



IR 8/2018

10 May 2018

Subject: Information Memorandum on Asset Acquisition of Total Access Communication Public Company Limited

To: Shareholders

Enclosure: (1) Information Memorandum on Asset Acquisition of Total Access Communication Public Company Limited together with the Information Memorandum according to schedule 1 (Attachment 1)

(2) On-going material lawsuits or claims (Attachment 2)

(3) Benefits or connected transactions between the Company and its directors, executives, and shareholders directly or indirectly holding at least 10 percent of the total shares (Attachment 3)

We, Total Access Communication Public Company Limited (the “**Company**”) would like to announce to shareholders and Stock Exchange of Thailand that the Board of Directors of the Company No. 2/2018, held on 23 April 2018 resolved that TeleAssets Co., Ltd., (“**TeleAssets**”) a subsidiary of the Company enter into the Telecommunications Equipment Lease Agreement (the “**Lease Agreement**”) with TOT Public Company Limited (“**TOT**”). Under the Lease Agreement, TeleAssets agrees to procure, install, and maintain the Telecommunications Equipment (the “**Telecommunications Equipment**”) to TOT who has been granted a license from the Office of National Broadcasting and Telecommunications Commission (the “**ONBTC**”) to use the spectrum frequency between 2310–2370 MHz (the “**2300 MHz Spectrum**”) so that TOT is entitled to use such Telecommunications Equipment for use in the provision of the telecommunications services to service users of the 2300 MHz Spectrum. On 23 April 2018, TeleAssets and TOT have already entered into the Lease Agreement.

The Company has estimated that the procurement of the Telecommunications Equipment for the use by TOT under the Lease Agreement shall represent an initial investment value of approximately THB 33,800 million throughout the term of the Lease Agreement, constituting an “asset acquisition transaction” pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed

Companies Concerning the Acquisition and Disposition of Assets, 2004 (collectively, the "Notifications on Acquisition or Disposal"), having the highest transaction value of 29.7 percent, calculated based on the Value of Consideration Basis with respect to the acquired assets comparing to the total asset value of the listed company and of its subsidiaries combined, which is the basis that results in the highest transaction value from the Consolidated Financial Statement of the Company for the period ending 1 March 2018 which was reviewed by a certified public accountant.

This asset acquisition transaction constitutes a Class 2 Asset Acquisition Transaction, i.e., a transaction with a value equivalent to or higher than 15 percent but lower than 50 percent of the total asset value. As a result, the Company is required to immediately prepare a report and disclose the details with respect to the transaction to the Stock Exchange of Thailand (the "Stock Exchange"), whereby the information memorandum shall comprise the details specified under Schedule (1) of the Notifications on Acquisition or Disposal at a minimum, as well as to notify the shareholders in writing within a period of 21 days from the date on which the disclosure is made to the Stock Exchange.

By this letter, the Company hereby submits the Information Memorandum on Asset Acquisition of the Company to the shareholders within 21 days from the date on which the disclosure is made to the Stock Exchange.

In this regard, the details of the Information Memorandum on Asset Acquisition of the Company is attached herewith together with the enclosure.

Please be informed accordingly.

Sincerely Yours,



(Mr. Chavit Sangudomlert)

Head of Investor Relations

Total Access Communication Public Company Limited

Information Memorandum on Asset Acquisition by
Total Access Communication Public Company Limited

1. Information disclosed under List (1) of the Notifications on Acquisition or Disposal

The details with respect to the information disclosed under List (1) of the Notifications on Acquisition or Disposal are set out in **Attachment 1** of this Information Memorandum.

2. Responsibility of the Board of Directors with respect to the information delivered to the shareholders

The Board of Directors has reviewed the information in this Information Memorandum with prudence and hereby certifies that the information set out in this Information Memorandum is accurate, contains no false statement and contains no misleading statement.

3. Opinions of the independent expert on the entering into of the transaction

None.

4. Financial estimates for the year

None.

5. On-going material lawsuits or claims

Please refer to **Attachment 2**.

6. Benefits or connected transactions between the Company and its directors, executives, and shareholders directly or indirectly holding at least 10 percent of the total shares

Please refer to **Attachment 3**.

Attachment 1
Information Memorandum on Asset Acquisition of
Total Access Communication Public Company Limited
List 1

The Board of Directors Meeting No. 2/2018 of Total Access Communication Public Company Limited (the “**Company**”), held on 23 April 2018, resolved to approve that TeleAssets Co., Ltd. (“**TeleAssets**”), a subsidiary of the Company, enter into the Telecommunications Equipment Lease Agreement (the “**Lease Agreement**”) with TOT Public Company Limited (“**TOT**”). Under the Lease Agreement, TeleAssets agrees to procure, install, and maintain the telecommunications device and equipment (the “**Telecommunications Equipment**”) for TOT who has been granted a license from the National Broadcasting and Telecommunications Commission (“**NBTC**”) to use the 2300 MHz spectrum between 2310 - 2370 MHz (the “**2300 MHz Spectrum**”) so that TOT would be able to use such Telecommunications Equipment for the provision of the telecommunications services on 2300 MHz Spectrum to the customers.

The Company has estimated that the procurement of the Telecommunications Equipment for the lease to TOT under the Lease Agreement shall represent a preliminary investment value of approximately THB 33,800 million throughout the term of the Lease Agreement, constituting an “asset acquisition transaction” pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547 (2004) (collectively, the “**Notifications on Acquisition or Disposal of Assets**”), having the transaction value calculated based on the Value of Consideration Basis with respect to the acquired assets comparing to the total asset values of the listed company and of its subsidiaries altogether equivalents transaction value of 29.7 percent, which is the basis that results in the highest transaction value from the Consolidated Financial Statement of the Company for the period ending 31 March 2018 which was reviewed by a certified public accountant.

This asset acquisition transaction constitutes a Class 2, i.e., a transaction with a value equivalent to or higher than 15 percent but lower than 50 percent. As a result, the Company is required to immediately prepare a report and disclose the details with respect to the transaction to the Stock Exchange of Thailand (the “**Stock Exchange**”), whereby the information memorandum shall comprise the details specified under Schedule (1) of the Notifications on Acquisition or Disposal of Assets at a minimum, as well as to notify the

shareholders in writing within a period of 21 days from the date on which the disclosure is made to the Stock Exchange¹.

In this regard, the details with respect to the information memorandum on the asset acquisition transaction are summarised as follows:

1) Transaction date

The Lease Agreement between TeleAssets and TOT was executed by both parties on 23 April 2018.

2) Related parties and their relationships with the Company

Lessee and Service User	:	TOT Public Company Limited
Person procuring, installing and maintaining the Equipment	:	TeleAssets Co., Ltd. which is a subsidiary of the Company
Relationship with the Company	:	As of 19 February 2018, TOT is a shareholder of the Company holding 132,145,250 shares which is equivalent to 5.58 percent of the total issued and paid-up shares of the Company. TOT is not a connected person of the Company.

3) General characteristics and value of the transaction

3.1) General characteristics of the transaction

Under the Lease Agreement, TeleAssets shall procure, install, and maintain the Telecommunications Equipment in accordance with the network rollout plan for the 2300 MHz Spectrum, with rental and service fees in accordance with the rate as agreed by the parties, in order for TOT to use in the provision of telecommunications services of the 2300 MHz Spectrum to TOT's customers.

¹ If considering the accumulating the other asset acquisition transactions of the Company and of its subsidiaries during the past six months prior to the entering into of the "asset acquisition transaction of the Company", all of which during such period represents the value of THB 6,878 million, combined with the "asset acquisition transaction of the Company", the transaction value calculated based on the Value of Consideration Basis with respect to the acquired assets comparing to the asset values of the Company and of its subsidiaries combined will represent the value of 35.7 percent, which is still be classified as a Class 2.

In this regard, TOT agrees to pay TeleAssets rental and service fees as specified under the Lease Agreement on a monthly basis for each base station which has been completely delivered and accepted and is in service, at a rate of THB 55,000 per base station.

