

Ref FNA 60/036

30<sup>th</sup> October 2017

Subject: Amendment to Opinion of the Company on the Tender Offer of Symphony Communication Public Company Limited (Form 250-2) No.1

To: Secretary General of the Office of the Securities and Exchange Commission  
President of the Stock Exchange of Thailand  
Shareholders of Symphony Communication Public Company Limited

Enclosure: (1) Amendment to Opinion of the Company on the Tender Offer of Symphony Communication Public Company Limited (Form 250-2) No.1  
(2) Amendment to the Independent Financial Advisor's Opinion on the Tender Offer for the Securities of Symphony Communication Public Company Limited No.1

Pursuant to Symphony Communication Public Company Limited's (the "Company" or "Business") submission of the Opinion of the Company on the Tender Offer (Form 250-2), which includes the Opinion of the Independent Financial Advisor on the Tender Offer to the Office of the Securities and Exchange Commission, the Stock Exchange of Thailand, and the shareholders of the Company on 19 October 2017, and pursuant to the Company's receipt of a copy of the Tender Offer Document (Form 247-4) dated 27 September 2017, a copy of Amendment to the Tender Offer for the Securities of Symphony Communication Public Company Limited (Form 247-4) No.1, No.2, and No.3 dated 6 October 2017, 16 October 2017 and 25 October 2017 respectively, from TIME dotCom International Sdn Bhd (the "Offeror" or "TdCI"), a 100% owned subsidiary of TIME dotCom Berhad ("TIME"), and a copy of the Amendment to the Independent Financial Advisor's Opinion on the Tender Offer for the Securities of Symphony Communication Public Company Limited No.1 from Grant Thornton Services Co., Ltd., acting as the independent financial advisor to the shareholders.

In this regard, the Company hereby submits the Amendment to Opinion of the Company on the Tender Offer of Symphony Communication Public Company Limited (Form 250-2) No.1, and the Amendment to the Independent Financial Advisor's Opinion on the Tender Offer for the Securities of Symphony Communication Public Company Limited No.1 to the Officer of the Securities and Exchange Commission, the Stock Exchange of Thailand, and shareholders of the Company, details of which are shown in the Enclosure.

Please be informed accordingly.

Sincerely Yours,



(Mr. Teerarat Pantarasutra)

President

Symphony Communication Public Company Limited

30<sup>th</sup> October 2017

Subject: Amendment to Opinion of the Company on the Tender Offer of Symphony Communication Public Company Limited (Form 250-2) No.1

To: Secretary General of the Office of the Securities and Exchange Commission  
President of the Stock Exchange of Thailand  
Shareholders of Symphony Communication Public Company Limited

Reference: (1) Opinion of the Company on the Tender Offer of Symphony Communication Public Company Limited (Form 250-2) No.1 dated 19 October 2017  
(2) Independent Financial Advisor's Opinion on the Tender Offer for the Securities of Symphony Communication Public Company Limited No.1 dated 9 October 2017

Pursuant to Symphony Communication Public Company Limited's (the "Company" or "Business") submission of the Opinion of the Company on the Tender Offer (Form 250-2), which includes the Opinion of the Independent Financial Advisor on the Tender Offer to the Office of the Securities and Exchange Commission, the Stock Exchange of Thailand, and the shareholders of the Company on 19 October 2017, and pursuant to the Company' receipt of a copy of the Tender Offer Document (Form 247-4) dated 27 September 2017, a copy of Amendment to the Tender Offer for the Securities of Symphony Communication Public Company Limited (Form 247-4) No.1, No.2, and No.3 dated 6 October 2017, 16 October 2017 and 25 October 2017 respectively, from TIME dotCom International Sdn Bhd (the "Offeror" or "TdCI"), a 100% owned subsidiary of TIME dotCom Berhad ("TIME"), and a copy of the Amendment to the Independent Financial Advisor's Opinion on the Tender Offer for the Securities of Symphony Communication Public Company Limited No.1 from Grant Thornton Services Co., Ltd. acting as the independent financial advisor to the shareholders.

In this regard, the Company hereby submits the Amendment to Opinion of the Company on the Tender Offer of Symphony Communication Public Company Limited (Form 250-2) No.1, and the Amendment to the Independent Financial Advisor's Opinion on the Tender Offer for the Securities of Symphony Communication Public Company Limited No.1 to ensure consistency with the Tender Offer Document (Form 247-4), which has been amended. The additional information is underlined and the deleted information is struck out as follows:

*"This English language translation of the Opinion of the Company on the Tender Offer has been prepared solely for the convenience of the foreign shareholders of Symphony Communication Public Company Limited and should not be relied upon as the definitive and official document of the Opinion of the Company on the Tender Offeror. The Thai language version of the Opinion of the Company on the Tender Offer is the definitive and official document of the Company and shall prevail in all respects in the event of any inconsistency with this English language translation."*

## 1. Offer Period (page 2)

### Original statement

The Offeror will purchase the Business' shares over a total of 25 business days from 28th September 2017 to 6th November 2017 inclusive (the "**Offer Period**") which shall not be further extended (Final Period) subject to the following conditions:

- The Offeror may reduce the Offer Price or extend the Offer Period should there be any event that materially affects the financial status or assets of the Business during the Offer Period.
- The Offeror may amend the offer terms or extend the Offer Period with a purpose to compete with another offeror who may submit a tender offer for the same securities during the Offer Period.

In addition, the conditions for Revoking the Tender Offer are as follow:

- The total issued and paid-up ordinary shares of the Business tendered by the existing shareholders at the end of the Offer Period is less than 35.00 percent of the total issued and paid-up capital of the Business; or
- in case there is any event or action after the Offeror submits the Tender Offer to the Office of the Securities and Exchange Commission (the "**SEC**") but still within the Offer Period that causes or may cause significant damage to the Business' financial status or assets where such event or action does not result from the Offeror's action or it is not an action for which the Offeror shall be responsible; or
- any action conducted by the Business after the submission of the Tender Offer Form to the SEC but within the Offer Period which causes a significant decrease in the value of the Business' shares; or
- any action conducted by the Business which may affect the Tender Offer as defined in the Notification of the Capital Markets Supervisory Board No. TorChor. 14/2554 Re: Actions or Omission of Actions That May Affect the Result of Tender Offer.

### Amended statement

The Offeror will purchase the Business' shares over a total of 25 business days from 28th September 2017 to 6th November 2017 inclusive (the "**Offer Period**") which shall not be further extended (Final Period) subject to the following conditions:

- The Offeror may reduce the Offer Price or extend the Offer Period should there be any event that materially affects the financial status or assets of the Business during the Offer Period.

- The Offeror may amend the offer terms or extend the Offer Period with a purpose to compete with another offeror who may submit a tender offer for the same securities during the Offer Period.

In addition, the conditions for Revoking the Tender Offer are as follow:

- The total issued and paid-up ordinary shares of the Business tendered by the existing shareholders at the end of the Offer Period is less than 35.00 percent of the total issued and paid-up capital of the Business; or
- in case there is any event or action after the Offeror submits the Tender Offer to the Office of the Securities and Exchange Commission (the “SEC”) but still within the Offer Period that causes or may cause significant damage to the Business’ financial status or assets where such event or action does not result from the Offeror’s action or it is not an action for which the Offeror shall be responsible; or
- any action conducted by the Business after the submission of the Tender Offer Form to the SEC but within the Offer Period which causes a significant decrease in the value of the Business’ shares; or
- any action conducted by the Business which may affect the Tender Offer as defined in the Notification of the Capital Markets Supervisory Board No. TorChor. 14/2554 Re: Actions or Omission of Actions That May Affect the Result of Tender Offer.

## 2. Clause 1.3 Shareholding structure of the business (Part 1, Page 8 – 10)

### Original statement

#### Shareholding structure before the Tender Offer

According to the Business’ list of shareholders as of 31<sup>st</sup> August 2017, which has groups of persons who have the same family name or related persons, the top 10 shareholders of the Business are as follows:

Shareholders	Number of shares	Percentage in comparison with total issued and paid-up shares and total voting rights
1. Asawasuwat Group	53,176,759	16.34
Mr. Kranphol Asawasuwat	53,057,593	16.31
Ms. Kwandarin Asawasuwat	108,333	0.03
Mr. Paitoon Asawasuwat	10,833	0.00
2. Pantarasutra Group	50,695,925	15.58
Mr. Teerarat Pantarasutra	50,695,915	15.58
Ms. Toungporn Pantarasutra	10	0.00

Shareholders	Number of shares	Percentage in comparison with total issued and paid-up shares and total voting rights
3. Thanakijsumton Group	26,567,384	8.16
Mr. Pongthep Thanakijsumton	26,459,051	8.13
Ms. Srisamorn Threepetchsomkhun	108,333	0.03
4. Srisuphakhanin Group	26,283,551	8.08
Mr. Pathomkrit Srisuphakhanin	25,484,051	7.83
Ms. Sumatthakan Srisuphakhanin	799,500	0.25
5. Phatra Capital Public Company Limited	15,834,000	4.87
6. Mr. Niphol Suwannachet	15,540,351	4.78
7. Mr. Wanchai Somboonphon	13,850,634	4.26
8. Ms. Bussakorn Jaruwachirathanakul	8,929,916 <sup>/1</sup>	2.74 <sup>/1</sup>
9. Mr. Taweerach Prungpattanasakul	8,570,000	2.63
10. Mr. Manoch Youbunyong	8,195,945	2.52
11. Others	97,719,216	30.04
<b>Total</b>	<b>325,393,681</b>	<b>100.00</b>

Source: Thailand Securities Depository

Note: <sup>/1</sup> As of the date of the receipt of the Tender Offer Form (Form 247-4) from the Offeror (27 September 2017), the Offeror and the persons under Section 258 hold 5,694,389 shares, representing 1.75 percent of the total issued and paid-up ordinary shares of the Business, which are the shares acquired from Ms. Bussakorn Jaruwachirathanakul as detailed in 3.4.3

#### Anticipated shareholding structure following the Tender Offer

In the event that all of the securities of the Business that the Offeror intends to purchase are tendered, the expected shareholding structure of the Business after the PVTO will be as follows:

Shareholders	Number of shares	Percentage in comparison with total issued and paid-up shares and total voting rights
1. TIME dotCom International Sdn Bhd <sup>/1</sup>	126,090,050	38.75
2. Group A Shareholders <sup>/2</sup>	90,751,993	27.89
3. Other original shareholders	108,551,638	33.36
<b>Total</b>	<b>325,393,681</b>	<b>100.00</b>

Note: <sup>/1</sup> As of the date of the receipt of the Tender Offer Form (Form 247-4) from the Offeror (27 September 2017), the Offeror and the persons under Section 258 hold 5,694,389 shares, representing 1.75 percent of the total issued and paid-up ordinary shares of the Business, detailed in 3.4.3

<sup>/2</sup> Group A Shareholders include Mr. Teerarat Pantarasutra, Mr. Kranphol Asawasuwana, Mr. Wanchai Somboonphon and Mr. Pongthep Thanakijsumton. Displayed percentage under assumption that Group A Shareholders tendered all of their shares with pro-rata participation at 37.00 percent in the PVTO.

## Amended statement

### Shareholding structure before the Tender Offer

According to the Business' list of shareholders as of 31<sup>st</sup> August 2017, which has groups of persons who have the same family name or related persons, the top 10 shareholders of the Business are as follows:

Shareholders	Number of shares	Percentage in comparison with total issued and paid-up shares and total voting rights
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2. Pantarasutra Group	50,695,925	15.58
Mr. Teerarat Pantarasutra	50,695,915	15.58
Ms. Toungporn Pantarasutra	10	0.00
3. Thanakijsumton Group	26,567,384	8.16
Mr. Pongthep Thanakijsumton	26,459,051	8.13
Ms. Srisamorn Threepetchsomkhun	108,333	0.03
4. Srisuphakhanin Group	26,283,551	8.08
Mr. Pathomkrit Srisuphakhanin	25,484,051	7.83
Ms. Sumatthakan Srisuphakhanin	799,500	0.25
5. Phatra Capital Public Company Limited	15,834,000	4.87
6. Mr. Niphol Suwannachet	15,540,351	4.78
7. Mr. Wanchai Somboonphon	13,850,634	4.26
8. Ms. Bussakorn Jaruwachirathanakul	8,929,916 <sup>/1</sup>	2.74 <sup>/1</sup>
9. Mr. Taweerach Prungpattanasakul	8,570,000	2.63
10. Mr. Manoch Youbunyong	8,195,945	2.52
11. Others	97,719,216	30.04
<b>Total</b>	<b>325,393,681</b>	<b>100.00</b>

Source: Thailand Securities Depository

**Note:** <sup>/1</sup> As of the date of the receipt of the Tender Offer Form (Form 247-4) from the Offeror (27 September 2017), the Offeror and the persons under Section 258 hold 5,694,389 shares, representing 1.75 percent of the total issued and paid-up ordinary shares of the Business, which are the shares acquired from Ms. Bussakorn Jaruwachirathanakul as detailed in 3.4.3



### Anticipated shareholding structure following the Tender Offer

In the event that all of the securities of the Business that the Offeror intends to purchase are tendered, the expected shareholding structure of the Business after the PVTO will be as follows:

Shareholders	Number of shares	Percentage in comparison with total issued and paid-up shares and total voting rights
1. TIME dotCom International Sdn Bhd <sup>/1</sup>	126,090,050	38.75
2. Group A Shareholders <sup>/2</sup>	90,751,993	27.89
3. Other original shareholders	108,551,638	33.36
<b>Total</b>	<b>325,393,681</b>	<b>100.00</b>

Note: <sup>/1</sup> As of the date of the receipt of the Tender Offer Form (Form 247-4) from the Offeror (27 September 2017), the Offeror and the persons under Section 258 hold 5,694,389 shares, representing 1.75 percent of the total issued and paid-up ordinary shares of the Business, detailed in 3.4.3

<sup>/2</sup> Group A Shareholders include Mr. Teerarat Pantarasutra, Mr. Kranphol Asawasuwana, Mr. Wanchai Somboonphon and Mr. Pongthep Thanakijsumton. Displayed percentage under assumption that Group A Shareholders tendered all of their shares with pro-rata participation at 37.00 percent in the PVTO. The Group A Shareholders and TIME dotCom International Sdn Bhd have entered into a Shareholders' Agreement, as detailed in 3.4.4, under which each of the Group A Shareholders and TIME dotCom International Sdn Bhd expresses no intention to be a concert party of the other under the applicable laws, (i.e. Notification of the Capital Market Supervisory Board No. TorChor. 7/2552 Re: Acting in concert as a result of the nature of a relationship or behaviour and requirements under Sections 246 and 247), and agrees to exercise all of its respective voting rights and powers in relation to the Business in each of his/her own direction.

### **3. Clause 1.4 Members of the Board of Directors (Part 1, Page 10)**

#### Original statement

Members of the Board of Directors as at 31<sup>st</sup> August 2017 as follow

Name	Position
1. Mr. Woodtipong Moleechad	Chairman of the Board/ Independent Director/ Audit Committee
2. Mr. Prasitt Hemwarapornchai	Deputy Chairman of the Board/ Independent Director/ Audit Committee
3. Mr. Jitkasem Sangsingkeo	Independent Director/ Chairman of the Audit Committee
4. Mr. Kranphol Asawasuwana	Director / Chairman of Executive Committee
5. Mr. Teerarat Pantarasutra	Director / Executive Director / President
6. Mr. Pongthep Thanakijsumton	Director / Executive Director
7. Ms. Bussakorn Jaruwachirathanakul	Director
8. Mr. Supornchai Chotputtikul	Director / Executive Director
9. Mr. Wanchai Somboonphon	Director

After the PVTO, the Offeror plans to be represented at the board of director level in proportion to its shareholding in the Business. In accordance with good governance, the Offeror plans to replace one existing

non-independent director with a new independent, non-executive director, so as to increase the overall number of independent directors on the board of directors. A total of 3 non-independent directors and 1 independent director will be nominated for consideration and appointment by the board of directors and/or the shareholders.

#### Amended statement

Members of the Board of Directors as at 31<sup>st</sup> August 2017 as follow

Name	Position	Term
1. Mr. Woodtipong Moleechad	Chairman of the Board/ Independent Director/ Audit Committee	<u>26 April 2016 – 26 April 2019</u>
2. Mr. Prasitt Hemwarapornchai	Deputy Chairman of the Board/ Independent Director/ Audit Committee	<u>26 April 2016 – 26 April 2019</u>
3. Mr. Jitkasem Sangsingkeo	Independent Director/ Chairman of the Audit Committee	<u>24 April 2015 – 24 April 2018</u>
4. Mr. Kranphol Asawasuwana	Director / Chairman of Executive Committee	<u>26 April 2017 – 26 April 2020</u>
5. Mr. Teerarat Pantarasutra	Director / Executive Director / President <sup>/1</sup>	<u>24 April 2015 – 24 April 2018</u>
6. Mr. Pongthep Thanakijsumton	Director / Executive Director / <u>Executive Vice President-Marketing &amp; IMC</u>	<u>24 April 2015 – 24 April 2018</u>
7. Ms. Bussakorn Jaruwachirathanakul	Director / <u>Executive Vice President for Finance and Accounting</u> <sup>/2</sup>	<u>26 April 2017 – 26 April 2020</u>
8. Mr. Supornchai Chotputtikul	Director / Executive Director / <u>Executive Vice President for Engineering 1</u>	<u>26 April 2017 – 26 April 2020</u>
9. Mr. Wanchai Somboonphon	Director / <u>First Senior Vice President of Government Affairs, Procurement &amp; Network Asset Management Division</u>	<u>26 April 2016 – 26 April 2019</u>

Note: <sup>/1</sup> President is equivalent to the CEO as defined in the Shareholders' Agreement detailed in 3.4.4

<sup>/2</sup> Executive Vice President for Finance and Accounting is equivalent to the CFO as defined in the Shareholders' Agreement detailed in 3.4.4

After the PVTO, the Offeror plans to be represented at the board of director level in proportion to its shareholding in the Business. The Offeror intends to nominate 4 new directors to replace 4 existing directors. Of the 4 new directors, 3 are expected to be non-independent and 1 is expected to be independent. As a result of these proposed changes, the total number of directors on the board would remain unchanged. In addition, in accordance with good governance, the number of independent directors would increase from 3 to 4, out of a total of 9 directors on the Board. Such nomination by the Offeror will be made in compliance with the Business' Articles of Association and the relevant provisions prescribed under the Public Limited Companies Act B.E. 2535, the Securities and Exchange Act, B.E. 2535, and other relevant regulations. In accordance with good governance, the Offeror plans to replace one existing executive non-independent director with a new independent, non-executive director, so as to increase the overall number of independent



directors on the board of directors. The total number 3 non-independent directors and 1 independent director will be nominated for consideration and appointment by the board of directors and/or the shareholders.

#### 4. Clause 3.4.1 PVTO Letter (Part 3, Page 22)

##### Original statement

Date of letter	7 <sup>th</sup> March 2017
From	TIME dotCom Berhad
To	Symphony Communication Public Company Limited
Details of the letter	<p>The proposed investment by TIME, through TdCI into SYMC consists of two inter-conditional main steps:</p> <ul style="list-style-type: none"> <li>■ First, launching by TdCI, a 100% owned subsidiary of TIME, of a PVTO under the Thai securities law and regulations for shares of SYMC, representing up to 37.00 percent (but not less than 35.00 percent) of the total issued shares and paid-up and total voting rights in SYMC at a price of THB 12.20 per share. This would provide an equal opportunity to all of the shareholders of SYMC to tender to sell their shares in SYMC. The launching of the PVTO is subject to certain conditions being satisfied or waived by TIME.</li> <li>■ Second, SYMC will increase its capital by rights offering after the completion of the PVTO, at a price of up to THB 8.80 per share. The total value of newly issued shares will be approximately THB 1,000 million. In this regards, TdCI will subscribe newly issued shares at least proportionate to its shareholding in SYMC.</li> </ul>
Advisors to the letter	Kudun and Partners Limited

##### Amended statement

Date of letter	7 <sup>th</sup> March 2017
From	TIME dotCom Berhad
To	Symphony Communication Public Company Limited
Details of the letter	<p>The proposed investment by TIME, through TdCI into SYMC consists of two inter-conditional main steps:</p> <ul style="list-style-type: none"> <li>■ First, launching by TdCI, a 100% owned subsidiary of TIME, of a PVTO</li> </ul>

	<p>under the Thai securities law and regulations for shares of SYMC, representing up to 37.00 percent (but not less than 35.00 percent) of the total issued shares and paid-up and total voting rights in SYMC at a price of THB 12.20 per share. This would provide an equal opportunity to all of the shareholders of SYMC to tender to sell their shares in SYMC. The launching of the PVTO is subject to certain conditions being satisfied or waived by TIME.</p> <ul style="list-style-type: none"> <li>▪ Second, SYMC will increase its capital by rights offering after the completion of the PVTO, at a price of up to THB 8.80 per share. The total value of newly issued shares will be approximately THB 1,000 million. In this regards, TdCI will subscribe newly issued shares at least proportionate to its shareholding in SYMC.*</li> </ul>
<b>Advisors to the letter</b>	Kudun and Partners Limited

\*This refers to the resolution of the 2017 Annual General Meeting of Shareholders of the Business held on 26<sup>th</sup> April 2017 approving the issuance and offer for sale of not exceeding 113,514,548 newly-issued ordinary shares to the existing shareholders proportionate to their respective shareholdings i.e. a Rights Offering ("RO").

In the event that (i) TdCI owns 38.75 percent of total shares of the Business after the successful completion of the PVTO, (ii) the maximum of 113,514,548 shares are offered for sale in the RO, and (iii) all of the shareholders subscribe for the RO shares in proportion to their respective shareholdings and are allotted the amount of RO shares proportionate to their respective shareholdings, TdCI's shareholding percentage after the completion of the RO will remain the same at 38.75 percent of the total shares of the Business.

However, in the event that no other shareholders subscribe for the newly-issued ordinary shares under the RO and TdCI oversubscribes for all of the RO shares, TdCI will only be allotted an amount of additional shares that will not result in a breach in SYMC's foreign shareholding limit which cannot exceed 49.00 percent. Such amount of additional shares allocated to TdCI in the RO would be approximately 65,359,443 shares, assuming there are no other foreign shareholder(s) in the Business other than TdCI.

In addition, pursuant to the PVTO Letter, the Offeror has an obligation to launch the PVTO if, within 200 days from the date of the PVTO Letter, certain conditions are fulfilled, satisfied and/or waived by TIME in writing. On 22<sup>nd</sup> September 2017, TIME sent a letter to SYMC confirming that all such conditions had been fulfilled, satisfied and/or waived by TIME. The details and status of each condition are as follows:

1. Approval with the requisite vote by a meeting of the shareholders of SYMC of: (i) the PVTO; (ii) the capital increase of SYMC; and (iii) the offering of the RO Shares in accordance with the conditions specified in the PVTO Letter.  
This condition was satisfied at the SYMC AGM which took place on 26<sup>th</sup> April 2017.
2. Approval of TdCI's PVTO by the SEC.  
This condition was satisfied. The SEC issued a letter dated 11<sup>th</sup> September 2017 approving the PVTO.
3. Approval from the Office of the National Broadcasting and Telecommunications Commission for TIME/TdCI to acquire the PVTO shares and RO shares pursuant to the Notification of the National Telecommunications Commission re: Criteria and Procedures for Merger and Cross-holding in Telecommunications Business B.E. 2553 (2010).  
This condition was satisfied. The Office of the National Broadcasting and Telecommunications Commission issued a letter dated 8<sup>th</sup> May 2017 granting its approval.
4. TdCI enters into a shareholders' agreement with the other major shareholders of SYMC.  
This condition was satisfied when the shareholders' agreement was signed on 22<sup>nd</sup> September 2017.
5. Approval from Bank Negara Malaysia, the Malaysian central bank, for TIME and/or TdCI to make a material investment overseas in a currency other than Ringgit Malaysia, provided that such approval is not subject to any condition imposed by Bank Negara Malaysia that materially impacts the financial ability of TIME and/or TdCI to make such an investment overseas ("BNM Approval").  
This condition was waived by TIME. When TIME issued the PVTO Letter on 7<sup>th</sup> March 2017 containing this condition, its original intention was to finance the PVTO from its existing Malaysian Ringgit cash holdings. Such investment using Malaysian Ringgit would have required BNM approval. However, TIME has since decided to finance the PVTO through taking out a USD bank loan from Maybank Islamic Berhad. As BNM approval is not required when using a foreign currency to finance an investment overseas, TIME waived this condition.
6. During the period between the date of the PVTO Letter and the date on which the Tender Offer Form (Form 247-4) submitted to the SEC becomes effective:
  - (a) SYMC shall be run in a prudent manner, where actions, arrangements, and decisions made shall always be in the best interest of SYMC as a whole, and SYMC may continue to take such actions and make such arrangements provided that the same can be considered as those usually being undertaken in the ordinary course of business;

(b) SYMC (i) will not declare or pay dividends (whether in cash or in kind), (ii) will not effect a stock split or other similar reorganization of its capital base (other than the rights issue as referred to in item (1) above), and (iii) except as undertaken in the ordinary course of business, will not enter into any new material agreements with third parties, nor change the terms of any existing material agreements, irrespective of whether such agreements, or changes thereto, would create any liabilities for SYMC.

This condition was deemed satisfied by SYMC's conduct in compliance with such condition.

7. For a period of 3 months commencing from the date of the PVTO Letter, SYMC shall not solicit, either directly or indirectly, any third parties to acquire or subscribe for shares in SYMC.

This condition was deemed satisfied by SYMC's conduct in compliance with such condition.

8. Disclosure of the Black Box Information, which consists of commercially sensitive information, to TIME immediately after all conditions set out in 1. to 7. above are satisfied or waived in writing by TIME (the "Black Box Information").

This condition was waived by TIME to address SYMC's concerns that TIME may have access to SYMC's sensitive information prior to the successful completion of the PVTO.

5. Clause 3.4.2 Letter of Undertaking (Part 3, Page 23)

Original statement

Date of letter	8 <sup>th</sup> March 2017
From	Mr. Teerarat Pantarasutra; Mr. Kranphol Asawasuwat; Mr. Wanchai Somboonphon; and Mr. Pongthep Thanakijsumton (collectively refer to as the "Grantor")
To	TIME dotCom Berhad
Details of the letter	The Grantor will not sell, transfer, or dispose any of their shares in SYMC, except for the sale of their respective shares in the PVTO. Such undertaking will expire upon the success or the cancellation of the PVTO and the subsequent rights offering.
Advisors to the letter	Weerawong, Chinnavat & Partners Ltd.

Amended statement

Date of letter	8 <sup>th</sup> March 2017
From	Mr. Teerarat Pantarasutra; Mr. Kranphol Asawasuwana; Mr. Wanchai Somboonphon; and Mr. Pongthep Thanakijstorn (collectively refer to as the “Grantor”)
To	TIME dotCom Berhad
Details of the letter	The Grantor will not sell, transfer, or dispose any of their shares in SYMC, except for the sale of their respective shares in the PVTO. Such undertaking will expire upon the success or the cancellation of the PVTO and the subsequent rights offering.
Advisors to the letter	Weerawong, Chinnavat & Partners Ltd.

The objective of this Letter of Undertaking is to prohibit the Grantors from disposing of their shares in SYMC to any third party during the period in which TIME is undertaking the PVTO and the subsequent rights offering. This is to eliminate the risk of an unknown third party acquiring a material shareholding in the Business whilst the PVTO and the subsequent rights offering are ongoing. However, this Letter of Undertaking does not in any way require nor impose any obligation on the Grantors to sell their shares in SYMC to TIME.

6. Clause 3.4.4 Shareholders’ Agreement (the “SHA”) (Part 3, Page 24)
Original statement

Date of the agreement	22 <sup>nd</sup> September 2017
Group A Shareholders	Mr. Teerarat Pantarasutra; Mr. Kranphol Asawasuwana; Mr. Wanchai Somboonphon; and Mr. Pongthep Thanakijstorn
Group B Shareholder	TIME dotCom International Sdn Bhd

<b>Parties</b>	Group A Shareholders and Group B Shareholder
<b>Conditions and effective term of the agreement and the responsibilities of the contractual parties</b>	<p>The Group A Shareholders and the Group B Shareholder desire to enter into this SHA to reflect their mutual agreement and to regulate the relationship among them as future shareholders of the Business.</p> <p><b>Effectiveness of the SHA</b></p> <p>The SHA shall become effective on the successful closing of the PVTO.</p> <p><b>Key Conditions</b></p> <ul style="list-style-type: none"> <li>▪ Each of the Group A Shareholders and the Group B Shareholder is entitled to nominate and to remove such number of director(s) pro rata to the shareholding of such group of shareholder in the Business.</li> <li>▪ Group A Shareholders and Group B Shareholder also agree on their right to nominate the member of executive committee and certain management positions, including CEO and CFO, subject to the approval of SYMC's board of directors.</li> </ul> <p><b>No Intention of Acting in Concert</b></p> <p>Each of the Group A Shareholders and the Group B Shareholder expresses no intention to be a concert party of the other under applicable laws and agrees to exercise all of its respective voting rights and powers in relation to the Business in its own direction.</p>
<b>Advisors to the agreement</b>	<p>Kudun and Partners Limited</p> <p>Weerawong, Chinnavat &amp; Partners Ltd.</p>

#### Amended statement

<b>Date of the agreement</b>	22 <sup>nd</sup> September 2017
<b>Group A Shareholders</b>	<p>Mr. Teerarat Pantarasutra;</p> <p>Mr. Kranphol Asawasuwat;</p> <p>Mr. Wanchai Somboonphon; and</p> <p>Mr. Pongthep Thanakijisuntorn</p>
<b>Group B Shareholder</b>	TIME dotCom International Sdn Bhd
<b>Parties</b>	Group A Shareholders and Group B Shareholder
<b>Conditions and effective term of the agreement and the responsibilities of the contractual parties</b>	<p>The Group A Shareholders and the Group B Shareholder desire to enter into this SHA to reflect their mutual agreement and to regulate the relationship among them as future shareholders of the Business.</p> <p><b>Effectiveness of the SHA</b></p> <p>The SHA shall become effective on the successful closing of the PVTO.</p>



	<p><b>Key Conditions</b></p> <ul style="list-style-type: none"> <li>■ Each of the Group A Shareholders and the Group B Shareholder is entitled to nominate and to remove such number of director(s) pro rata to the shareholding of such group of shareholder in the Business. <u>After the successful completion of the PVT0, the Group B Shareholder is entitled to nominate 3 non-independent directors and 1 independent director for consideration and appointment by SYMC's board of directors.</u></li> <li>■ Group A Shareholders and Group B Shareholder also agree on their right to nominate the member of executive committee and certain management positions, <del>including CEO and CFO,</del> subject to the approval of SYMC's board of directors.</li> <li>■ <u>For the appointment of the CEO, the board of directors shall procure that a formal search process via a reputable, professional head hunting firm is initiated for a competent individual to fill the position. The Group B Shareholder shall be entitled to nominate the candidate for the CFO position.</u></li> </ul> <p><b>No Intention of Acting in Concert</b></p> <ul style="list-style-type: none"> <li>■ Each of the Group A Shareholders and the Group B Shareholder expresses no intention to be a concert party of the other under applicable laws <u>(i.e. Notification of the Capital Market Supervisory Board No. TorChor. 7/2552 Re: Acting in concert as a result of the nature of a relationship or behaviour and requirements under Sections 246 and 247)</u> and agrees to exercise all of its respective voting rights and powers in relation to the Business in its own direction.</li> </ul>
<b>Advisors to the agreement</b>	Kudun and Partners Limited Weerawong, Chinnavat & Partners Ltd.

## 7. Clause 4 Opinion of the Board of Directors of the Business to the securities holder (Part 4, Page 25-26)

### Original statement

The Board of Director's Meeting No.7/2017 was held on October 5, 2017, to consider the Tender Offer Document from TdCI (Form 247-4), and to acknowledge Grant Thornton Services Company Limited's opinion as an Independent Financial Advisor to the shareholders. There were 9 directors attending the meeting out of the Company's total of 9 directors as follows:

No.	Name	Position	Attendance	Vote
1.	Mr. Woodtipong Moleechad	Chairman of the Board/ Independent Director/ Audit Committee	/	/
2.	Mr. Prasitt Hemwarapornchai	Deputy Chairman of the Board/ Independent Director/ Audit Committee	/	/
3.	Mr. Jitkasem Sangsingkeo	Independent Director/ Chairman of the Audit Committee	/	/
4.	Mr. Kranphol Asawasuwana	Chairman of Executive Committee/ Director/ Executive Director	/	-
5.	Mr. Teerarat Pantarasutra	President/ Director/ Executive Director	/	-
6.	Mr. Pongthep Thanakijsumton	Director/ Executive Director	/	-
7.	Ms. Bussakorn Jaruwachirathanakul	Director/ Executive Director	/	-
8.	Mr. Supornchai Chotputtikul	Director/ Executive Director	/	/
9.	Mr. Wanchai Somboonphon	Director/ Executive Director	/	-

To ensure transparency and independence in the Company's opinion regarding the Tender Offer, the five interested directors who attended the Board of Directors' Meeting No. 7/2017, namely Mr. Kranphol Asawasuwana, Mr. Teerarat Pantarasutra, Mr. Pongthep Thanakijsumton, Ms. Bussakorn Jaruwachirathanakul, and Mr. Wanchai Somboonphon, abstained from voting on this agenda.

