite projects and to render transponder services for domestic and international communications as well as the right to collect, for a thirty-year period, service charges from users of the transponders. The agreements for operation have been transferred to the Ministry of Digital Economy and Society ("MDE") (previously named Ministry of Information and Communication Technology ("MICT")).

Under the aforementioned agreement, the Company must pay an annual fee to MDE based on a percentage of certain service incomes or at the minimum level specified in the agreement, whichever is higher. As at 31 December 2019, the remaining minimum fee is Baht 159 million (31 December 2018: Baht 245 million). In addition, the Company, according to the aforementioned agreement, must transfer its ownership of all satellites, and monitoring stations and other operating equipment to MDE on the date of completion of construction and installation.

**31.2 Shareholder agreement**

Lao Telecommunications Company Limited ("LTC") is a joint venture, which was established under the terms of a Joint Venture Contract dated 8 October 1996, signed by the Government of the Lao People's Democratic Republic ("LAOGOV") and Intouch Holdings Public Company Limited (formerly named Shinawatra Computer and Communications Public Company Limited). According to the aforementioned Joint Venture Contract, LTC has the right to provide telecommunication services - fixed line phone, mobile phone, international facilities, internet and paging - within the Lao PDR for 25 years. Currently, Shenington Investments Pte Ltd. ("SHEN"), which is a joint venture of the Company, owns 49% of LTC's registered shares. After the end of the 20<sup>th</sup> year, in 2016, LAOGOV shall have the right to consider purchasing all LTC's shares at a market price. And after the end of the 23<sup>rd</sup> year, in 2019, the Group has a right to submit a proposal to LAOGOV to consider the extension of the term of agreement. Otherwise at the end of the 25<sup>th</sup> year, in 2021, the Group has to transfer all of LTC's shares to LAOGOV without any charges (Note 9). According to the shareholder agreement, LTC is required to invest at least USD 400 million in the projects specified in the agreement within 25 years, which LTC had invested completely according to the agreement.



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On 23 October 2015, SHEN and LAOGOV have officially reached the agreement to extend the Joint Venture Agreement and the Master Agreement for the Development of Telecommunications Services in the Lao PDR, as a result LTC obtain right to operate communication service in Lao PDR for a further period of 25 years until 2046. According to the amended agreements, LTC is required to invest at least USD 400 million in the projects specified in the agreements within 25 years.

### 31.3 Agreements for operation of the Company and subsidiary companies for the satellite uplink-downlink and Satellite Internet services and Internet services in Thailand

Currently, the National Broadcasting and Telecommunications Commission (“NBTC”) (previously termed the National Telecommunications Commission (“NTC”)) is responsible for granting licenses to provide telecommunication services and internet access services in Thailand. The Company and its subsidiaries operate the business to provide internet, broadcasting and telecommunication services under licenses granted by NBTC as follows:

Type of license	Issued Date	Period
<b>License of the Company</b>		
Telecom Operation License Type I	16 August 2016	5 years
Telecom Operation License Type III	26 September 2012	20 years
Internet Operation License Type I	7 May 2015	5 years
<b>License of Thai Advance Innovation Company Limited</b>		
Broadcasting Operation License	21 January 2013	15 years
<b>License of TC Broadcasting Company Limited</b>		
Broadcasting Operation License	4 March 2013	15 years
Telecom Operation License Type III	10 November 2015	15 years

### Revenue of the Company under the NBTC’s regulation

Revenue from rendering of services and equipment rentals of the Company for the years ended 31 December 2019 and 2018 was classified as follows:

	<b>Separate financial statements</b>	
	2019	2018
	Baht’000	Baht’000
Telecom Operation License Type I	39,199	65,566
Telecom Operation License Type III	272,651	229,464
Internet Operation License Type I	20,963	-
Other service income	3,936,798	5,162,500
<b>Total</b>	<b>4,269,611</b>	<b>5,457,530</b>

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**31.4 Operating lease commitments**

The Group has future aggregate minimum lease payments under non-cancellable operating leases as follows:

	Currency	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		2019 thousands	2018 thousands	2019 thousands	2018 thousands
Within one year	THB	30,655	3,581	30,655	3,581
	IDR	42,000	115,000	42,000	115,000
	VND	13,420	13,328	13,420	13,328
	YEN	1,392	1,392	-	-
	USD	38	70	38	-
	INR	2,596	1,825	-	-
	PHP	85	-	85	-
	AUD	61	180	-	-
	CNY	188	-	188	-
Total equivalent Baht		<u>35,662</u>	<u>11,660</u>	<u>32,796</u>	<u>3,872</u>
After one year but within five years	THB	20,073	5,933	20,073	5,933
	YEN	2,657	4,049	-	-
	AUD	9	9	-	-
	INR	4,542	-	-	-
Total equivalent Baht		<u>23,046</u>	<u>7,345</u>	<u>20,073</u>	<u>5,933</u>
<b>Grand total equivalent Baht</b>		<b><u>58,708</u></b>	<b><u>19,005</u></b>	<b><u>52,869</u></b>	<b><u>9,805</u></b>