Key rights and obligations of TeleAssets under the Lease Agreement can be summarised as follows:

- 1) To procure and install the Telecommunications Equipment (as well as the relevant software) at the sites specified in and in accordance with the technical specifications and standards stipulated in the Lease Agreement. Under the said Agreement, the parties agreed that TeleAssets must procure 21,300 base stations by 31 December 2021.
- 2) To perform maintenance and repair services for the Telecommunications Equipment (both hardware and software systems) to ensure they are in an efficient working condition in accordance with the service level agreement and all relevant notifications of the NBTC.

Key rights and obligations of TOT under the Lease Agreement can be summarised as follows:

- 1) To control, manage and use the 2300 MHz Spectrum network of TOT.
- 2) To be able to access the data storage and processing system, and to possess the detailed information of the use of various types of service.
- 3) To oversee and manage the system and the Equipment under the Lease Agreement.
- 4) To facilitate TeleAssets's access to the premises of TOT where the Telecommunications Equipment is located in order to perform work.
- 5) To coordinate, assist, and facilitate TeleAssets in importing the Telecommunications Equipment under the Lease Agreement and in obtaining all licenses relating to the Telecommunications Equipment from the relevant governmental agencies, e.g. license to establish radio communications stations, license to use radio communications equipment.
- 6) To comply with the conditions attached to the Telecommunications Business License, and the conditions to use the 2300 MHz Network, for the purposes of the provision of mobile network service of TOT.

The Lease Agreement shall be effective from its execution date until 3 August 2025.

3.2) Transaction Value

The asset acquisition transaction under the Lease Agreement is classified as an “asset acquisition transaction” pursuant to the Notifications on Acquisition or Disposal. The Company uses the estimates for the procurement of the Telecommunications Equipment for TOT to use under the Lease Agreement which represent a preliminary investment value of approximately THB 33,800 million throughout the term of the Lease Agreement. Applying such value to calculate the transaction value, it shall be equivalent to 29.7 percent, calculated based on the Value of Consideration Basis which is the basis that results in the highest transaction value from the Consolidated Financial Statement of the Company for the period ending 31 March 2018 which was reviewed by a certified public accountant. The details of the calculation are as follows:

(a) Net Tangible Assets (NTA)

Not applicable as the asset acquisition transaction is not an acquisition of securities of other companies.

(b) Net Profit

Not applicable as the asset acquisition transaction is not an acquisition of securities of other companies.

(c) Total Value of Consideration

$$= \frac{\text{Total value of consideration paid X 100}}{\text{Total asset value of the Company and its subsidiaries}}$$

$$= \frac{\text{THB 33,800 million X 100}}{\text{THB 113,877 million}}$$

$$= \text{approximately 29.7 percent}$$

(d) Value of Securities issued by the Company as consideration for the assets acquired

Not applicable as there is no issuance of new securities to TOT which is a contractual party to the Lease Agreement.

This asset acquisition transaction is classified as a Class 2, i.e., a transaction with a value equivalent to or higher than 15 percent but lower than 50 percent. As a result, the Company is required to immediately prepare a report and disclose the details with respect to the transaction

to the Stock Exchange of Thailand (the “**Stock Exchange**”), whereby the information memorandum shall comprise the details specified under Schedule (1) of the Notifications on Acquisition or Disposal at a minimum, as well as to notify the shareholders in writing within a period of 21 days from the date on which the disclosure is made to the Stock Exchange².

4) Details of the assets to be acquired

TeleAssets will invest and/or procure the Telecommunications Equipment, the hardware and software thereof, as well as any supporting equipment, e.g., telecommunications towers, electricity systems. In addition, TeleAssets will accordingly lease such Equipment to TOT under the Lease Agreement.

5) Total value of consideration

The Company estimates that the preliminary investment value in accordance with the operation plan with respect to the investment and/or procurement of the Telecommunications Equipment would be at approximately THB 33,800 million throughout the term of the Lease Agreement. In this regard, the Company shall occasionally invest in the Telecommunications Equipment for the purposes of TOT's lease under the Lease Agreement. In addition, TeleAssets shall be entitled to fully receive from TOT the rental and service fees from the lease of Telecommunications Equipment under the Lease Agreement.

6) Value of the assets to be acquired and criteria used in determination of the value of consideration

The value of the assets to be invested under this project comprises the estimates of the investment and/or procurement of the Telecommunications Equipment, and the hardware and software of the Telecommunications Equipment, as well as the estimates of survey fees, designing costs, and installation fee with respect to the Telecommunications Equipment, totalling approximately THB 33,800 million.

7) Expected benefits of the transaction

The Company and its subsidiaries, which is, at present, the sole service provider of the mobile network service that primarily provides services on the 4G network on the 1800 MHz frequency, under the Cellular Radio Communications Service Agreement entered into between the Company and CAT

² Please refer to Footnote 1.

Telecom Public Company Limited (the Concession), which will expire in 2018. The entering into of the “asset acquisition transaction” by the Company and its subsidiaries will give dtac TriNet Co., Ltd. (“TriNet”), a subsidiary of the Company, an opportunity to increase the income for the Company from its ability to receive the domestic roaming service from TOT for the provision of services to its customers, which will enhance the confidence and better service experience to the customers, as well as competitiveness of the Company and its subsidiaries, particularly regarding the fact that the customers’ demand in using the data service is continuously and significantly increasing.

In this regard, TriNet’s receipt of the domestic roaming service from TOT would allow the Company and TriNet to be able to use the digital technology in the operations which will increase the efficiency thereof, as well as to be able to offer services which are more specific to each customer’s needs. This will continuously promote and develop the Company’s image as the digital organization so that the Company would be able to become the No. 1 digital brand in Thailand within 2020.

Additionally, the 2300 MHz Spectrum of TOT uses Time Division Duplex (TDD) technology, which is more efficient than the 900 MHz, 1800 MHz, and 2100 MHz which uses Frequency Division Duplex (FDD). Unlike FDD, TDD does not lose half of its frequency in uploading data, nor another half in downloading data; instead, it uses the entire frequency by switching between uploading and downloading from time to time. In addition, with the bandwidth of 60 MHz, the 2300 MHz Spectrum of TOT will allow TriNet to provide services to its customers through the domestic roaming service of TOT with more efficiency which will improve the service experience of the customers.

8) Source of Funds

In the preliminary stage, the Company plans to use the cash flow from the operation and the cash balance of the Company itself and its subsidiaries as funds to operate the plan specified under the Lease Agreement.

In addition, the Company and its subsidiaries have prepared the reserved credit facilities with different banks in Thailand amounting to more than approximately THB 43,000 million, whereby the agreements with respect to such credit facilities have no conditions regarding the limitations on dividend payment. In the case where the cash flow from the operation and the cash balance of the Company and its subsidiaries do not suffice, TriNet would still be able to utilize such credit facilities and lend to TeleAssets for the purposes of the investment under the operation plan in accordance with the Lease Agreement.

9) Opinions of the Board of Directors on the entering into of the transaction

Board of Directors Meeting No. 2/2018, held on 23 April 2018, resolved to approve that TeleAssets enter into the Lease Agreement with TOT, as well as to undertake any act relevant to the entering into of the agreement. After due consideration, the Board of Directors has taken into account the feasibility and appropriateness of the transaction and was of the view that the entering into of the transaction is reasonable and would be in the best interest of the Company and its shareholders, due to the reasons stipulated under Clause 7 above.

10) Opinions of the Audit Committee and/or the Board of Directors which are different from that of the Board of Directors under Clause 9

None.

Attachment 2

On-going material lawsuits or claims

1. Court proceedings and commercial dispute between the Company and TOT Plc. (TOT) in relation to the access charge payment

- 1) TOT, CAT and the Company entered into the Postpaid Access Charge Agreement on 22 February 1994 and the Prepaid Access Charge Agreement on 2 April 2001. Under these Agreements, TOT agreed to interconnect its network with that of the Company in consideration of an access charge of Baht 200 per month for the postpaid service and 18 percent of the price specified on the prepaid card, including VAT, for the prepaid service.

On 17 May 2006, the NTC (currently known as NBTC) issued the Interconnection Notification requiring all licensees (who have their own telecommunication networks) (licensees) to allow interconnection by other licensees upon request, in order to ensure good cross-network connections, and the licensees who provide the interconnection is entitled to collect an interconnection charge that reflect its costs.