The Board of Directors (excluding the interested directors) unanimously resolved to propose the acceptance of the tender offer to the shareholders, as follows:

### Amended statement

The Board of Director's Meeting No.7/2017 was held on October 5, 2017, to consider the Tender Offer Document from TdCI (Form 247-4), and to acknowledge Grant Thornton Services Company Limited's opinion as an Independent Financial Advisor to the shareholders. There were 9 directors attending the meeting out of the Company's total of 9 directors as follows:

No.	Name	Position	Attendance	Vote
1.	Mr. Woodtipong Moleechad	Chairman of the Board/ Independent Director/ Audit Committee	/	/
2.	Mr. Prasitt Hemwarapornchai	Deputy Chairman of the Board/ Independent Director/ Audit Committee	/	/
3.	Mr. Jitkasem Sangsingkeo	Independent Director/ Chairman of the Audit Committee	/	/
4.	Mr. Kranphol Asawasuwana	Chairman of Executive Committee/ Director/ Executive Director	/	-
5.	Mr. Teerarat Pantarasutra	President/ Director/ Executive Director	/	-
6.	Mr. Pongthep Thanakijsumton	Director/ Executive Director	/	-
7.	Ms. Bussakorn Jaruwachirathanakul	Director/ Executive Director	/	-
8.	Mr. Supornchai Chotputtikul	Director/ Executive Director	/	/
9.	Mr. Wanchai Somboonphon	Director/ Executive Director	/	-

To ensure transparency and independence in the Company's opinion regarding the Tender Offer, the five interested directors who attended the Board of Directors' Meeting No. 7/2017, namely Mr. Kranphol Asawasuwana, Mr. Teerarat Pantarasutra, Mr. Pongthep Thanakijsumton, Ms. Bussakorn Jaruwachirathanakul, and Mr. Wanchai Somboonphon, abstained from voting on this agenda. The reasons for such classifying these five individuals as interested directors are that (i) Ms. Bussakorn Jaruwachirathanakul has entered into a Share Sale and Purchase Agreement with TIME dotCom International Sdn Bhd, who is the Offeror, as detailed in 3.4.3, and (ii) Mr. Kranphol Asawasuwana, Mr. Teerarat Pantarasutra, Mr. Pongthep Thanakijsumton, and Mr. Wanchai Somboonphon have entered into the SHA with TIME dotCom International Sdn Bhd, who is the Offeror, as detailed in 3.4.4.

The Board of Directors (excluding the interested directors) unanimously resolved to propose the acceptance of the tender offer to the shareholders, as follows:

8. Clause 4.1 Reasons for acceptance and/or refusal of the Tender Offer

Original statement

After consideration of the Tender Offer Document (Form 247-4) dated 27 September 2017 and the Opinion of the Independent Financial Advisor to the shareholders by Grant Thornton Services Company Limited (the “Independent Financial Advisor” or “IFA”), the Board of Directors unanimously opined similarly to the IFA that the information in the Tender Offer Document (Form 247-4) is materially accurate and that the shareholders of the Company should consider accepting the Tender Offer. This is because the Offer Price of the Company, at THB 12.20 per share, is higher than the range of the fair price of the Company as appraised by the IFA using the Discounted Cash Flow Approach at THB 8.83 - THB 11.94 per share, which is THB 0.26 – THB 3.37 or 2.13 percent – 27.62 percent lower than the Offer Price. The median appraised price at THB 10.24 per share is THB 1.96 or 16.07 percent lower than the Offer Price.

However, the shareholders may consider retaining their investment in the Business in the long-term if they can bear the risks which may arise from volatility in the operating results, which are subject to both internal and external factors, many of which are beyond the Company’s control, and if the shareholders have confidence in SYMC’s capability to perform its future business operations under the joint management between SYMC’s current management team and the Offeror, which is a wholly owned subsidiary of TIME, a large telecommunication provider in Malaysia with solid experience and expertise in the sector. The operation under the joint policy and strategy may improve SYMC’s future competitive advantage, contributing to a long-term investment return to shareholders. Nevertheless, the involvement of the Offeror as the new major shareholder of SYMC is contingent to the success of this partial voluntary tender offer and the participation of the existing shareholders representing not less than 35 percent of total paid-up capital (or 113,887,789 shares).

The above opinion of the Board of Directors is intended simply as one component to be considered by the shareholders. In deciding whether to accept or reject the Tender Offer, each shareholder should take into account the details of this opinion, in conjunction with the attached report of the IFA, and the information from the relevant sources, including the estimated time for investing in the securities, investment objectives, ability to bear risk, volatility of the Company’s operating results which are dependent on various internal and external factors, and the Company’s stock price. The final decision shall be solely according to the discretion of each shareholder.

Amended statement

After consideration of the Tender Offer Document (Form 247-4) dated 27 September 2017 and the Opinion of the Independent Financial Advisor to the shareholders by Grant Thornton Services Company Limited (the “Independent Financial Advisor” or “IFA”), the Board of Directors unanimously opined similarly to the IFA that the information in the Tender Offer Document (Form 247-4) is materially accurate and that the shareholders of the Company should consider accepting the Tender Offer. This is because the Offer Price of the Company, at THB 12.20 per share, is higher than the range of the fair price of the Company as appraised by the IFA using the Discounted Cash Flow Approach at THB ~~8.83~~ 8.03 - THB ~~11.94~~ 10.93 per share, which is THB ~~0.26~~ 1.27 – THB ~~3.37~~ 4.17 or ~~2.13~~ 10.41 percent – ~~27.62~~ 34.18 percent lower than the Offer Price. The median appraised price at THB ~~10.24~~ 9.34 per share is THB ~~1.96~~ 2.86 or ~~16.07~~ 23.44 percent lower than the Offer Price.

However, the shareholders may consider retaining their investment in the Business in the long-term if they can bear the risks which may arise from volatility in the operating results, which are subject to both internal and external factors, many of which are beyond the Company’s control, and if the shareholders have confidence in SYMC’s capability to perform its future business operations under the joint management between SYMC’s current management team and the Offeror, which is a wholly owned subsidiary of TIME, a large telecommunication provider in Malaysia with solid experience and expertise in the sector. The operation under the joint policy and strategy may improve SYMC’s future competitive advantage, contributing to a long-term investment return to shareholders. Nevertheless, the involvement of the Offeror as the new major shareholder of SYMC is contingent to the success of this partial voluntary tender offer and the participation of the existing shareholders representing not less than 35 percent of total paid-up capital (or 113,887,789 shares).

The above opinion of the Board of Directors is intended simply as one component to be considered by the shareholders. In deciding whether to accept or reject the Tender Offer, each shareholder should take into account the details of this opinion, in conjunction with the attached report of the IFA, and the information from the relevant sources, including the estimated time for investing in the securities, investment objectives, ability to bear risk, volatility of the Company’s operating results which are dependent on various internal and external factors, and the Company’s stock price. The final decision shall be solely according to the discretion of each shareholder.

9. Clause 4.3 Benefits or effect of the business plan and policy specified in the Tender Offer, and the visibility of the plan and policy (Part 4, Page 27 – 34)

Original statement

**Status of the Business**

Within the period of 12 months after the completion of the Tender Offer, there is no intention to delist the securities of the Business from the Stock Exchange of Thailand.

***Opinion of the Board of Directors of SYMC***

Since SYMC will continue to be a listed entity on the SET, the Company and the shareholders will not be affected by the change in the listing status or delisting of Company's shares during such period.

**Policies and plans of business operations**

**(1) Business Objectives**

Upon the successful completion of the PVTO, the Offeror does not intend to make any material changes to the core business of SYMC within the period of 12 months following the completion of the Tender Offer and intends to focus on expanding and operating the business in an efficient and effective manner.

***Opinion of the Board of Directors of SYMC***

The Offeror has no intention to materially change the Company's business objectives within the period of 12 months from the ending date of the PVTO; therefore, this will have no impact on the continuous operations of the Company, and it can be run in the ordinary course of business.

**(2) Plan of Investment**

The initial investment plan over the next 1-2 years, apart from a business-as-usual investment plan, e.g. network enhancement, is summarised as below:

Plan to additionally invest in the existing business	<ul style="list-style-type: none"> <li>Development of international networks <ul style="list-style-type: none"> <li>To build and develop international networks, as well as to increase the connecting points between the Thai borders with Malaysia, Myanmar, Cambodia, and Laos for the target groups, that is, the wholesale customer group and the enterprise customer group</li> <li>To embrace the opportunity to connect its networks to the networks of TIME, CMC Telecom, and other networks invested in by TIME and enhance its competitiveness with the same service standards and contracts.</li> </ul> </li> </ul>	Additional investment of approximately THB 600 – 700 million
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Plan to invest in other related business	<ul style="list-style-type: none"> <li>To study and consider in detail the feasibility for using the proceeds in other investment, including without limitation, entering into the data centre market. <ul style="list-style-type: none"> <li>To establish a data centre with the net neutrality and effective connectivity.</li> <li>To conduct a study and connect to AIMS, TIME's data centre, for development of the full services to the region</li> </ul> </li> </ul>	Additional investment of approximately THB 100 – 200 million
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The initial investment plan will require the investment fund of approximately THB 700 - 900 million, to be raised as part of the rights offerings which will be launched subsequent to the successful completion of the PVTO pursuant to the approval on the capital increase and right offerings in the Annual General Meeting of Shareholders of the Business.

However, the successful execution of the abovementioned initial investment plan is subject to detailed feasibility study of each investment as well as further relevant approval from the board of directors. In addition, the implementation and benefits of each investment plan is subject to uncertainties and changes in the external factors which is beyond the Offeror's and the Business's control such as the insufficient proceeds from the Rights Offering subscriptions to fund all the intended investment plans above and/or any adverse changes in the market conditions which may require the Business to revisit the investment plan outlined above.

#### *Opinion of the Board of Directors of SYMC*

The Company will benefit from the execution of the aforementioned investment plan which is in line with the existing strategic boundaries and business plan currently studied and continuously considered on the feasibility of such investment plan by the Company. In addition, the cooperation and partnership between the Company and the Offeror, who has solid experience and expertise in the telecommunications industry at a regional level, will help stimulate SYMC's future opportunities to swiftly strengthen its competitive advantage, which will be beneficial to the Company's business performance, based on the aforementioned investment plan. Furthermore, the Company will benefit from the opportunity to collaborate with the Offeror to study and consider expanding service boundaries into new related businesses, which may include businesses in which the Offeror has had previous exposure and experience in operating. The new partnership will open up new business opportunities, and will help it increase its capability of potentially performing additional business operations, enabling SYMC to achieve continuous business growth.

As such, the initial investment plan will need a new capital of at least THB 700 – 900 million for making the investment over the next 1 – 2 years. Source of those required capital will be from the capital received from the Rights Offering plan of the Company after the successful completion of the Tender

Offer, which has already been approved by the Annual General Meeting of the Shareholder for the year of 2017.

However, the benefits from such investment plan are not certain, subject to internal and external factors that are potentially beyond Company's control. In addition, such benefits may not arise instantaneously, whereby, during the investment period, the Company's performance may be affected. Moreover, it may be contingent upon the success of the PVTO, which determines the involvement of the Offeror as a shareholder of the Company, as well as the successful completion of the Rights Offering plan of the Company and also the amount of money successfully raised accordingly.

### **(3) Plan of changing corporate structure, management, and recruitment**

After the successful completion of the PVTO, the Offeror will nominate its representatives to take part in the management of the Business by means of holding director positions on the board of directors and taking on an executive role in the Business. At the board level, the Offeror intends to nominate 4 new directors to replace 4 existing directors. Of the 4 new directors, 3 are expected to be non-independent and 1 is expected to be independent. As a result of these proposed changes, the total number of directors on the board would remain unchanged. Hence, in accordance with good governance, the number of independent directors would increase from 3 to 4, out of a Board of 9 directors. Such nomination by the Offeror will be done in compliance with the Business' Articles of Association and the relevant provisions prescribed under the Public Limited Companies Act, the Securities and Exchange Act, B.E. 2535, and other relevant regulations.

Apart from the above, within the period of 12 months after the completion of the Tender Offer, the Offeror has no plan to change the number of directors or the directors of the Business or to appoint additional directors of the Business, except in the case that the board of directors of the Business and/or the shareholders' meeting of the Business resolve to change the directors or to appoint new directors in accordance with the nomination procedures of the Business and in compliance with relevant laws and regulations.

Further, as per the SHA detailed in Part 2 Clause 4.1.4, the board of directors shall procure that a formal search process via a reputable professional head hunting firm is initiated for a competent individual to take the position of the Business' CEO. The Offeror shall be entitled to nominate the CFO of the Business.

### ***Opinion of the Board of Directors of SYMC***

The Company will not be significantly affected by the organizational restructuring proposed by the Tender Offeror, and can still operate its business as usual without interruption. The nomination of representatives by the Tender Offeror to the Company's Board of the Directors and as executives will be

made via a careful consideration of those representatives' qualifications, skills, and experience to be in accordance with the Company's business operation, as well as in proportion to the Tender Offeror's shareholding percentage in the Business. Such nomination by the Offeror will also be done in compliance with the Business' Articles of Association and the relevant provisions prescribed under the Public Limited Companies Act, the Securities and Exchange Act, B.E. 2535, and other relevant regulations. Furthermore, the Company will benefit from the representatives of the Tender Offeror, who possess experience, knowledge and expertise in the telecommunications network service business on a regional level.

In addition, an increase in the number of the independent directors of the Company according to the proposed organizational restructuring plan will enhance transparency and better corporate governance, which will benefit the shareholders of the Company in the future.

However, the majority of the existing directors and management team of the Company will still remain with the Company to help operate and manage the Business, as well as to ensure the business continuity of the Company going forward.

#### **(4) Plan of disposal major assets of the Business or its subsidiaries**

Within the period of 12 months after completion of the Tender Offer, the Offeror does not intend to make any disposal of major assets of the Business or its subsidiaries, except where it is disposed in the normal course of business with applicable relevant approval as per the Business' policy.

#### ***Opinion of the Board of Directors of SYMC***

As the Offeror does not intend to make any disposal of major assets of the Business or its subsidiaries, except in the normal course of business within the period of 12 months after the completion of the Tender Offer, the Business will not be affected by such plan, and will be able to continuously operated in an ordinary course of business.

#### **(5) Plan of changing financial structure**

Within the period of 12 months after completion of the Tender Offer, the Offeror does not intend to make any changes to the financial structure of the Business, except which arises as a result of the proposed rights offering exercise.

Pursuant to the conditions of entering into the PVTO under the PVTO Letter, the Annual General Meeting of Shareholders held on 26th April 2017 of the Business, by a majority vote of 99.91 percent of the shareholders attending the meeting and eligible to vote, resolved to approve the capital increase and the offer for sale of the newly-issued ordinary shares to the existing shareholders proportionate to their respective shareholdings after the completion of the PVTO, in accordance with the following conditions:

- i. the offering price of the newly-issued ordinary shares offered for sale shall not be higher than THB 8.80 per share;
- ii. the capital increase by means of the issuance of the newly-issued ordinary shares shall be approximately THB 1,000,000,000; and
- iii. the subscription for the newly-issued ordinary shares offered for sale shall be subject to the condition that the PVTO must be completed, and that the Offeror has become a shareholder of the Company with the shareholding percentage as per its notified intention so that the Offeror is entitled to subscribe for the newly-issued ordinary shares.

*Opinion of the Board of Directors of SYMC*

After the completion of the PVTO, the Company will launch the capital increase and the offer for sale of the newly-issued ordinary shares to the existing shareholders proportionate to their respective shareholdings. The Company will benefit from using the proceeds derived from the capital increase for making investments in accordance with its business plan, which will help enhance the Company's capacity for growth and strengthen the Company's financial position. The proceeds from the capital increase will be used for making new investments, which will increase the Company's capability to accommodate a more comprehensive coverage of services, without being subject to additional financial obligations for repayment of principal and payment of interest. As a result, this will strengthen the Company's ability to compete with other operators in the industry, leading to a future increase in income of the Company, as well as allowing the shareholders of the Company to yield better returns in the long run.

The Company plans to use the proceeds from the capital increase for making additional investments in relation to its existing businesses; for example, to expand the domestic network coverage to cover a wider range of major provinces and cities, and to increase points of interconnection for international networks in order to expand the customer base and accommodate the increasing demand for both domestic and international services. In addition, the Company plans to conduct a detailed study to explore the possibilities of utilizing part of the proceeds from the capital increase for the expansion of other businesses related to the existing businesses in the future. Accordingly, the Company expects to invest approximately THB 700 million – 800 million, in aggregate, over the first two years after obtaining the proceeds from the capital increase, as specified in the proposed investment plan of the Offeror.

Any proceeds remaining after the aforementioned investments have been made will be used as working capital in order to increase liquidity in the business operations and/or to reduce interest payment obligations as well as adjust the capital structure of the Company as appropriate. The remaining proceeds will be depending on the actual proceeds received from the capital increase.

In addition, by means of the issuance and offering for sale of the newly-issued shares to the existing shareholders in proportion to their shareholding, the existing shareholders are given an opportunity to participate in the capital increase. However, the benefits from such capital increase plan may still be uncertain, as they are subject to both internal and external factors which may be out of the Company's control. They are also subject to the successful completion of the PVTO and the Tender Offeror becoming a new major shareholder of the Company.

#### **(6) Dividend Policy**

The current dividend policy of the Business is to pay-out not less than 40% of its net profit after deducting of all reserves as per the Company's Articles of Association and governing law. The Offeror has no intention to change the existing dividend policy within the period of 12 months after the completion of the Tender Offer.

#### ***Opinion of the Board of Directors of SYMC***

The Company will not be affected by the Offeror's business plan regarding dividend policy as the Offeror has no plan to change Company's dividend policy during the period of 12 months starting from the end date of the Tender Offer period.

Currently, the Company has a dividend policy to distribute not less than 40 percent of the net profits after tax and statutory reserve as required by law. Such dividend policy is subject to change depending on the operating results, expansion plan, liquidity, funding needs, and other future appropriate causes. The consideration for the annual dividend payment is subject to approval from the annual general meeting of shareholders. However, the Board of Directors has the authority to approve an interim dividend payment, which they will report to the shareholders in the next annual general meeting.

#### **Related Party Transactions**

At present, the Business has put in place policies and procedures regarding related party transactions to comply with the rules and/or regulations of the SET and the SEC regarding related party transactions in order to prevent any conflicts of interest between the Business, its subsidiaries, associate companies and/or any persons who may potentially have a conflict of interest.

Prior to the PVTO, a subsidiary and associated company of the Offeror, as well as a subsidiary of TIME, had entered into transactions with the Business which were in the ordinary course of business and contained general commercial terms. The details of the transactions are summarised below:

Company	Relationship	Description
KIRZ Co. Ltd. ("KIRZ")	An associate company of the Offeror	SYMC provides 2 main services to KIRZ, including (i) Internet access and (ii) Private network services, in exchange for service income. The majority of such income was from providing internet access service.  Such transactions were under normal business operations/ transactions at market price.
Global Transit Communications Sdn Bhd ("Global Transit")	A subsidiary of TIME	SYMC has rented international network from Global Transit to provide IPLC services to its clients who would like to have a network connection from Thailand to Malaysia.  Such transactions were under normal business operations/ transactions at market price.

Source: TIME dotCom Berhad

Within the period of 12 months following the completion of the Tender Offer, there may be related party transactions as in a normal business nature in accordance with the post-acquisition business plan. However, the Offeror does not plan to make any material changes to the type and size of the existing related party transactions as specified in the policies on the related party transactions.

However, the Offeror will carefully consider and ensure that terms and conditions of any related party transactions in the future are similar to those of normal business transactions on an arm's length basis. There will not be any special or preferential terms among the Business, its related companies, associate companies and shareholders. Moreover, the audit committee will consider and provide opinions on the necessity for entering into such transactions before proposing to the Board of Directors or shareholders' meeting (as the case may be) for further approval.

#### *Opinion of the Board of Directors of SYMC*

Within the period of 12 months following the completion of the Tender Offer, the Company will maintain the related party transactions between the aforementioned Offeror's associate company and subsidiary of TIME. The Offeror has no plan to materially change the type and size of such transactions. Furthermore, the Company has put in place policies and procedures regarding related party transactions to comply with the rules and regulations of the SET and the SEC to ensure that the existence of such related party transaction is essential and reasonable, and that it is in the best interest of the Company's business. Doing so will mitigate the possibility of any conflicts of interest which may arise between the Company, its subsidiaries, associate companies, and/or any persons who may potentially have a conflict of interest.



## Amended statement

### **Status of the Business**

Within the period of 12 months after the completion of the Tender Offer, there is no intention to delist the securities of the Business from the Stock Exchange of Thailand.

#### ***Opinion of the Board of Directors of SYMC***

Since SYMC will continue to be a listed entity on the SET, the Company and the shareholders will not be affected by the change in the listing status or delisting of Company's shares during such period.

### **Policies and plans of business operations**

#### **(1) Business Objectives**

Upon the successful completion of the PVTO, the Offeror does not intend to make any material changes to the core business of SYMC within the period of 12 months following the completion of the Tender Offer and intends to focus on expanding and operating the business in an efficient and effective manner.

#### ***Opinion of the Board of Directors of SYMC***

The Offeror has no intention to materially change the Company's business objectives within the period of 12 months from the ending date of the PVTO; therefore, this will have no impact on the continuous operations of the Company, and it can be run in the ordinary course of business.

#### **(2) Plan of Investment**

The initial investment plan over the next 1-2 years, apart from a business-as-usual investment plan, e.g. network enhancement, is summarised as below:

Plan to additionally invest in the existing business	<ul style="list-style-type: none"> <li>Development of international networks <ul style="list-style-type: none"> <li>To build and develop international networks, as well as to increase the connecting points between the Thai borders with Malaysia, Myanmar, Cambodia, and Laos for the target groups, that is, the wholesale customer group and the enterprise customer group (<u>investment in the construction of the aforementioned network could take up to 18 months to complete depending on various factors, such as obtaining approvals from the relevant regulators and government authorities, procurement of network equipment and hiring suitable contractors by the Business etc.</u>).</li> <li>To embrace the opportunity to connect its networks to the</li> </ul> </li> </ul>	Additional investment of approximately THB 600 – 700 million
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	networks of TIME, CMC Telecom, and other networks invested in by TIME and enhance its competitiveness with the same service standards and contracts.	
Plan to invest in other related business	<ul style="list-style-type: none"> <li>To study and consider in detail the feasibility for using the proceeds in other investment, including without limitation, entering into the data centre market. <ul style="list-style-type: none"> <li>To establish a data centre with the net neutrality and effective connectivity.</li> <li>To conduct a study and connect to AIMS, TIME's data centre, for development of the full services to the region</li> </ul> </li> </ul>	Additional investment of approximately THB 100 – 200 million

The initial investment plan will require the investment fund of approximately THB 700 - 900 million, to be raised as part of the rights offerings which will be launched subsequent to the successful completion of the PVTO pursuant to the approval on the capital increase and right offerings in the Annual General Meeting of Shareholders of the Business.

However, the successful execution of the abovementioned initial investment plan is subject to detailed feasibility study of each investment as well as further relevant approval from the board of directors. In addition, the implementation and benefits of each investment plan is subject to uncertainties and changes in the external factors which is beyond the Offeror's and the Business's control such as the insufficient proceeds from the Rights Offering subscriptions to fund all the intended investment plans above and/or any adverse changes in the market conditions which may require the Business to revisit the investment plan outlined above.

#### *Opinion of the Board of Directors of SYMC*

The Company will benefit from the execution of the aforementioned investment plan which is in line with the existing strategic boundaries and business plan currently studied and continuously considered on the feasibility of such investment plan by the Company. In addition, the cooperation and partnership between the Company and the Offeror, who has solid experience and expertise in the telecommunications industry at a regional level, will help stimulate SYMC's future opportunities to swiftly strengthen its competitive advantage, which will be beneficial to the Company's business performance, based on the aforementioned investment plan. Furthermore, the Company will benefit from the opportunity to collaborate with the Offeror to study and consider expanding service boundaries into new telecommunications-related businesses, which may include businesses in which the Offeror has had previous exposure and experience in operating. The new partnership will open up new business opportunities, and will help it increase its capability of potentially performing additional business operations, enabling SYMC to achieve continuous business growth.

As such, the initial investment plan will need a new capital of at least THB 700 – 900 million for making the investment over the next 1 – 2 years. Source of those required capital will be from the capital received from the Rights Offering plan of the Company after the successful completion of the Tender Offer, which has already been approved by the Annual General Meeting of the Shareholder for the year of 2017.

However, the benefits from such investment plan are not certain, subject to internal and external factors that are potentially beyond Company's control. In addition, such benefits may not arise instantaneously, whereby, during the investment period, the Company's performance may be affected. The effect on performance could arise from initial costs and/or expenses which are incurred before income under the investment plan is recognized, or which are higher than the income received in the first stage of service. Such costs and/or expenses may include, but are not limited to, research and feasibility study expenses, personnel expenses and/or professional service expenses and/or expenses relating to preparation of documents for obtaining the relevant approvals. Moreover, it may be contingent upon the success of the PVTO, which determines the involvement of the Offeror as a shareholder of the Company, as well as the successful completion of the Rights Offering plan of the Company and also the amount of money successfully raised accordingly.

### **(3) Plan of changing corporate structure, management, and recruitment**

After the successful completion of the PVTO, the Offeror will nominate its representatives to take part in the management of the Business by means of holding director positions on the board of directors and taking on an executive role in the Business. At the board level, the Offeror intends to nominate 4 new directors to replace 4 existing directors. Of the 4 new directors, 3 are expected to be non-independent and 1 is expected to be independent. As a result of these proposed changes, the total number of directors on the board would remain unchanged. ~~Hence~~ However, in accordance with good governance, the number of independent directors would increase from 3 to 4, out of a Board of 9 directors.

Such nomination by the Offeror will be done in compliance with the Business' Articles of Association and the relevant provisions prescribed under the Public Limited Companies Act, the Securities and Exchange Act, B.E. 2535, and other relevant regulations.

Apart from the above, within the period of 12 months after the completion of the Tender Offer, the Offeror has no plan to change the number of directors or the directors of the Business or to appoint additional directors of the Business, except in the case that the board of directors of the Business and/or the shareholders' meeting of the Business resolve to change the directors or to appoint new directors in accordance with the nomination procedures of the Business and in compliance with relevant laws and regulations.

Further, as per the SHA detailed in Part 2 Clause 4.1.4, the board of directors shall procure that a formal search process via a reputable professional head hunting firm is initiated for a competent individual to take the position of the Business' CEO. The Offeror shall be entitled to nominate the CFO of the Business.

The Offeror shall ensure that, in the plan to change the directors and executives, the nomination of the new directors and executives is carefully undertaken so that the resigning directors and executives are replaced by experienced directors and executives. Further, according to the Business' annual report, the Business has in place a Succession Plan and Talent Management System to ensure that the Business is not dependent on any particular individual. In addition, it is expected that the existing major shareholders will continue to hold a significant amount of shares in the Business and will continue to be directors and/or management of the Business, which could assist in the replacement process of the directors and executives to ensure that the Business operates without any major disruption.

After the successful completion of the PVTO, the Offeror will hold more than 35.00 percent in the Business. Consequently, the Offeror will have sufficient voting rights to vote against any agenda requiring the highest majority vote from the shareholders (more than 75.00 percent of total voting rights).

#### *Opinion of the Board of Directors of SYMC*

The Company will not be significantly affected by the organizational restructuring proposed by the Tender Offeror, and can still operate its business as usual without interruption. The nomination of representatives by the Tender Offeror to the Company's Board of the Directors and as executives will be made via a careful consideration of those representatives' qualifications, skills, and experience to be in accordance with the Company's business operation, as well as in proportion to the Tender Offeror's shareholding percentage in the Business. Such nomination by the Offeror will also be done in compliance with the Business' Articles of Association and the relevant provisions prescribed under the Public Limited Companies Act, the Securities and Exchange Act, B.E. 2535, and other relevant regulations. Furthermore, the Company will benefit from the representatives of the Tender Offeror, who possess experience, knowledge and expertise in the telecommunications network service business on a regional level.

In addition, an increase in the number of the independent directors of the Company according to the proposed organizational restructuring plan will enhance transparency and better corporate governance, which will benefit the shareholders of the Company in the future.

However, the majority of the existing directors and management team of the Company will still remain with the Company to help operate and manage the Business. Existing directors leaving the

Board of Directors in accordance with the above plan to change the corporate structure will still remain in their executive roles. Nevertheless, for the change in the existing management team, including the position of President (equivalent to the CEO as defined in the SHA detailed in Part 3, Clause 3.4.4) and Executive Vice President for Finance and Accounting (equivalent to the CFO as defined in the SHA detailed in Part 3, Clause 3.4.4), the Company will put in place an appropriate management plan for the transition period as well as to ensure the business continuity of the Company going forward.

**(1) Plan of disposal major assets of the Business or its subsidiaries**

Within the period of 12 months after completion of the Tender Offer, the Offeror does not intend to make any disposal of major assets of the Business or its subsidiaries, except where it is disposed in the normal course of business with applicable relevant approval as per the Business' policy.

***Opinion of the Board of Directors of SYMC***

As the Offeror does not intend to make any disposal of major assets of the Business or its subsidiaries, except in the normal course of business within the period of 12 months after the completion of the Tender Offer, the Business will not be affected by such plan, and will be able to continuously operated in an ordinary course of business.

**(2) Plan of changing financial structure**

Within the period of 12 months after completion of the Tender Offer, the Offeror does not intend to make any changes to the equity financial structure of the Business, except which arises as a result of the proposed rights offering exercise. With regards to debt financing, such transactions shall be approved in accordance with the policy of the Business and in compliance with the relevant rules and regulations, including but not limited to those of the SEC and the SET.

Pursuant to the conditions of entering into the PVTO under the PVTO Letter, the Annual General Meeting of Shareholders held on 26th April 2017 of the Business, by a majority vote of 99.91 percent of the shareholders attending the meeting and eligible to vote, resolved to approve the capital increase and the offer for sale of the newly-issued ordinary shares to the existing shareholders proportionate to their respective shareholdings after the completion of the PVTO, in accordance with the following conditions:

- i. the offering price of the newly-issued ordinary shares offered for sale shall not be higher than THB 8.80 per share;
- ii. the capital increase by means of the issuance of the newly-issued ordinary shares shall be approximately THB 1,000,000,000; and

- iii. the subscription for the newly-issued ordinary shares offered for sale shall be subject to the condition that the PVTO must be completed, and that the Offeror has become a shareholder of the Company with the shareholding percentage as per its notified intention so that the Offeror is entitled to subscribe for the newly-issued ordinary shares.

*Opinion of the Board of Directors of SYMC*

After the completion of the PVTO, the Company will launch the capital increase and the offer for sale of the newly-issued ordinary shares to the existing shareholders proportionate to their respective shareholdings. The Company will benefit from using the proceeds derived from the capital increase for making investments in accordance with its business plan, which will help enhance the Company's capacity for growth and strengthen the Company's financial position. The proceeds from the capital increase will be used for making new investments, which will increase the Company's capability to accommodate a more comprehensive coverage of services, without being subject to additional financial obligations for repayment of principal and payment of interest. As a result, this will strengthen the Company's ability to compete with other operators in the industry, leading to a future increase in income of the Company, as well as allowing the shareholders of the Company to yield better returns in the long run.

The Company plans to use the proceeds from the capital increase for making additional investments in relation to its existing businesses; for example, to expand the domestic network coverage to cover a wider range of major provinces and cities, and to increase points of interconnection for international networks in order to expand the customer base and accommodate the increasing demand for both domestic and international services. In addition, the Company plans to conduct a detailed study to explore the possibilities of utilizing part of the proceeds from the capital increase for the expansion of other businesses related to the existing businesses in the future. Accordingly, the Company expects to invest approximately THB 700 million – 800 million, in aggregate, over the first two years after obtaining the proceeds from the capital increase, as specified in the proposed investment plan of the Offeror.

Any proceeds remaining after the aforementioned investments have been made will be used as working capital in order to increase liquidity in the business operations and/or to reduce interest payment obligations as well as adjust the capital structure of the Company as appropriate. The remaining proceeds will be depending on the actual proceeds received from the capital increase.

In addition, by means of the issuance and offering for sale of the newly-issued shares to the existing shareholders in proportion to their shareholding, the existing shareholders are given an opportunity to participate in the capital increase. However, the benefits from such capital increase plan



may still be uncertain, as they are subject to both internal and external factors which may be out of the Company's control. They are also subject to the successful completion of the PVTO and the Tender Offeror becoming a new major shareholder of the Company.

### (3) Dividend Policy

The current dividend policy of the Business is to pay-out not less than 40% of its net profit after deducting of all reserves as per the Company's Articles of Association and governing law. The Offeror has no intention to change the existing dividend policy within the period of 12 months after the completion of the Tender Offer.

#### *Opinion of the Board of Directors of SYMC*

The Company will not be affected by the Offeror's business plan regarding dividend policy as the Offeror has no plan to change Company's dividend policy during the period of 12 months starting from the end date of the Tender Offer period.

Currently, the Company has a dividend policy to distribute not less than 40 percent of the net profits after tax and statutory reserve as required by law. Such dividend policy is subject to change depending on the operating results, expansion plan, liquidity, funding needs, and other future appropriate causes. The consideration for the annual dividend payment is subject to approval from the annual general meeting of shareholders. However, the Board of Directors has the authority to approve an interim dividend payment, which they will report to the shareholders in the next annual general meeting.