**31.5 Other commitments**

The Group has commitments with banks, whereby the banks issued letters of guarantee, letters of credit and other guarantees in respect of business contracts, for the following amounts:

	Currency	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		2019 thousands	2018 thousands	2019 thousands	2018 thousands
Minimum operating agreement fee payable to Ministry of Digital Economy and Society	THB	61,238	56,667	61,238	56,667
Satellite space leasing by customers	USD	2,372	2,347	2,364	2,336
	THB	50,799	134,349	50,635	133,799
Others	THB	29,356	25,450	29,087	25,181

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**31.6 Other services agreement**

On 1 December 2017, the Company entered into the Services Agreement for life-extension service to the satellites for five years term with a minimum commitment until the end of concession period of USD 8.88 million and with a certain right of termination by the Company under term and condition specified in the agreement. Another service fee of USD 71.12 million will be incurred depends on certain conditions of the agreement if the Company is allowed to operate the current concession satellites after the concession ends.

On 9 January 2020, the Company sent the letter to terminate the above contract due to the delay in compliance with the conditions of the contract which considered breach of contract.

**32. Contingent liabilities**

**Assessment for income tax in India**

The Tax Authority in India ('the Tax Authority'), has held that the payments received by the Company for providing Transponder Services ('TPS') to its Indian Customers and non-resident customers targeting Indian audience ('the Customer') was Royalty under both the Indian Income Tax Act ('the Act'), and the Double Taxation Avoidance Agreement between Thailand and India ('the DTAA') and subject to withholding tax at the rate of 15% on gross basis. But the Company considered income from Transponder Services to be business income, and as the Company does not have permanent establishment in India, such income is not taxable in India.

The Tax Authority still insisted on its consideration and raised the tax demand including surcharge, education tax and interest aggregating to INR 859.4 million (approximately Baht 362.7 million) against the said payment received by it from the customers and also levied penalty of INR 566.1 million (approximately Baht 238.9 million) for the Assessment Year ('AY') 1998-1999 to 2012-2013 (1 April 1997 to 30 March 2012).

So far, the Company had received Withholding Tax Certificates ('WTC') from its customers until Assessment Year ('AY') 2012-2013 net amounting to INR 593.8 million (approximately Baht 250.6 million), in which part of the amount is substituted and paid by the customer on behalf of the Company and used it as deposit. The Company had also deposited INR 480.4 million (approximately Baht 202.7 million). The deposit is presented as other non-current assets in the statements of financial position.

On 4 March 2011, Income Tax Appellate Tribunal (ITAT) gave its decision that the Company's income from transponder services in India was not a royalty and, as the Company has no permanent establishment in India, such income was not taxable in India.

As the consequence, the Company does not have to pay interest and penalty imposed by the Revenue Department of India, and ITAT also decided that the demand for penalty for the assessment year 1998-1999, 1999-2000, 2000-2001, 2001-2002 and 2002-2003 made by the Revenue Department of India against the Company be cancelled. The Revenue Department of India did not appeal against the ITAT's decision on penalty for the said assessment years to the High Court of Delhi and the ITAT's decision on penalty was final. On 30 December 2011, the Tax authority notified the partial return of deposit placed by the Company against the penalty for the Assessment Year ('AY') 1998-1999 to 2001-2002 and interest, aggregating to INR 162.4 million (approximately Baht 68.6 million).

Further to ITAT decision as stated in the preceding paragraphs, the Company is in the process of requesting the refund of the remaining deposit and withholding tax from the Tax Authority. Upon the final decision of the Supreme Court and the receipt of refund, the Company will forward the Customer the amount they substituted on behalf of the Company.

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### **For the year ended 31 December 2019**

On 28 September 2011, the Tax Authority has filed an appeal against the decision of High Court on 17 February 2011 which decided that the Company's income from transponder services in India was not a royalty, to the Supreme Court. At the moment, this issue is still under the consideration of the Supreme Court.

The Supreme Court of India issued a letter dated 9 November 2011, to inform the agent of the Company's tax consultant of the appeal. Currently, the matter is in process, awaiting the Supreme Court of India's consideration.

### **33. Other events**

33.1 According to the judgment of the Supreme Court, Criminal Division for Persons Holding Political Positions rendered on 26 February 2010, concerns the Company and its affiliated companies in many aspects. The Company is of the opinion that the consequence of the judgment is limited to the holding that some property of the person holding political position was improperly acquired by an abuse of power while being in a political position. The judgment does not contain any order indicating that the Company or its affiliated companies shall take any actions as the Company is not involved to the case. The Company and its affiliated companies have been operating to the best of its ability in accordance with the law and the agreements and in good faith. The Company and its affiliated companies have every right available under the law and agreements to provide the facts to prove its innocence and good faith in any proceeding which may be initiated by the relevant government agencies in accordance with the law and justice.