On 2 October 2006, the Company issued a letter to TOT requesting TOT to enter into negotiation with the Company regarding an interconnection charge agreement between the Company's network and TOT's network. On 17 November 2006, the Company sent a notice to TOT and CAT informing them that the Company would change the rates for calculating the access charge under the Access Charge Agreements entered into with TOT on the ground that the rate and the collection of access charge under the Access Charge Agreements were contrary to the law in a number of respects and the Company also informed TOT and CAT that it would pay the interconnection charge to TOT at the rate which was in compliance with the law.

On 23 November 2006, TOT issued a letter to the Company informing the Company that it was not entitled to interconnect its network with that of TOT because the Company was not a licensee, whose license was granted by NTC, and did not have its own telecommunication network. TOT also claimed that the Access Charge Agreements did not violate any laws and, as a result, demanded the payment of the access charge in accordance with the rate and the collection of access charge specified under the Access Charge Agreements. TOT also refused to accept payment of the interconnection charges by the Company.

On 1 February 2007, the Company issued a letter to TOT informing that the Company was pleased to pay the interconnection charge to TOT at the rate under TOT's Reference of Interconnect Offer (RIO) as approved by NTC.

- 2) On 18 June 2007, according to the Award No. 1/2550 rendered by NTC on the Dispute on Interconnection of Telecommunications Networks, NTC ordered TOT to negotiate with the Company within 7 days and enter into an interconnection charge agreement with the Company within 30 days from the date of the commencement of the negotiation. NTC Secretary General ordered TOT to negotiate an interconnection charge agreement with the Company in line with NTC's Award but TOT appealed such order to NTC Secretary General. In addition, on 9 October 2007, NTC unanimously resolved to confirm NTC Secretary General's order requiring TOT to negotiate an interconnection agreement with the Company. TOT had filed a lawsuit with the Central Administrative Court under black case no. 1523/2550, petition for the cancellation of such NTC and NTC Secretary General's orders. On 15 September 2010, the Central Administrative Court dismissed the TOT's plaint. TOT appealed against the Central Administrative Court's verdict to the Supreme Administrative Court. Currently, the case is under the consideration of the Supreme Administrative Court.
- 3) As TOT still refused to enter into an interconnection agreement with the Company, on 8 November 2007, the Company sent TOT a notice regarding the interconnection charges informing TOT that it would like to cancel its previous offer in which it agreed to pay TOT the interconnection charges at a rate to be agreed between the parties in good faith and its offer to pay TOT the interconnection charges at a rate specified in TOT's Reference of Interconnect Offer (RIO) which had already been approved by NTC. In addition, the Company also cancelled the two Access Charge Agreements. The Company accrued in its financial statements the access charge at the interconnection charge rate for the period from 18 November 2006 to 7 November 2007, amounting to Baht 1,973 million. The Company stopped accruing the access charge from 8 November 2007 in its financial statements following the termination of the Access Charge Agreements.
- 4) On 9 May 2011, TOT filed a plaint (black case no. 1097/2554) with the Central Administrative Court and a petition to amend the plaint dated 7 June 2011 demanding CAT and the Company to jointly pay for damages from the access charge, i.e. (1) damages from access charge in connection with Postpaid and Prepaid Access Charge Agreements calculating from 18

November 2006 to 9 May 2011 (the filing date of the plaint) including VAT and default interest at the rate of 1.25 percent per month; and (2) damages from access charge under Postpaid and Prepaid Access Charge Agreements amounting to half of revenue sharing which CAT received from the Company calculating from 16 September 2006 to 9 May 2011 (the filing date of the plaint) including VAT and default interest at the rate of 7.5 percent per annum. As a result, TOT has claimed against the Company to be liable for the damages at Baht 113,319 million. The Company was informed on 10 October 2014 that on 31 July 2014 TOT additionally filed a petition to amend the plaint to adjust the amount of damages claimed up to 10 July 2014 from Baht 113,319 million to Baht 245,638 million. The other disputed issues remain the same. Presently, this case is under consideration of the Central Administrative Court.

- 5) Even though NTC has rendered the Award No. 1/2550 on the Dispute on Interconnection of Telecommunications Networks which ordered TOT to negotiate an interconnection charge agreement with the Company and the Secretary General of the NTC also issued an administrative sanction (requiring TOT to pay fine in the amount of Baht 20,000 per day until completion) enforcing TOT to enter into an interconnection charge agreement with the Company but TOT has refused to enter into such agreement. TOT has filed a complaint with the Central Administrative Court requesting the court to revoke the NTC's Award and the administrative sanction. On 16 July 2012, the Central Administrative Court rendered a judgment (Black Case No. 1033/2553 and Red Case No. 1178/2555) which dismissed TOT's complaint as the court opined that such order was lawful. As TOT disagreed with the Central Administrative Court's judgment, TOT then submitted an appeal to the Supreme Administrative Court. Presently, this case is under consideration of the Supreme Administrative Court.

Based on legal advice from the Company's external legal counsel, the Company's management is confident that the Company is not obliged to make payment of access charge under the Access Charge Agreements because the Access Charge Agreements do not comply with the current legal principles (in particular the Interconnection Notification) and the Company has already terminated the Access Charge Agreements. As a result, the Company's management believes that the outcome of the dispute and the judicial process would not have an adverse impact on the Company's financial position in a material respect.

The net effect, after revenue sharing deduction (before income tax), in ceasing to recognise the access charge under the Access Charge Agreements as from 18 November 2006 to 31 March

2018 has resulted in a reduction of the Company's expenses amounting to approximately Baht 69,083 million.

Despite the non-accrual of the access charge as from 8 November 2007, the Company has made provision for expenses that may arise from the resolution of the dispute or the judicial process, in an amount that the Company deems appropriate.

2. Significant commercial disputes in relation to revenue sharing from service provided under the agreements to operate cellular telephone services (Concession Agreement) and other litigation cases

The Company and a subsidiary are subject to significant disputes arising out of its businesses under Concession Agreements and other cases as follows:

- (a) **Dispute between the Company and CAT regarding additional revenue sharing calculation from revenue received from Digital Phone Co., Ltd ("DPC") from mobile telecommunications network domestic roaming agreement provided by the Company.**

In 2002, CAT requested the Company to pay additional revenue sharing from revenue received from DPC as a result of DPC's roaming on the Company's telecommunications network and subsequently submitted a letter dated 25 August 2003 requesting the Company to pay such fees in the amount of Baht 477 million.

On 31 August 2004, CAT submitted the dispute to the Arbitration Institute demanding that the Company pay additional revenue sharing from domestic roaming revenue together with the penalty (calculated up to the date of the submission of the dispute) in the total amount of Baht 692 million, and demanding that the Company pay the penalty until it gets full benefits.

On 22 August 2015, the Company received an arbitral award dismissing CAT's claim in its entirety. On 18 January 2016, the Company was informed that CAT challenged the arbitral award before the Central Administrative Court which subsequently the Central Administrative Court dismissed CAT's lawsuit due to statute of limitation. On 9 November 2017, the Company is allowed by the Supreme Administrative Court to make the copy of such verdict which appeared that the Supreme Administrative Court confirmed the Central Administrative Court's verdict.

During the current period, the Company directly received the letter from the Central Administrative Court confirming that the case was final. The Company's management also considered the legal opinion from external legal counsel which determined that the Company

has no further obligation on this case and accordingly, the Company make a reversal of provision for this matter in the current period financial statements.

(b) Dispute between the Company and CAT regarding the calculation methodology for the revenue sharing in relation to the reduction of the access charge fees

On 18 May 2005 and 19 July 2005, CAT submitted a letter to the Company informing that the Company's calculation methodology for the revenue sharing from the date of its receipt of approval from TOT for the reduction of the access charge fee was incorrect, resulting in Baht 448 million (calculated from 16 September 1996 to 15 September 2004) of the revenue sharing not paid by the Company to CAT. However, the Company considers that it has adopted the methodology previously notified to it by CAT. As a result, the Company has not accrued such amount in its financial statements as the Company opines that the payment was made correctly.

In 2007, CAT submitted the dispute to the Arbitration Institute, demanding for the payment of the additional revenue sharing and penalty in the total amount of Baht 749 million from the Company. The dispute is currently under arbitration proceedings. However, the Company's management believes that the arbitral award will not have a material adverse effect on the financial position of the Company.