#### Related Party Transactions

At present, the Business has put in place policies and procedures regarding related party transactions to comply with the rules and/or regulations of the SET and the SEC regarding related party transactions in order to prevent any conflicts of interest between the Business, its subsidiaries, associate companies and/or any persons who may potentially have a conflict of interest.

Prior to the PVTO, a subsidiary and associated company of the Offeror, as well as a subsidiary of TIME, had entered into transactions with the Business which were in the ordinary course of business and contained general commercial terms. The details of the transactions are summarised below:

Company	Relationship	Description
KIRZ Co. Ltd. ("KIRZ")	An associate company of the Offeror	SYMC provides 2 main services to KIRZ, including (i) Internet access and (ii) Private network services, in exchange for service income. The majority of such income was from providing internet access service. The <u>total transaction value in 2016 was less than THB 10 million.</u>

Company	Relationship	Description
		Such transactions were under normal business operations/ transactions at market price.
Global Transit Communications Sdn Bhd ("Global Transit")	A subsidiary of TIME	SYMC has rented international network from Global Transit to provide IPLC services to its clients who would like to have a network connection from Thailand to Malaysia. The <u>total transaction value in 2016 was approximately THB 15 million.</u>  Such transactions were under normal business operations/ transactions at market price.

Source: TIME dotCom Berhad

Within the period of 12 months following the completion of the Tender Offer, there may be related party transactions as in a normal business nature in accordance with the post-acquisition business plan. However, the Offeror does not plan to make any material changes to the type and size of the existing related party transactions as specified in the policies on the related party transactions.

However, the Offeror will carefully consider and ensure that terms and conditions of any related party transactions in the future are similar to those of normal business transactions on an arm's length basis. There will not be any special or preferential terms among the Business, its related companies, associate companies and shareholders. Moreover, the audit committee will consider and provide opinions on the necessity for entering into such transactions before proposing to the Board of Directors or shareholders' meeting (as the case may be) for further approval.

Further, given that (i) both the Offeror and TIME do not own any network infrastructure in Thailand and are not licensed to operate in Thailand under the Telecommunication Business Act and (ii) KIRZ operates in different market segments with different service offerings and has a network coverage and footprint which is relatively small when compared to the Business, the Offeror is of the view that it is unlikely that any material conflicts of interest will arise between the Offeror, TIME, KIRZ and the Business in respect of the Business' domestic operations. In respect of cross-border connectivity services provided by the Business to its existing customers, t both TIME and the Business intend to collaborate together to promote the optimal use of respective network infrastructures in a manner which will not be detrimental to the other.

#### *Opinion of the Board of Directors of SYMC*

Within the period of 12 months following the completion of the Tender Offer, the Company will maintain the related party transactions between the aforementioned Offeror's associate company and

subsidiary of TIME. The Offeror has no plan to materially change the type and size of such transactions. Furthermore, the Company has put in place policies and procedures regarding related party transactions to comply with the rules and regulations of the SET and the SEC to ensure that the existence of such related party transaction is essential and reasonable, and that it is in the best interest of the Company's business. Doing so will mitigate the possibility of any conflicts of interest which may arise between the Company, its subsidiaries, associate companies, and/or any persons who may potentially have a conflict of interest.

SYMC hereby certifies that all the above information is true, complete and accurate and does not contain any information that may cause a misunderstanding in any material aspect, and that there has not been any concealment of material information that should have otherwise been disclosed.

A handwritten signature in blue ink, appearing to read "T. Pantarasutra".

(Mr. Teerarat Pantarasutra)

Authorized Director

A handwritten signature in blue ink, appearing to read "W. Soomboonphon".

(Mr. Wanchai Soomboonphon)

Authorized Director

Symphony Communication Public Company Limited

*This English language translation of Amendment to Independent Financial Advisor's Opinion on the Tender Offer of Symphony Communication Public Company Limited No.1 (Form 250-2) No.1 has been prepared solely for the convenience of the foreign shareholders of Symphony Communication Public Company Limited and should not be relied upon as the definitive and official document of the Company. The Thai language version is the definitive and official document of the Amendment to the Independent Financial Advisor's Opinion and shall prevail in all respects in the event of any inconsistency with this English language translation.*

## **Amendment to the Independent Financial Advisor's Opinion on the Tender Offer for the Securities of Symphony Communication Public Company Limited No.1**

### **Part 1 Executive Summary**

#### Original

Symphony Communication Public Company Limited (the "Company" or "SYMC") received a letter from TIME dotcom Berhad ("TIME") dated 7 March 2017 informing the Company of its intention to invest in the Company through TIME dotCom International Sdn Bhd ("TdCI" or the "Tender Offeror"), a wholly-owned subsidiary of TIME, by mean of a Partial Voluntary Tender Offer ("Tender Offer" or "PVTTO"), for the acquisition of the issued and paid-up ordinary shares of the Company from the existing shareholders in a proportion of no less than 35% but no more than 37% of the total issued and paid-up ordinary shares of SYMC at the offering price of THB 12.20 per share. In this regard, if there are persons expressing their intention to sell the shares exceeding 37.00% of the total issued and paid-up shares, the Tender Offeror shall acquire the shares by applying the pro-rata allocation method to the number of shares intended to be sold by such shareholders. On 26th April 2017, the Annual General Shareholders' Meeting approves the tender offeror to make a Partial Tender Offer to purchase a part of the shares from the shareholders of the Company with more than half of the voting rights in the meeting, which 99.69% of the voting rights of the shareholders in the meeting. The partial tender offer can be summarized as follows:

**Table 1-1: Brief information on Partial Voluntary Tender Offer**

Type of the Offered Securities	Ordinary shares of Symphony Communication Public Company Limited
Tender Offer Price	The offer price of the Business' ordinary shares is THB 12.20 per share (the "Offer Price"). In addition, shareholders who accept the PVTTO (each an "Offeree"), are subject to payment of a brokerage fee of 0.10% and applicable regulatory charges of 0.007% of the Offer Price plus value added tax ("VAT") of 7.00%. Therefore, the net price to be received by the Offeree will be THB 12.1860 per share.
Offer Period	On every business day from 28 September 2017 and 6 November 2017. Such Offer Period is the final period which will not be extended (Final Period)
Tender Offer Revocation Period	On any business day from 28 September 2017 and 30 October 2017 inclusive (totaling 20 business days)
Payment Date	Within 3 business days from the last day of the Offer Period, which is 9 November 2017

The Company has appointed Grant Thornton Services Limited as the Independent Financial Advisor to render opinion to the Company's shareholders regarding this Tender Offer for Securities. The IFA has

summarized the reasons and other relevant information for the shareholders to consider accepting and/or rejecting the Tender Offer as follows:

1) Appropriateness of the Offering Price

The IFA views that the appropriate method to value PB shares is Discounted cash flow Approach (DCF), which reflecting the ability to make profit in the future by the value of existing cash flow. Thus, the appropriate share price of SYMC is in between THB 8.83 - 11.94 per share or 72.41% - 97.88% of the tender offer price with the based price at THB 10.24 per share. The IFA viewed that the offer price of THB 12.20 per share is THB 3.37 – 0.26 per share higher than the valuated price. Thus, the offer price is the appropriate price.

2) The trading price in the SET is less than the Offering Price

The trading price of SYMC in SET after SYMC has received the intention letter for tender offer for parts of the shares of TIME on the 7 March 2017 until the date before the company disclosed the tender offer form 247-4, the close price were in between THB 10.90 – 12.10 per share, which lower than the tender offer price at THB 12.20 approximately 89.34% – 99.18%

3) Liquidity of the stocks after the tender offer

Considering the trading volume of SYMC shares on the SET, SYMC's shares had low liquidity. Following the Tender Offer, if there is a large number of investors who accept the Tender Offer, there is a risk that liquidity of SYMC may lower and investors may not able to sell SYMC shares at the desired amount, price, and time.

4) If the a number of shareholders response to the tender offer. There may be risks as follows:

4.1. In the case where the shareholders accept the tender offer in the maximum amount, after the completion of the tender offer, The Tender Offeror will become a large shareholder and has the right to vote of not exceeding 38.75% of the total shares with voting rights which can control the majority of votes in voting in important matters. However, the voting right of the tender offeror will still less than half of the voting right of all the share issued.

4.2. After the partial voluntary tender offer finished, SYMC will issue 113,514,548 newly-issued ordinary shares offered for sale shall not be higher than THB 8.80 per share for sale to the existing shareholders of the Company proportionate to there respective shareholdings (Right Offering) as has an resolution in Annual General Shareholder Meeting for 2017, which if the Company issues the newly shares as stated above. The price of the shares will be diluted by 6.41% if every existing shareholder subscribes for the newly-issued shares. However, if the shareholders would like to maintain the proportion of share in SYMC, there will be some risks listed bellows:

- In the case that the shareholders offer shares proportionately to TIME, the cash received can compensate for the need to find funds for capital increase to maintain their proportion of SYMC shareholdings.
- In the case that the shareholders decide not to sell their within this PVTO, the shareholders will have to find funds to invest for the Right offering stock to maintain their share proportion in SYMC.

5) Other factors for consideration

- 5.1. In the case that the shareholders are aware of the benefits of the shareholding of TIME and decide not to sell the shares. There may be risk that the Tender Offer can revoking the Tender Offer if tendered shares are less than 35% of issued and paid-up capital.
- 5.2. The Tender Offeror does not wish to delist the Company's securities of the Company from the SET during 12 month period following the completion of Tender Offer.
- 5.3. The Tender Offeror does not wish to sell or transfer the shares or the shares received the offer to buy to any person in the substantial ratio within the period of 12 month after the completion of tender offer
- 5.4. Within the period of 12 months after completion of the Tender Offer, the Offeror does not intend to make any disposal of major assets of the Business or its subsidiaries, except where it is disposed in the normal course of business with applicable relevant approval as per the Business' policy.
- 5.5. The Tender Offeror does not intend to make any material change to the core business of SYMC within the period of 12 months following the completion of the Tender Offer
- 5.6. After the successful completion of the PVTO, the Offeror will nominate its representatives to take part in the management of the Business by means of holding director positions on the board of directors and taking on an executive role in the Business. At the board level, the Offeror intends to nominate 4 new directors to replace 4 existing directors. Of the 4 new directors, 3 are expected to be non-independent and 1 is expected to be independent.

**Based on the information and rationale mentioned above, the IFA has the opinion that the shareholders should accept the Tender Offer.**

In addition, the IFA has considered the Tender Offeror's policies and business plan mentioned in the Tender Offer and analyzed the benefits and effects including its possibilities. The shareholders should take into consideration the information and the IFA's opinion in all aspects provided herein as a basis to accept or reject this Tender Offer.

Nevertheless, the shareholders should study information on the Tender Offer (Form 247-4), an opinion of the Company on the Tender Offer (Form 250-2) and the IFA's opinion to make a decision whether to accept or reject this Tender Offer. Nevertheless, the decision to accept or reject rests solely upon the shareholders' discretion.

Revision

Symphony Communication Public Company Limited (the "Company" or "SYMC") received a letter from TIME dotcom Berhad ("TIME") dated 7 March 2017 informing the Company of its intention to invest in the Company through TIME dotCom International Sdn Bhd ("TdCI" or the "Tender Offeror"), a wholly-owned subsidiary of TIME, by mean of a Partial Voluntary Tender Offer ("Tender Offer" or "PVTO"), for the acquisition of the issued and paid-up ordinary shares of the Company from the existing shareholders in a proportion of no less than 35% but no more than 37% of the total issued and paid-up ordinary shares of SYMC at the offering price of THB 12.20 per share. In this regard, if there are persons expressing their intention to sell the shares exceeding

37.00% of the total issued and paid-up shares, the Tender Offeror shall acquire the shares by applying the pro-rata allocation method to the number of shares intended to be sold by such shareholders. On 26th April 2017, the Annual General Shareholders' Meeting approves the tender offeror to make a Partial Tender Offer to purchase a part of the shares from the shareholders of the Company with more than half of the voting rights in the meeting, which 99.69% of the voting rights of the shareholders in the meeting. The partial tender offer can be summarized as follows:

**Table 1-1: Brief information on Partial Voluntary Tender Offer**

Type of the Offered Securities	Ordinary shares of Symphony Communication Public Company Limited
Tender Offer Price	The offer price of the Business' ordinary shares is THB 12.20 per share (the "Offer Price"). In addition, shareholders who accept the PVTO (each an "Offeree"), are subject to payment of a brokerage fee of 0.10% and applicable regulatory charges of 0.007% of the Offer Price plus value added tax ("VAT") of 7.00%. Therefore, the net price to be received by the Offeree will be THB 12.1860 per share.
Offer Period	On every business day from 28 September 2017 and 6 November 2017. Such Offer Period is the final period which will not be extended (Final Period)
Tender Offer Revocation Period	On any business day from 28 September 2017 and 30 October 2017 inclusive (totaling 20 business days)
Payment Date	Within 3 business days from the last day of the Offer Period, which is 9 November 2017

The Company has appointed Grant Thornton Services Limited as the Independent Financial Advisor to render opinion to the Company's shareholders regarding this Tender Offer for Securities. The IFA has summarized the reasons and other relevant information for the shareholders to consider accepting and/or rejecting the Tender Offer as follows:

1) Appropriateness of the Offering Price

The IFA views that the appropriate method to value PB shares is Discounted cash flow Approach (DCF), which reflecting the ability to make profit in the future by the value of existing cash flow. Thus, the appropriate share price of SYMC is in between THB ~~8.83 – 11.94~~ 8.03 – 10.93 per share or ~~72.41% – 97.88%~~ 65.79% – 89.59% of the tender offer price with the based price at THB ~~10.24~~ 9.34 per share. The IFA viewed that the offer price of THB 12.20 per share is THB ~~3.37 – 0.26~~ 4.17 – 1.27 per share higher than the valuated price. Thus, the offer price is the appropriate price.

2) The trading price in the SET is less than the Offering Price

The trading price of SYMC in SET after SYMC has received the intention letter for tender offer for parts of the shares of TIME on the 7 March 2017 until the date before the company disclosed the tender offer form 247-4, the close price were in between THB 10.90 – 12.10 per share, which lower than the tender offer price at THB 12.20 approximately 89.34% – 99.18%

3) Liquidity of the stocks after the tender offer

Considering the trading volume of SYMC shares on the SET, SYMC's shares had low liquidity. Following the Tender Offer, if there is a large number of investors who accept the Tender Offer, there is a risk that liquidity of SYMC may lower and investors may not able to sell SYMC shares at the desired amount, price, and time.

4) If the a number of shareholders response to the tender offer. There may be risks as follows:

4.3. In the case where the shareholders accept the tender offer in the maximum amount, after the completion of the tender offer, The Tender Offeror will become a large shareholder and has the right to vote of not exceeding 38.75% of the total shares with voting rights which can control the majority of votes in voting in important matters. However, the voting right of the tender offeror will still less than half of the voting right of all the share issued.

4.4. After the partial voluntary tender offer finished, SYMC will issue 113,514,548 newly-issued ordinary shares offered for sale shall not be higher than THB 8.80 per share for sale to the existing shareholders of the Company proportionate to there respective shareholdings (Right Offering) as has an resolution in Annual General Shareholder Meeting for 2017, which if the Company issues the newly shares as stated above. The price of the shares will be diluted by 6.41% if every existing shareholder subscribes for the newly-issued shares. However, if the shareholders would like to maintain the proportion of share in SYMC, there will be some riskes listed bellows:

- In the case that the shareholders offer shares proportionately to TIME, the cash received can compensate for the need to find funds for capital increase to maintain their proportion of SYMC shareholdings.
- In the case that the shareholders decide not to sell their within this PVTO, the shareholders will have to find funds to invest for the Right offering stock to maintain their share proportion in SYMC.

5) Other factors for consideration

5.7. In the case that the sharegholders are aware of the benefits of the shareholding of TIME and decide not to sell the shares. There may be risk that the Tender Offer can revoking the Tender Offer if tendered shares are less than 35% of issued and paid-up capital.

5.8. The Tender Offeror does not wish to delist the Company's securities of the Company from the SET during 12 month period following the completion of Tender Offer.

5.9. The Tender Offeror does not wish to sell or transfer the shares or the shared received the offer to buy to any person in the substantial ratio within the period of 12 month after the completion of tender offer

5.10. Within the period of 12 months after completion of the Tender Offer, the Offeror does not intend to make any disposal of major assets of the Business or its subsidiaries, except where it is disposed in the normal course of business with applicable relevant approval as per the Business' policy.

5.11. The Tender Offeror does not intend to make any material change to the core business of SYMC within the period of 12 months following the completion of the Tender Offer



- 5.12. After the successful completion of the PVTO, the Offeror will nominate its representatives to take part in the management of the Business by means of holding director positions on the board of directors and taking on an executive role in the Business. At the board level, the Offeror intends to nominate 4 new directors to replace 4 existing directors. Of the 4 new directors, 3 are expected to be non-independent and 1 is expected to be independent.

**Based on the information and rationale mentioned above, the IFA has the opinion that the shareholders should accept the Tender Offer.**

In addition, the IFA has considered the Tender Offeror's policies and business plan mentioned in the Tender Offer and analyzed the benefits and effects including its possibilities. The shareholders should take into consideration the information and the IFA's opinion in all aspects provided herein as a basis to accept or reject this Tender Offer.

Nevertheless, the shareholders should study information on the Tender Offer (Form 247-4), an opinion of the Company on the Tender Offer (Form 250-2) and the IFA's opinion to make a decision whether to accept or reject this Tender Offer. Nevertheless, the decision to accept or reject rests solely upon the shareholders' discretion.

### **Part 3 Background**

#### **1. Page 6 No 3.1.6 Condition for revoking the Tender Offer**

##### Original

#### **3.1.6 Condition for revoking the Tender Offer**

The Tender Offeror may revoke the PVTO in either of the following cases

- In case there is any event or action after The Tender Offeror submits the Tender Offer to the Office of the Securities and Exchange Commission (the "SEC") but still within the Offer Period that causes or may cause significant damage to the Business' financial status or assets where such event or action does not result from The Tender Offeror's action or it is not an action for which The Tender Offeror shall be responsible; or
- Any action conducted by the Business after the submission of the Tender Offer Form to the SEC but within the Offer Period which causes or may cause a significant decrease in the value of the Business' shares; or
- Any action conducted by the Business as defined in the Notification of the Capital Markets Supervisory Board No. TorChor. 14/2554 Re: Actions or Exempt of Actions That May Affect the Result of Tender Offer.

##### Revision

#### **3.1.6 Condition for revoking the Tender Offer**

The Tender Offeror may revoke the PVTO if the total issued and paid-up ordinary shares of the Business tendered by the existing shareholders at the end of the Offer period is less than 35% of the

total issued and paid-up capital of the Company. In addition, the Offeror may revoke the PVTO in either of the following cases

- In case there is any event or action after the Offeror submits the Tender Offer [revise wording in Thai version] to the Office of the Securities and Exchange Commission (the "SEC") but still within the Offer Period that causes or may cause significant damage to the Business' ~~financial~~ status or assets where such event or action does not result from the Offeror's action or it is not an action for which the Offeror shall be responsible; or
- any action conducted by the Company after the submission of the Tender Offer Form to the SEC but within the Offer period which causes a significant decrease in the value of the Company's shares; or
- any action conducted by the Company as defined in the Notification of the Capital Markets Supervisory Board No. TorChor. 14/2554 Re: Actions or Exempt of Actions That May Affect the Result of the Tender Offer [revise wording in Thai version]

## Part 4 Information of the Tender Offeror and SYMC

### 2. Page 9-19 No 4.1.1 General Information

Original

#### 4.1.1 General Information

**Table 4-1: General Information of the Tender Offeror**

	Detail
Name	TIME dotCom International Sdn Bhd, a 100% owned subsidiary of TIME dotCom Berhad
Address	Level 4, No. 14, Jalan Majistret U1/26, HICOM Glenmarie Industrial Park, 40150 Shah Alam, Selangor, Malaysia
Website	www.time.com.my
Tel.	+603-5039-3776
Fax.	+603-5032-6144
Company Registration No.	1125366-T

Pursuant to a letter dated 7 March 2017, TIME dotCom Berhad informed the Business of its intention to invest in the Business by means of PVTO through its 100% owned subsidiary, TIME dotCom International Sdn Bhd.

Revision

#### 4.1.1 General Information

**Table 4-1: General Information of the Tender Offeror**

	Detail
Name	TIME dotCom International Sdn Bhd, a 100% owned subsidiary of TIME dotCom Berhad
<u>Year of Incorporation</u>	<u>2015</u>
Address	Level 4, No. 14, Jalan Majistret U1/26, HICOM Glenmarie Industrial Park, 40150 Shah Alam, Selangor, Malaysia
Website	www.time.com.my
Tel.	+603-5039-3776
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### 3. Page 9 No 4.1.2. Business information and other details of the Tender Offeror

#### Original

#### **(1) Nature of business operation in brief**

##### **Tender Offeror**

TIME dotCom International Sdn Bhd is a company incorporated under the laws of Malaysia as a private limited company. The Tender Offeror is TIME's holding company for strategic investments in ASEAN telecom operating companies. The Tender Offeror currently has shareholdings in operating companies in Thailand and Vietnam.

As of 31 August 2017, The Tender Offeror has investments in 3 companies. The details are as follows:

**Table 4-2: Companies that invested by the Tender Offeror**

Company	Country of Operation	% of Shareholding	Business
1. KIRZ Company Limited	Thailand	49.00	Provide internet and point-to-point telecommunication and network services to enterprise customers, predominately in the Bangkok metropolitan area as well as data centre services to enterprise customers
2. KIRZ Holding Company Limited	Thailand	49.00	Investment holding
3.CMC Telecommunications Infrastructure Corporation	Vietnam	45.27	Provide broadband services for enterprise customers and home users as well as online data services

Note: As of the date of Tender Offer Form submission, TdCI holds 1.75% in Symphony Communication Public Company Limited

#### The shareholder that has significant influence over the policy-making, management and operation of the Tender Offeror

TIME dotCom Berhad is a publicly listed company on the Bursa Malaysia Stock Exchange in Malaysia since 2001 and has a market capitalisation as at 30<sup>th</sup> August 2017 of MYR 5.76 billion (equivalent to approximately THB 44.93 billion). TIME is a data-centric telecommunications and solutions provider based in Malaysia, with a global business reach. It operates in 4 principal businesses as follows:

- Fixed line telecommunication business in Malaysia
- bandwidth and submarine cable capacity business globally)
- Data centre; and
- Investments in ASEAN telecom operating companies including Thailand

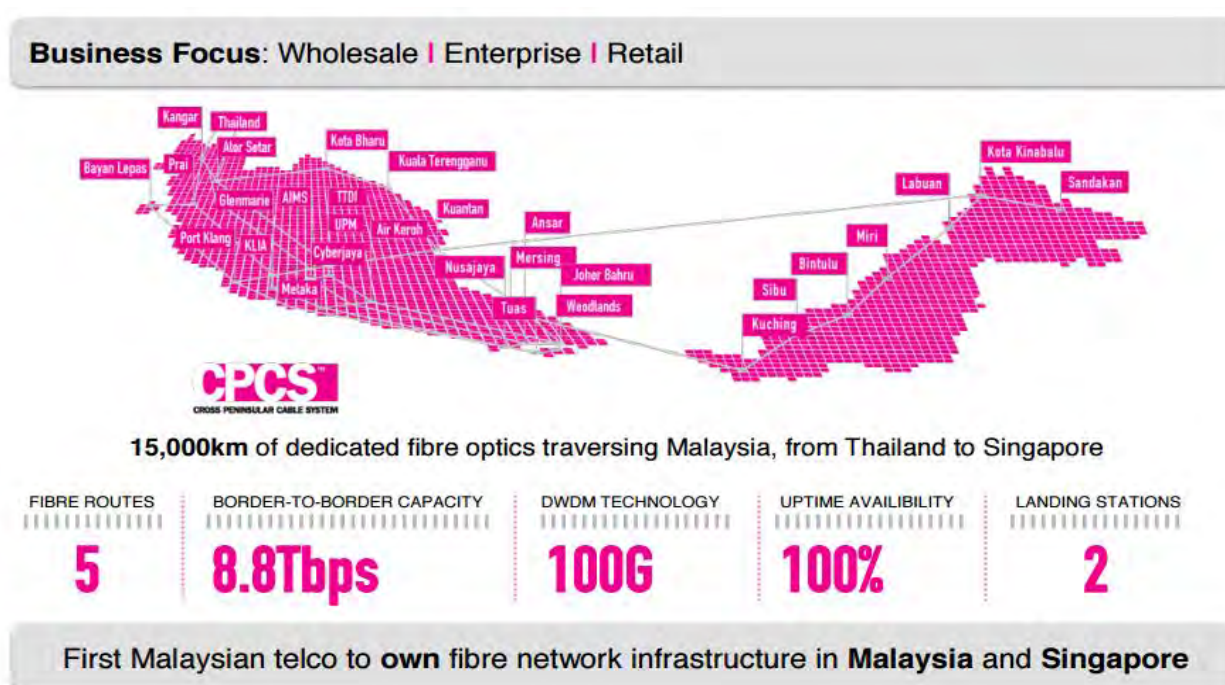
TIME's core assets comprise a domestic fibre optic network, regional points of presence, ownership in several submarine cable systems, a data centre business and a number of international strategic investments in other telecommunications operators. This portfolio of assets allows TIME to offer customers a complete land and subsea fibre based connectivity and value-added services that tap fast-growing ASEAN demand for reliable bandwidth.

TIME provides high-quality connectivity to different types of customers, including wholesale, enterprise and retail customers. Its services include internet access, private circuits and international bandwidth services, as well as data-centre services. Each service line has seen significant growth indicating that its services are well received by its customers.

TIME's four principal businesses are further described below:

- Fixed line telecommunications business in Malaysia:** The provision of internet connection services and data transmission services via the optical fibre network in Malaysia to wholesale, corporate and retail customers. TIME's Malaysian Fixed Line business is anchored by its Cross Peninsular Cable System (CPCSTM), a 16,000 kilometre-long advanced fibre optic network that traverses Malaysia from the border with Thailand to the border with Singapore, as illustrated below.

Figure 4-1: Telecommunications in Malaysia

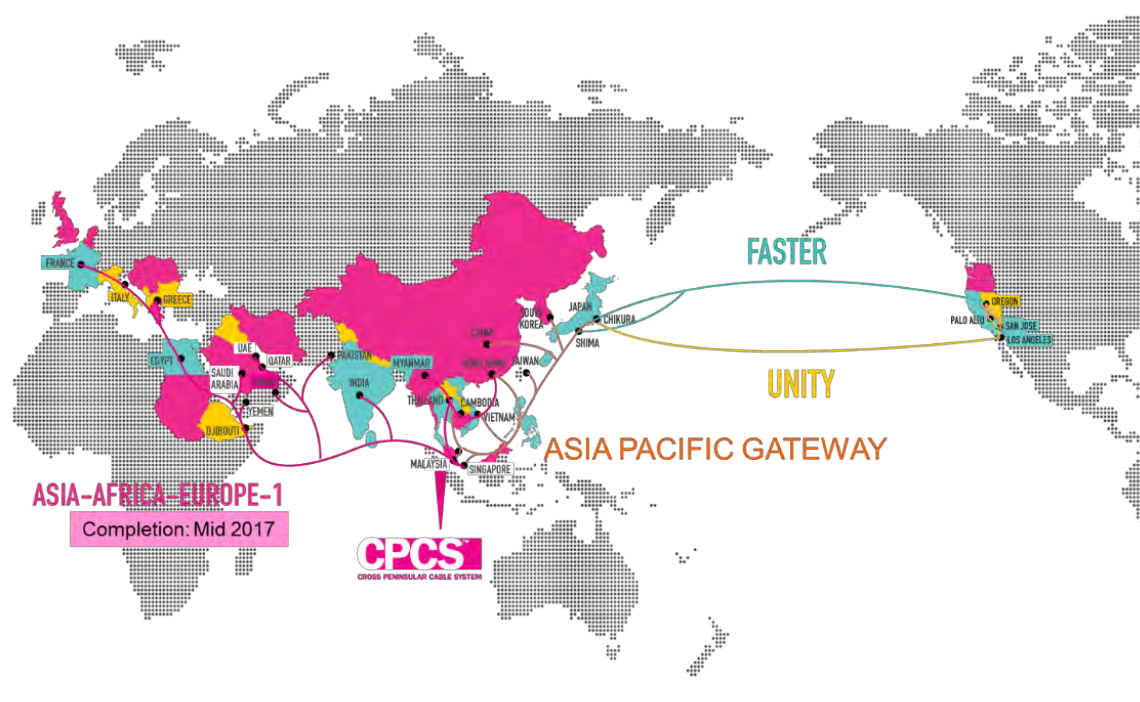


Source : Time dotCom Berhad

The network is one of the most up-to-date systems in the country operating using 100G DWDM technology with 100% uptime availability as proof that TIME is confident of its network capability, especially as it has 5 fiber routes crossing peninsular Malaysia.

- International bandwidth and submarine cable capacity businesses globally:** The provision of international bandwidth services via 3 submarine communications cable networks. The 4<sup>th</sup> submarine communications cable network is expected to be fully operational by the end of 2017. Once this network commences full commercial operations, TIME's network will provide coverage for connections from Asia to North America and to Europe via Africa. TIME's own primary submarine cable network is shown below.

**Figure 4-2: TIME's submarine cable**



Source: TIME dotCom Berhad

The primary submarine cable network comprises 2 cable systems from Japan to the US (UNITY and FASTER Cable Systems), one Intra-Asia cable system (Asia Pacific Gateway or APG), and one cable system from Asia to Europe via Africa and the Middle-East (Asia, Africa Europe-1 or AAE-1). The details of these cable systems are shown in the table below.

**Table 4-3: TIME's cable system business**

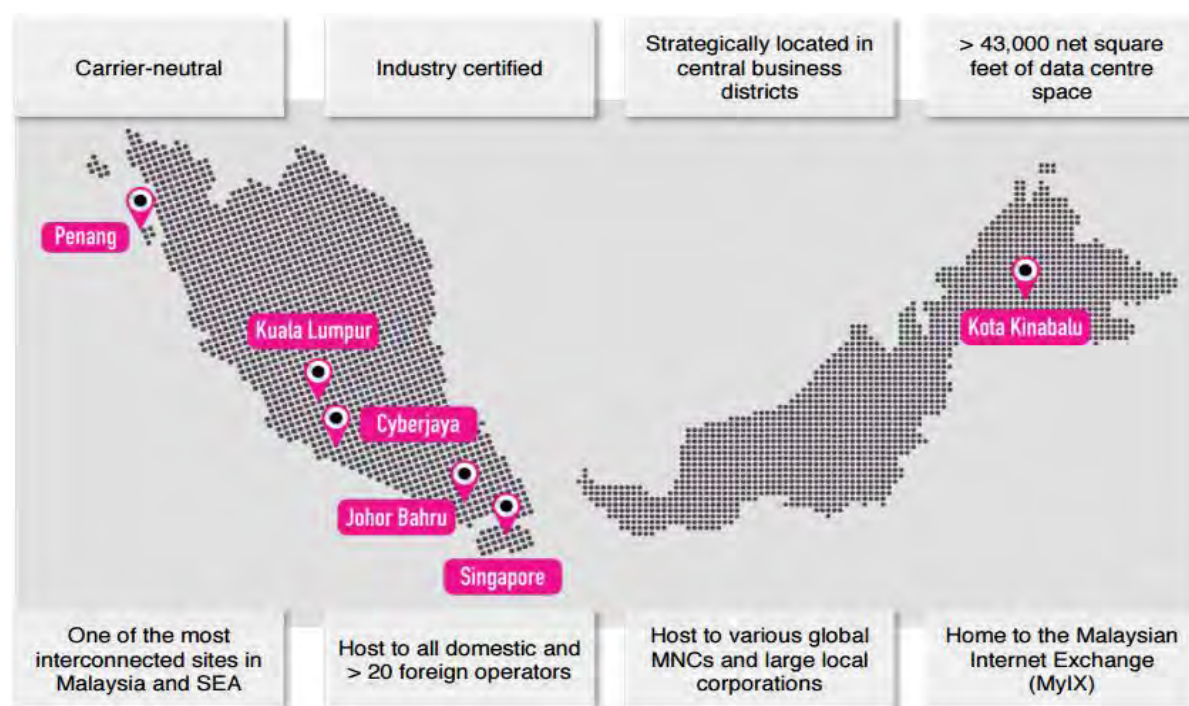
Cable name/status	UNITY	FASTER	APG	AAE-1
Cable readiness	Operational since 2010	Operational since 30/6/16	Operational since 28/10/16	Partially Operational since 27/6/17
Capacity owned	1.04 Tbps	10.00 Tbps	4.00 Tbps	1.88 Tbps
Ownership	10.00%	16.60%	7.30%	4.70%
In brief	<ul style="list-style-type: none"> <li>9,620 km</li> <li>Trans-Pacific submarine cable system with direct cable route linking the U.S. and Japan</li> </ul>	<ul style="list-style-type: none"> <li>9,000 km</li> <li>Trans-Pacific cable connecting Japan to the US</li> </ul>	<ul style="list-style-type: none"> <li>10,400 km</li> <li>Intra-Asia Cable into 9 countries in Asia Pacific</li> </ul>	<ul style="list-style-type: none"> <li>25,000 km</li> <li>Connects 17 countries in Asia to Europe through the Middle-East</li> </ul>
Corsortium	6 corsortium members: Bharti Airtel Google KDDI Corp TIME Pacnet และ Singtel	6 corsortium members: China Mobile International China Telecom KDDI TIME Google และ SingTel	13 corsortium members: China Telecom China Unicom China Mobile StarHub Facebook Viettel VNPT KT Corporation Chunghwa Telecom LG U+ NTT Comm TIME และ CAT	19 corsortium members: China Unicom Reliance Jio PCCW Global Retelit Djibouti Telecom Mobily Omantel Ooredoo HyalRoute OTEGlobal Metphone TeleYemen Viettel TOT

Cable name/status	UNITY	FASTER	APG	AAE-1
				Etisalat PTCL Telecom Egypt และ TIME

Source: TIME dotCom Berhad

- Data centre:** The provision of centralised data storage services for wholesale, corporate, and over-the-top (OTT) customers. TIME's data centre business is an award-winning, carrier-neutral data centre and is strategically located in the central business districts of Kuala Lumpur, Cyberjaya, Penang, and Johor Bahru in Malaysia. TIME's data centre is host to all domestic and many international telecom carriers who operate in Malaysia, and is also the host site of the Malaysian Internet Exchange (MyIX).