33.2 On 19 April 2007, Mr. Supong Limthanakul brought legal actions against the National Telecommunications Commission ("NTC"), the office of the NTC and the Ministry of Digital Economy and Society ("MDE") (previously named the Ministry of Information and Communication Technology ("MICT")) in the Central Administrative Court ("CAC") on the ground that the three state agencies neglected to perform their duties in overseeing whether the Company has been carrying on its telecommunications business lawfully after the sale of Shin Corporation Public Company Limited's shares to the new shareholder.

CAC issued an order dated 8 April 2009 making the Company the fourth respondent in order to allow the Company to file the Reply to the petitioner's claim including evidence, documentary or otherwise to CAC and the Company filed the Reply and supporting evidence in July 2009. On 10 June 2011, CAC has dismissed the verdict.

On 8 July 2011, Mr. Supong Limthanakul has filed an appeal with the Supreme Administrative Court ("SAC"). The case is under consideration by SAC. On 23 September 2011, the Company has filed an argument against appeal with the Supreme Administrative Court ("SAC").

On 28 December 2018, the Supreme Administrative Court issued an order that the ending date of the fact inquiry shall be held on 12 February 2019 which both plaintiff and defendant are required to submit the additional documents (if any) to the Court within the said period. After that, the Court shall further determine the first hearing date.

The Company is of the opinion that it will not be adversely affected in any way as the actions were brought against NTC, office of the NTC and MICT for neglecting to perform their duties and will not constitute a cause for terminating the operating agreement as the Company has fully complied with the terms and conditions of the operating agreement.

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### **For the year ended 31 December 2019**

- 33.3 A subsidiary of the Company was being sued and claimed for the damages of satellite equipment in Australia since 2011. On 22 December 2016, the Court gave its judgement that the subsidiary shall compensate for damages of AUD 5.3 million with interest which the impact of such expense was recorded in the financial statements for the year 2016. On 17 March 2017, the subsidiary has filed an argument against appeal to Court.

On 16 February 2018, the Court ordered the appeal be dismissed which a subsidiary paid an interest and a portion of expense after the Court's decision in the amount of AUD 1.8 million. Nonetheless, the additional legal costs which a subsidiary shall compensate the Plaintiff are being aggregated for the certain amount by the Court.

- 33.4 The Company and its partner have a different interpretation of certain clauses of the cooperation agreement. As a result, the Company and such company have submitted the case to the arbitrator to consider and find a solution for such different view. All witnesses from both parties have been already cross-examined. During the year 2018, the arbitrator has already considered that the interpretation of certain clauses of the company is correct, and this decision is final.

Nonetheless, the said partner still has a different interpretation towards the Company's with execution considering breach of the cooperation agreement. The Company, therefore, had to submit the case to the arbitrator to re-consider. At present, it is being on the arbitration proceeding and the trial appointment date is also not determined.

- 33.5 Dispute over THAICOM 7 and THAICOM 8 satellites under Operating Agreement on Domestic Communication Satellite

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") 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' Meetings of the Company on 24 October 2017, considered such letter and consulted with 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 proceeded 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 Meetings 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.

The case is in the arbitration process. The Company does not have any duties to comply with any of the foregoing requests until the case is final. However, in August 2019, the Ministry filed a petition to the CAC on the arbitration jurisdiction over the Black Case No. 97/2560, and requesting the CAC's order to suspend the arbitration process. On 24 October 2019, the CAC had an order refusing to suspend the arbitration process.

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**34. Event after the reporting period**

*Dividend declaration of the Company*

On 5 February 2020, the Company's Board of Directors passed a resolution to approve the dividend payment at Baht 0.20 per share, amounting to Baht 219 million. The Company will propose to the annual general shareholders' meeting for the year 2020 of the Company to approve afterward.

**35. Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective**

The Federation of Accounting Professions has issued the Notification regarding Thai Accounting Standards, Thai Financial Reporting Standards and Thai Financial Reporting Standard Interpretation which have been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after January 1, 2020 onwards, as follows:

<b>TAS</b>	<b>Topic</b>
No. 32	"Financial Instruments: Presentation"
<b>TFRS</b>	<b>Topic</b>
No. 7	"Financial Instruments: Disclosures"
No. 9	"Financial Instruments"
No. 16	"Leases"
<b>TFRIC</b>	<b>Topic</b>
No. 16	"Hedge of a Net Investment in a Foreign Operation"
No. 19	"Extinguishing Financial Liabilities with Equity Instruments"

46 numbers of Thai Accounting Standards, Thai Financial Reporting Standards, Thai Accounting Standards Interpretation and Thai Financial Reporting Standards Interpretation (Revised 2019) have been announced in the Royal Gazette on September 24, 2019 without material change in key concept, which will be effective for the financial statements for the period beginning on or after January 1, 2020 onwards.

The Group's management will adopt such TFRSs in the preparation of the Group's financial statements when they become effective. The Group's management is in the process to assess the impact of these TFRSs on the financial statements of the Group in the period of initial application.