In 2011, CAT also submitted another dispute requesting the Company to pay additional revenue sharing for the 16th concession year with regard to this matter in the amount of Baht 16 million together with penalty. On 14 August 2014, the arbitral tribunal, by majority vote, decided to dismiss CAT's claim for the revenue sharing in relation to the reduction of the access charge fees for the 16th concession year. The Company was informed that CAT filed a lawsuit on 3 December 2014 requesting the Central Administrative Court to revoke the arbitration award. The Company's management believes that the Central Administrative Court's judgement will not have a material adverse effect on the financial position of the Company.

(c) Dispute between the Company and CAT regarding additional revenue sharing payment (Excise Tax) under the Concession Agreement

On 11 January 2008, CAT submitted a dispute to the Arbitration Institute requesting the Company to make additional revenue sharing payments in the 12th - 16th concession years in the aggregate amount of Baht 16,887 million, together with value added taxes and penalties, or an approximate total claim amount of Baht 23,164 million. The statement of claim made by CAT did

not mention the reason why the Company did not make the payments in full (the Company expects that such claim amount would be the amount which the Company had paid to the Excise Department and had deducted from its revenue payable to CAT in accordance with the cabinet resolution and CAT's letters).

Nevertheless, the Arbitral Tribunal has rendered an award dated 28 May 2012 in favor of the Company and dismissed CAT's claim. On 31 August 2012, CAT filed a motion with the Central Administrative Court in order to revoke the arbitration award. On 29 January 2016, the Central Administrative Court issued the verdict in favor of the Company and dismissed CAT's petition. However, CAT have the right to file an appeal with the Supreme Administrative Court which currently the Company has not been informed whether CAT appeal the case or not.

On 29 September 2017, the Company received a notice from CAT informing that the Company had to pay VAT on the reduction of revenue sharing from the deduction of excise tax. CAT claimed that the Company has liability for any taxes and/or fees under laws, which are incurred by Concession. According to the notice, CAT requested the Company to pay VAT to CAT for an amount of Baht 2,756 million with interests. In case of non-compliance, CAT reserves the rights to proceed with the law.

However, based on the Company's legal counsels opinion, the Company's management believes that the Company does not have any duty under tax law or Concession to pay such VAT to CAT. Therefore, as at 31 March 2018, the Company has not accrued the said VAT in its financial statement.

(d) Dispute between the Company and CAT regarding revenue share calculation in relation to Interconnection Charge ("IC") revenue both before and after the enforcement of the IC Notification

In 2006, CAT submitted a statement of claim to the Arbitration Institute requesting for the revenue sharing payment shortfall for the 11th - 14th concession years from revenue sharing on IC that the Company had received from other telecom operators in consideration for allowing them to use the network at the time before the enforcement of the IC Notification in the amount of Baht 14 million. On 11 May 2016, dtac received an arbitral award. The arbitral award, rendered at a majority vote, entirely dismissed all CAT's claim. Later, the Company was informed that CAT challenged the arbitral award before the Central Administrative Court on 1 August 2016.

In 2010, CAT also filed another claim requesting for additional revenue sharing for the 15th concession year in the same matter in the amount of Baht 4 million. In 2011, CAT submitted several statements of claim to the Arbitration Institute requesting for the revenue share payment shortfall in respect of the 16th concession year (16 September 2006-15 September 2007), in the approximate amount of Baht 4,026 million for all cases, together with interest at the rate of 1.25 percent per month. The reason is that the Company calculated the revenue share payable to CAT by offsetting the IC expenses it paid to other operators against IC income it received from other operators, however, CAT claimed that the Company had to pay CAT the revenue sharing on the IC income the Company received from other operators, without deduction of the IC expenses it paid to other operators.

In 2012, CAT also filed a statement of claim to the Arbitration Institution requesting for additional revenue sharing for the 17th concession year in the amount of Baht 3,860 million together with penalty. In 2013, CAT also submitted a dispute to the Arbitration Institution requesting for additional revenue sharing on IC for the 18th concession year in the amount of Baht 3,340 million together with penalty.

However, on 14 August 2014, the arbitral tribunal, by majority vote, decide to dismiss CAT's claim for the revenue sharing on IC, only for black dispute No. 90/2554 (red dispute No. 75/2557), for the 16th Concession year in the amount of Baht 4 million. The Company was informed that CAT filed a lawsuit on 3 December 2014 requesting the Central Administrative Court to cancel the arbitration award.

In addition, in 2015, CAT filed a statement of claim to the Arbitration Institution requesting for additional revenue sharing on IC for the 19th concession year in the amount of Baht 3,667 million together with penalty and for additional revenue sharing on IC for the 20th concession year in the amount of Baht 3,914 million together with penalty.

As at 31 March 2018, the Company has not accrued the said additional revenue sharing requested by CAT because, based on the Company's legal counsels opinion, the Company's management believes that the Company has no duty to pay such revenue sharing to CAT. Presently, this case is under the arbitration and court proceedings. The Company's management believes that the arbitral award and the Court's judgement would not have a material adverse effect on the financial position of the Company.

(e) Dispute between the Company and CAT regarding the transfer of towers and its equipment which has already been installed and operated under the Concession Agreement

On 19 February 2008, CAT submitted a dispute to the Arbitration Institute requesting the Company to deliver and transfer ownership of 121 towers to CAT, then, in 2009 CAT increased the amount of towers from 121 towers to 3,873 towers. Recently in 2012, CAT submitted an additional statement of claim and increased the amount of towers from 3,873 towers to 4,968 towers. If the Company failed to do so, CAT further requested that the Company shall be liable for damages in the approximate amount of Baht 2,392 million. Subsequently, on 1 September 2015, the Company was informed that CAT amended the plaint related to the number of tower to the Arbitration Institute. CAT added in the claim for additional 48 towers amounting compensation of Baht 20 million. The other disputed issues to the Arbitration Institute remain the same.

In addition, on 3 January 2013, CAT filed a complaint with the Central Administrative Court requesting the Company to deliver and transfer ownership of another 696 towers to CAT or amounting to total damages of Baht 351 million (including interest). On 28 February 2018, the Central Administrative Court rendered its decision ordering the Company to transfer 696 Towers to CAT within 60 days as from the date the case becomes final. However, the Company disagreed with the Central Administrative Court decision and appealed such decision with the Supreme Administrative Court on 29 March 2018.

Based on the opinions of the legal counsel of the Company, they affirmed their confidence in the Company's defense, on the interpretation of the intent of the parties, principles of contract interpretation, telecommunications industry practice, including the NBTC's regulation regarding this matter. The Company's management view that the disputed towers and their equipment are not devices and equipment under the Concession Agreement but that they rather are buildings under the Building Control Act B.E. 2522 (1979) and are the Company's ownership. Therefore, the Company does not have any obligation to transfer the towers and their equipment to CAT. Currently, the dispute is under arbitration and court proceedings. The Company's management believes that the arbitral award and the Supreme Administrative Court's judgment would not have a material adverse effect on the financial position of the Company.

As at 31 March 2018, net book value of the towers and their equipment recorded as property, plant and equipment is totaling Baht 1,487 million.

(f) **Dispute between the Company and CAT regarding additional revenue sharing from content providers' expenses deduction**

In 2007, CAT filed a statement of claim with the Arbitration Institute requesting the Company to pay additional revenue sharing in the approximate amount of Baht 24 million with penalty. CAT argued that the Company failed to pay the revenue sharing to CAT for the 13th and 14th concession year (16 September 2003 to 15 September 2005) in full because the Company had deduct expenses concerning content providers from the revenue sharing payable to CAT without approval from CAT. Under the Concession Agreement, it does not allow the Company to deduct any expenses from the revenue sharing payable to CAT. Nevertheless, on 15 March 2012, the majority of the arbitral tribunal rendered an award deciding that the Company has to pay approximately Baht 24 million with interest at 7.5 percent per annum from the principal amount from the date of which the statement of claim was filed (28 December 2007) until payments are made in full. The Company has filed an objection petition before the Central Administrative Court to revoke the arbitration award. However, on 31 March 2015, the Central Administrative Court issued a verdict dismissing the Company's petition. Subsequently, the Company appealed the verdict of the Central Administrative Court with the Supreme Administrative Court. Later, on 7 June 2017, the Supreme Administrative Court issued a verdict dismissing the Company's petition. The case is final. The Company's management determined to make a provision for additional revenue sharing from content providers' expenses deduction for the 13th and 14th concession year in its financial statement.