**Figure 4-3: TIME's data center business**

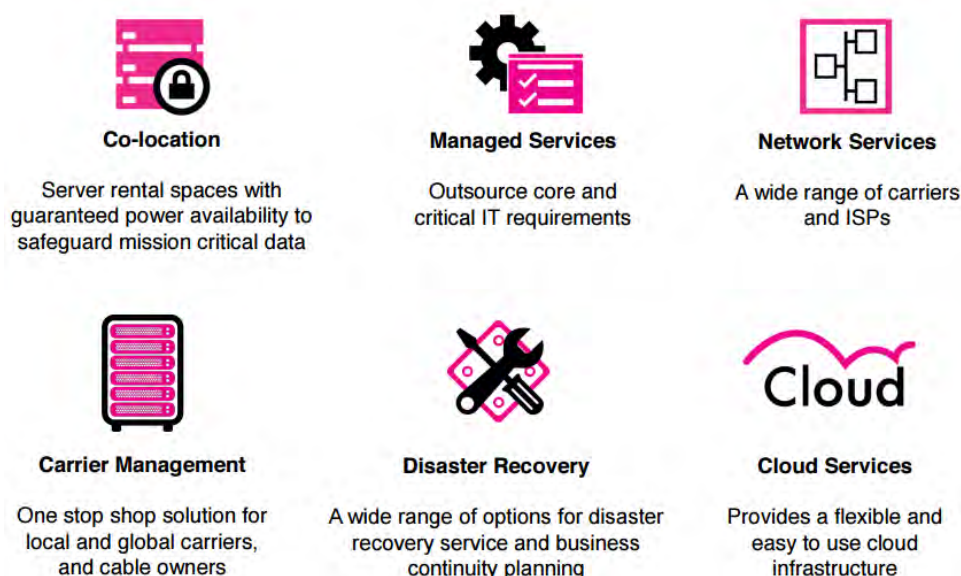


Source: TIME dotCom Berhad

With more than 55,000 square feet of data centers, TIME can provide international-class data storage facilities and ancillary services through effective interconnected infrastructure. Further details are shown below.



**Figure 4-4: Time's Data center business**



Source: Time dotcom Berhad

- **Investment in ASEAN telecom operating companies** Investments, joint ventures, and partnerships with telecommunications service providers in ASEAN with a focus on providing pan-ASEAN and global connectivity, data centre services and enterprise solutions, conducted principally via TdCI, TIME's holding company for strategic investments in ASEAN telecom operating companies.

As of 31 August 2017, TIME has 17 direct subsidiaries arranged under the 4 principal businesses as follows:

**Table 4-4: TIME's subsidiaries**

Company	Country	% of Shareholding	Business
<b>Fixed line telecommunications business in Malaysia</b>			
1. TT dotCom Sdn Bhd	Malaysia	100	Provision of voice, data, video and image communication services through its domestic and international network
2. TIME dotNet Berhad*	Malaysia	100	Dormant
3. Fantastic Fiesta Sdn Bhd*	Malaysia	70	Dormant
<b>International bandwidth and submarine cable capacity businesses globally</b>			
1. Global Transit Communications Sdn Bhd	Malaysia	100	Provision of telecommunication and related services
2. Global Transit Limited	Malaysia	100	Engaged in the business of telecommunication services and trading bandwidth capacity
3. Global Transit 2 Limited	Malaysia	100	Engaged in the business of telecommunication services and trading bandwidth capacity
4. Global Transit 3 Limited	Malaysia	100	Engaged in the business of telecommunication services and trading bandwidth capacity
5. Global Transit 5 Limited	Malaysia	100	Engaged in the business of telecommunication services and trading bandwidth capacity
6. Global Transit Singapore Pte Ltd	Singapore	100	Wholesale of telecommunication equipment and related services
7. Global Transit (Hong Kong) Limited	Hong Kong	100	Provision of management services

Company	Country	% of Shareholding	Business
<b>Data centres</b>			
1.AIMS Cyberjaya Sdn Bhd	Malaysia	100	Provision of value added network services, information services, system integration services, operations of data networks and network based applications for corporations
2. AIMS Data Centre Sdn Bhd	Malaysia	100	Provision of value added network services, information services, system integration services, operation of data networks and network based applications for corporations and building management
3. AIMS Data Centre Pte Ltd	Singapore	100	Provision of telecommunication related services
4. The AIMS Asia Group Sdn Bhd*	Malaysia	100	Dormant
5. AIMS Data Centre 2 Sdn Bhd*	Malaysia	100	Dormant
<b>Investments in ASEAN telecom operating companies</b>			
1. Time dotcom International Sdn Bhd	Malaysia	100	Investment holding
2. Planet Tapir Sdn Bhd	Malaysia	100	Investment holding

Remark: \*These subsidiaries are in the process of being dissolved from the register of Companies Commission of Malaysia under Section 308 (1) of the Companies Act 1965 as at 31 December 2016 and have been consolidated based on unaudited management accounts.

## (2) Authorised and paid-up capital of the Tender Offeror

### The Tender Offeror

As of 31 December 2016, TdCI's authorised capital is MYR 400,000 (approximately THB 3,120,000) and its issued and paid-up capital is MYR 2 (approximately THB 15.60), divided into 2 ordinary shares (calculated based on the exchange rate of MYR 1 to THB 7.80).

### The shareholder that has significant influence over the policy-making, management operation of the Tender Offeror

As of 30 June 2017, TIME's issued and paid-up capital is MYR 1.15 billion (approximately THB 8.97 billion, calculated based on the exchange rate of MYR 1 to THB 7.80), which can be divided into 578,294,634 ordinary shares. On 18<sup>th</sup> July 2017, TIME issued 3,159,221 ordinary shares to eligible employees under the Annual Restricted Share Plan and Annual Performance Share Plan portion of TIME's Share Grant Plan ("SGP"). Hence, as of 31<sup>st</sup> August 2017, TIME has a total of 581,453,855 ordinary shares.

## (3) List of shareholders of the Tender Offeror

### The Tender Offeror

TdCI is a wholly owned subs subsidiary of TIME and was incorporated with the objectives of entering into investments, joint ventures, or acting as a partner with other telecommunication service providers in the ASEAN region.

### The shareholder that has significant influence over the policy-making, management operation of the Tender Offeror

The top ten major shareholders of TIME as of 31 August 2017 are as follows:



**Table 4-5: TIME's top 10 major shareholders**

No.	Name	Number of shares	Shareholding and voting rights (%)
1	Pulau Kapas Ventures Sdn Bhd <sup>1</sup>	177,174,359	30.47
2	Khazanah Nasional Berhad <sup>2</sup>	65,298,982	11.23
3	Kumpulan Wang Persaraan <sup>3</sup> (Diperbadankan)	52,330,148	9.00
4	Citigroup Nominees (Tempatan) Sdn Bhd <sup>4</sup> - Exempt An for AIA Bhd	15,911,700	2.74
5	Amsec Nominees (Tempatan) Sdn Bhd <sup>5</sup> - Amtrustee Berhad	14,821,720	2.55
6	Citigroup Nominees (Tempatan) Sdn Bhd <sup>6</sup> - Employees Provident Fund Board	14,261,500	2.45
7	Amanahraya Trustee Berhad <sup>7</sup> - Public Smallcap Fund	10,868,260	1.87
8	Amanahraya Trustees Berhad <sup>8</sup> - Public Islamic Select Treasures Fund	9,628,040	1.66
9	Cartaban Nominees (Tempatan) Sdn Bhd <sup>9</sup> - PAMB for Prulink Equity Fund	6,855,000	1.18
10	Amanahraya Trustee Berhad <sup>10</sup> - Public Ittikal Sequel Fund	6,442,000	1.11

Note:

1. A private limited company where Khazanah Nasional Berhad has a 30.00% interest and Global Transit International Sdn Bhd has 70.00% interest. Global Transit International Sdn Bhd is a 100.00% owned subsidiary of Megawisra Sdn Bhd. Megawisra Investments Limited ("MIL") holds 100.00% of the shares in Megawisra Sdn Bhd, having Afzal Abdul Rahim and Patrick Corso, directors and executives of TIME, as its major shareholders. In addition, none of the other directors or executives of TIME are shareholders of MIL. Megawisra Sdn Bhd holds 138,510,382 shares in TIME, directly and indirectly, equivalent to 24% of the total shares of TIME on a see-through basis.
2. The sovereign wealth fund of the Government of Malaysia.
3. Government of Malaysia pension plan sponsor for the public sector.
4. A nominee company for AIA Bhd (an insurance company).
5. A nominee company for a trustee: Amtrustee Berhad for CIMB Islamic Dali Equity Growth Fund (UT-CIMB-DALI).
6. A nominee company for the Employee Provident Fund, which is a statutory body that manages all statutory contributions by all employees in Malaysia.
7. A trust company for Public Mutual Smallcap Fund.
8. A trust company for Public Islamic Select Treasures Fund.
9. A trust company for Prulink Equity Fund.
10. A trust company for Public Ittikal Sequel Fund.

#### **(4) Members of the Board of Directors of the Tender Offeror**

##### **The Tender Offeror**

##### **4.1. List of Board of directors of TdCI as of 31 August 2017**

**Table 4-6: List of Board of directors of TdCI**

Name	Position
1. Afzal Bin Abdul Rahim	Director
2. Saiful Husni Bin Samak	Director
3. Christopher Stuart Parker Wilson	Director

**The shareholder that has significant influence over the policy-making, management operation of the Tender Offeror**

**4.2. List of Board of directors of TIME as of 31 August 2017**

**Table 4-7: List of Board of directors of TIME**

Name	Position
1. Abdul Kadir Md Kassim	Non-Independent/ Non-Executive Director (Chairman)
2. Afzal Bin Abdul Rahim	Non-Independent/ Executive Director (Commander-in-Chief)
3. Patrick Corso	Non-Independent/ Executive Director
4. Lee Guan Hong	Non-Independent/ Executive Director
5. Elakumari Kantilal	Non-Independent/ Non-Executive Director
6. Ronnie Kok Lai Huat	Senior Independent/ Non-Executive Director
7. Hong Kean Yong	Independent/ Non-Executive Director
8. Mark Guy Dioguardi	Independent/ Non-Executive Director

**(5) Summary of operating and financial highlights of the Tender Offeror**

**The Tender Offeror**

**Table 4-8: Summary of operating and financial highlights of the Tender Offeror**

[MYR 1 = THB 7.80]		Audited Financial Statements	
		2015 <sup>(1)</sup>	2016
<b>Statement of Financial Position</b>			
Total assets	(Unit: MYR million)	66.77	121.93
	(Unit: THB million)	520.81	951.05
Total liabilities <sup>(2)</sup>	(Unit: MYR million)	64.51	117.10
	(Unit: THB million)	503.18	913.38
Authorised capital	(Unit: MYR million)	0.40	0.40
	(Unit: THB million)	3.12	3.12
Paid-up capital	(Unit: MYR million)	2.00	2.00
	(Unit: THB million)	15.60	15.60
Retained earning	(Unit: MYR million)	2.26	4.83
	(Unit: THB million)	17.63	37.67
shareholder's equity	(Unit: MYR million)	2.26	4.83
	(Unit: THB million)	17.63	37.67
<b>Statement of Comprehensive income</b>			
Total revenue	(Unit: MYR million)	2.26	2.64
	(Unit: THB million)	17.63	20.59
Total expenses <sup>(3)</sup>	(Unit: MYR million)	0.06	0.47
	(Unit: THB million)	0.47	3.67
Net profit	(Unit: MYR million)	2.26	2.57
	(Unit: THB million)	17.63	20.05

Source: TIME dotcom International Sdn Bhd's audited financial statements

Note: (1) Financial statements for the period from 2 January 2015 (date of incorporation) to 31 December 2015.

(2) Total liabilities include a shareholder loan amounting to THB 51,000,000 that is charged with an interest rate of 12.50% per annum, as of 31 December 2016.

(3) Total expenses largely contain administrative expenses and finance costs

The shareholder that has significant influence over the policy-making, management operation of The Tender Offeror

**Table 4-9: Financial statements of TIME**

Unit: MYR million Unit: THB million [MYR 1 = THB 7.80]	Audited Financial Statements						Financial Statements	
	2014		2015		2016		1H/2016 (Unaudited)	1H/2017 (Unaudited)
	Consolidated Financial Statements	Separate Financial Statements	Consolidated Financial Statements	Separate Financial Statements	Consolidated Financial Statements	Separate Financial Statements	Consolidated Financial Statements	Consolidated Financial Statements
<b>Statement of Financial Position</b>								
Total assets	2,745.35 21,413.73	1,532.42 11,952.88	2,609.94 20,357.53	1,295.88 10,107.86	2,747.30 21,428.94	1,303.90 10,170.42	2,448.93 19,101.65	2,726.72 21,268.42
Total liabilities	386.94 3,018.13	10.76 83.93	527.39 4,113.64	6.89 53.74	564.41 4,402.40	9.64 75.19	387.92 3,025.78	551.30 4,300.14
Shareholders' equity	2,358.41 18,395.60	1,521.67 11,869.03	2,082.55 16,243.89	1,289.00 10,054.20	2,182.89 17,026.54	1,294.27 10,095.31	2,061.01 16,075.88	2,175.42 16,968.28
Authorised capital	5,000.00 39,000.00	5,000.00 39,000.00	5,000.00 39,000.00	5,000.00 39,000.00	5,000.00 39,000.00	5,000.00 39,000.00	5,000.00 39,000.00	-* -
Paid-up capital	286.93 2,238.05	286.93 2,238.05	287.80 2,244.84	287.80 2,244.84	289.15 2,255.37	289.15 2,255.37	287.80 2,244.84	1,154.73* 9,006.89
<b>Statement of Comprehensive Income</b>								
Total revenue <sup>(1)</sup>	596.28 4,650.98	16.50 128.70	682.36 5,322.41	257.71 2,010.14	766.94 5,982.13	168.10 1,311.18	350.63 2,734.91	423.74 3,305.17
Total expenses <sup>(2)</sup>	469.37 3,661.09	16.11 125.66	559.1 4,360.98	78.84 614.95	596.33 4,651.37	28.53 222.53	283.93 <sup>(5)</sup> 2,214.65	340.48 <sup>(5)</sup> 2,655.76
Net profit	172.40 <sup>(3)</sup> 1,344.72	39.12 <sup>(3)</sup> 305.14	191.36 <sup>(4)</sup> 1,492.61	257.31 <sup>(4)</sup> 2,007.02	249.93 <sup>(4)</sup> 1,949.45	147.73 <sup>(4)</sup> 1,152.29	80.00 <sup>(6)</sup> 624.00	88.93 693.65
Basic earnings per share (Sen, THB) <sup>(7)</sup>	30.34 2.37	n/a n/a	33.55 2.62	n/a n/a	43.33 3.38	n/a n/a	13.90 1.08	15.38 1.20
Dividend per share (Sen, THB)	- -	n/a n/a	79.10 6.17	n/a n/a	20.00 1.56	n/a n/a	6.70 0.52	17.30 1.35
Book value per share (RM, THB)	4.11 32.06	n/a n/a	3.62 28.24	n/a n/a	3.77 29.41	n/a n/a	3.58 27.93	3.76 29.34

Source: TIME's annual report, TIME's audited financial statements 2014 – 2016, and TIME's unaudited financial statements for the second quarter ended 30 June 2017. The shareholders of SYMC and investors can access to the financial statements and other relevant information of TIME from <http://www.time.com.my/investor-relations>

\*On 31 January 2017, the new Companies Act 2016 came into force in Malaysia. In accordance with Section 618 of Companies Act, 2016, in relation to a no-par-value regime, any amount outstanding to the credit of the share premium account has become part of the company's share capital.

Note:

(1) Total revenue:

- Total revenue in consolidated financial statements comprises of revenue from sales of data, voice, data centre, and other services.
- Total revenue in separate financial statements comprises of management fee from subsidiary companies and dividend income from subsidiaries.

(2) Total expenses are calculated as the sum of cost of sales, distribution expenses, administrative expenses, other expense, and finance costs.

(3) Net profit in 2014 financial year includes income from investments of MYR 39,223,000 and MYR 42,699,000 for separate financial statements and consolidated financial statements, respectively.

(4) Net profit in 2015 and 2016 financial year exclude gains from disposal of DiGi.Com shares amounting to MYR 109,760,000 and MYR 6,873,000 for the 2015 and 2016 separate financial statements, respectively. The amount of such gains excluded in the consolidated financial statements for the 2015 and 2016 financial year are noted in (7).

(5) Expenses are calculated as the sum of other operating expenses, depreciation and finance costs.

(6) Net profit in 1H/2016 excludes realisation of fair value gain reclassified from available-for-sale reserve to profit or loss due to full disposal of shares in DiGi.Com on 20<sup>th</sup> May 2016 in the amount of MYR 157,390,000.

(7) For comparison purposes, excludes realisation of fair value gain reclassified from available-for-sale reserve to profit or loss amounting to MYR 274,024,000 in 2015 and MYR 157,390,000 in 2016 financial year.

**(6) Material encumbrance**

**The Tender Offeror**

- None -

**The shareholder that has significant influence over the policy-making, management operation of the Tender Offeror**

- None -

**(7) Information related to criminal records**

**The Tender Offeror and/or its executives which include directors, managers or top four executive level position whose ranks are subsequent to the manager, and any persons holding equivalent position to that of the fourth executive position**

- None -

**The shareholder that has significant influence over the policy-making, management operation of the Tender Offeror**

- None-

**(8) Litigations not yet final**

**The Tender Offeror/or its executives which include directors, managers or top four executive level position whose ranks are subsequent to the manager, and any persons holding equivalent position to that of the fourth executive level position**

- None -

**The shareholder that has significant influence over the policy-making, management operation of The Tender Offeror**

- None -

**Revision**

**(1) Nature of business operation in brief**

**Tender Offeror**

TIME dotCom International Sdn Bhd is a company incorporated under the laws of Malaysia as a private limited company. The Tender Offeror is TIME's holding company for strategic investments in ASEAN telecom operating companies. The Tender Offeror currently has shareholdings in operating companies in Thailand and Vietnam. As of 31 August 2017, The Tender Offeror has investments in 3 companies. The details are as follows:

**Table 4-2: Companies that invested by the Tender Offeror**

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1. KIRZ Company Limited	Thailand	49.00 <sup>1</sup>	2015	Provide internet and point-to-point telecommunication and network services to enterprise customers, predominately in the Bangkok metropolitan area as well as data centre services to enterprise customers
2. KIRZ Holding Company Limited	Thailand	49.00 <sup>2</sup>	2015	Investment holding
3.CMC Telecommunications Infrastructure Corporation	Vietnam	45.27 <sup>2</sup>	2015	Provide broadband services for enterprise customers and home users as well as online data services

Note: As of the date of Tender Offer Form submission, TdCI holds 1.75% in Symphony Communication Public Company Limited

<sup>1</sup> The Other 51.00% is held by KIRZ Holding Company Limited

<sup>2</sup> The Remaining shareholders are not related persons to TIME/TdCI

The shareholder that has significant influence over the policy-making, management and operation of the Offeror

TIME dotCom Berhad is a publicly listed company on the Bursa Malaysia Stock Exchange in Malaysia since 2001 and has a market capitalization as at 30th August 2017 of MYR 5.76 billion (equivalent to approximately THB 44.93 billion). TIME is a data-centric telecommunications and solutions provider based in Malaysia, with a global business reach. It operates in 4 principal businesses as follows:

- Fixed line telecommunication business in Malaysia
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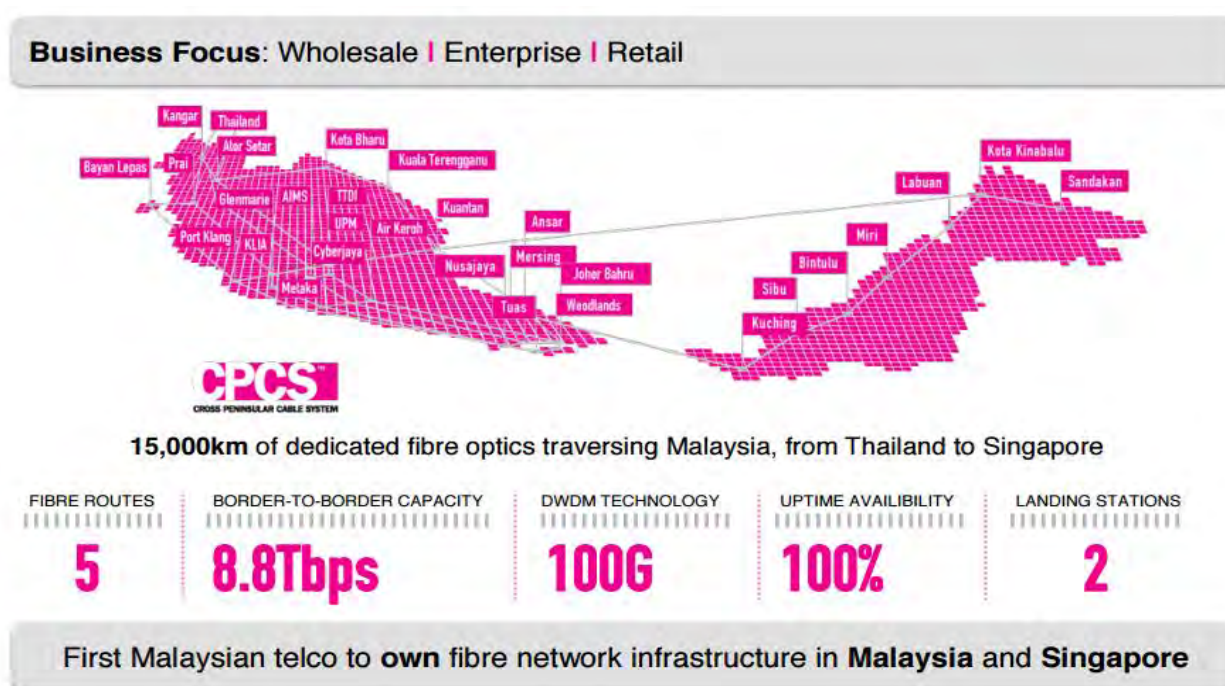
TIME's core assets comprise a domestic fibre optic network, regional points of presence, ownership in several submarine cable systems, a data center business and a number of international strategic investments in other telecommunications operators. This portfolio of assets allows TIME to offer customers a complete land and subsea fibre based connectivity and value-added services that tap fast-growing ASEAN demand for reliable bandwidth.

TIME provides high-quality connectivity to different types of customers, including wholesale, enterprise and retail customers. Its services include internet access, private circuits and international bandwidth services, as well as data-centre services. Each service line has seen significant growth indicating that its services are well received by its customers.

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**Figure 4-1: Telecommunication in Malaysia**

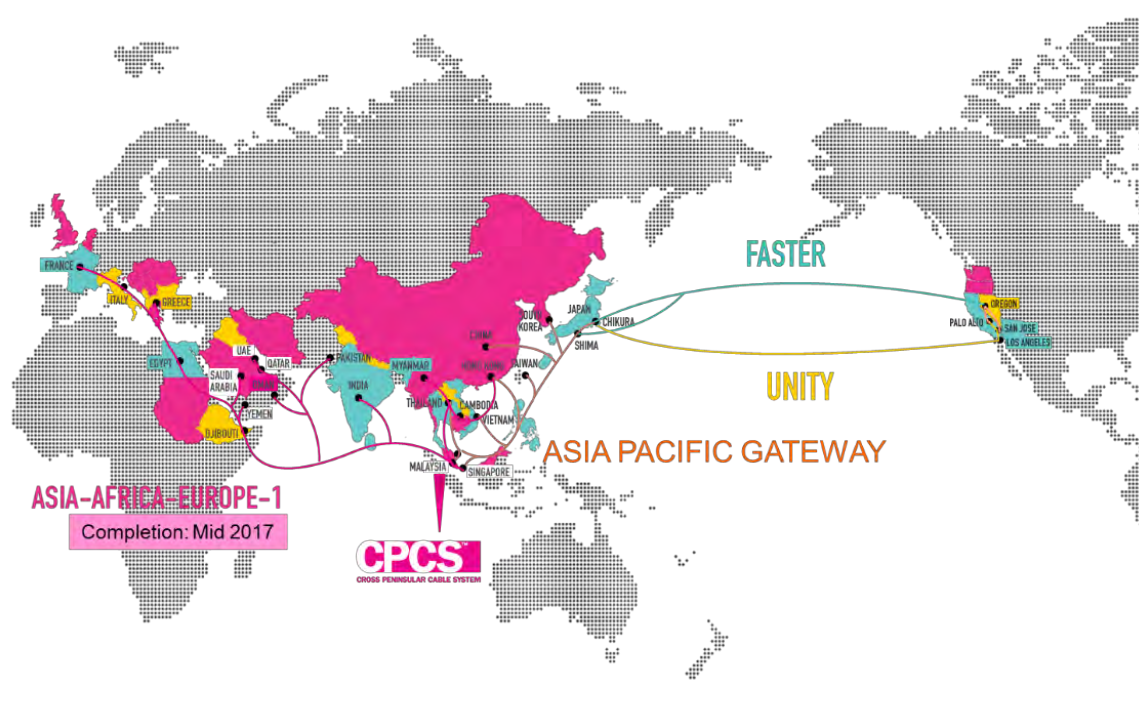


Source: TIME dotCom Berhad Investor Presentation at Invest Malaysia 2016

The network is one of the most up-to-date systems in the country operating using 100G DWDM technology with 100% uptime availability as proof that TIME is confident of its network capability, especially as it has 5 fibre routes crossing peninsular Malaysia.

- International bandwidth and submarine cable capacity businesses globally:** The provision of international bandwidth services via 3 submarine communications cable networks. The 4<sup>th</sup> submarine communications cable network is expected to be fully operational by the end of 2017. Once this network commences full commercial operations, TIME's network will provide coverage for connections from Asia to North America and to Europe via Africa. TIME's own primary submarine cable network is shown below.

**Figure 4-2: TIME's submarine cable**



Source: TIME dotCom Berhad Investor Presentation at Invest Malaysia 2016

The primary submarine cable network comprises 2 cable systems from Japan to the US (UNITY and FASTER Cable Systems), one Intra-Asia cable system (Asia Pacific Gateway or APG), and one cable system from Asia to Europe via Africa and the Middle-East (Asia, Africa Europe-1 or AAE-1). The details of these cable systems are shown in the table below

**Table 4-3: TIME cable system business**

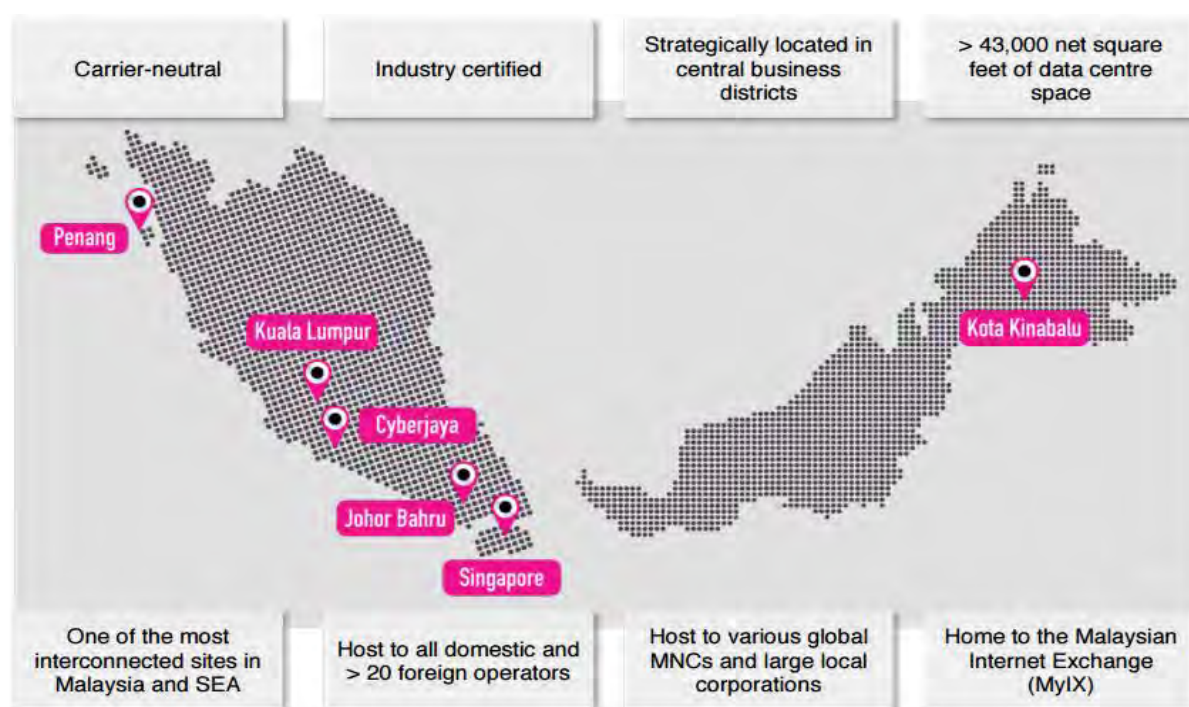
Cable name/status	UNITY	FASTER	APG	AAE-1
Cable readiness	Operational since 2010	Operational since 30/6/16	Operational since 28/10/16	Partially Operational since 27/6/17
Capacity owned	1.04 Tbps	10.00 Tbps	4.00 Tbps	1.88 Tbps
Ownership	10.00%	16.60%	7.30%	4.70%
In brief	<ul style="list-style-type: none"> <li>9,620 km</li> <li>Trans-Pacific submarine cable system with direct cable route linking the U.S. and Japan</li> </ul>	<ul style="list-style-type: none"> <li>9,000 km</li> <li>Trans-Pacific cable connecting Japan to the US</li> </ul>	<ul style="list-style-type: none"> <li>10,400 km</li> <li>Intra-Asia Cable into 9 countries in Asia Pacific</li> </ul>	<ul style="list-style-type: none"> <li>25,000 km</li> <li>Connects 17 countries in Asia to Europe through the Middle-East</li> </ul>
Corsortium	6 corsortium members: Bharti Airtel Google KDDI Corp TIME Pacnet และ Singtel	6 corsortium members: China Mobile International China Telecom KDDI TIME Google และ SingTel	13 corsortium members: China Telecom China Unicom China Mobile StarHub Facebook Viettel VNPT KT Corporation Chunghwa Telecom LG U+ NTT Comm TIME และ CAT	19 corsortium members: China Unicom Reliance Jio PCCW Global Retelit Djibouti Telecom Mobily Omantel Ooredoo HyalRoute OTEGlobal Metphone TeleYemen Viettel TOT Etisalat PTCL Telecom Egypt and TIME

Source : TIME dotCom Berhad's managment

\* Ownership is the percentage of TIME's shareholding in each of the cable networks. The other shareholders are the other consortium members

- **Data centres:** The provision of centralized data storage services for wholesale, corporate, and over-the-top (OTT) customers (OTT refers to audio, video and other media content such as film and television content provided via a high-speed internet connection rather than a cable or satellite provider). TIME's data centre business is an award-winning (Frost & Sullivan: Data Centre Service Provider of the Year in 2014 & 2016, and Computerworld: Reader's Choice Awards for Cloud IaaS category in 2015), carrier-neutral data centre and is strategically located in the central business districts of Kuala Lumpur, Cyberjaya, Penang, and Johor Bahru in Malaysia. TIME's data centre is host to all domestic and many international telecom carriers who operate in Malaysia, and is also the host site of the Malaysian Internet Exchange (MylX). Further details are shown below.