In 2010 to 2013, CAT submitted statements of claim to the Arbitration Institute requesting the Company to pay additional revenue sharing for the 15th-18th concession year in total amount of Baht 338 million together with penalty. In 2015, CAT submitted statements of claim to the Arbitration Institute requesting the Company to pay additional revenue sharing for the 19th and 20th concession year in total amount of Baht 153 million together with penalty. In total, CAT claimed the additional revenue sharing for the 15th - 20th in the amount of Baht 491 million. These cases have the same nature of claim as the claim for the 13th and 14th concession year. Currently, this case is under arbitration proceedings (except the dispute regarding the 16th concession year).

However, on 14 August 2014, by majority vote the arbitral tribunal rendered an award in black dispute No. 90/2554 (red dispute No. 75/2557), whereby the Company was to pay additional

revenue sharing for the 16th concession year of approximately Baht 96 million, together with interest at 7.5 percent per annum calculated on the principal amount from 14 December 2007 until payment was made in full. The Company's management was of the opinion that the award of such additional revenue sharing for the 16th concession year was inconsistent with the principles of Administrative Law and the relevant regulations of NBTC. Therefore, on 4 December 2014, the Company petitioned the Central Administrative Court to revoke the arbitral award to pay an additional consideration for the 16th concession year.

During the current period, the Company's management considered the legal counsel's opinions opining on the basis of review the Supreme Administrative Court's verdict and the arbitral award, and provided the opinions confirming their confidence in the defense in terms of both the facts of the case and the applicable legal provisions. However, the Company may be susceptible to certain legal risks. Therefore, for reasons of prudence, as at 31 March 2018 the Company's management decided to set aside a certain amount of provision for revenue sharing in the Company's financial statements.

(g) Dispute between the Company and CAT regarding addition revenue sharing from prepaid service revenue (SOS/Jaidee Packet)

In 2010, CAT filed a statement of claim with the Arbitration Institute requesting the Company to pay the additional revenue sharing for the 15th concession year in the approximate amount of Baht 23 million with penalty. CAT argued that the revenue sharing from prepaid service on SOS/Jaidee Packet paid by the Company to CAT was not in line with the criteria which had been accepted and practiced by CAT and the Company since the beginning of the Concession Agreement.

In 2011 to 2013, CAT filed statements of claim with the Arbitration Institute requesting the Company to pay the additional revenue sharing for the 16th - 18th concession year in the total amount of Baht 295 million together with penalty. In 2015, CAT submitted statements of claim to the Arbitration Institute requesting the Company to pay additional revenue sharing for the 19th and 20th concession year in total amount of Baht 58 million. In total, CAT claimed the additional revenue sharing for the 16th - 20th in the amount of Baht 353 million together with penalty. The cases regarding the 16th - 20th concession years have the same nature of claim as the claim for the 15th concession year. Currently, these cases are under arbitration proceedings (except the dispute regarding the 16th concession year).

However, on 14 August 2014, the arbitral tribunal, by majority vote, rendered an award for black dispute No. 90/2554 (red dispute No. 57/2557) deciding that the Company has to pay addition revenue sharing for the 16th concession year approximately Baht 51 million with interest at 7.5 percent per annum from the principal amount from 14 December 2007 until payments are made in full.

Based on the Company's legal counsel opinion, the Company's management deems that it is inconsistent with the principles of Administrative Law and the relevant regulations of NBTC. Therefore, on 4 December 2014, the Company submitted a petition to the Central Administrative Court to seek the revocation of the Arbitration's verdict for additional consideration of the 16th concession year. In addition, such verdict only has legal effect for specific dispute. It does not have any legal and binding effect to other relevant disputes.

As at 31 March 2018, the Company has not accrued such revenue sharing claimed by CAT in total of Baht 353 million together with penalty in its financial statements. The Company's management believes that such requested amount should not be deemed as part of the service revenue which CAT's revenue sharing calculation is based. In addition, the Company's management believes that the final result on disputes would not have a material adverse effect on the financial position of the Company.

(h) Dispute between the Company and CAT regarding additional revenue sharing from uncollectible service fees from customers who submitted fraudulent documents (domestic call)

In 2006 to 2013, CAT submitted several disputes to the Arbitration Institute requesting for additional revenue sharing in total amount of Baht 52 million together with penalty. CAT argued that the Company did not make the revenue sharing payment for the 11th-18th concession year to CAT correctly because the Company had deducted loss incurred by uncollectible receivables from customers who submitted fraudulent documents from revenue before calculating revenue sharing payable to CAT. Currently, the dispute is under arbitration proceedings. On 11 May 2016, dtac received an arbitral award on the 11th-14th concession year. The arbitral award, rendered at a majority vote, entirely dismissed all CAT's claim. Later, the Company was informed that CAT challenged the arbitral award before the Central Administrative Court on 1 August 2016.

As at 31 March 2018, the Company has not accrued the additional revenue sharing requested by CAT in total amount of Baht 52 million together with the penalty in its financial statements because the Company's management believes that the additional revenue sharing do not constitute the revenue which forms the basis for the calculation of the revenue sharing payables to CAT and CAT has formerly waived the payment of the revenue sharing from fraudulent service revenues. Nevertheless, the Company's management believes that the result of these disputes would not have a material adverse effect on the financial position of the Company.

(i) Other disputes in relation to revenue sharing from service provided under Concession Agreement

In addition to the above cases, during the years 2009 to 2013, CAT has filed several cases against the Company with the Arbitration Institute and Court demanding the Company to pay additional revenue sharing to CAT in total amount of Baht 263 million together with penalty. The disputes are currently in the arbitration process and court proceedings.

As at 31 March 2018, the Company has not accrued the additional revenue sharing requested by CAT in total amount of Baht 263 million together with penalty in its financial statements because the Company's management believes that the additional revenue sharing do not constitute the revenue which forms the basis for the calculation of the revenue sharing payables to CAT. The Company's management believes that the result of these disputes would not have a material adverse effect on the financial position of the Company.

(j) Letter from CAT asking the Company to comply with Clause 14.8, Clause 2.1 and other clauses of the Concession Agreement

On 12 February 2013, the Company received the letter from CAT notifying that the Company did not comply with a non-competition provision specified in Clause 14.8 of the Concession Agreement (Letter 14.8) and at the same time asking the Company to rectify the non-compliance. Later, CAT sent monthly letters to the Company requesting the Company to discontinue the Company's subscribers porting to dtac TriNet, and claiming for Baht 16,468 million of damages calculated for the period between September 2013 and May 2015. In addition, CAT claimed in the letter dated 10 January 2014 that the Company breached Clause 14.8 and Clause 2.1 of the Concession Agreement, the Company failed to pay the revenue share in full (please see more details in Note 26 (d) to the consolidated interim financial statements) the

Company breached some other provisions under the Concession Agreement. If all of these non-compliances are not rectified by the Company within 90 days from the receiving date of the letter dated 10 January 2014, CAT will exercise the right to terminate the Concession Agreement, and reserve the right to claim for compensation.

Later, CAT submitted the letters dated 25 July 2014, 9 September 2014 and 23 September 2014 to notify that the Company was in breach of a non-competition provision specified in Clause 14.8 and other clauses of the Concession Agreement, including causing damage to CAT by providing financial support to dtac TriNet, holding shares in dtac TriNet and supporting the migration of customers to dtac TriNet. CAT also informed the Company that it would file the claim against the Company through the arbitration. However, the Company confirmed CAT by letters dated 11 April 2014, 21 August 2014 and 3 October 2014 that the Company did not commit any breach of the Concession Agreement and CAT has no right to terminate the Concession Agreement. The Company's operation in every step was in accordance with the Concession Agreement and the law. For CAT's claims that the Company breached some other provisions under the Concession Agreement, most of the claims are the disputes which are not final but are under the arbitration proceedings or the Administrative Court proceeding, which CAT should wait for the final decisions. The Company reserved all rights that the Company supposed to have according to the Concession Agreement and the law, and the letter shall not be considered as a waiver of any right or time clause which the Company supposed to have in the Concession Agreement and the law.