**Figure 4-3: TIME's data centre business**

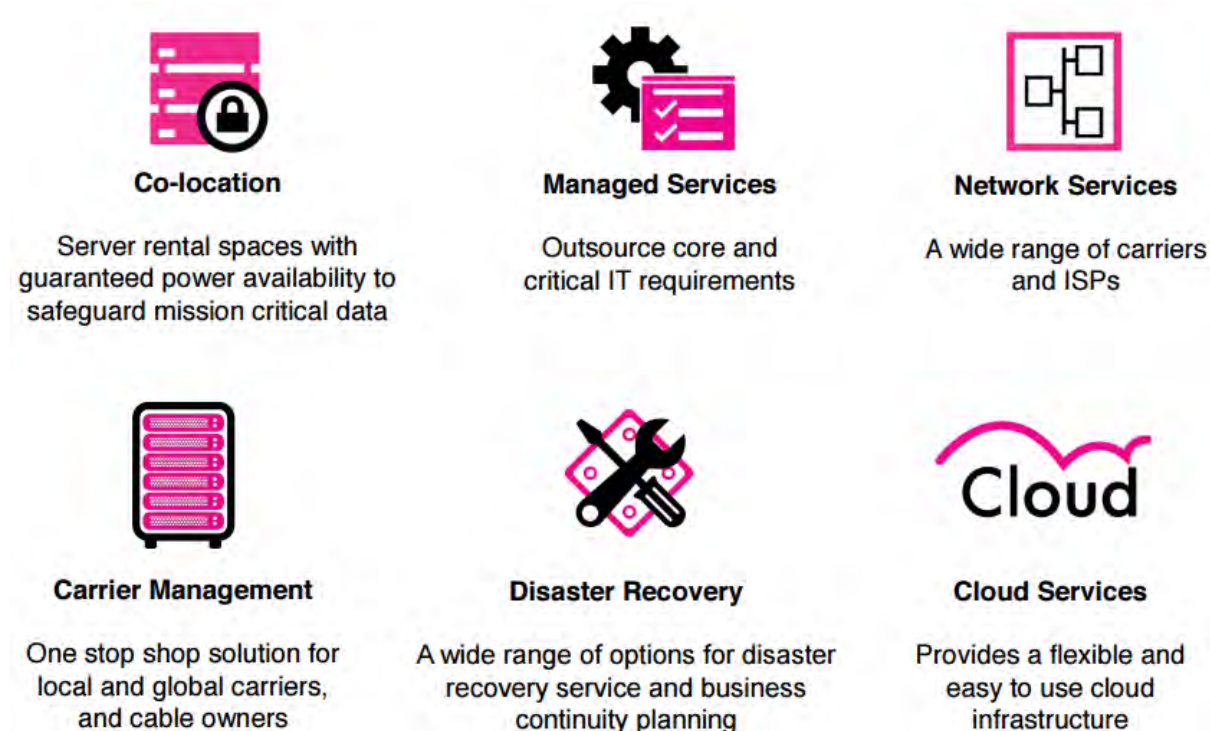


Source: TIME dotCom Berhad Investor Presentation at Invest Malaysia 2016

With more than 55,000 square feet of data centres, TIME can provide international-class data storage facilities and ancillary services through effective interconnected infrastructure. Further details are shown below.



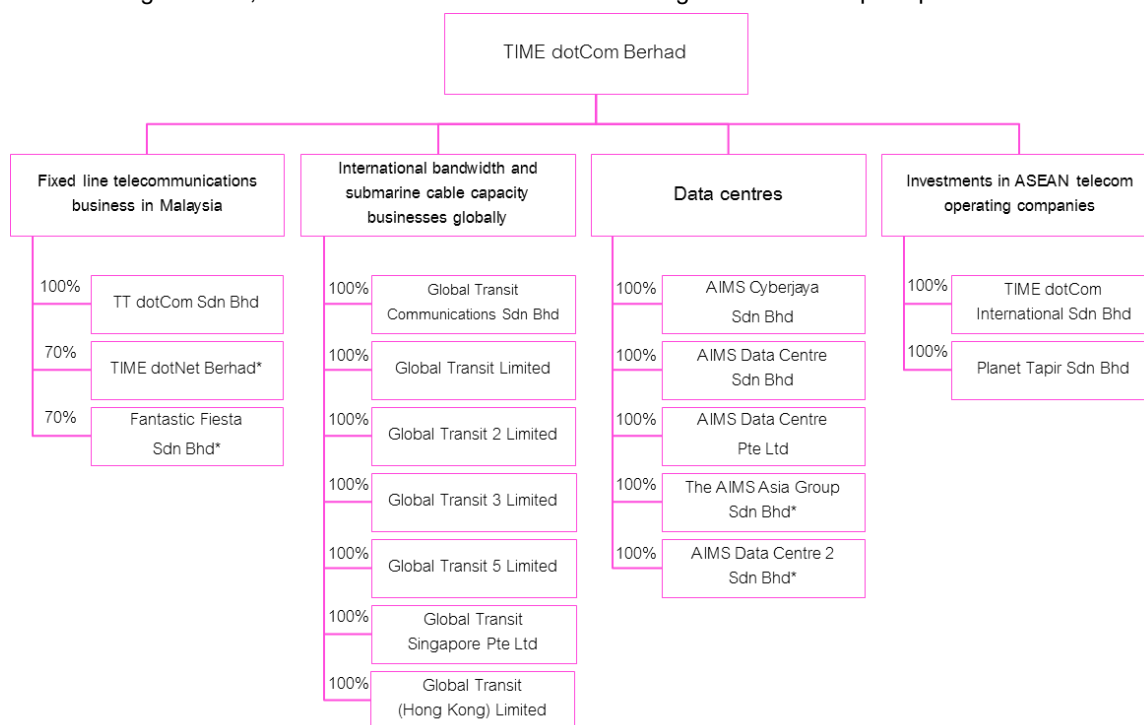
**Figure 4-4: TIME's Data center business**



Source: TIME dotCom Berhad Investor Presentation at Invest Malaysia 2016

- **Investment in ASEAN telecom operating companies** Investments, joint ventures, and partnerships with telecommunications service providers in ASEAN with a focus on providing pan-ASEAN and global connectivity, data centre services and enterprise solutions, conducted principally via TdCI, TIME's holding company for strategic investments in ASEAN telecom operating companies.

As of 31 August 2017, TIME has 17 direct subsidiaries arranged under the 4 principal businesses as follows:



**Table 4-4: TIME's subsidiaries**

Company	Country of Operation	Percentage of Sharholding	Year of Incorporation	Business
<b>Fixed line telecommunications business in Malaysia</b>				
1. TT dotCom Sdn Bhd	Malaysia	100	<u>1979</u>	Provision of voice, data, video and image communication services through its domestic and international network
2. TIME dotNet Berhad*	Malaysia	100	<u>2000</u>	Dormant
4. Fantastic Fiesta Sdn Bhd*	Malaysia	70	<u>2014</u>	Dormant
<b>International bandwidth and submarine cable capacity businesses globally</b>				
1. Global Transit Communications Sdn Bhd	Malaysia	100	<u>2005</u>	Provision of telecommunication and related services
2. Global Transit Limited	Malaysia	100	<u>2008</u>	Engaged in the business of telecommunication services and trading bandwidth capacity
3. Global Transit 2 Limited	Malaysia	100	<u>2014</u>	Engaged in the business of telecommunication services and trading bandwidth capacity
4. Global Transit 3 Limited	Malaysia	100	<u>2014</u>	Engaged in the business of telecommunication services and trading bandwidth capacity
5. Global Transit 5 Limited	Malaysia	100	<u>2014</u>	Engaged in the business of telecommunication services and trading bandwidth capacity
6. Global Transit Singapore Pte Ltd	Singapore	100	<u>2005</u>	Wholesale of telecommunication equipment and related services
7. Global Transit (Hong Kong) Limited	Hong Kong	100	<u>2005</u>	Provision of management services
<b>Data centres</b>				
1.AIMS Cyberjaya Sdn Bhd	Malaysia	100	<u>2007</u>	Provision of value added network services, information services, system integration services, operations of data networks and network based applications for corporations
2. AIMS Data Centre Sdn Bhd	มาเลเซีย	100	<u>1990</u>	Provision of value added network services, information services, system integration services, operation of data networks and network based applications for corporations and building management
3. AIMS Data Centre Pte Ltd	สิงคโปร์	100	<u>2005</u>	Provision of telecommunication related services
4. The AIMS Asia Group Sdn Bhd*	มาเลเซีย	100	<u>2005</u>	Dormant
5. AIMS Data Centre 2 Sdn Bhd*	มาเลเซีย	100	<u>2007</u>	Dormant
<b>Investments in ASEAN telecom operating companies</b>				
1. Time dotcom International Sdn Bhd	มาเลเซีย	100	<u>2015</u>	Investment holding
2. Planet Tapir Sdn Bhd	มาเลเซีย	100	<u>1990</u>	Investment holding

Remark: \*These subsidiaries are in the process of being dissolved from the register of Companies Commission of Malaysia under Section 308 (1) of the Companies Act 1965 as at 31 December 2016 and have been consolidated based on unaudited management accounts.

**(2) Authorised and paid-up capital of the Tender Offeror**

**The Tender Offeror**

As of 31 December 2016, TdCI's authorised capital is MYR 400,000 (approximately THB 3,120,000) and its issued and paid-up capital is MYR 2 (approximately THB 15.60), divided into 2 ordinary shares (calculated based on the exchange rate of MYR 1 to THB 7.80).

**The shareholder that has significant influence over the policy-making, management operation of the Tender Offeror**

As of 30 June 2017, TIME's issued and paid-up capital is MYR 1.15 billion (approximately THB 8.97 billion, calculated based on the exchange rate of MYR 1 to THB 7.80), which can be divided into 578,294,634 ordinary shares. On 18<sup>th</sup> July 2017, TIME issued 3,159,221 ordinary shares to eligible employees under the Annual Restricted Share Plan and Annual Performance Share Plan portion of TIME's Share Grant Plan ("SGP"). Hence, as of 31<sup>st</sup> August 2017, TIME has a total of 581,453,855 ordinary shares.

**(3) List of shareholders of the Tender Offeror**

**The Tender Offeror**

TdCI is a wholly owned subs subsidiary of TIME and was incorporated with the objectives of entering into investments, joint ventures, or acting as a partner with other telecommunication service providers in the ASEAN region.

**The shareholder that has significant influence over the policy-making, management operation of the Tender Offeror**

The top ten major shareholders of TIME as of 31 August 2017 are as follows:

**Table 4-5: TIME's top 10 major shareholders**

No.	Name	Number of shares	Shareholding and voting rights (%)	Brief Description
1	Pulau Kapas Ventures Sdn Bhd <sup>1</sup>	177,174,359	30.47	A private limited company where Khazanah Nasional Berha has a 30.00 percent interest and Global Transit International Sdn Bhd has 70.00 percent interest. Global Transit International Sdn Bhd is a 100.00 percent owned subsidiary of Megawisra Sdn Bhd. Megawisra Investments Limited ("MIL") holds 100.00 percent of the shares in Megawisra Sdn Bhd, having Afzal Abdul Rahim and Patrick Corso, directors and executives of TIME, as its major shareholders. In addition, none of the other directors or executives of TIME are shareholders of MIL. Megawisra Sdn Bhd holds 126,890,382 shares in TIME.

No.	Name	Number of shares	Shareholding and voting rights (%)	Brief Description
				<u>directly and indirectly, equivalent to 21.94 percent of the total shares of TIME on a see-through basis.</u>
2	Khazanah Nasional Berhad <sup>2</sup>	65,298,982	11.23	<u>The sovereign wealth fund of the Government of Malaysia</u>
3	Kumpulan Wang Persaraan <sup>3</sup> (Diperbadankan)	52,330,148	9.00	<u>Government of Malaysia pension plan sponsor for the public sector</u>
4	Citigroup Nominees (Tempatan) Sdn Bhd <sup>4</sup> - Exempt An for AIA Bhd	15,911,700	2.74	<u>A nominee company for AIA Bhd (an insurance company)</u>
5	Amsec Nominees (Tempatan) Sdn Bhd <sup>5</sup> - Amtrustee Berhad	14,821,720	2.55	<u>A nominee company for a trustee: Amtrustee Berhad for CIMB Islamic Dali Equity Growth Fund (UT-CIMB-DALI)</u>
6	Citigroup Nominees (Tempatan) Sdn Bhd <sup>6</sup> - คณะกรรมการกองทุนบำเหน็จบำนาญของพนักงาน (Employees Provident Fund Board)	14,261,500	2.45	<u>A nominee company for the Employee Provident Fund, which is a statutory body that manages all statutory contributions by all employees in Malaysia</u>
7	Amanahraya Trustee Berhad <sup>7</sup> - Public Smallcap Fund	10,868,260	1.87	<u>A trust company for Public Mutual Smallcap Fund</u>
8	Amanahraya Trustees Berhad <sup>8</sup> - Public Islamic Select Treasures Fund	9,628,040	1.66	<u>A trust company for Public Islamic Select Treasures Fund</u>
9	Cartaban Nominees (Tempatan) Sdn Bhd <sup>9</sup> - PAMB for Prulink Equity Fund	6,855,000	1.18	<u>A trust company for Prulink Equity Fund</u>
10	Amanahraya Trustee Berhad <sup>10</sup> - Public Ittikal Sequel Fund	6,442,000	1.11	<u>A trust company for Public Ittikal Sequel Fund</u>
	<u>Total of top major shareholders</u>	<u>373,591,709</u>	<u>64.25</u>	
	<u>Other shareholders</u>	<u>207,862,146</u>	<u>35.75</u>	
	<u>Total Shareholders</u>	<u>581,453,855</u>	<u>100.00</u>	

Note:

1. ~~A private limited company where Khazanah Nasional Berhad has a 30.00% interest and Global Transit International Sdn Bhd has 70.00% interest. Global Transit International Sdn Bhd is a 100.00% owned subsidiary of Megawisra Sdn Bhd. Megawisra Investments Limited ("MIL") holds 100.00% of the shares in Megawisra Sdn Bhd, having Afzal Abdul Rahim and Patrick Gorse, directors and executives of TIME, as its major shareholders. In addition, none of the other directors or executives of TIME are shareholders of MIL. Megawisra Sdn Bhd holds 138,540,382 shares in TIME, directly and indirectly, equivalent to 24% of the total shares of TIME on a see-through basis.~~
2. ~~The sovereign wealth fund of the Government of Malaysia.~~
3. ~~Government of Malaysia pension plan sponsor for the public sector.~~
4. ~~A nominee company for AIA Bhd (an insurance company).~~
5. ~~A nominee company for a trustee: Amtrustee Berhad for CIMB Islamic Dali Equity Growth Fund (UT-CIMB-DALI).~~
6. ~~A nominee company for the Employee Provident Fund, which is a statutory body that manages all statutory contributions by all employees in Malaysia.~~
7. ~~A trust company for Public Mutual Smallcap Fund.~~
8. ~~A trust company for Public Islamic Select Treasures Fund.~~
9. ~~A trust company for Prulink Equity Fund.~~
10. ~~A trust company for Public Ittikal Sequel Fund.~~

#### (4) Members of the Board of Directors of the Tender Offeror

The Tender Offeror

#### 4.1. List of Board of directors of TdCI as of 31 August 2017

**Table 4-6: List of Board of directors of TdCI**

Name	Position
1. Afzal Bin Abdul Rahim	Director
2 .Saiful Husni Bin Samak	Director
3 .Christopher Suart Parker Wilson	Director

The shareholder that has significant influence over the policy-making, management operation of the Tender Offeror

#### 4.2. List of Board of directors of TIME as of 31 August 2017

**Table 4-7: List of Board of directors of TIME**

Name	Position
1. Abdul Kadir Md Kassim	Non-Independent/ Non-Executive Director (Chairman)
2. Afzal Bin Abdul Rahim	Non-Independent/ Executive Director (Commander-in-Chief)
3. Patrick Corso	Non-Independent/ Executive Director
4. Lee Guan Hong	Non-Independent/ Executive Director
5. Elakumari Kantilal	Non-Independent/ Non-Executive Director
6. Ronnie Kok Lai Huat	Senior Independent/ Non-Executive Director
7. Hong Kean Yong	Independent/ Non-Executive Director
8. Mark Guy Dioguardi	Independent/ Non-Executive Director

#### (5) Summary of operating and financial highlights of the Tender Offeror

The Tender Offeror

**Table 4-8: summary of operating and financial highlights of the Tender Offeror**

[MYR 1 = THB 7.80]		Audited Financial Statements	
		2015 <sup>(1)</sup>	2015 <sup>(1)</sup>
<u>Statement of Financial Position</u>			
Total assets	(Unit: MYR million)	66.77	121.93
	(Unit: THB million)	520.81	951.05
Total liabilities <sup>(2)</sup>	(Unit: MYR million)	64.51	117.10
	(Unit: THB million)	503.18	913.38
Authorised capital	(Unit: MYR million)	0.40	0.40
	(Unit: THB million)	3.12	3.12
Paid-up capital	(Unit: MYR million)	2.00	2.00
	(Unit: THB million)	15.60	15.60
Retained earning	(Unit: MYR million)	2.26	4.83
	(Unit: THB million)	17.63	37.67
shareholder's equity	(Unit: MYR million)	2.26	4.83
	(Unit: THB million)	17.63	37.67
<u>Statement of Comprehensive income</u>			
Total revenue	(Unit: MYR million)	2.26	2.64

[MYR 1 = THB 7.80]		Audited Financial Statements	
		2015 <sup>(1)</sup>	2015 <sup>(1)</sup>
	(Unit: THB million)	17.63	20.59
Total expenses <sup>(3)</sup>	(Unit: MYR million)	0.06	0.47
	(Unit: THB million)	0.47	3.67
Net profit	(Unit: MYR million)	2.26	2.57
	(Unit: THB million)	17.63	20.05

Source :TIME dotcom International Sdn Bhd's audited financial statements

Note: (1) Financial statements for the period from 2 January ) 2015(date of incorporation) to 31 December .2015

(2) Total liabilities include a shareholder loan amounting to THB 51,000,000 that is charged with an interest rate of 12.50% per annum, as of 31 December .2016

(3) Total expenses largely contain administrative expenses and finance costs

The shareholder that has significant influence over the policy-making, management operation of The Tender Offeror

**Table 4-9: Financial statements of TIME**

Unit :MYR million Unit: THB million [MYR 1 = THB 7.80]	Audited Financial Statements						Financial Statements	
	2014		2015		2016		1H/2016 (Unaudited)	1H/2016 (Unaudited)
	Consolidated Financial Statements	Separate Financial Statements	Consolidated Financial Statements	Separate Financial Statements	Consolidated Financial Statements	Separate Financial Statements	Consolidated Financial Statements	Consolidated Financial Statements
<b>Statement of Financial Position</b>								
Total assets	2,745.35 21,413.73	1,532.42 11,952.88	2,609.94 20,357.53	1,295.88 10,107.86	2,747.30 21,428.94	1,303.90 10,170.42	2,448.93 19,101.65	2,726.72 21,268.42
Total liabilities	386.94 3,018.13	10.76 83.93	527.39 4,113.64	6.89 53.74	564.41 4,402.40	9.64 75.19	387.92 3,025.78	551.30 4,300.14
Shareholders' equity	2,358.41 18,395.60	1,521.67 11,869.03	2,082.55 16,243.89	1,289.00 10,054.20	2,182.89 17,026.54	1,294.27 10,095.31	2,061.01 16,075.88	2,175.42 16,968.28
Authorised capital	5,000.00 39,000.00	5,000.00 39,000.00	5,000.00 39,000.00	5,000.00 39,000.00	5,000.00 39,000.00	5,000.00 39,000.00	5,000.00 39,000.00	5,000.00 39,000.00
Paid-up capital	286.93 2,238.05	286.93 2,238.05	287.80 2,244.84	287.80 2,244.84	289.15 2,255.37	289.15 2,255.37	287.80 2,244.84	1,154.73* 9,006.89
<b>Statement of Comprehensive Income</b>								
Total revenue <sup>(1)</sup>	596.28 4,650.98	16.50 128.70	682.36 5,322.41	257.71 2,010.14	766.94 5,982.13	168.10 1,311.18	350.63 2,734.91	423.74 3,305.17
Total expenses <sup>(2)</sup>	469.37 3,661.09	16.11 125.66	559.1 4,360.98	78.84 614.95	596.33 4,651.37	28.53 222.53	283.93 <sup>(5)</sup> 2,214.65	340.48 <sup>(5)</sup> 2,655.76
Net profit	172.40 <sup>(3)</sup> 1,344.72	39.12 <sup>(3)</sup> 305.14	191.36 <sup>(4)</sup> 1,492.61	257.31 <sup>(4)</sup> 2,007.02	249.93 <sup>(4)</sup> 1,949.45	147.73 <sup>(4)</sup> 1,152.29	80.00 <sup>(6)</sup> 624.00	88.93 693.65
Basic earnings per share (Sen, THB) <sup>(7)</sup>	30.34 2.37	n/a n/a	33.55 2.62	n/a n/a	43.33 3.38	n/a n/a	13.90 1.08	15.38 1.20
Dividend per share (Sen, THB)	- -	n/a n/a	79.10 6.17	n/a n/a	20.00 1.56	n/a n/a	6.70 0.52	17.30 1.35
Book value per share (RM, THB)	4.11 32.06	n/a n/a	3.62 28.24	n/a n/a	3.77 29.41	n/a n/a	3.58 27.93	3.76 29.34

Source: TIME's annual report, TIME's audited financial statements 2014 – 2016, and TIME's unaudited financial statements for the second quarter ended 30 June 2017. The shareholders of SYMC and investors can access to the financial statements and other relevant information of TIME from <http://www.time.com.my/investor-relations>

\*On 31 January 2017, the new Companies Act 2016 came into force in Malaysia. In accordance with Section 618 of Companies Act, 2016, in relation to a no-par-value regime, any amount outstanding to the credit of the share premium account has become part of the company's share capital.

Note:

(1) Total revenue:

- Total revenue in consolidated financial statements comprises of revenue from sales of data, voice, data centre, and other services.
- Total revenue in separate financial statements comprises of management fee from subsidiary companies and dividend income from subsidiaries.
- In 2016 financial year, the revenue contribution by products is divided into Data 75.82 percent, Voice 11.15 percent, Data Centre 12.35 percent, and Others 0.68 percent
- In 1H/2017, the revenue contribution by products is divided into Data 76.52 percent, Voice 9.82 percent, Data Centre 13.06 percent, and Others 0.60 percent.

(2) Total expenses are calculated as the sum of cost of sales, distribution expenses, administrative expenses, other expense, and finance costs.

(3) Net profit in 2014 financial year includes income from investments of MYR 39,223,000 and MYR 42,699,000 for separate financial statements and consolidated financial statements, respectively.

(4) Net profit in 2015 and 2016 financial year exclude gains from disposal of DiGi.Com shares amounting to MYR 109,760,000 and MYR 6,873,000 for the 2015 and 2016 separate financial statements, respectively. The amount of such gains excluded in the consolidated financial statements for the 2015 and 2016 financial year are noted in (7).

(5) Expenses are calculated as the sum of other operating expenses, depreciation and finance costs.

(6) Net profit in 1H/2016 excludes realisation of fair value gain reclassified from available-for-sale reserve to profit or loss due to full disposal of shares in DiGi.Com on 20<sup>th</sup> May 2016 in the amount of MYR 157,390,000.

(7) For comparison purposes, excludes realisation of fair value gain reclassified from available-for-sale reserve to profit or loss amounting to MYR 274,024,000 in 2015 and MYR 157,390,000 in 2016 financial year.

## **(6) Material encumbrance**

### **The Tender Offeror**

- None -

### **The shareholder that has significant influence over the policy-making, management operation of the Tender Offeror**

- None -

## **(7) Information related to criminal records**

### **The Tender Offeror and/or its executives which include directors, managers or top four executive level position whose ranks are subsequent to the manager, and any persons holding equivalent position to that of the fourth executive position**

- None -

### **The shareholder that has significant influence over the policy-making, management operation of the Tender Offeror**

- None-

## **(8) Litigations not yet final**

### **The Tender Offeror/or its executives which include directors, managers or top four executive level position whose ranks are subsequent to the manager, and any persons holding equivalent position to that of the fourth executive level position**

- None -

**The shareholder that has significant influence over the policy-making, management operation of The Tender Offeror**

- None -

**4. Page 24 No 6 Anticipated shareholding structure following the Tender Offer**

**Original**

In the event that all of the securities of the Business that The Tender Offeror intends to purchase are tendered, the expected shareholding structure of the Business after the PVTO will be as follows:

**Table 4-14: Anticipated shareholding structure following the Tender Offer**

Shareholders	Number of shares	% in comparison with total issued and paid-up shares	% in comparison with total voting rights
1. TIME dotCom International Sdn Bhd	126,090,050	38.75	38.75
2. Group A Shareholders*	90,751,993	27.89	27.89
3. Other original shareholders	108,551,638	33.36	33.36

\* Group A Shareholders include Mr. Teerarat Pantarasutra, Mr. Kranphol Asawasuwana, Mr. Wanchai Somboonphon and Mr. Pongthep Thanakijsumton.

\*\* Assuming Group A Shareholders tendered all of their shares with pro-rata participation at 37.00% in the PVTO.

**Revision**

In the event that all of the securities of the Business that The Tender Offeror intends to purchase are tendered, the expected shareholding structure of the Business after the PVTO will be as follows:

**Table 4-14: Anticipated shareholding structure following the Tender Offer**

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2. Group A Shareholders*	90,751,993	27.89	27.89
3. Other original shareholders	108,551,638	33.36	33.36

\* Group A Shareholders include Mr. Teerarat Pantarasutra, Mr. Kranphol Asawasuwana, Mr. Wanchai Somboonphon and Mr. Pongthep Thanakijsumton.

\*\* Assuming Group A Shareholders tendered all of their shares with pro-rata participation at 37.00% in the PVTO.

Each of the Group A Shareholders and TdCI have entered in to Shareholders' agreement and expresses no intention to be a concert party of the other under applicable laws (i.e. Notification of the Capital Market supervisory Board No. TorChor. 7/2552 Re. Acting in concert as a result of the nature of a relationship or behavior and requirements under Sections 246 and 247) and agrees to exercise all of its respective voting rights and powers in relation to the Business in its own direction.

**5. Page 24 No 7 Members of the Board of Directors as at 31 August 2017**

**Original**

**Table 4-15: Board of Directors**

Name	Position
1. Mr. Woodtipong Moleechad	Chairman of the Board/ Independent Director/ Audit Committee/ Non-Executive



Name	Position
2. Mr. Prasit Hemwarapornchai	Deputy Chairman of the Board/ Independent Director/ Audit Committee/ Non-Executive
3. Mr. Jitkasem Sangsingkeo	Independent Director/ Chairman of the Audit Committee/ Non-Executive
4. Mr. Kranphol Asawasuwana	Chairman Executive officer/ Director
5. Mr. Teerarat Pantarasutra	Director/ Executive / Managing Director
6. Mr. Pongthep Thanakijsumton	Director/ Executive
7. Ms. Bussakorn Jaruwachirathanakul	Director
8. Mr. Supornchai Chotputtikul	Director/ Executive
9. Mr. Wanchai Somboonphon	Director

Source: the Stock Exchange of Thailand

Note: Ms. Nattaya Jungsawatmetha is the secretary of the Board of Directors and company secretary

After the PVTO, the Tender Offeror plans to be represented at the board of director level in proportion to its shareholding in the Business. In accordance with good governance, The Tender Offeror plans to replace one existing executive director with a new independent, non-executive director, so as to increase the overall number of independent directors on the board of directors. The total number 3 non-independent directors and 1 independent director will be nominated for consideration and appointment by the board of directors and/or the shareholders.

## Revision

**Table 4-15: Board of Directors**

Name	Position	Term
1. Mr. Woodtipong Moleechad	Chairman of the Board/ Independent Director/ Audit Committee/ Non-Executive	<u>26 April 2016 – 26 April 2019</u>
2. Mr. Prasit Hemwarapornchai	Deputy Chairman of the Board/ Independent Director/ Audit Committee/ Non-Executive	<u>26 April 2016 – 26 April 2019</u>
3. Mr. Jitkasem Sangsingkeo	Independent Director/ Chairman of the Audit Committee/ Non-Executive	<u>24 April 2015 – 24 April 2018</u>
4. Mr. Kranphol Asawasuwana	Chairman Executive officer/ Director	<u>26 April 2017 – 26 April 2020</u>
5. Mr. Teerarat Pantarasutra	Director/ Executive / <u>Managing Director</u> <sup>1</sup>	<u>24 April 2015 – 24 April 2018</u>
6. Mr. Pongthep Thanakijsumton	Director/ Executive/ <u>Deputy Managing Director, Marketing and Information</u>	<u>24 April 2015 – 24 April 2018</u>
7. Ms. Bussakorn Jaruwachirathanakul	Director / <u>Deputy Managing Director, Finance and Accounting</u> <sup>2</sup>	<u>26 April 2017 – 26 April 2020</u>
8. Mr. Supornchai Chotputtikul	Director/ Executive / <u>Deputy director, engineering</u>	<u>26 April 2017 – 26 April 2020</u>
9. Mr. Wanchai Somboonphon	Director / <u>Assistant Managing Director of Public Relations Purchasing and Property Management</u>	<u>26 April 2016 – 26 April 2019</u>

Source: the Stock Exchange of Thailand

Remark: 1. Managing director means Chief executive officer as define in shareholders' agreement in form 247-4

2. Deputy Managing Director, Finance and Accounting means chief financial officers as define in shareholders' agreement in form 247-4

Ms. Nattaya Jungsawatmetha is the secretary of the Board of Directors and company secretary

After the PVTO, the Tender Offeror plans to be represented at the board of director level in proportion to its shareholding in the Business. At the board level, the Offeror intends to nominate 4 new directors to replace 4 existing directors. Of the 4 new directors, 3 are expected to be non-independent and 1 is expected to be independent. As a result of these proposed changes, the total number of directors on the board would remain unchanged. Hence, in accordance with good governance, the number of independent directors would increase from 3 to 4, out of a Board of 9 directors. Such nomination by the Offeror will be done in compliance with the Business' Articles of Association and the relevant provisions prescribed under the Public Limited Companies Act, the Securities and Exchange Act, B.E. 2535, and other relevant regulations. ~~In accordance with good governance, The Tender Offeror plans to replace one existing executive director with a new independent, non-executive director, so as to increase the overall number of independent directors on the board of directors. The total number 3 non-independent directors and 1 independent director will be nominated for consideration and appointment by the board of directors and/or the shareholders.~~

Apart from the above, within the period of 12 months after the completion of the Tender Offer, the Offeror has no plan to change the number of directors or the directors of the Business or to appoint additional directors of the Business, except in the case that the Board of Directors of the Business and/or the shareholders' meeting of the Business resolve to change the directors or to appoint new directors in accordance with the nomination procedures of the Business and in compliance with relevant laws and regulations.

Further, as per the SHA detailed in Form 247-4, the Board of Directors shall procure that a formal search process via a reputable professional head hunting firm is initiated for a competent individual to take the position of the Business' CEO. The Offeror shall be entitled to nominate the CFO of the Business.

The Offeror shall ensure that the nomination of the new directors and executives is carefully undertaken to ensure that resigning directors and executives are replaced by experienced directors and executives. Further, according to the Business' annual report, the Business has in place a Succession Plan and Talent Management System to ensure that the Business is not dependent on any particular individuals. In addition, it is expected that the existing major shareholders will continue to hold a significant amount of shares in the Business and will continue to be directors and/or management of the Business, which could facilitate the replacement process of directors and executives to ensure that the Business operates without any major disruption.

After the successful completion of the PVTO, the Offeror will hold more than 35.00 percent in the Business. Consequently, the Offeror will have sufficient voting rights to vote against any agenda that requires super majority vote from shareholders (more than 75.00 percent of total voting rights).

## **6. Page 36-37 No. 4.3 Industry analysis of SYMC**

Original

### **Market Condition and Competition**

In 2016, high-speed communication network service market continues to grow in term of demand and market size. However, in some market segment had high market competition that put pressure on pricing. Therefore, some network service operators maintain revenue share by offering extra bandwidth to existing customers while also acquiring new customers. Marketing strategy also includes introducing new value added service together with network service income to serve the diverse and complex customer needs. Another key to maintain

customer loyalty is quality development that need skilled human resources that the Company always emphasize the human resource development and training.

Service income from Internet Access, Private Network and International Private Leased Circuit (IPLC) are major segments that accounted for 75% of total service income. Market circumstances in these 3 segments are as follows:

Internet Access : had high bandwidth growth but market competition was high. Price per bandwidth continually dropped. As a result, revenue from this segment was rather stable. Revenue target is to maintain customer base with slightly growth.

Private Network : had high demand growth. Pricing become important consideration but there is demand for high quality service. Therefore, some customers give priority to the reliable and trustworthy service than pricing. In the near future, when Internet of Things (IOT) dominate the way we live, quality of network service will play a vital role to customer consideration. IOT need high service quality to prevent possible risks e.g. IOT for medical or mass transit systems. Revenue target in Private Network is to achieve continued growth and expand customer base.

International Private Leased Circuit (IPLC) : high demand growth from telecom operators in neighboring countries with rising trend. IPLC is normally high bandwidth, hence, higher service rates comparing to those domestic circuits that having low bandwidth. Competition was quite high. However, customers in this segment normally need to diversify their lease contract to more than one network operators to reduce network risk, therefore, minimizing chance of market monopoly. The Company set high target growth in IPLC segments. In addition, Malaysia-Cambodia-Thailand (MCT) Submarine Cable System, will be ready for service in April 2017. This project will enhance competitiveness of the Company in IPLC market to enable international network connectivity via both terrestrial and submarine segments that move the Company forward to support Thailand as a telecom hub and gateway of ASEAN.

Overall, the Company has positive view of market growth, as telecom network is crucial infrastructure for "Digital Economy Development Plan" which require cooperation from both government and private sectors that will finally benefit all telecom operators throughout the supply chain. Then, quality of network service will be more important due to its contribution to quality of other services in the future when new communication technology is developed and Thailand will need to depend on high quality telecommunication networks.

The results of the communication market assessment of 2016 and projected result for 2017 (prepared by the NBTC. and NSTDA). Overall, the communication market value of 2017 is expected to grow 9.5%, or a total of THB 632,120 million from 2015 which has growth rate of 7.7% and with communication value of THB 577,329 million. The communication service market in 2017 is expected to grow 12.2% or with the amount of THB 371,011 million by the support of the growing of mobile non-voice services (Mobile nonvoice).

In addition, Kasikorn research center estimates that in 2016-2018, there will be investment amount of more than THB 173,000 million in fiber optic network business and 70% of total investment will be made in 2017-2018. Due to in 2016, some major broadband Internet service providers who provide the service for cellular

phone plan to invest in the 4G network. It also leads to the investment in fiber optic with the expected amount of THB 48,064 million. It is slightly increasing by 1.5% from 2015, with an growth rate of 14.4% and an investment amount of THB 47,336 million.

#### Revision

#### **Market Condition and Competition**

In 2016, high-speed communication network service market continues to grow in term of demand and market size. However, in some market segment had high market competition that put pressure on pricing. Therefore, some network service operators maintain revenue share by offering extra bandwidth to existing customers while also acquiring new customers. Marketing strategy also includes introducing new value added service together with network service income to serve the diverse and complex customer needs. Another key to maintain customer loyalty is quality development that need skilled human resources that the Company always emphasize the human resource development and training.

Service income from Internet Access, Private Network and International Private Leased Circuit (IPLC) are major segments that accounted for 75% of total service income. Market circumstances in these 3 segments are as follows:

Internet Access : had high bandwidth growth but market competition was high. Price per bandwidth continually dropped. As a result, revenue from this segment was rather stable. Revenue target is to maintain customer base with slightly growth.

Private Network : had high demand growth. Pricing become important consideration but there is demand for high quality service. Therefore, some customers give priority to the reliable and trustworthy service than pricing. In the near future, when Internet of Things (IOT) dominate the way we live, quality of network service will play a vital role to customer consideration. IOT need high service quality to prevent possible risks e.g. IOT for medical or mass transit systems. Revenue target in Private Network is to achieve continued growth and expand customer base.

International Private Leased Circuit (IPLC) : high demand growth from telecom operators in neighboring countries with rising trend. IPLC is normally high bandwidth, hence, higher service rates comparing to those domestic circuits that having low bandwidth. Competition was quite high. However, customers in this segment normally need to diversify their lease contract to more than one network operators to reduce network risk, therefore, minimizing chance of market monopoly. The Company set high target growth in IPLC segments. In addition, Malaysia-Cambodia-Thailand (MCT) Submarine Cable System, will be ready for service in ~~April 2017~~ 4<sup>th</sup> quarter of 2017. This project will enhance competitiveness of the Company in IPLC market to enable international network connectivity via both terrestrial and submarine segments that move the Company forward to support Thailand as a telecom hub and gateway of ASEAN.

Overall, the Company has positive view of market growth, as telecom network is crucial infrastructure for “Digital Economy Development Plan” which require cooperation from both government and private sectors that will finally benefit all telecom operators throughout the supply chain. For example, the EEC project will generate more investment from the domestic/abroad entrepreneur. These will require internet connection and will

increase the demand for private network and internet service, and if it is a foreign operator's factory, it needs to connect back to the country of origin. IPLC may also be used as well. In addition, the digital economy policy has resulted in increased data center availability, resulting in increased demand for data center services or the use of internet services to connect the cloud to the data center.

Then, quality of network service will be more important due to its contribution to quality of other services in the future when new communication technology is developed and Thailand will need to depend on high quality telecommunication networks.

The results of the communication market assessment of 2016 and projected result for 2017 (prepared by the NBTC. and NSTDA). Overall, the communication market value of 2017 is expected to grow 9.5%, or a total of THB 632,120 million from 2015 which has growth rate of 7.7% and with communication value of THB 577,329 million. The communication service market in 2017 is expected to grow 12.2% or with the amount of THB 371,011 million by the support of the growing of mobile non-voice services (Mobile nonvoice).

In addition, Kasikorn research center estimates that in 2016-2018, there will be investment amount of more than THB 173,000 million in fiber optic network business and 70% of total investment will be made in 2017-2018. Due to in 2016, some major broadband Internet service providers who provide the service for cellular phone plan to invest in the 4G network. It also leads to the investment in fiber optic with the expected amount of THB 48,064 million. It is slightly increasing by 1.5% from 2015, with an growth rate of 14.4% and an investment amount of THB 47,336 million.

## **Part 5 Fairness of the Tender Offer price**

### **7. Page 40 No. 5.2.2. Adjusted Book Value Approach**

Original

#### **5.2.2. Adjusted Book Value Approach**

Valuation of shares under this approach is to take the total assets of SYMC and deduct it by the total assets including future commitments and contingent liabilities which is appeared in the financial statement as of the 30 June 2017 which was the revised financial statement for the second quarter of the year 2017 and adjusted the details occurring after the last date of the financial statement or details which affected the value of the book to reflect the true value more. For instance, the additional part or discount part from the asset valuation which has not been recorded in the financial statement. This detail is added by the debts which may be lost or is bad debt recovery, the value of business license, goodwill, patent, brand value or losses carried forward. After that, the calculated result is divided by the total number of paid shares of the SYMC. Nevertheless, SYMC does not undertake the report on permanent asset price valuation whereby the permanent assets of the SYMC consist of the network equipment, land, buildings and tools and intangible assets which can be concluded as follows:

**Table 5-2: Fixed assets of SYMC**

	Amount (THB million)	% to total fixed assets
Network equipment	3,333.67	89.67
Land building and equipment	352.69	9.49
Intangible assets	31.23	0.84
<b>Total</b>	<b>3,717.58</b>	<b>100</b>

Source: Financial statement as of 30 June 2017

In accordance with the interview of the executives, the main assets of network equipment consist of: fiberglass cable which connects the network domestically and internationally including underwater cables which are difficult to evaluate the conditions of physical assets. Thus, physical depreciation is difficult to be evaluated due to examination limitation. Therefore, the Company did not conduct appraisal of assets. This approach to evaluate the value of the share cannot be undertaken.

## Revision

### **5.2.2. Adjusted Book Value Approach**

Valuation of shares under this approach is to take the total assets of SYMC and deduct it by the total assets including future commitments and contingent liabilities which is appeared in the financial statement as of the 30 June 2017 which was the revised financial statement for the second quarter of the year 2017 and adjusted the details occurring after the last date of the financial statement or details which affected the value of the book to reflect the true value more. For instance, the additional part or discount part from the asset valuation which has not been recorded in the financial statement. This detail is added by the debts which may be lost or is bad debt recovery, the value of business license, goodwill, patent, brand value or losses carried forward. After that, the calculated result is divided by the total number of paid shares of the SYMC.

Nevertheless, SYMC does not undertake the report on permanent asset price valuation whereby the permanent assets of the SYMC consist of the network equipment, land, buildings and tools and intangible assets which can be concluded as follows:

**Table 5-2: Fixed assets of SYMC**

	Amount (THB million)	% to total fixed assets	% to total assets
Network equipment	3,333.67	89.67	<u>79.83</u>
Land building and equipment	352.69	9.49	<u>8.45</u>
Intangible assets	31.23	0.84	<u>0.75</u>
Total fixed assets	<b>3,717.58</b>	<b>100</b>	<b><u>89.02</u></b>
<b>Total assets</b>	<b><u>4,176.15</u></b>		<b><u>100</u></b>

Source: Financial statement as of 30 June 2017

In accordance with the interview of the executives, the main assets of network equipment consist of: fiberglass cable which connects the network domestically and internationally including underwater cables which are difficult to evaluate the conditions of physical assets. Thus, physical depreciation is difficult to be evaluated due to examination limitation. Therefore, the Company did not conduct appraisal of assets. This approach to evaluate the value of the share cannot be undertaken. However, the adjusted book value approach may not be suitable for the network service business. Because this business has a relatively high investment and this

does not take into account the profitability, future performance of the Company and the competitiveness of the business. Therefore, the IFA views that the share valuation by this approach is not appropriate for the fair valuation of SYMC's ordinary shares and cannot reflect the true value of the Company.

## **8. Page 40-41 no. 5.2.3. Weighted Average Market Value Approach**

### Original

#### **5.2.3. Weighted Average Market Value Approach**

The valuation of shares under this approach is the valuation of share by referring the weighted average market value approach in retrospective of the ordinary shares of SYMC which is purchased and sold in the Stock Exchange of Thailand during different period of time from 7-360 working days as from the 26 September 2017 (which was the working day one day before the date the Tender Offeror disclosed the tender offer from 247-4)

**Table 5-3: Weighted average market value approach of SYMC**

	7 days	15 days	30 days	60 days	90 days	120 days	180 days	270 days	360 days
Weighted average market price )THB per share(	12.11	12.04	11.92	11.93	11.91	12.06	11.49	10.82	10.66
Average daily trading volume )shares(	1,063,373.29	571,589.47	345,417.43	291,950.25	223,802.80	261,838.88	434,081.92	391,548.64	320,033.41

In accordance with the share valuation under the weighted average market value approach, the value of the share of SYMC equals THB 10.66-12.11 per share which is calculated to the proportion of the price offer as 87.38 – 99.26% and is less than the offer price by THB 1.54-0.09 per share. However, the market price during this period absorbed the effect of declaration the Tender Offer on 7 March 2017 and the market price adjusted to the Tender Offer price of THB 12.20. Moreover, the amount of sale and purchase of the share SYMC is low and illiquid. Thus, the weighted average market value approach may not reflect the real value.

Also, by calculating the weighted average market value approach 360 working days from 7 March 2017 in which it is the day of declaration of the Tender Offer, SYMC share price equals THB 9.92-12.16 per share or equivalent to 81.29% - 99.66% of the Tender Offer price.

In this regard, in accordance with the sale and purchase of the ordinary share of SYMC in the Stock Exchange market during the past 7-360 working days, it had low turnover ratio compared to that of the market as follows:

**Table 5-4: Turnover ratio of SYMC**

	7 days	15 days	30 days	60 days	90 days	120 days	180 days	270 days	360 days
SET	3.69%	7.79%	13.67%	23.41%	34.34%	45.10%	71.01%	114.93%	160.29%
SYMC	2.29%	2.63%	3.18%	5.38%	6.19%	9.66%	24.01%	32.37%	35.56%

Source: SETSMART

### Revision

The valuation of shares under this approach is the valuation of share by referring the weighted average market value approach in retrospective of the ordinary shares of SYMC which is purchased and sold in the Stock Exchange of Thailand during different period of time from 7-360 working days as from the 26 September 2017 (which was the working day one day before the date the Tender Offeror disclosed the tender offer from 247-4)

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In accordance with the share valuation under the weighted average market value approach, the value of the share of SYMC equals THB 10.66-12.11 per share which is calculated to the proportion of the price offer as 87.38 – 99.26% and is less than the offer price by THB 1.54-0.09 per share. However, the market price during this period absorbed the effect of declaration the Tender Offer on 7 March 2017 and the market price adjusted to the Tender Offer price of THB 12.20. ~~Moreover, the amount of sale and purchase of the share SYMC is low and illiquid. Thus, the weighted average market value approach may not reflect the real value.~~

The IFA evaluated this approach over a period of 7-360 business days, as it covers the date of the announcement of the intention to conduct tender offer of SYMC shares.

Also, by calculating the weighted average market value approach 360 working days from 7 March 2017 in which it is the day of declaration of the Tender Offer, SYMC share price equals THB 9.92-12.16 per share or equivalent to 81.29% - 99.66% of the Tender Offer price.

Moreover, the amount of sale and purchase of the share SYMC is low and illiquid. Thus, the weighted average market value approach may not reflect the real value. In this regard, in accordance with the sale and purchase of the ordinary share of SYMC in the Stock Exchange market during the past 7-360 working days, it had low turnover ratio, which is the rate used to measure trading volume relative to listed shares, compared to that of the market as follows:

**Table 5-4: Turnover ratio of SYMC**

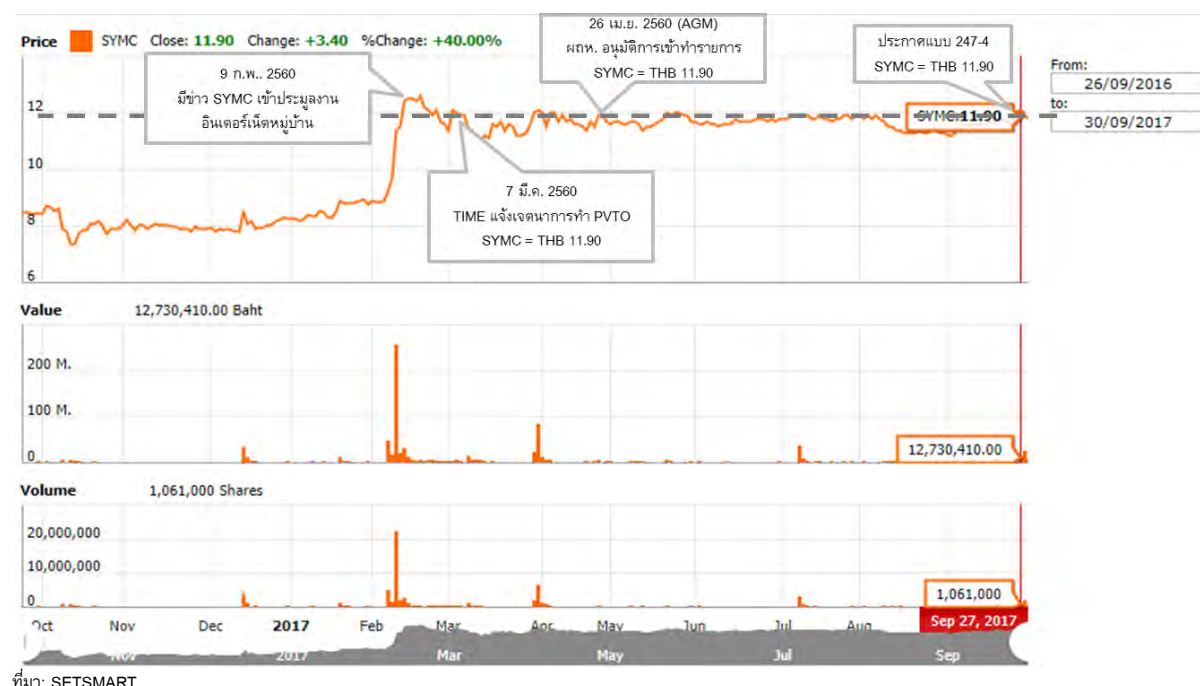
	7 days	15 days	30 days	60 days	90 days	120 days	180 days	270 days	360 days
SET	3.69%	7.79%	13.67%	23.41%	34.34%	45.10%	71.01%	114.93%	160.29%
SYMC	2.29%	2.63%	3.18%	5.38%	6.19%	9.66%	24.01%	32.37%	35.56%

Source: SETSMART

Information and trading statistics of the Company's shares during the 360 days following the business day preceding the date on which the Offeror discloses the Tender Offer Information SYMC's overall trading volume is relatively low even though SYMC shares have a high trading volume in mid-February and early April as shown in the following figure:



**Figure 5-1: Trading statistic of SYMC**



## 9. Page 42-43 No. 5.2.4. Price to Book Value Approach or P/BV Ratio

### Original

#### 5.2. 4. Price to Book Value Approach or P/BV Ratio

Price to book value ratio approach is to take the value under the book of SYMC in accordance with the total financial statement as of the 30 June 2107 which was reviewed by the licensed auditor as approved by the SEC. The value is THB 4.46 per share times the peer group P/BV and the average of the P/BV of the registered company group which operate similar business to SYMC is used as the reference ratio P/BV. This is calculated in retrospective manner from the daily stock price during the period of 7 to 360 days as from the 26 September 2017 (which was the working day before the date the tender offeror disclosed the tender under the form 247-4). This is to decrease the deviation from stock price movement which may occur from unusual incident or seasonal movement which may affect the stock price and does not reflect the appropriate value if the price at one period is used.

Since the independent financial advisor selected the companies whereby their characteristics of business operation are similar to one another or are the companies with the goal to compete with the Company in the business of leasing fiberglass network by using the moving average or the ratio of close price in respect to the book value of the registered companies used for comparison. The calculation was made by using the moving average of such companies during the above time period dividing by the book value of such company in accordance with the latest financial statement as of the 30 June 2017.

The list of companies in the information technology and communications that operate similar business operation to SYMC can be summarized as follows:

**Table 5-5: Information on comparable companies of SYMC**

Unit: THB million

Company	Business description	Market cap <sup>1</sup>	Total assets <sup>2</sup>	Total revenues <sup>3</sup>	Net profit <sup>3</sup>
CSL	The Company operates the ICT service provider, serving all IP based technology needs on the Internet, in Computing and Telecommunication. The services is provided and served to corporate customers ranging from medium to large business size. The company urges the position as a premium quality service provider and satisfies various customer's needs.	4,548.04	1,898.35	2,834.13	296.82
JAS	The Company has its role as an investment and holding company, with an objective to invest in telecommunications and information technology businesses. Also, the company chooses to invest in businesses whose products and services support and compliment one another. They also fully utilizes potentially in its well synergized human capital, telecom networks and high speed internet service provider.	53,582.56	47,725.00	16,918.61	3,139.35
INET	"The Company is a provider of the integrated ICT infrastructure services for the business and individuals who need ICT as a tool to strengthen the business competitiveness. The Company's services include Cloud Solutions, Internet Connectivity Service, Internet Data Center (IDC) Service, together with various	2,300.19	3,291.81	919.39	329.97
ILINK	The Company and its subsidiaries have engaged in 3 main business segments. ( (1 Distribution business : The Company is the large importer and distributor of computer and telecommunication cabling in Thailand by distributing top brand in the world, such as LINK and COMMScope (old name: AMP brands) and under the trademark of the company is "19 GERMANY EXPORT RACK brand. ( (2 Engineering Business: Design/Construction and Contractors (Submarine Cable) mix with fiber optic cable (Composite cable) Transmission Line Project (Transmission Line) underground cable (Under Ground Cable) Substation (Substation) or projects related to electric power systems. ( (3 Telecom Business: divided into 3.1 Service providing high-speed data integrated (Data Service). 3.2 The installation of telecommunication service. 3.3 Data Center Service.	5,508.84	6,048.71	3,202.13	177.04

Remark: 1. as of 26 September 2017

2. Financial statement as of 30 June 2017

3. Trailing 12-month total revenue and net profit

## Revision

### 5.2.4. Price to Book Value Approach or P/BV Ratio

Price to book value ratio approach is to take the value under the book of SYMC in accordance with the total financial statement as of the 30 June 2107 which was reviewed by the licensed auditor as approved by the SEC. The value is THB 4.46 per share times the peer group P/BV and the average of the P/BV of the registered

company group which operate similar business to SYMC is used as the reference ratio P/BV. This is calculated in retrospective manner from the daily stock price during the period of 7 to 360 days as from the 26 September 2017 (which was the working day before the date the tender offeror disclosed the tender under the form 247-4). This is to decrease the deviation from stock price movement which may occur from unusual incident or seasonal movement which may affect the stock price and does not reflect the appropriate value if the price at one period is used.

Since the independent financial advisor selected the companies whereby their characteristics of business operation are similar to one another or are the companies with the goal to compete with the Company in the business of leasing fiberglass network by using the moving average or the ratio of close price in respect to the book value of the registered companies used for comparison. The calculation was made by using the moving average of such companies during the above time period dividing by the book value of such company in accordance with the latest financial statement as of the 30 June 2017.

The list of companies in the information technology and communications that operate similar business operation to SYMC can be summarized as follows:

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Unit: THB million

Company	Business description	Market cap <sup>1</sup>	Total assets <sup>2</sup>	Total revenues <sup>3</sup>	Net profit <sup>3</sup>
CSL	The Company operates the ICT service provider, serving all IP based technology needs on the Internet, in Computing and Telecommunication. The services is provided and served to corporate customers ranging from medium to large business size. The company urges the position as a premium quality service provider and satisfies various customer's needs.	4,548.04	1,898.35	2,834.13	296.82
JAS	The Company has its role as an investment and holding company, with an objective to invest in telecommunications and information technology businesses. Also, the company chooses to invest in businesses whose products and services support and compliment one another. They also fully utilizes potentially in its well synergized human capital, telecom networks and high speed internet service provider.	53,582.56	47,725.00	16,918.61	3,139.35
INET	"The Company is a provider of the integrated ICT infrastructure services for the business and individuals who need ICT as a tool to strengthen the business competitiveness. The Company's services include Cloud Solutions, Internet Connectivity Service, Internet Data Center (IDC) Service, together with various	2,300.19	3,291.81	919.39	329.97
ILINK	The Company and its subsidiaries have engaged in 3main business segments. ( ( 1 Distribution business : The Company is the large importer and distributor of computer and telecommunication cabling in Thailand by distributing top brand in the world, such as LINK and COMMScope (old name: AMP brands) and under the trademark of the company is " 1 9 GERMANY EXPORT RACK brand. ( ( 2 Engineering Business: Design/Construction and Contractors (Submarine Cable) mix with fiber optic cable (Composite cable)	5,508.84	6,048.71	3,202.13	177.04

Company	Business description	Market cap <sup>1</sup>	Total assets <sup>2</sup>	Total revenues <sup>3</sup>	Net profit <sup>3</sup>
	Transmission Line Project (Transmission Line) underground cable (Under Ground Cable) Substation (Substation) or projects related to electric power systems. ( 3 Telecom Business: divided into 3.1 Service providing high-speed data integrated (Data Service). 3.2The installation of telecommunication service. 3.3Data Center Service.				
SYMC	The Company is a high-speed communication network provider using optical fiber cable for its core network to serve as an infrastructure for data communication for corporates or other telecommunication operators that need rapid and massive data transmission.	3,872.18	4,176.15	1,418.82	110.63

Remark: 1. as of 26 September 2017

2. Financial statement as of 30 June 2017

3. Trailing 12-month total revenue and net profit

## 10. Page 44-62 No 5.2.6. Discounted Cash Flow Approach

### Original

The valuation of share under this approach will consider the performance result of SYMC in the future by calculating the current value of free cash flow (FCF) with appropriate discount rate which the independent financial advisor has calculated the weighted average cost of capital (WACC) for discount rate and free cash flow in the future from the financial forecasting of the SYMC in the next 5 years (2017-2021) to be the current value for the free cash flow as of 2<sup>nd</sup> quarter 2017 basing upon the assumption that the business of SYMC continuously operates (going concern basis) without any substantial change and under the current economy and circumstance.

In respect of the financial forecasting and assumption in conducting this forecasting, the independent financial advisor conducted it by forecasting the free cash flow from the forecasting of the performance of SYMC in the future and the assumption used in such forecasting referred from the actual past data or financial ratio and/or financial statement or plan of the SYMC including the information of relevant industry.

In this regard, the assumption of this forecasting is under the current economic circumstance, industry and information as of the time of the study only. In the case where the mentioned factors substantially change from the current situation and affect the operation of SYMC and the SYMC situation substantially changes from the established assumptions, the valuated price of share under this approach may change in accordance with the affecting factors.

The important assumptions of the financial forecasting of SYMC can be summarized as follows:

### 1. Revenue assumptions

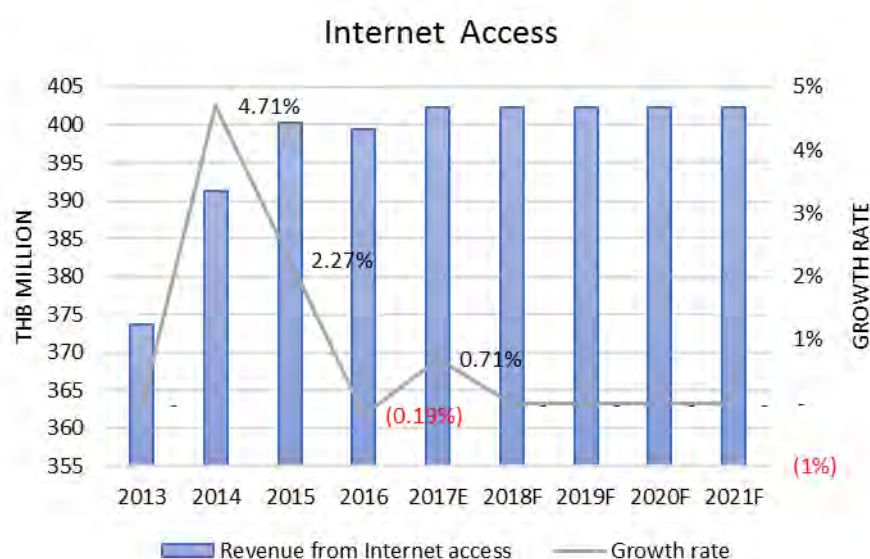
SYMC's main earning came from providing the service to lease the circuit to customers that are telecommunication service providers and uses the network service of SYMC to provide commercial service to end-user. The independent financial advisor referred to the assumption of earning growth in accordance with the forecast of the executives of SYMC. The earning can be divided into categories as follows:

### **Internet Access**

Is the use of high speed communication circuit to connect the internet and the customers of SYMC are internet service provider (ISP) that provide internet service to end-users by renting the high-speed communication circuit of SYMC without investing in its own network.

The independent financial advisor referred to the growth assumption in respect of earning from internet access in accordance with the forecasting of the executives of SYMC in which the executives forecast the revenue to be THB 402.29 million in 2017 and determined that the earning growth rate from internet access was 0.71% from 2016 and after that, stable revenue throughout the forecasting period as SYMC planned to cooperate with the customers who are ISP in approaching customers more. Nonetheless, despite continuous increase of demand for bandwidth, price competition is fierce. This renders the price of bandwidth continuously decrease from the previous year.

**Figure 5-2: Internet Access revenue assumption**



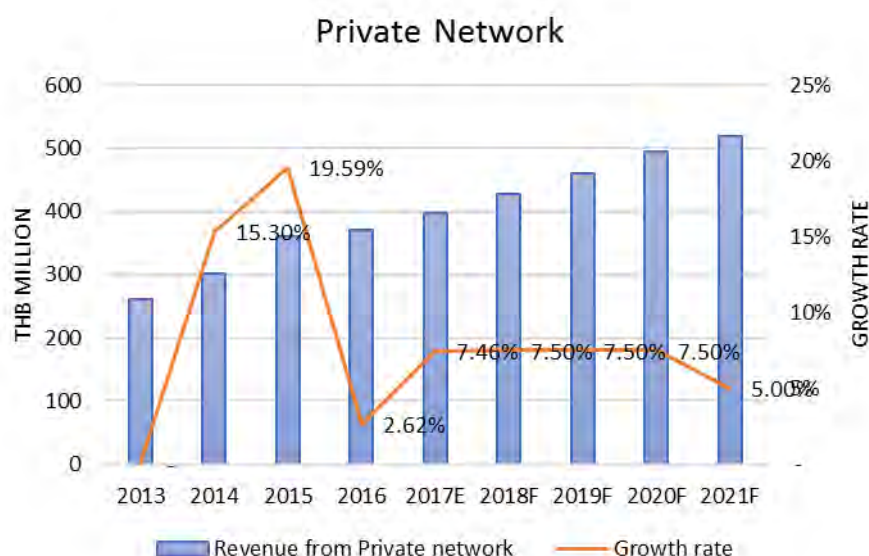
### **Private Network**

Is the use of high speed communication circuit to connect the communication in private network by which SYMC customers are both telecommunication providers renting the communication circuit of SYMC as backbone or to provide services to end-user and the organization customers which need sending and receiving of large amount of data between the head quarter and branch offices, for instance, commercial banks, modern trade retail shops, state enterprises.

SYMC forecasted the earning growth rate from private network in 2017 to be 7.46% by referring to the customer base particularly the customers in retail shops and convenient stores, insurance business, and leasing business which can grow from the continuous increase of branches. After that, the growth rate at approximately 5.00-7.50% was determined throughout the forecasting period. it was also based upon the digital technology development plan for economy and society of the state. In addition, SYMC had plans to expand the services to other industries such as logistics and goods distribution business. Nonetheless, the earning growth rate in

the future will decrease as the logistic and goods distribution businesses have less income than the customers which are financial institutes or retail shops with large numbers of branches. Customers are more likely to distribute the circuit lease from more than one carrier to spread the risk of instability.

**Figure 5-3: Private Network revenue assumption**

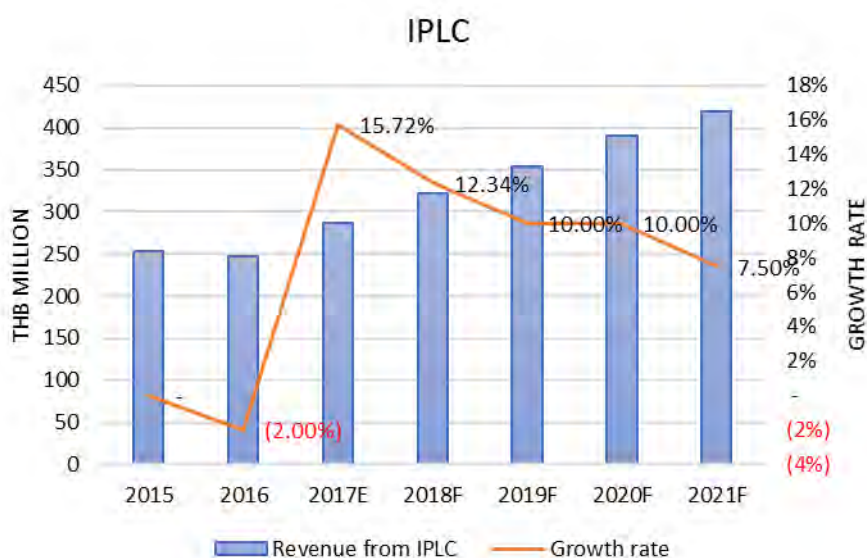


#### **International Private Leased Circuit (IPLC)**

Is the use of high speed communication circuit to connect international communications for general organizations, such as, banks, factories, international companies which require connectivity of the data system between the offices in Thailand and offices located abroad or other telecommunication providers, such as, international carrier, local telecom operator which rents the communication circuit as the backbone to connect to the station of international communication circuit in other countries.

The earnings growth rate from IPLC in the fourth quarter of 2016 significantly increased (from new customer base and new projects) compared to the 1st – 3rd quarter of the year 2016. Moreover, SYMC saw the opportunity in Myanmar and Cambodia with high growth rate. In addition, it is possible that SYMC will receive the long period of contract from Regional Carrier which is still in negotiation period. The executives of SYMC, therefore, forecasted that in 2017, SYMC will have the earning of approximately 322.42 million THB or 12.34% increase from 2016. After that, the growth rate was determined to be in the range of 7.5 -10.00% due to the growth of demand for the use of international connectivity, the amount of usage of mobile data particularly the connectivity between the CLMV (Cambodia, Laos, Myanmar and Vietnam) where their economies are expanding, and increase numbers of business license of ISP in Myanmar. In addition, normal businesses will have to lease the circuit to provide backup services to avoid circuit breakdown anyway.

**Figure 5-4: IPLC revenue assumption**

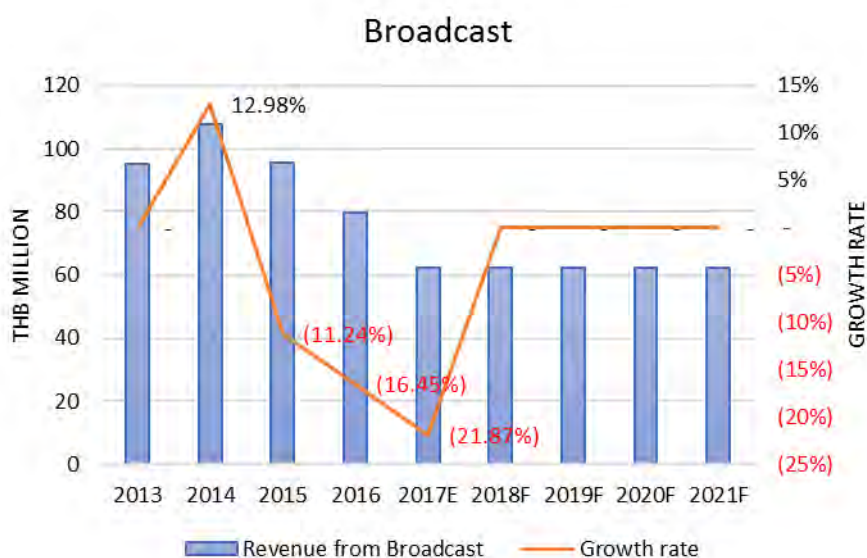


### **Digital Broadcast**

This group of customers are TV producers, digital or IPTV providers which rent the high-speed communication circuit of SYMC to broadcast TV program by renting the communication circuit of SYMC to connect from the TV production room to Thai Com Satellite or digital TV stations or digital tv stations or between the broadcasting stations.

SYMC forecasted that in 2017, the revenue from this line of product will be THB 62.35 million and the growth rate of the earning in this sector would be negative 21.88% as digital tv faced with high cost pressure and was affected from OTT (over-the-top) and online media. This rendered some business operators in the market to adjust the strategies or ceased to provide services. The management of SYMC is forecasting that this revenue from this line of product will continue throughout the projection period.