As at 31 March 2018, the Company has not accrued the damage claimed by CAT. Based on the Company's external legal counsel opinion, the Company's management believes that the Company's operation in every step was in full compliance with the Concession Agreement and the law. Further, the Company is of the view that CAT could not legitimately terminate the Concession Agreement based on ground alleged in the letters and that the Company shall have the right to continue operating its telecommunication business pursuant to the law and the Concession Agreement.

(k) Court proceedings between dtac TriNet and CAT regarding BTO Assets

On 11 June 2014, dtac TriNet received the claim that CAT filed before the Administrative Court claiming that dtac TriNet committed a wrongful act against CAT by installing its devices and equipment for 2.1 GHz (2100 MHz) on the Company's concessionary asset. CAT required that

dtac TriNet remove its 2.1 GHz equipment and claims the damages at Baht 42 million per month (subsequently the plaint was amended to Baht 44 million per month) from the filing date until dtac TriNet uninstalls its device and equipment from the Company's concessionary asset.

In addition, CAT petitioned the Court for granting an injunctive order to prohibit dtac TriNet to install devices and equipment using for the 2.1 GHz spectrum with the Company concessionary asset. On 5 August 2014, the Central Administrative Court dismissed CAT's petition.

On 20 March 2018, the Central Administrative Court rendered its decision ruling that dtac TriNet has not violated CAT and dismissed CAT's claim. However, CAT has the right to appeal the Central Administrative Court's decision with the Supreme Administrative Court.

Based on legal advice from a subsidiary's legal counsel, the subsidiary is of the opinion that the installation of the dtac TriNet's devices and equipment on the Company's devices and equipment was done by means of the Infrastructure sharing Agreement and the Network Access Agreement, which was fully in compliance with the right and duties under the current law and relevant NBTC regulations. As a result, dtac TriNet did not commit any wrongful act against CAT.

(I) Other litigation cases

The Company has several cases regarding the employment and other commercial agreements total amount of Baht 249 million. The cases are currently under the consideration of Court. The Company's management believes that their outcomes will have no significant impact to the Company's financial position.

3. Dispute between the Company and CAT regarding BTO Assets

Reference to the dispute between the Company and CAT in 2013 regarding the non-compliance in Clause 2.1 of the Concession Agreement (as described in Note 26 (j) to the consolidated interim financial statements) given the fact that the Company installed the 2.1 GHz devices and equipment of dtac TriNet on the concessionary equipment. CAT demanded the Company to remove the 2.1 GHz device and equipment within 15 days, or otherwise CAT would file the claim against the Company through the arbitration.

On 1 October 2014, CAT submitted the dispute to the Arbitration Institute claiming that it has been damaged by the Company's breach of clause 2.1 and clause 2.3 of the Concession Agreement by providing an access to the concessionary devices and equipment with dtac TriNet, allowing dtac TriNet

to have its 2.1 GHz devices and equipment installed on and connected with the concessionary devices and equipment. Therefore, CAT requested that the Company remove those 2.1 GHz equipment and devices of dtac TriNet or other mobile telephone service operators (if any) from the concessionary devices and equipment, and compensate for damages in the amount of Baht 658 million with interest at the rate of 7.5 per annum. If such devices and equipment are not removed, CAT requested that the Company compensate for damages in the amount of Baht 44 million per month starting from the date the dispute was submitted onwards until the concessionary devices and equipment are removed. Furthermore, CAT prohibits the Company from providing an access to the concessionary devices and equipment by allowing dtac TriNet or other mobile telephone service operators (if any) to have their 2.1 GHz devices and equipment installed on or connected with the concessionary device and equipment unless a written permission has been obtained from CAT. Currently, this case is under arbitration proceedings.

The Company received the order of the Central Administrative court demanding the Company to attend the hearing on 24 October 2014 to consider CAT's petition for the injunction during the arbitration proceeding. CAT petitioned the court for granting an injunctive order to prohibit the Company to have the concessionary devices and equipment installed or connected by the 2.1 GHz equipment and devices or allow dtac TriNet or other mobile telephone service operators use the concessionary devices and equipment during the arbitration proceeding. The Company submitted the objection against CAT's petition on 24 October 2014 and 7 November 2014, respectively. On 20 May 2015, the Company received the Order from the Central Administrative Court ("the Court"). The Court granted the injunctive relief order as requested by CAT prohibiting the Company from installing or connecting the telecommunication assets and equipment under the Concession with the telecommunication assets and equipment for the 2.1 GHz frequency band, or from allowing dtac TriNet or other telecommunication operators to share the telecommunication assets and equipment under the Concession by installing or connecting their telecommunication assets and equipment for the 2.1 GHz frequency band with such assets in all circumstances until the arbitral tribunal renders its decision or until further instruction from the Court. Because of the immediate effect of the Order, the Company had to comply by avoiding further installation and connection on the towers with 2.1 GHz equipment.

Based on the opinion of the Company's legal advisors, the Company believes that the installation by dtac TriNet and other licensees of communications devices and equipment with the devices and equipment of the Company were actions performed in accordance with the methods under the Infrastructure Sharing Agreement and the Network Access Agreement, and fully consistent with

existing rights and obligations under the law and relevant NBTC regulations. The Company considers that the Court's order may damage the Company and other operators who are party of the Infrastructure Sharing Agreement with the Company. The Company appealed the injunctive order with the Supreme Administrative Court to revoke the order of the Central Administrative Court on 18 June 2015. However, on 21 August 2015, the Company and CAT entered into a mutual agreement which required the Company and CAT to comply with certain conditions and jointly filed a petition before the Central Administrative Court to cancel the injunctive order. Subsequently, on 27 November 2015, the Supreme Administrative Court revoked the injunctive order.

As at 31 March 2018, the Company has not accrued the damage claimed by CAT. Based on the Company's external legal counsel opinion, the Company's management believes that the Company's operation in every step was in full compliance with the Concession Agreement and the law, and the Company has the right to open up such Telecommunication Network and Telecommunication Infrastructure to be used by other license holders in conformity with the law and the Concession.

Attachment 3

Benefits or connected transactions between the Company and its directors, executives, and shareholders directly or indirectly holding at least 10 percent of the total shares

Any connected party transactions between the Company or its subsidiaries and persons who may have a conflict of interest must be in compliance with the relevant rules and regulations and must be made on reasonable terms or general commercial conditions or in line with the market price. In addition, the transactions shall be transacted on an arm's length basis and the connected party transactions shall be presented to the Audit Committee for review on a quarterly basis.

As shown in Clause 7 of the notes to consolidated Financial Statements for the year ended 31 December 2017, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarized below, arose in the ordinary course of businesses.

1. Transactions with BB Technology Co., Ltd.

Benchachinda Holding Co., Ltd holds 100% of shares in BB Technology Co., Ltd. Mr. Boonchai Bencharongkul, Chairman of the Board of the Company, is holding 40% of shares in Benchachinda Holding Co., Ltd.

Principal Transactions	Total Amount (THB million)	
	2016	2017
1. Revenue		
- Revenue from sales of mobile phone set	-	-
2. Expenses and other payments		
- Service fees for network maintenance and installation of telecommunications equipment	275.4*	2,884.3
- Service fees of network operation and management	318.0	203.5
- Accounts payable	663.3	1,249.2

Rationale for the Transactions

- The Company has entered into the agreement with BB Technology Co., Ltd. since the fourth quarter of 2008 to hire BB Technology Co., Ltd. to operate and maintain the Company's entire

transmission network. The maintenance fee and contract renewal is similar to what the Company agreed with the previous parties.

Remark * Service fees for network maintenance and installation of telecommunications equipment in 2016 as shown have not included the fee for dtac TriNet Co., Ltd. amounting to THB 1,544.0 million. Therefore, when combined with the fee for Total Access Communication PLC., amounting to THB 275.4 million, the total amount will be THB 1,819.4 million.

2. Transactions with I.N.N. Group

Mr. Boonchai Bencharongkul, Chairman of the Board of the Company, is a director and a shareholder of I.N.N. Group.