**Figure 5-5: Digital Broadcast revenue assumption**





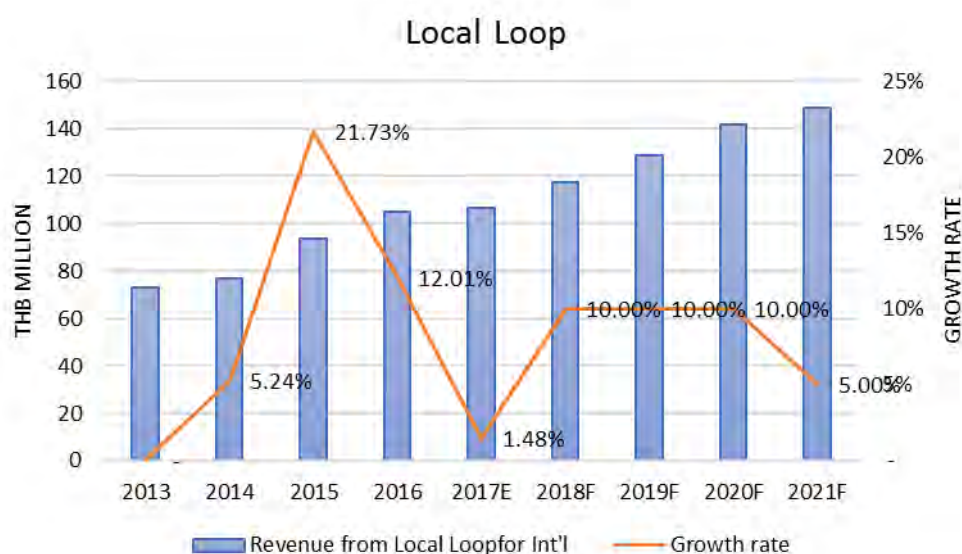
Remark: Over-the-Top (OTT) or provision of communications and broadcasting pictures and voice over the internet by which service providers are not required to invest in the network is a new business form which has begun to play an important role in the current period as consumers demand more use of technology while service providers must be different from other competitors. This renders a new form of services called Over-the-Top (OTT). OTT is communication services and broadcasting content via application on the internet whereby consumers are not required to install additional equipment and the service providers are not required to invest in their network, for instance, Netflix and Hulu are services to broadcast movies and tv programs via internet while viewers are not required to install additional antenna or satellite dish and the service providers are not required to pay for expenses in broadcasting TV like traditional TV.

### **Local Loop for International**

Is the service of domestic high-speed communication circuit network to IPLC operator to connect the IPLC service to end-user abroad.

SYMC forecasted that the earning from Local Loop for International in 2017 will be THB 106.64 million and the growth rate of approximately 1.47% as some of the customers had moved to use their own network. Nonetheless, SYMC concluded the MOU (Memorandum of Understanding) with Global Carrier which is one of the world largest international information communication service provider in 2017, SYMC forecasted that the growth rate of earning would be at 5 – 10% from the earning of Global Carrier which concluded the MOU in 2017 while the numbers of Global Carrier to install transmission lines in Thailand to transmit to other countries have increased due to the opportunity to provide POPs (point-of-presence : access point to internet) of current POPs and new POPs which will enter into the market in the future as alternated routes as the usual business requires circuit renting to provide alternate services to prevent the interrupted circuit.

**Figure 5-6: Local Loop for international revenue assumption**



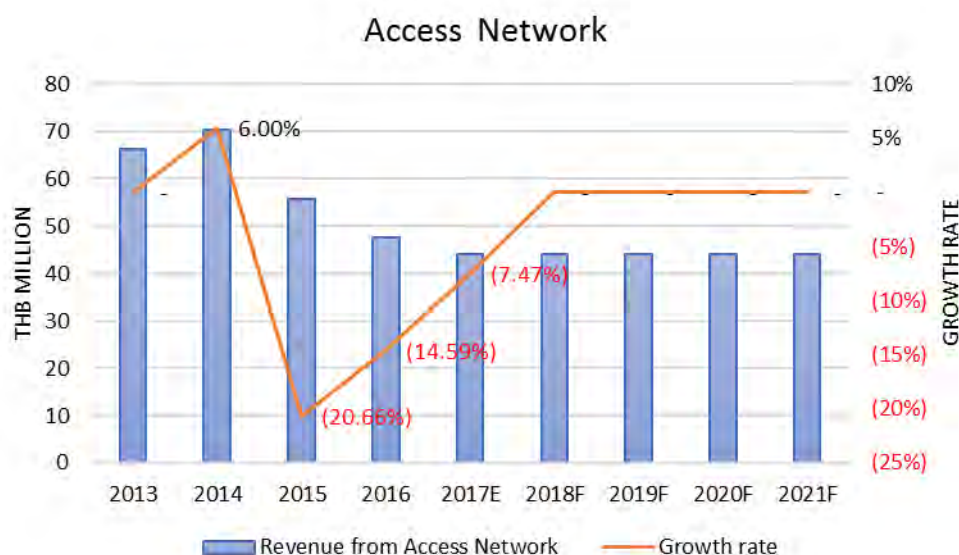
### **Access Network**

Is the high speed communication circuit to connect between offices of the customers to server, for instance, connection between data center and offices of end user or user or connection between service providers such as Bloomberg and destination customer. SYMC is the service provider between data center service provider and end users of the data center service provider including procuring programs for end-users by which these data center service providers do not have their own network and, thereby, it is necessary to use the high speed communication circuit network of SYMC to connect to the offices of customers and end-users of the data center service provider.



However, currently, as there is more data published on the internet, it renders access to the data easier. End-users, as a result, choose to use such information rather than relying on the data from the data center service providers, which are the customers and the target group of SYMC. SYMC, therefore, forecasted that the earning from this customer would be THB 44.10 million and stable throughout forecasting period.

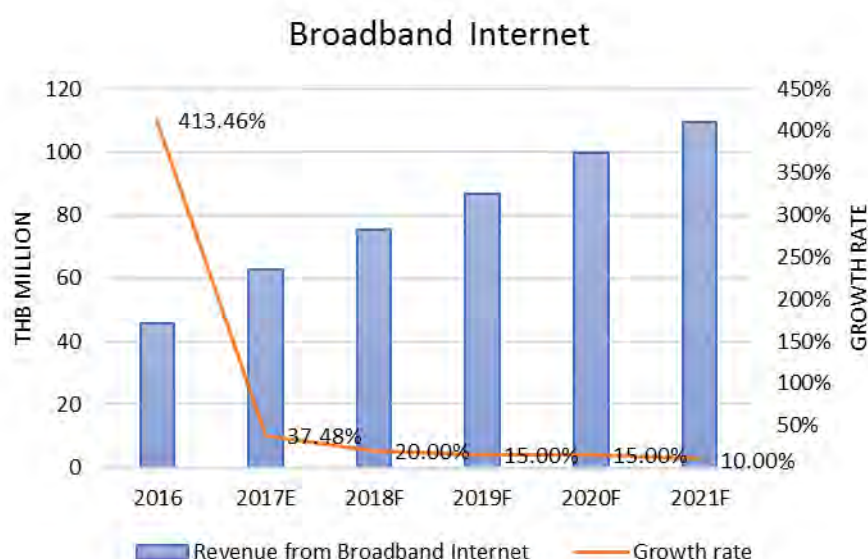
**Figure 5-7: Access Network revenue assumption**



### **Broadband Internet**

Is the earning resulted from business partnership of premium broadband service providers in this region which SYMC forecasted that in 2017, SYMC's earning from this part of would be approximately 62.74 MB THB or an increase of 37.48% from 2016 as a large numbers of local cable business operators wish to be partners with SYMC in providing high speed internet in the area where they provide services. This will result in an increase of the use of bandwidth from current customers. An increase of income will come from an expansion of area of business partnership and increase of subscribers. After that, the earning from this sector was determined to decreasingly grow from 20% to 10% due to the demand to replace outdated ADSL / VDSL to be fiberglass system FTTx which will attract more household customers to continue using broadband internet. Nonetheless, in the future, it was forecasted that the competition in this market will be fierce due to increasing numbers of local cable service providers.

**Figure 5-8: Broadband Internet revenue assumption**



### **MCT Submarine Cable System**

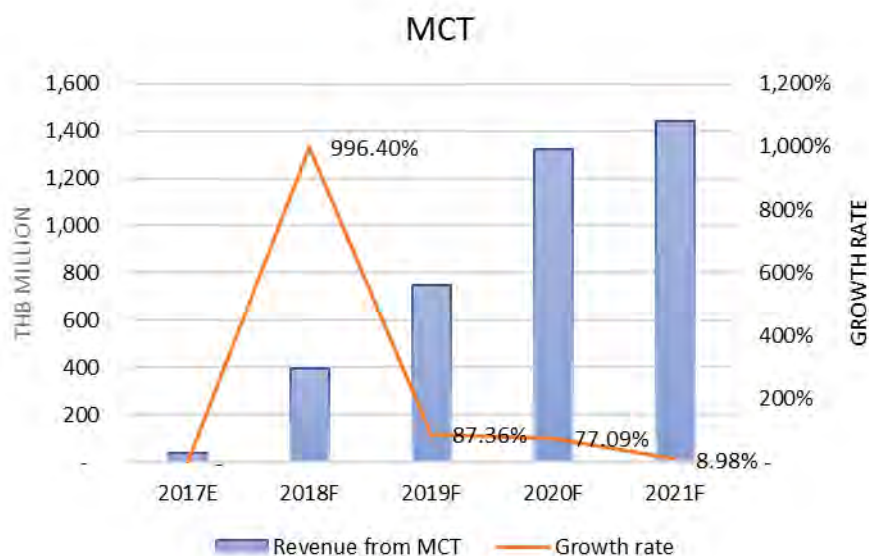
MCT submarine cable system (Malaysia-Cambodia-Thailand (MCT)) is the project that is a cooperation of 3 countries which are Malaysia-Cambodia-Thailand. The project can interconnect from Rayong to the city of Cheonggye of Malaysia and Sihanoukville of Cambodia through the submarine cable to other submarine cable systems in the world. Investment to expand the area of network services resulted in higher cost but, in the long run, the utilization of the network of SYMC will be able to control the total cost with liquidated and efficient management of bandwidth to respond to the demand of customers and ability to support the prompt communication growth in the future.

This MCT project will cover the total distance of 1,300 kilometers and will be able to support the transmission of data of 30 Tbps (ratio of SYMC is 10 Tbps). In respect of this submarine cable system, the independent financial advisor referred to the assumption in the undertaking of financial forecasting of SYMC in 2017. The MCT project has completed and, currently, it is under the trial period. The customers of SYMC are mobile operators, ISP, Global Carriers, POPs and Web Portal. SYMC forecasted that the earning from providing services under this project should begin in Fourth quarter 2017 and there are 4-5 customers which are under negotiation. In this regard, it is forecasted that 2 customers would be using the services in 2017.

The Company forecasted the amount of circuit renting of MCT in the first year for approximate 5-10 circuits and will increase to 100 circuits in 2021. The Company confirmed that the monthly fee rates that are used in calculation are market rate that compared from the rate from same group of business and group of users that communicate with other groups of users.

In this regard, the leasing of the above circuit is the minimum lease which is the yearly lease. It was forecasted, however, that due to higher competition, the monthly rate would decrease approximately 14-15% per year.

**Figure 5-9: MCT revenue assumption**

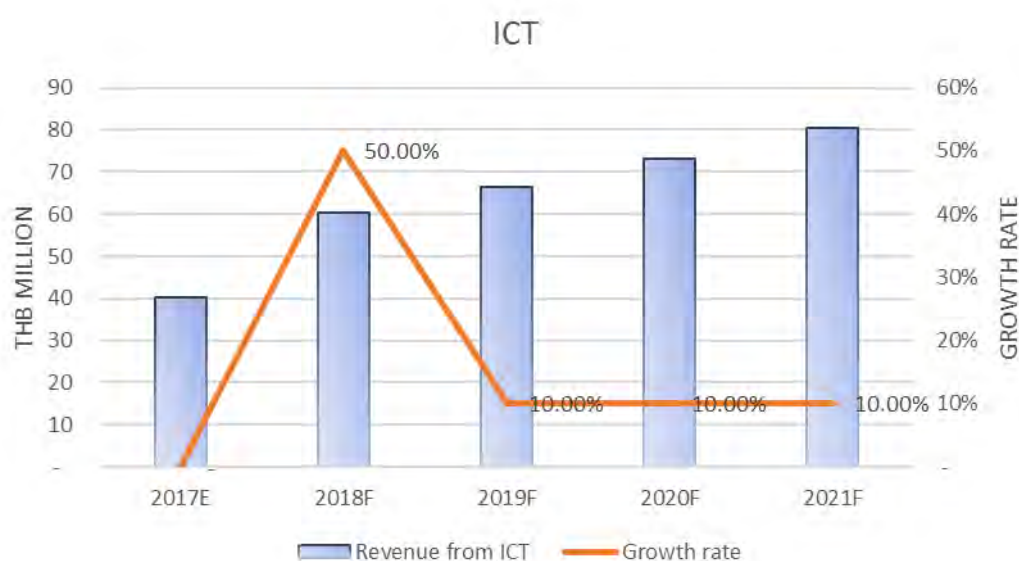


### **ICT (new business)**

Is the earning from providing services in managing the information technology system. There are different projects which customers demand SYMC to assist end-users which are general companies.

SYMC began this business in the 2<sup>nd</sup> quarter of 2017. There are currently 3 projects being negotiated. SYMC forecasted that in 2017, the earning from this business would be THB 40.30 million. In 2017 SYMC has signed the contract with new major customers and should realize revenue this year and the remaining earning in 2018. SYMC forecasted that in 2018 the growth of earning would be 50% as it would be the full year earnings and after that, the growth rate was determined to be between 10%.

**Figure 5-10: ICT revenue assumption**



### **Revenues from other services**

As they are not main earning and limited earning in this business, SYMC forecasted that the earning from installation, maintenance and other would be stable while the independent financial advisor determined that other earnings shall equal the average of the past 3 years

### **SYMC revenue structure can be summarized as follows**

**Table 5-8: SYMC revenue structure**

Revenue	2014A	2015A	2016A	2017E	2018F	2019F	2020F	2021F
Internet Access	391.46	400.24	399.45	402.29	402.29	402.29	402.29	402.29
Private Network	316.77	360.67	370.09	397.71	427.54	459.60	494.07	518.78
IPLC	265.10	248.03	287.01	322.42	354.66	390.13	419.39	450.84
Digital Broadcast	105.69	95.51	79.81	62.35	62.35	62.35	62.35	62.35
Local Loop International	80.33	93.82	105.09	106.64	117.31	129.04	141.94	149.04
Access Network	67.18	55.81	47.66	44.10	44.10	44.10	44.10	44.10
Broadband Internet Service	0.07	8.89	45.64	62.74	75.29	86.58	99.57	109.53
Other services - Installation	16.41	13.00	10.99	10.82	10.82	10.82	10.82	10.82
Other services - Wifi, Telco, Voice, Colo, Burst	7.37	13.54	20.87					
MCT (new business)	-	-	-	36.35	398.57	746.75	1,322.41	1,441.17
ICT (new business)	-	-	-	40.30	60.45	66.49	73.14	80.46
<b>Lease line service income</b>	<b>1,250.38</b>	<b>1,289.50</b>	<b>1,366.61</b>	<b>1,505.31</b>	<b>1,972.96</b>	<b>2,417.75</b>	<b>3,089.68</b>	<b>3,288.96</b>
Management and maintenance service income-network	15.44	15.90	15.44	15.60	15.60	15.60	14.04	14.04
Revenue from sales of network service	2.73	0.38	0.02	1.04	1.04	1.04	1.04	1.04
Other income	6.84	13.20	6.64	8.89	8.89	8.89	8.89	8.89
<b>Total revenues</b>	<b>1,275.39</b>	<b>1,318.98</b>	<b>1,388.72</b>	<b>1,530.84</b>	<b>1,998.50</b>	<b>2,443.28</b>	<b>3,113.65</b>	<b>3,312.93</b>

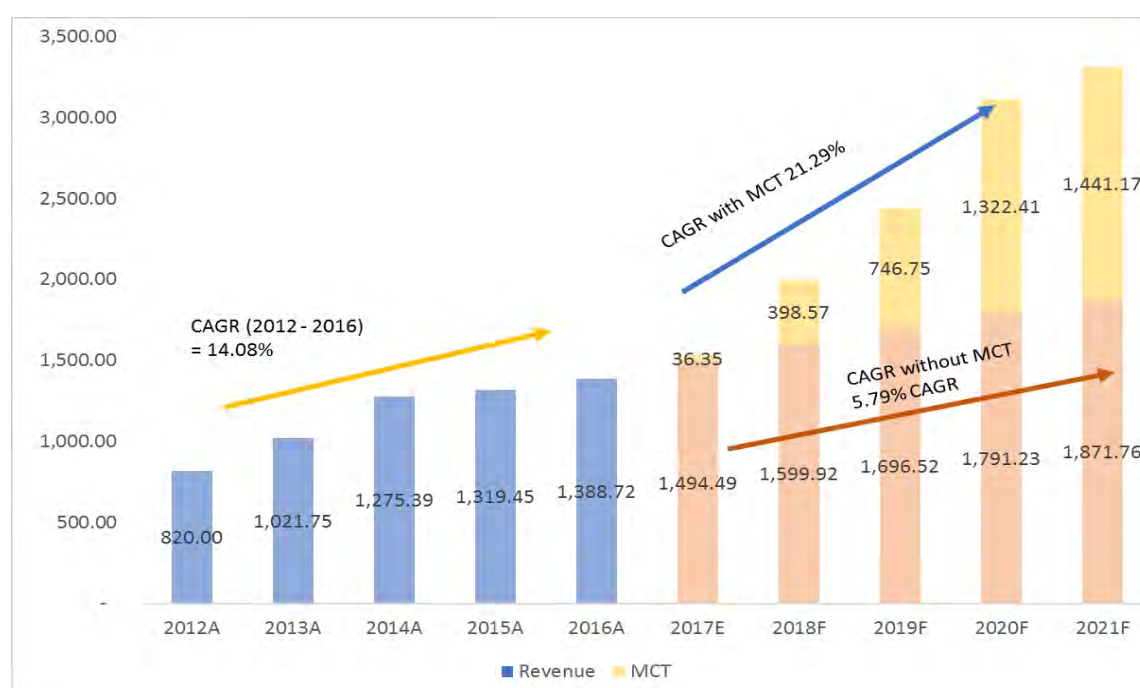
IFA considered the historical annual growth of SYMC's comparable companies which are CSL JAS ILINK and INET. SYMC has higher growth rate compared to comparable companies which are summarized as follows.

**Table 5-9: Historical growth rate of SYMC's comparable companies**

THb million	CSL	JAS	INET	ILINK	Total group revenues	SYMC
<b>2012</b>	2,944.36	10,501.85	331.28	1,467.64	15,245.13	819.57
<b>2013</b>	3,050.85	11,260.21	392.96	1,996.51	16,700.53	1,021.75
<b>2014</b>	3,044.91	12,411.19	513.08	2,694.76	18,663.94	1,275.39
<b>2015</b>	2,963.84	33,427.14	640.35	3,078.99	40,110.32	1,319.45
<b>2016</b>	2,917.86	18,150.84	1,020.68	2,971.94	25,061.32	1,388.72
<b>CAGR</b>	-0.23%	14.66%	32.49%	19.29%	13.23%	14.09%

Remark: 5 year historical growth rate

**Figure 5-11: Total revenue growth rate assumptions**



As shown above, the compounded annual growth rate (CAGR) during 2012-2016 of SYMC was higher than CAGR of comparable companies. However, the CAGR for the forecasted year 2017 – 2021 is equal to 21.58% per year. If exclude revenues from MCT, the Company CAGR would be equal to 5.79% per year which is less than the historical growth rate due to the growth rate during 2015 – 2016 of SYMC was lowest at 3.13% - 5.98% per year.

## 2. Sale and Service cost

Consists of depreciation cost, salary, welfare of employees, network renting fee, expenses in renting the service center, fee in laying down lines, license fee, maintenance fee, costs relating to MCT and ICT business and other costs are as follows:

- Depreciation cost can be divided into
  - Depreciation cost for the current assets calculated from the asset registration data of SYMC in accordance with the remaining validity of such assets.
  - Depreciation cost for Capital Expenditure which SYMC planned to invest in the future and this is calculated from the validity of operation for such capital expenditure.
- From the interview with SYMC's management, the growth rate of salary and employee benefits are 5%. In this regard, SYMC plans to increase the number of employees of approximately 10-13 people per year throughout the forecasting period.
- Leasing fee can be divided into
  - Domestic network leasing is referred to the average proportion of domestic network leasing between 2014-2016. Such leasing rate continuously decreases from 7.77 to

3.33% which equal the average of 4.81%. The independent financial consultant, therefore, determined that the domestic network leasing remuneration is approximately 4% of the earning occurring in the country and this is determined to be stable throughout the forecasting period.

- Network leasing abroad is referred from the average proportion of the network leasing to the earning of IPLC between 2014-2016 which equals 38.06%, the independent financial consultant, thus, determined that the network leasing remuneration abroad was approximately 38% of the earning of IPLC throughout the forecasting period.
- The expenses in renting service center is referred to expenses in renting the service center to the earning occurring in the country in 2016 which equals 5.09% as such ratio was likely to increase in the past 3 years.
- Fee in laying down lines which is the expenses in laying down lines into building of customers (last mile) and the fee for initial wire line and yearly fee paid to Metropolitan Electricity Authority and Provincial Electricity Authority. This was referred to the earning occurring in the country in 2016 which equaled 3.69% as such ratio was likely to increase in the past 3 years.
- Fee relating to basic telecommunication service and USO was determined to be 2.50% of the earning deducted by the exemption THB 40 MB.
- Cost for installation is referred to the average ratio of total earning between 2014 – 2016 which equals 2% of the earning and is determined to be stable throughout the forecasting period.
- Maintenance cost is referred to the average expenses of the network tools between 2014 – 2016 which equals 0.88% of the net value of network tools and is determined to be stable throughout the forecasting period after 2017.
- The cost of license fee is calculated in accordance with the yearly license fee under the Notification of the Office of The National Broadcasting and Telecommunications Commission on fee for license to operate telecommunication business as follows:

**Table 5-9: License fee cost**

License type	License fee for operating telecommunication (THB million)	Licese fee cost (%)
Every type of license	0-100	0.25
	101-500	0.50
	501-1,000	1.00
	More than 1,000	1.50

- Cost relating to the MCT business and in accordance with the forecasting of SYMC, the costs are as follows:
  - Licensee fee is calculated as 1.50% of the earning from MCT
  - Fee relating to basic telecommunication service provision and USO is calculated as 2.50% of the earning of MCT.
  - Agent fee is calculated as 7.50% of the earning from Thailand to destination station

- Operating cost between Cable landing station in Thailand to destination countries is in between 46% - 49% of the earning in this line of product.
- Operating cost between Cable landing station in destination countries to customers in that country is in between 92% - 93% of the earning in this line of product.
- Cost relating to ICT business according to the interview of executives of SYMC, it was forecasted that the cost relating to ICT business which is consisting of mainly equipment costs would account for 85% of the earning from ICT and was determined to be stable throughout the forecasting period.
- Other costs referred from the average expenses to the total earning between 2014-2017 which equal 1.11% of the earning and is determined to be stable throughout the forecasting period.

### Summary of the cost of sale and service of SYMC

**Table 5-10: Summary of the cost of service of SYMC**

Unit: THB million

Cost of sale and service	2014A	2015A	2016A	2017F	2018F	2019F	2020F	2021F
Depreciation cost	226.98	308.88	370.79	435.42	482.19	476.63	460.12	435.76
Salary and employee benefits	103.24	119.85	123.45	132.16	142.83	154.02	164.11	174.67
Overseas network rental fees	106.05	93.08	105.21	122.52	134.77	148.25	159.37	171.32
Domestic network rental fees	76.57	34.76	35.99	44.25	46.37	48.57	50.99	52.66
Service Center fee	45.70	50.65	54.93	56.28	58.98	61.78	64.85	66.98
Wiring installation fee	30.44	37.61	39.85	40.83	42.79	44.82	47.05	48.59
USO fee	39.28	42.16	44.65	34.86	46.05	57.02	73.65	42.42
Installation cost	25.92	27.99	23.91	28.54	30.24	32.05	33.84	35.31
Maintenance fee	20.68	26.75	16.77	24.57	30.29	29.81	29.78	29.81
Licence fee	9.08	9.87	11.52	10.93	20.40	30.97	49.58	32.63
Agent fee related to MCT	-	-	-	0.97	10.84	19.91	35.07	38.43
MCT operating cost	-	-	-	23.77	236.00	447.40	796.60	865.49
ICT cost	-	-	-	34.25	51.38	56.52	62.17	68.39
Other	12.79	13.58	17.20	15.88	16.83	17.83	18.83	19.64
Total cost	696.72	765.18	844.27	1,005.25	1,349.97	1,625.61	2,046.04	2,082.10

### 3. Service expense

Expenses in providing services consist of salary and welfare of employees, expenses in sale promotion, commission paid to the third parties, expenses in encouraging sale, public relation expenses and other expenses.

- Salary and welfare of the sale department: according to the interview of executives of SYMC, it was determined that the growth rate was 5% of the salary and welfare expenses in the previous year. In this regard, SYMC plans to increase the numbers of employees at the rate of 5-7 people per year throughout the forecasting period after 2017.
- Expenses in sale promotion is referred from the average expense to the total earning between 2014-2016 which equals 0.87% and is determined to be stable throughout the forecasting period.

- Commission fee is referred to the average expenses to the total earning between 2014-2016 which equals 0.78% and is determined to be stable throughout the for casting period.
- Expenses in sale encouragement is referred to the average expenses to the total earning between 2014 – 2016 which equals 0.38% and is determined to be stable throughout the forecasting period.
- Public relation expense is referred to the average expenses to the total earning between 2014 – 2016 which equals 0.23% and is determined to be stable throughout the forecasting period.
- Other expenses is referred to the average expenses to the total earning between 2014 – 2016 which equals 0.23% and is determined to be stable throughout the forecasting period.

### **SYMC's service expenses**

**Table 5-11: Summary of SYMC service expenses**

Service expense	2014A	2015A	2016A	2017E	2018F	2019F	2020F	2021F
Salary and welfare expenses	32.66	37.90	38.32	40.24	47.72	55.86	62.97	70.64
Expenses in sale promotion	10.99	14.45	8.51	12.49	13.23	14.02	14.81	15.45
Commission fee	9.31	8.34	13.00	11.16	11.82	12.53	13.23	13.80
Expenses in sale encouragement	3.97	5.14	5.75	5.41	5.74	6.08	6.42	6.70
Public relation expense	2.33	3.43	3.24	3.28	3.48	3.69	3.89	4.06
Other expenses	2.93	3.05	3.13	3.33	3.53	3.74	3.95	4.12
Total service expenses	62.19	72.31	71.95	75.91	85.53	95.92	105.27	114.77

## **4. Administrative expenses**

Administrative expenses consist of salary and welfare expense, price depreciation, expenses relating to MCT submarine cable, hiring of experts, maintenance expenses and other expenses.

- In respect of the salary and welfare of the management department, according to the interview of executives of SYMC, it was determined that the growth rate was 5% of the salary and welfare expenses in the previous year. In this regard, SYMC plans to increase the numbers of employees at the rate of 5-8 people per year throughout the forecasting period after 2017.
- Depreciation expense can be divided as follows
  - Depreciation cost for the current assets calculated from the asset registration of SYMC in accordance with their remaining validity.
  - Depreciation cost for Capital Expenditure which SYMC planned to invest in the future and this is calculated from the validity of operation for such capital expenditure.
- SYMC forecasted that administrative expenses relating to MCT are as follows
  - The Company forecasted that the expenses in the operation relating to MCT are as follows: Moalee Operation Cost and in 2017, it was forecasted that the initial expenses would be THB 1.56 million.
    - Expenses in infrastructure is approximately THB 1.24 million per year by calculating from the expenses in 2018 and is adjusted to increase at 3% per year



- Expenses relating to the employees is approximately THB 3 million per year and is calculated from the mid budget of 2017 and is adjusted to increase at 3% per year.
    - Other expenses of THB 1.30 million per year and is calculated from 2018 and is adjusted to increase at 3% per year
  - The administrative expenses and operation relating to MCT in 2017 is expected to have the initial expenses at approximately THB 7.18 million
    - Expenses relating to the agreement on maintenance of cables in Gulf are approximately THB 13.50 million and is calculated from the expenses in 2018 and adjusted at 3% per year
    - Expenses relating to network management of approximately THB 5.51 million per year and is calculated from the expenses in 2018 and adjusted at 3% per year.
    - Other expenses are approximately THB 3.50 million and is calculated from the expenses in 2018 and adjusted at 3% per year.
- Expenses in hiring consultant for the year 2017, SYMC forecasted that the expenses for this would increase from the previous year for approximately THB 7.32 million as there are the expenses in hiring external experts on information technology approximately THB 7 million and legal advisor of approximately THB 3 million. After that, the growth rate for the expenses of hiring experts would increase from the expenses of the year 2016 by 2.2% and this is referred from the inflation rate and is determined to be stable throughout the forecasting period.
- Maintenance expenses is referred from the average expenses to investment money on land, building and equipments and intangible assets between 2014-2016 which equals 1.36% and is determined to be stable throughout the forecasting period.
- Other expenses is determined to equal the average of the year 2014 -2016, adjusted by the growth rate of 2.2% (inflation rate) and is determined to be stable throughout the forecasting period.

### Summary of administrative expenses

**Table 5-12: Summary of administrative expenses of SYMC**

Administrative expenses	2014A	2015A	2016A	2017E	2018F	2019F	2020F	2021F
Salary and welfare expenses	82.19	82.92	79.06	83.02	94.75	107.44	118.04	129.42
Depreciation expenses	44.55	51.66	52.92	74.82	80.73	76.39	68.64	68.59
Consultancy expenses	9.85	10.59	11.43	15.12	11.68	11.94	12.20	12.47
Maintenance expense	4.85	6.79	10.18	8.95	9.70	10.50	11.34	12.21
Expenses relating to MCT	-	-	-	10.23	28.89	29.75	30.65	31.57
Other expenses	95.34	99.18	106.08	107.81	110.18	112.61	115.08	117.62
Total administrative expenses	236.78	251.13	259.67	299.95	335.93	348.63	355.95	371.88

## 5. Corporate income tax

The tax rate of 20% of the net profit before tax throughout the forecasting period. However, the company has been approved with the investment promotion and tax privilege from the Board of Investment by which the Company is exempted from the Corporate Income Tax in the case where the net profit from the promoted business operation does not exceed THB 988,578,798.94 for a period of 8 years from the date of earning from business operation. In this regard, the independent financial advisor calculated the benefit from the promotion by determining the profit before tax after 2021 to be increased at the rate as inflation rate and deduct the free cash flow to be present.

## 6. Assets

### 6.1. Working capital

- Account receivable days, the independent financial advisor referred to the average of 2014-2016 and determined to be stable throughout the forecasting period which is 58 days.
- Inventory days, the independent financial advisor referred to the average of 2014-2016 and determined to be stable throughout the forecasting period which is 7 days
- Account payable days, the independent financial advisor referred to the average of 2014-2016 and determined to be stable throughout the forecasting period which is 153 days

### 6.2. Capital Expenditure

SYMC forecasted the capital expenditure in purchasing the new network equipment, building, land and tools, software, MCT submarine cable which can be summarized as follows:

**Table 5-13: CAPEX assumptions**

(Unit : THB million)

CAPEX	2017E	2018F	2019F	2020F	2021F
New network equipment	361.45	350.81	371.79	392.56	409.52
Land, building and equipment	43.24	41.33	43.80	46.25	48.25
Computer software	14.41	13.78	14.60	15.42	16.08
MCT	207.42	49.73	93.50	90.42	27.39
Total capex	626.52	455.65	523.69	544.64	501.25

## 7. Liabilities

### 7.1. Short term loan

In accordance with the 3 month financial statement of 2017 which ceased on the 30 June 2017, SYMC borrowed money from the financial institute of approximately THB 65 million with the interest rate of between 2.67%-2.85% which is the loan without guarantee. Such loan was to be repaid in July and September 2017 (31 December 2016: was specified to be repaid in January, February, March 2017 and upon demand)

In this regard, it was determined that SYMC had minimum cash of 8% of the total cost and expenses in providing services and management and this deducted the price depreciation and expenses which was referred from the ratio of remaining cash to the total expenses above between 2014 – 2016 which equaled 7.76%. In

the case where the cash flow in the business operation is insufficient, SYMC was determined to take out the loan to be spent in its operation with the interest rate of 2.75% per year (in accordance with the information complementary to the financial statement which specified that the interest rate of short term loan from a financial institute equals 2.67 – 2.85% per year)

## 7.2. Long term loan

In accordance with the 6 month financial state in 2017 ceased on the 30 June 2017, there were loan from 3 financial institutions accounting for THB 1,657.34 million by which SYMC planned to increase its loan and repay in the future as follows:

**Table 5-14: Long term loan**

(Unit : THB million)

Credit line	Interest rate	Outstanding Q2 2017	loan plan	Debt repayment				
				2017E	2018F	2019F	2020F	2021F
Bank 1 Credit line 1	5.82%	112.50	-	37.50	75.00	-	-	-
Bank 1 Credit line 2	3.95% for year 1-2 and MLR – fixed rate for year 3-7	425.00	-	32.50	130.00	130.00	130.00	2.50
Bank 2	4.5% for year 1-2 and MLR- fixed rate for year 3-10	644.84	65.16	-	66.56	88.75	88.75	88.75
Bank 3	THBFIX + fixed rate	475.00	-	35.00	84.00	96.00	120.00	120.00
Total		1,657.34	65.61	142.50	355.56	314.75	338.75	211.25

## 7.3. Debenture

The annual general meeting of shareholders on the 26 April 2016 approved debenture without security and with the right no less than the revolving credit of not exceeding THB 1,000 million at the interest rate of 4.25% per year for 3 years and will be valid until the 20 of June 2022. As of the 31 March 2017, SYMC had issued the debenture of THB 660 million. The independent financial advisor determined that SYMC shall not issue additional debenture and shall issue a new debenture to replace the old one upon the validity of repayment.