Principal Transactions	Total Amount (THB million)	
	2016	2017
1. Revenue		
- Revenue from sales of mobile phone set	-	-
2. Expenses and other payments		
- Marketing expense	32.5	3.2
- Information service fee	26.0	14.3
- Accounts payable	2.1	0.2
- Other payable	6.0	0.2

Rationale for the Transactions

- The Company purchased airtime from I.N.N. Radio Co., Ltd. to advertise company's product via radio. I.N.N. Radio Co., Ltd. is a service provider of the Company providing agricultural information for the Company's customers in several forms through mobile phones. The service rate is of normal commercial terms.
- The Company entered into a content provider access agreement with I.N.N. News (Thailand) Co., Ltd., which is a service provider to provide news content for mobile phone users, to provide content service to the Company's customers.

3. Transactions with International Cold Storage and Agricultural Co., Ltd.

Mr. Boonchai Bencharongkul, Chairman of the Board of the Company, is a director and a shareholder of International Cold Storage and Agricultural Co., Ltd. and holds 25% interest.

Principal Transactions	Total Amount (THB million)	
	2016	2017
1. Expenses and other payments		
- Rent for Land	0.2	0.9

Rationale for the Transactions

- The Company rent office space to install transmission networks with 3-year term at the rate comparable with market rate.

4. Transactions with Private Property Co., Ltd.

Mr. Boonchai Bencharongkul, a Chairman of the Board of the Company, is a director and a shareholder of Private Property Co., Ltd. with 25% shareholding.

Principal Transactions	Total Amount (THB million)	
	2016	2017
1. Revenue		
- Mobile service revenue	-	-
2. Expenses and other payments		
- Rental fee for space in Benchachinda Building	1.0	1.6

Rationale for the Transactions

- The Company rents the space in Benchachinda Building to install transmission networks with 3-year term at the rate comparable with market rate.

5. Transactions with Telenor Group

Telenor is a controlling shareholder of the Company with 42.62% shareholding.

Principal Transactions	Total Amount (THB million)	
	2016	2017
1. Revenue		
- Revenue from international roaming service	24.2	66.1
- Revenue from sales of mobile phone set	0.2	0.6
- Revenue from interconnection	373.4	272.7
- Revenue from management service	0.2	45.4
- Revenue from sales on assets	3.0	10.8
- Account receivable	136.8	106.3
- Advance to related companies (expenses paid)	54.6	35.5
2. Expenses and other payments		
- Fees to Telenor under a service agreement	499.4	611.0
- Computer software and system maintenance fee	177.0	316.8
- Purchase Assets	-	51.4
- International roaming costs	31.6	21.2
- Interconnection costs	965.0	1,059.8
- Cost on international signaling	34.1	26.7
- Accounts payable	277.7	260.2
- Other payable	491.5	680.7
- Borrowings	165.0	15.0

Rationale for the Transactions

- According to the Company's Corporate Governance Policy of the group, which Telenor is the shareholder, Telenor provides secondments with appropriate experience and capacity as requested by the Company to jointly manage the business operations for the shareholders best interest by periodically charging consultant fee. In addition to such transactions, the Internal Audit Department of the Company has submitted the report on this matter to the Audit Committee, which the Audit Committee has reviewed and approved the transaction.

- Revenue from mobile phone service arises from the mobile phone services charged to Telenor Asia (ROH) Co., Ltd which has the office in Thailand.
- Revenue from international roaming service arises from the usage of Telenor subsidiaries' customers who travel to Thailand and use the roaming service on dtac's network. The fee is charged in accordance with the agreement.
- Revenue and cost from interconnection, including related costs on rental signaling and IP transit service, arise from the interconnection between dtac TriNet and Telenor Global Services.
- The Company purchased computer software and made annual maintenance contract to improve operational efficiency of the Company.

6. Transactions with United Distribution Business Co., Ltd. ("UD")

UD is a subsidiary of Benchachinda Holding Co., Ltd with 75% shareholding and an associate of the Company with 25% shareholding. Mr. Boonchai Bencharongkul, Chairman of the Board of the Company, is a shareholder holding 40% of shares in Benchachinda Holding Co., Ltd.

Principal Transactions	Total Amount (THB million)	
	2016	2017
1. Revenue		
- Sales of SIM cards, SIM card packages, refill vouchers, starter kits	10,520.5	6,702.4
- Dividend	5.0	5.0
- Account receivable	1,444.9	472.7
2. Expenses and other payments		
- Marketing expense	3.4	4.1
- Rental fee	488.8	307.1
- Accounts payable	64.8	26.3
- Other payable	0.5	0.1

Rationale for the Transactions

- In June 2002, the Company and United Communication Industry PLC transferred their sales and distribution mobile phone and accessories business to UD. UD also has an exclusive right to distribute and sell the Company's telecommunication products. The business relationship is beneficial as it allows the Company to concentrate on core business while controlling the cost of distribution.
- The Company purchases mobile phone and accessories from UD for resale at DTAC shops and services centers.

7. Transactions with United Information Highway Co., Ltd. (UIH)

UIH is a subsidiary of Benchachida Holding Co., Ltd with 100% shareholding. Mr. Boonchai Bencharongkul, Chairman of the Board of the Company, is a shareholder holding 40% of shares in Benchachinda Holding Co., Ltd.

Principal Transactions	Total Amount (THB million)	
	2016	2017
1. Revenue		
- Revenue from base station sublease include electricity charge	50.2	47.7
- Account receivable	8.7	4.2
2. Expenses and other payments		
- Rental expense for high speed leased circuit	56.9	17.8
- Cost of Wi-Fi equipment and service	16.9	11.2
- Accounts payable	5.4	3.0
- Other payable	4.4	5.7

Rationale for the Transactions

- UIH provides high-speed data communication service via a nationwide leased optical fiber network to public and private organizations. UIH has one of the most extensive and high quality fiber optic networks in Thailand and has been providing consistent and high quality data communication services to the Company and its subsidiaries for many years.

- It is beneficial to conduct business with UIH as currently the Company does not have such data communication networks. In addition, UIH has one of the most extensive and high quality fiber optic network coverage throughout Thailand.
- Procurement team will obtain quotations from at least 3 service providers every year as part of the review of pricing arrangements. The Company will continue to rent the high speed leased circuits from UIH if the pricing arrangements continue to be more favorable to the Company than those extended by other service providers, taking into consideration various factors i.e. reputation, the size and quality of the leased circuit, the switching cost of service providers and strategic purposes of the transaction.
- dtac Broadband Co., Ltd, the Company's subsidiary, has entered a service agreement for high speed circuit in Thailand at the rate comparable with market rate and has entered a service agreement for equipment and service of WI-FI with normal commercial terms.

8. Transactions with Bang-san Townhouse Co., Ltd.

Mr. Boonchai Bencharongkul, Chairman of the Board of the Company, is a director of Bang-san Townhouse and holds 25% shareholding.

Principal Transactions	Total Amount (THB million)	
	2016	2017
1. Expenses and other payments		
- Rent for Land	0.6	0.7

Rationale for the Transactions

- The Company leased a plot of land to build switching center and to operate Company's business with 3-year term at the rate comparable with market rate.
- The Company leased land and building to store its asset and equipment and to operate Company's business with 3-year term at the rate comparable with market rate.

9. Transactions with King Power Suvarnabhumi Co., Ltd.

Mr. Chulchit Bunyaketu, a director of the Company, is a director and a shareholder of King Power Suvarnabhumi Co., Ltd.

Principal Transactions	Total Amount (THB million)	
	2016	2017
1. Expenses and other payments		
- Rental and service expense	1.1*	34.1
- Other payable	-	-

Rationale for the Transactions

- The Company was granted the right from King Power Suvarnabhumi Co., Ltd. to provide mobile rental service for dtac customers who will bring mobile phone to use in other countries, and also provide other services including sale of SIM card, payment utility transactions, and other mobile phone services at Suvarnabhumi Airport. The right was reasonably charged at one-time payment and monthly revenue shares from services provided. The agreement term is 5-year starting from the open of the airport. This is to facilitate the customers at Suvarnabhumi Airport.
- The Company leased the space at Suvarnabhumi Airport for service hall in order to provide service for dtac customers at the airport. The agreement term is 7-year and it was charged on annual basis at the rate comparable to market rate. This is to facilitate the customers at Suvarnabhumi Airport.

Remark * Rental and service expense in 2016 as shown have not included the fee for dtac TriNet Co., Ltd. amounting to THB 35.8 million. Therefore, when combined with the fee for Total Access Communication PLC., amounting to THB 1.1 million, the total amount will be THB 36.9 million.

10. Transactions with Top Up 4U Co., Ltd.

Benchachida Holding Co., Ltd. holds 100% interest in Top Up 4U Co., Ltd. Mr. Boonchai Bencharongkul, Chairman of the Board of the Company, is a shareholder holding 40% of shares in Benchachida Holding Co., Ltd.

Principal Transactions	Total Amount (THB million)	
	2016	2017
1. Revenue and other payments		
- Revenue from sales of top-up service	296.0	229.3
- Account receivable	24.0	20.0
2. Expenses and other payments		
- Expenses and commission	13.0	11.4
- Accounts payable	1.2	1.0

Rationale for the Transactions

- The Company hired Top Up 4U Co., Ltd. to be an E-refill distributor at a contract rate in order to expand our top-up channels. This is in order to enhance channel for E-refill service for the Company.

11. Transactions with BB Content & Multimedia Co., Ltd.

Benchachida Holding Co., Ltd. holds 100% interest in BB Content & Multimedia Co., Ltd. Mr. Boonchai Bencharongkul, Chairman of the Board of the Company, is a shareholder holding 40% of share in Benchachida Holding Co., Ltd.

Principal Transactions	Total Amount (THB million)	
	2016	2017
1. Expenses and other payments		
- Information service fee	4.8	2.7
- Accounts payable	0.4	0.2

Rationale for the Transactions

- The Company signed a content provider access agreement with BB Content & Multimedia to provide content service to dtac customers.

12. Transactions with Rakbankerd Co., Ltd.

Benchachida Holding Co., Ltd. holds 100% interest in Rakbankerd Co., Ltd. Mr. Boonchai Bencharongkul, Chairman of the Board of the Company, is a shareholder holding 40% of share in Benchachida Holding Co., Ltd.

Principal Transactions	Total Amount (THB million)	
	2016	2017
1. Expenses and other payments		
- Information service fee	16.5	19.5
- Purchase goods	6.1	-
- Other payable	5.3	4.8

Rationale for the Transactions

- The Company entered into contract with Rakbankerd Co., Ltd. to provide agricultural information content service to farmers who are dtac customers via SMS and Farmer Info application. This is in order to support the Company's business.

13. Transactions with Y & Associate Co., Ltd.

Mr. Boonchai Bencharongkul, Chairman of the Board of the Company, is a director of Y & Associate Co., Ltd. and holds 25% shareholding.

Principal Transactions	Total Amount (THB million)	
	2016	2017
1. Expenses and other payments		
- Service expense	127.5	53.2
- Accounts payable	-	1.4

Rationale for the Transactions

- The Company entered into contract to lease warehouse space and logistics management service from Y & Associate to store the Company's equipment. The transaction is considered as normal business or supporting normal business with general term and condition.

14. Transactions with BTS Group PLC and its affiliates.

Mr. Chulchit Bunyaketu, a director of the Company, is a director of BTS Group Holdings PLC.

Principal Transactions	Total Amount (THB million)	
	2016	2017
1. Expenses and other payments		
- Marketing expense	7.4	8.7
- Other payable	0.8	1.3

Rationale for the Transactions

- The Company entered into contract with BTS Holdings Plc. to lease part of the building area to set up antenna and telecommunication equipments. The transaction is considered as normal business or supporting normal business with general term and condition comparable to what the Company could agree with any third party.
- The Company offered marketing campaign (dtac reward) to company within BTS Group Holdings. The transaction is considered as normal business or supporting normal business with general term and condition comparable to what the Company could agree with any third party

15. Transactions with entities within The Erawan Group PLC.

Mrs. Kamonwan Wipulakorn, a director of the Company, is a director and president of The Erawan Group PLC.

Principal Transactions	Total Amount (THB million)	
	2016	2017
1. Expenses and other payments		
- Rental and service expenses	1.1	1.0

Rationale for the Transactions

- The Company entered into contract with The Erawan Group PLC. to lease part of the building area to set up telecommunication equipment and other services. The transaction is considered

as normal business or supporting normal business with general term and condition comparable to what the Company could agree with any third party.

16. Transactions with entities within King Power International Co., Ltd.

King Power International Co., Ltd. holds 30% interest in King Power Suvarnabhumi Co., Ltd. Mr. Chulchit Bunyaketu is a director and a shareholder of King Power Suvarnabhumi Co., Ltd.

Principal Transactions	Total Amount (THB million)	
	2016	2017
1. Expenses and other payments		
- Rental and service expenses	1.6	1.4

Rationale for the Transactions

- The Company entered into contract with King Power International Co., Ltd. to lease part of the building area to set up telecommunication equipment and other services. The transaction is considered as normal business or supporting normal business with general term and condition comparable to what the Company could agree with any third party.

17. Transactions with entities within Benchachinda Holding Co., Ltd.

Mr. Boonchai Bencharongkul, Chairman of the Board of the Company, is a director and a shareholder of Benchachinda Holding Co., Ltd. with 40% shareholding.

Principal Transactions	Total Amount (THB million)	
	2016	2017
1. Expenses and other payments		
- Rental and service expenses	0.2	0.1

Rationale for the Transactions

- The Company entered into contract with Benchachinda Holding Co., Ltd. to lease part of the building area to set up telecommunication equipments and other services. The transaction is considered as normal business or supporting normal business with general term and condition comparable to what the Company could agree with any third party.

18. Transactions with entities within DHL Express international (Thailand) Ltd.

Mrs. Chananyarak Phetcharat, a director of the Company, is the Managing Director of DHL Express international (Thailand) Ltd.

Principal Transactions	Total Amount (THB million)	
	2016	2017
1. Expenses and other payments		
- Service expenses	0.3	0.1

Rationale for the Transactions

- The Company used the delivery services of DHL Express international (Thailand) Ltd. The transaction is considered as normal business or supporting normal business with general term and condition comparable to what the Company could agree with any third party.

19. Transactions with BB Connect Co., Ltd.

Mr. Boonchai Bencharongkul, Director of the Company, is a closed relative to Mr. Somchai Bencharongkul and Mr. Vichai Bencharongkul, who are directors of BB Connect Co., Ltd.

Principal Transactions	Total Amount (THB million)	
	2016	2017
1. Revenue and other payments		
- Service revenue	5.1	6.1
- Account receivable	1.0	1.2
2. Expenses and other payments		
- Service expenses	137.6	168.8
- Accounts payable	31.1	31.3

Rationale for the Transactions

- dtac TriNet Co., Ltd., which is a subsidiary of the Company, entered into contract with BB Connect Co., Ltd. to lease the International Internet Gateway services to BB Connect Co., Ltd. at a rate comparable with market rate.

- BB Connect Co., Ltd. is an International Private Leased Circuit service (IPLC) provider. dtac TriNet Co., Ltd., which is a subsidiary of the Company, entered into contract with BB Connect Co., Ltd. to lease the International Private Leased Circuit service (IPLC) to Singapore and Malaysia from BB Connect Co., Ltd. at a rate comparable with market rate. The service fee is calculated based on actual usage. The transaction is considered as normal business or supporting normal business with general term and condition comparable to what the Company could agree with any third party.

20. **Transactions with YA Sales and Services Co., Ltd.**

Benchachida Holding Co., Ltd. holds 99% interest in YA Sales and Services Co., Ltd. Mr. Boonchai Bencharongkul, Chairman of the Board of the Company, is a shareholder holding 40% of share in Benchachida Holding Co., Ltd.

Principal Transactions	Total Amount (THB million)	
	2016	2017
1. Expenses and other payments		
- Storage and Delivery Service expenses	-	48.3
- Accounts payable	-	15.5

Rationale for the Transactions

- The Company used the storage management and delivery services of YA Sales and Services Co., Ltd. The transaction is considered as normal business or supporting normal business with general term and condition comparable to what the Company could agree with any third party.

Other than the connected party transactions set out above, there was no material contract involving the interests of any of the Chief Executive Officer, Directors and controlling shareholders, still subsisting at the end of the financial year ending 31 December 2017.