## 7.4. Long-term employee benefits

Long term reserves for employees is calculated as 7.98% of the 3 year average salary and welfare expenses from 2014 – 2016 and thus, it was determined that for the forecasting period SYMC will have the long term reserve for employees for the average amount throughout the forecasting period.

# 8. Valuation

## 8.1. The growth rate of free cash flow after forecasting period (Terminal Value)

In financial valuation, it was determined that the free cash flow during the forecasting period of 2.20% per year according to the inflation rate.

## 8.2. Discount Rate

Discount rate used for the calculation of the current value of net free cash flow is from the Weighted Average Cost of Capital: WACC under the capital structure of SYMC which the independent financial advisor calculated the WACC from the weighted cost of debt

(Kd) and cost of debt (Kd) and cost of capital (Ke) of SYMC with the detailed of discount rate as follows:

$$WACC = Ke \cdot E / (D + E) + Kd \cdot (1 - T) \cdot D / (D + E)$$

Ke	=	cost of capital or return which the shareholder demands (Re)
Kd	=	cost of debt or interest rate of the loan of SYMC
T	=	Corporate Income Tax
E	=	Value of shareholder's equity
D	=	Value of interest-bearing debt

Cost of capital (Ke) or return which the shareholders demand (Re) is calculated from Capital Asset Pricing Model (CAPM) as follows:

$$Ke \text{ (หรือ } Re) = Rf + \beta (Rm - Rf)$$

By which

Risk Free Rate (Rf) = reference from the return of 10 year government bond which equals 2.25% per year (as of the 26 September 2017)

Beta ( $\beta$ ) = Correlation between the return of the stock market and return of comparing companies as the sale and purchase of stock of SYMC is relatively low. This is done by calculating the close price in the previous 2 years as from the 26 September 2017 which equaled to 0.89 (information from Bloomberg)

Market Risk (Rm) = 10 year average return from investment in the stock market from July 2008 – August 2517 which equals to 12.61% per year.

Kd = Cost of debt which is referred from the ratio of financial of SYMC in the year 2017 to the 3 year average debt towards financial institutes and debenture which equals 4.49%

**Details of the variables and assumption in calculation can be summarized as follows:**

**Table 5-15: Discount rate of SYMC**

Assumptions	Amount
Risk free rate (Rf)	2.25%
Market return (Rm)	12.61%
Beta	1.32
Cost of capital (Ke)	15.95%
Cost of debt (Kd)	4.49%
Value of interest bearing debt (Wd)	37.50%
Value of shareholder's equity (We)	62.50%
WACC	11.31%

According to the above assumption, it resulted in the Weighted Average Cost of Capital (WACC) of 11.31% which will be used in calculating the discount rate in finding the net free cash flow expected to be received in the future by SYMC. Thus, the independent financial advisor summarized the Free Cash Flow to Firm (FCFF) as follows:

**Table 5-16: Free cash flow to firm**

(Unit: THB million)	H2/2017E	2018F	2019F	2020F	2021F
Earning before interest and tax expense (EBIT)	50.76	227.07	373.11	606.39	744.18
Tax expense (20%)	(10.15)	(45.41)	(74.62)	(121.28)	(148.84)
Non cash expense	279.05	565.35	555.63	531.04	506.77
CAPEX	(285.14)	(455.65)	(523.69)	(544.64)	(501.25)
Change in working capital	161.89	16.05	(3.78)	33.86	(19.66)
Free cash flow to firm (FCFF)	196.42	307.41	326.65	505.37	581.21
Terminal value					6,679.87
Sum of present value of FCFF and terminal value	186.17	261.77	249.90	347.35	4,483.55

**Table 5-17: Equity value of SYMC**

THB million	Amount
Present value of free cash flow to firm (FCFF)	5,528.74
add: Cash and short-term investment as of 30 June 2017	56.42
Deduct: Financial liabilities as of 30 June 2017	(2,377.63)
add: Tax Benefits from BOI <sup>2</sup>	123.15
Equity value	3,330.69
Share outstanding (shares)	325,393,681
Equity value per share	10.24

Remark: 1 The Terminal Value is calculated from the free cash flow of the business operation in the 2564 which is the last year of the forecasting year (FCFF 2564) from the following calculation formula:  $\text{Terminal Value} = \text{FCFF}_{2564} \times (1+g) / (\text{WACC}-g)$

By which g is the long term growth rate of SYMC after the year 2564 which the independent financial advisor established the assumption at 2.20% per year in accordance with the inflation rate of Thailand.

WACC is the Weighted Average Cost of Capital

2. The Company has obtained the approval of investment promotion and tax privilege by the Board of Investment by which the Company receives the Corporate Income Tax exemption from the operation promoted under the amount of not exceeding THB 988,578,798.94 under the 8 year period as from the date of the income from the business operation. In this regard, the independent financial advisor has calculated the benefit from the promotion by determining the profit before tax after the year 2564 to be equal to increase to the same amount as the inflation rate and deducted the free cash flow.

In addition, the independent financial advisor had conducted the Sensitivity Analysis of the stock value by adjusting the main assumptions which are Weighted Average Cost of Capital (WACC) earning growth rate, and Terminal growth rate.

**Table 5-18: Sensitivity analysis of SYMC share valuation**

(THB million)	Weighted Average Cost of Capital: WACC				
	base case-0.5%	base case-0.25%	base case	base case+0.25%	base case+0.5%
SYMC share price	11.90	10.76	10.24	9.75	8.83

(THB million)	Terminal growth rate				
	base case-1.0%	base case-0.5%	base case	base case+0.5%	base case+1.0%
SYMC share price	8.87	9.52	10.24	11.04	11.94

In accordance with the sensitivity analysis with the adjustment of the discount rate, it resultd in the value of SYMC between THB 8.83 – 11.94 per share and when compating this with the offer price of THB 12.20 per share, it is calculated to be 72.41 – 97.88% of the offer price. The valuated price is THB 3.37-0.26 lower than the offer price.

In this regard, the valuation of stock under this approach is referred from the assumption of SYMB under the current economic circumstance and, thereby, any changes relating to the business plan and policies of SYMC or changing economic conditions, current business operation of SYMC which is changed from the forecasting and specified variables, this may significantly affect the forecasting under the above assumptions and may also affect the stock value of SYMC as valued.

#### Revision

The valuation of share under this approach will consider the performance result of SYMC in the future by calculating the current value of free cash flow (FCF) with appropriate discount rate which the independent financial advisor has calculated the weighted average cost of capital (WACC) for discount rate and free cash flow in the future from the financial forecasting of the SYMC in the next 5 years (2017-2021 because this period has already covers the development process of the company operation and as telecom business is a very competitive business, the longer the forecasted period, the higher the errors in assumptions) to be the current value for the free cash flow as of 2nd quarter 2017 basing upon the assumption that the business of SYMC continuously operates (going concern basis) without any substantial change and under the current economy and circumstance.

In respect of the financial forecasting and assumption in conducting this forecasting, the independent financial advisor conducted it by forecasting the free cash flow from the forecasting of the performance of SYMC in the future and the assumption used in such forecasting referred from the actual past data or financial ratio and/or financial statement or plan of the SYMC including the information of relevant industry.

In this regard, the assumption of this forecasting is under the current economic circumstance, industry and information as of the time of the study only. In the case where the mentioned factors substantially change from the current situation and affect the operation of SYMC and the SYMC situation substantially changes from the established assumptions, the valued price of share under this approach may change in accordance with the affecting factors.

The important assumptions of the financial forecasting of SYMC can be summarized as follows:

#### **1. Revenue assumptions**

SYMC's main earning came from providing the service to lease the circuit to customers that are telecommunication service providers and uses the network service of SYMC to provide commercial service to end-user. The independent financial advisor referred to the assumption of earning growth in accordance with the forecast of the executives of SYMC. The earning can be divided into categories as follows

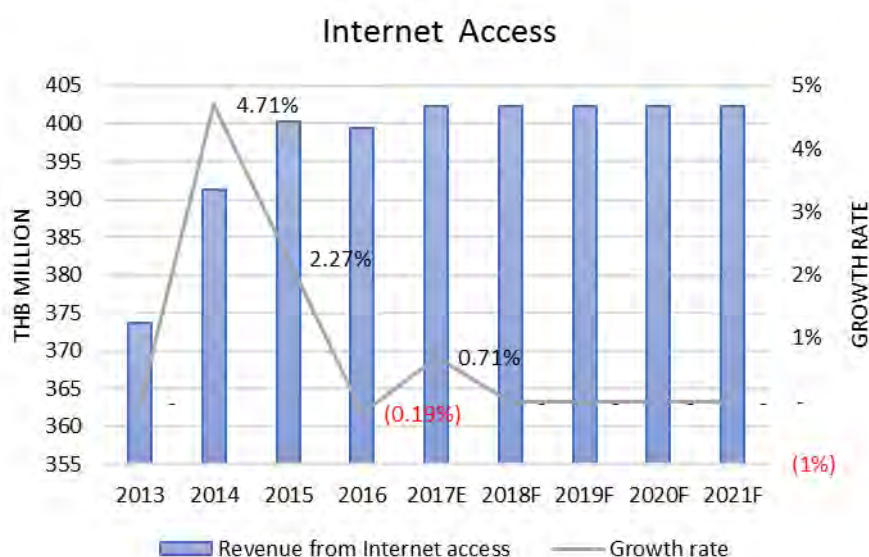
#### **Internet Access**

Is the use of high speed communication circuit to connect the internet and the customers of SYMC are internet service provider (ISP) that provide internet service to end-users by renting the high-speed communication circuit of SYMC without investing in its own network.

The independent financial advisor referred to the growth assumption in respect of earning from internet access in accordance with the forecasting of the executives of SYMC in which the executives forecast the

revenue to be THB 402.29 million in 2017 and determined that the earning growth rate from internet access was 0.71%. The IFA is of the opinion that the growth rate is possible because Internet Access revenue in the first half of 2017 was THB 199.98 million or approximately 49.46% of the forecasted revenue by the Company. Also, the contracts with customers are on an annual basis. After that, stable revenue throughout the forecasting period as SYMC planned to cooperate with the customers who are ISP in approaching customers more. Nonetheless, despite continuous increase of demand for bandwidth, price competition is fierce. This renders the price of bandwidth continuously decrease from the previous year. Furthermore, according to drpeering.net that is stated in No. 4.3 Industry analysis of SYMC, although, the demand for bandwidth in the United States, which has the highest number of Internet users in the world, has been growing, the internet price is also very competitive. As a result, sales prices per unit of bandwidth decreased from the previous year. The Independent Financial Advisor is of the opinion that such assumptions are reasonable.

**Figure 5-2: Internet Access revenue assumption**



### **Private Network**

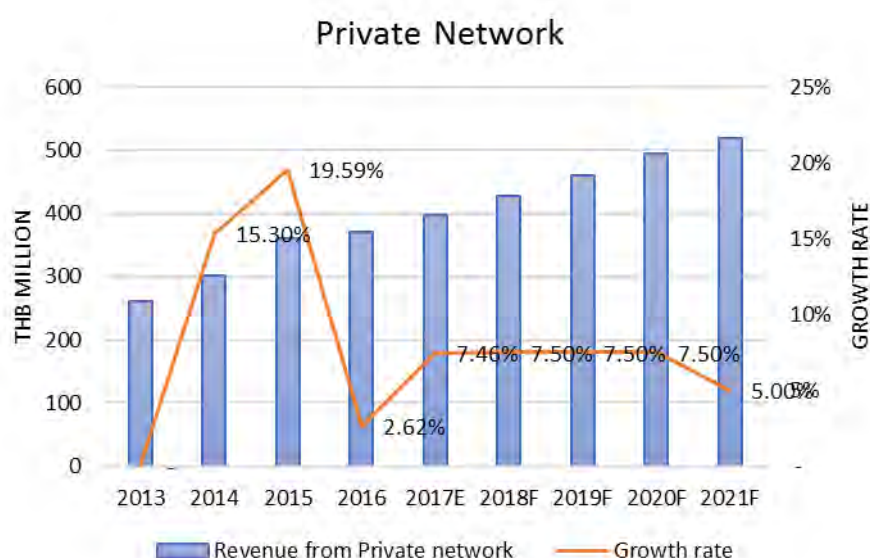
Is the use of high speed communication circuit to connect the communication in private network by which SYMC customers are both telecommunication providers renting the communication circuit of SYMC as backbone or to provide services to end-user and the organization customers which need sending and receiving of large amount of data between the head quarter and branch offices, for instance, commercial banks, modern trade retail shops, state enterprises.

SYMC forecasted the earning growth rate from private network in 2017 to be 7.46% or approximately THB 397.71 million. The IFA is of the opinion that the growth rate is possible because the revenue from Private Network in the first half of 2017 was THB 195.30 million or approximately 49.11% of the Company's estimated revenue. Also, the contracts with customers are on an annual basis. After that, the growth rate will be around 5.00 - 7.50% throughout the projection period, which is based on the contracts with customers such as customers in retail, convenience store, insurance and hire purchase business. This can be achieved by increasing the number of customers' branches. Also, the 3-year digital economy and social development plan

of the government will have a positive impact. For example, the EEC project will generate more investment from the domestic/abroad entrepreneurs. Most of them will need internet connection. As a result, demand for private network and internet service will increase. The IFA is of the opinion that such assumption is appropriate. ~~by referring to the customer base particularly the customers in retail shops and convenient stores, insurance business, and leasing business which can grow from the continuous increase of branches. After that, the growth rate at approximately 5.00-7.50% was determined throughout the forecasting period. it was also based upon the digital technology development plan for economy and society of the state.~~

In addition, SYMC had plans to expand the services to other industries such as logistics and goods distribution business. Nonetheless, the earning growth rate in the future will decrease as the logistic and goods distribution businesses have less income than the customers which are financial institutes or retail shops with large numbers of branches. Customers are more likely to distribute the circuit lease from more than one carrier to spread the risk of instability.

**Figure 5-3: Private Network revenue assumptions**



### **International Private Leased Circuit (IPLC)**

Is the use of high speed communication circuit to connect international communications for general organizations, such as, banks, factories, international companies which require connectivity of the data system between the offices in Thailand and offices located abroad or other telecommunication providers, such as, international carrier, local telecom operator which rents the communication circuit as the backbone to connect to the station of international communication circuit in other countries.

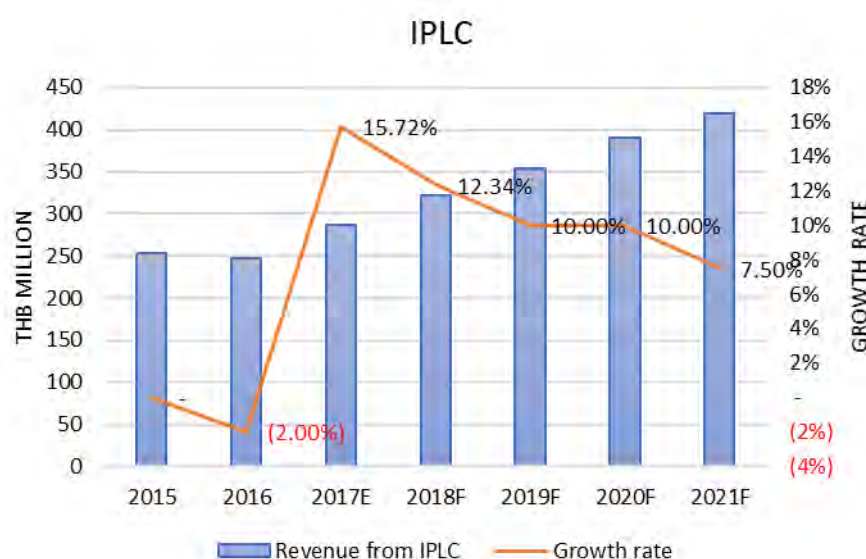
The earning growth rate from IPLC in the fourth quarter of 2016 significantly increased (from new customer base and new projects) compared to the 1st – 3rd quarter of the year 2016. Moreover, SYMC saw the opportunity in Myanmar and Cambodia with high growth rate. ~~In addition, it is possible that SYMC will receive the long period of contract from Regional Carrier which is still in negotiation period.~~ The executives of SYMC, therefore, forecasted that in 2017, SYMC will have the earning of approximately 322.42 million THB or 12.34%. The IFA is of the opinion that the growth rate is possible because the revenue from IPLC in the first half of 2017 was THB 168.68 million or approximately 52.32% of the Company's projected revenue. After that, the



growth rate is in the range of 7.5-10.00% due to the possibility that SYMC will receive the long period of contract from Regional Carrier which is still in negotiation period and is expected to generate revenue after 2017. Also, growth of demand for the use of international connectivity, the amount of usage of mobile data particularly the connectivity between the CLMV (Cambodia, Laos, Myanmar and Vietnam) where their economies are expanding, and increase numbers of business license of ISP in Myanmar. In addition, normal businesses will have to lease the circuit to provide backup services to avoid circuit breakdown anyway. Therefore, such growth rate is possible.

According to forecasts by CISCO 'Asia Pacific - 2020 Forecast Highlights', the Internet usage of the Asia Pacific region during the years 2015 - 2020 will have a CAGR of 22%, which represents a demand for usage of internet. The IFA is of the opinion that such assumptions are reasonable.

**Figure 5-4: IPLC revenue assumption**

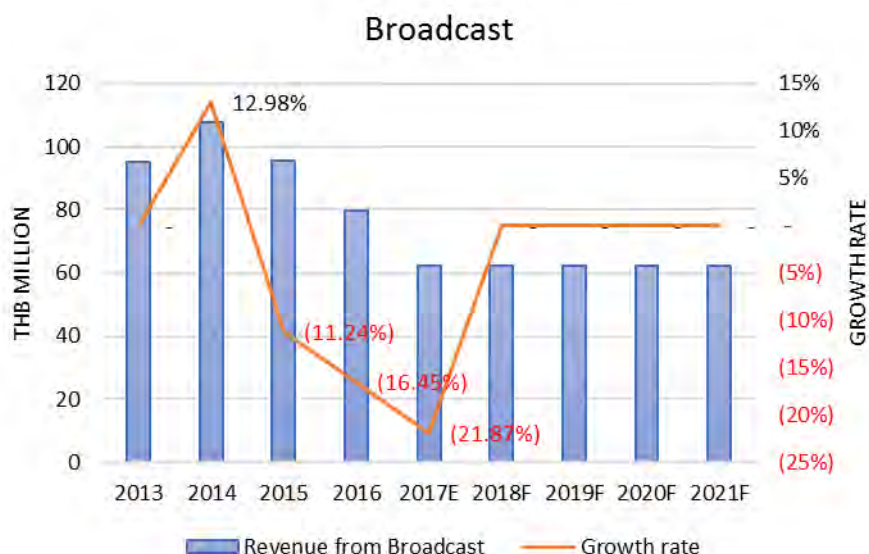


### **Digital Broadcast**

This group of customers are TV producers, digital or IPTV providers which rent the high speed communication circuit of SYMC to broadcast TV program by renting the communication circuit of SYMC to connect from the TV production room to Thai Com Satellite or digital TV stations or digital tv stations or between the broadcasting stations.

SYMC forecasted that in 2017, the revenue from this line of product will be THB 62.35 million and the growth rate of the earning in this sector would be negative 21.88% The IFA is of the opinion that the growth rate is possible because the revenue from Digital Broadcast in the first half of 2017 was THB 31.60 million or approximately 50.68% of the Company's projected revenue. Also, as digital tv faced with high cost pressure and was affected from OTT (over-the-top) and online media. This rendered some business operators in the market to adjust the strategies or ceased to provide services. The management of SYMC is forecasting that this revenue from this line of product will continue throughout the projection period. Moreover, based on interview with the executives of SYMC, the present customers are still financially sound and have strong business competitiveness. Furthermore, SYMC also has planned to expand the service to OTT system. The IFA is of the opinion that such assumptions are reasonable.

**Figure 5-5: Digital Broadcast revenue assumption**



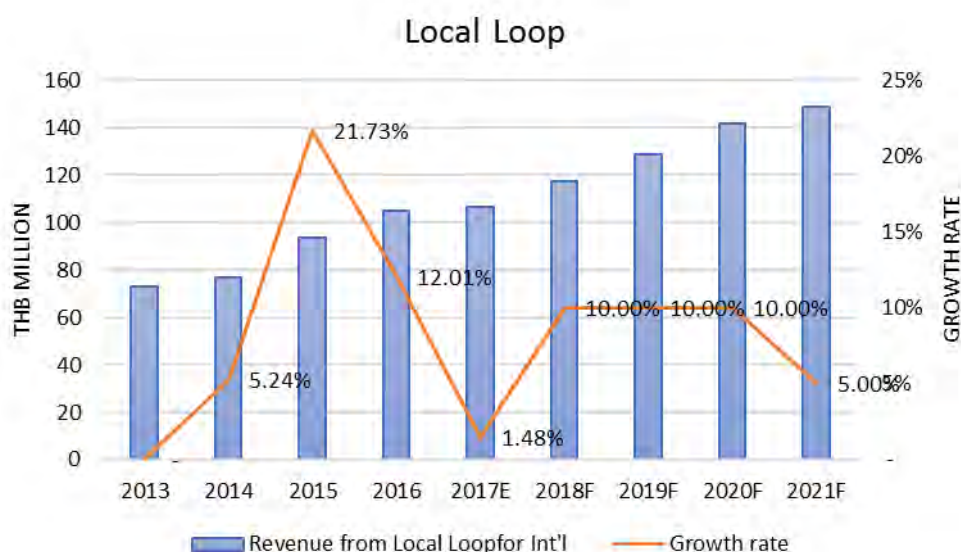
Remark: Over-the-Top (OTT) or provision of communications and broadcasting pictures and voice over the internet by which service providers are not required to invest in the network is a new business form which has begun to play an important role in the current period as consumers demand more use of technology while service providers must be different from other competitors. This renders a new form of services called Over-the-Top (OTT). OTT is communication services and broadcasting content via application on the internet whereby consumers are not required to install additional equipment and the service providers are not required to invest in their network, for instance, Netflix and Hulu are services to broadcast movies and tv programs via internet while viewers are not required to install additional antenna or satellite dish and the service providers are not required to pay for expenses in broadcasting TV like traditional TV.

### **Local Loop for International**

Is the service of domestic high speed communication circuit network to IPLC operator to connect the IPLC service to end-user abroad.

SYMC forecasted that the earning from Local Loop for International in 2017 will be THB 106.64 million and the growth rate of approximately 1.47%. The IFA is of the opinion that the growth rate is possible because the revenue from Local Loop for International in the first half of 2017 was THB 53.85 million or approximately 50.49% of the Company's projected revenue, as some of the customers had moved to use their own network. Nonetheless, SYMC concluded the MOU (Memorandum of Understanding) with Global Carrier which is one of the world largest international information communication service provider in 2017, SYMC forecasted that the growth rate of earning after 2017 would be at 5 – 10% from the earning of Global Carrier which concluded the MOU in 2017 while the numbers of Global Carrier to install transmission lines in Thailand to transmit to other countries have increased due to the opportunity to provide POPs (point-of-presence : access point to internet) of ~~current POPs and~~ new POPs which will enter into the market in the future as alternated routes as the usual business requires circuit renting to provide alternate services to prevent the interrupted circuit. According to forecasts by CISCO 'Asia Pacific - 2020 Forecast Highlights', the Internet usage of the Asia Pacific region during the years 2015 - 2020 will have a CAGR of 22%, which represents a demand for usage of internet. The IFA is of the opinion that such assumptions are reasonable.

**Figure 5-6: Local Loop for International revenue assumption**

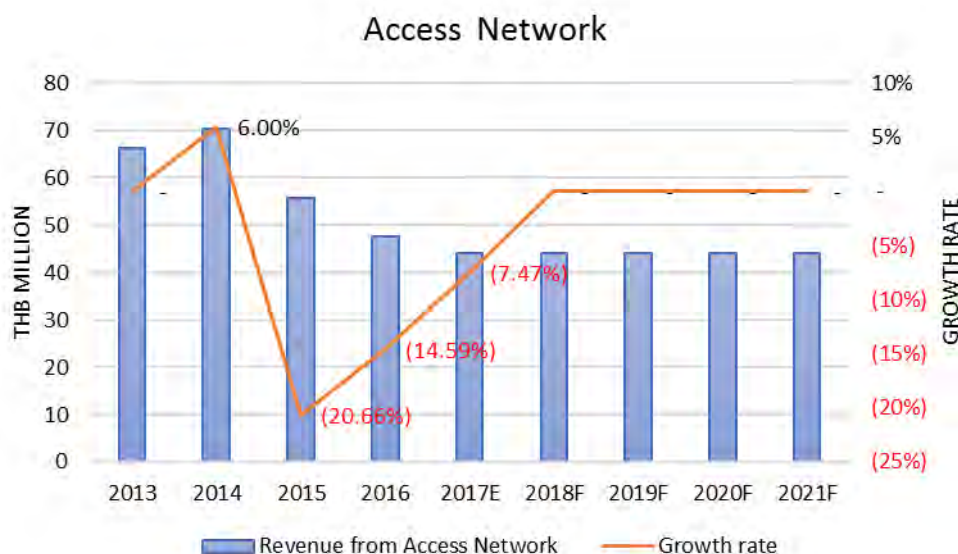


### **Access Network**

Is the high speed communication circuit to connect between offices of the customers to server, for instance, connection between data center and offices of end user or user or connection between service providers such as Bloomberg and destination customer. SYMC is the service provider between data center service provider and end users of the data center service provider including procuring programs for end-users by which these data center service providers do not have their own network and, thereby, it is necessary to use the high speed communication circuit network of SYMC to connect to the offices of customers and end-users of the data center service provider.

However, currently, as there is more data published on the internet, it render access to the data easier. End-users, as a result, choose to use such information rather than relying on the data from the data center service providers, which are the customers and the target group of SYMC which leads to contraction if the revenue. SYMC, therefore, forecasted that the earning from this customer would be THB 44.10 million and stable thorough out forecasting period. The IFA is of the opinion that the growth rate is possible because the revenue from Access network in the first half of 2017 was THB 20.44 million or approximately 46.35% of the Company's projected revenue. Also, the contracts with customers are on an annual basis. After that, the forecasted revenues are stable throughout the period. As the growth of cloud services is on the upward trend. According to IDC Thailand, cloud services are one of the top 10 key technology trends for the business sector in 2016 - 2017. The IFA is of the opinion that such services It is possible to replace the shrinkage of revenue in the past. Therefore, the assumptions are appropriate.

**Figure 5-7: Access Network revenue assumption**



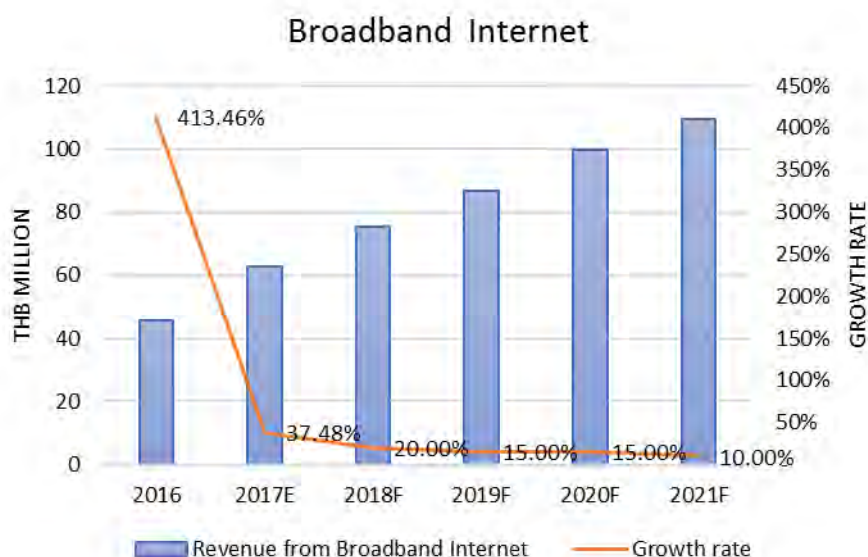
### **Broadband Internet**

Is the earning resulted from business partnership of premium broadband service providers in this region. Premium broadband is broadband that has lower usage sharing than normal broadband in the market. Therefore, users will have better internet usage experience while paying the same price. SYMC forecasted that in 2017, SYMC's earning from this part of would be approximately THB 62.74 million or an increase of 37.48% from 2016. The IFA is of the opinion that the growth rate is possible because the revenue from Broadband Internet in the first half of 2017 was THB 28.76 million or approximately 45.84% of the Company's projected revenue, after that the growth rate will reduce from 20% to 10% as a large numbers of local cable business operators who want to include internet broadband to their service line wish to be partners with SYMC in providing high speed internet in the area where they provide services. This will result in an increase of the use of bandwidth from current customers. An increase of income will come from an expansion of area of business partnership, increasing of subscribers from other provinces, and growth of condominium in Bangkok. After that, the earning from this sector was determined to decreasingly grow from 20% to 10%. Also, the demand to replace outdated ADSL / VDSL to be fiberglass system FTTx which will attract more household customers to continue using broadband internet. The IFA is of the opinion the Thailand's internet users and data usage from households are increasing continuously. Therefore, the assumptions are appropriate. Nonetheless, in the future, it was forecasted that the competition in this market will be fierce due to increasing numbers of local cable service providers.

**Figure 5-7: Number of users and data usage from Thai households**



**Figure 5-8: Broadband Internet revenue assumption**



### **MCT Submarine Cable System**

MCT submarine cable system (Malaysia-Cambodia-Thailand (MCT)) is the project that is a cooperation of 3 countries which are Malaysia-Cambodia-Thailand. The project can interconnect from Rayong to the city of Cheonggye of Malaysia and Sihanoukville of Cambodia through the submarine cable to other submarine cable systems in the world. Investment to expand the area of network services resulted in higher cost but, in the long run, the utilization of the network of SYMC will be able to control the total cost with liquidated and efficient management of bandwidth to respond to the demand of customers and ability to support the prompt communication growth in the future.

This MCT project will cover the total distance of 1,300 kilometers and will be able to support the transmission of data of 30 Tbps (ratio of SYMC is 10 Tbps). In respect of this submarine cable system, the independent financial advisor referred to the assumption in the undertaking of financial forecasting of SYMC in 2017. The



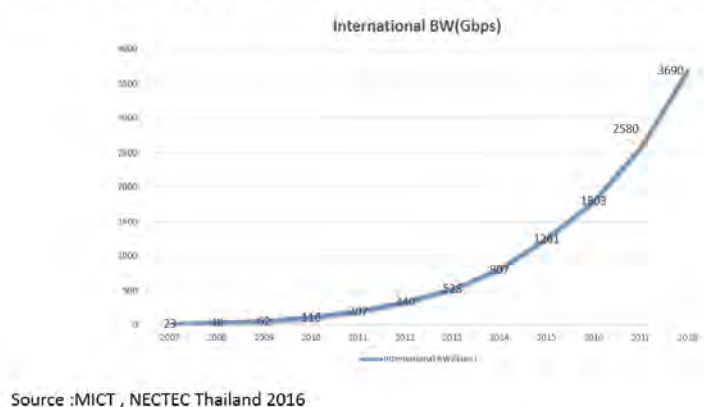
MCT project has completed and, currently, it is under the trial period. The customers of SYMC are mobile operators, ISP, Global Carriers, POPs and Web Portal. MCT is an alternative or back up network to prevent errors that can occur with the existing network infrastructure. SYMC forecasted that the earning from providing services under this project should begin in Forth quarter 2017 and there are 4-5 customers which are under negotiation. In this regard, it is forecasted that 2 customers would be using the services in 2017.

The Company forecasted the amount of circuit renting of MCT in the 4<sup>th</sup> quarter for approximate ~~5-10 circuits and will increase to 100 circuits~~ 200-300 Gbps and will increase to 3,800-4,200 Gbps in 2021. The Company assumption is based on the demand for international bandwidth through submarine cable from target international/domestic customers in the early 2017. It is expected that the investment will increase the utilization rate by 10% per year of total capacity to serve the needs of target customers which is in line with the forecast of Thai fiber optic broadband investments by Kasikorn reseach center at the rate of 12.2% per year.

In addition, the IFA views that in operating fiber optic submarine cable, the current direct competitor if SYMC is CAT telecom, which provides submarine cable services. There are 6-7 indirect competitors who are terrestrial operators. SYMC is the first private company in Thailand to be licensed to operate an underwater glass fiber cable network. Such system is more stable than traditional system and cost is cheaper. Also, due to the fact that SYMC is the latest network investor, it makes the technology more affordable and will enable network operators or data providers to have more choice and control over costs. Moreover, according to Nectec, the data usage through submarine and ground cable in 2017 from Thai's users are 2,500-3,000 Gbps and is expected to grow at least 40% per year, which represents a high demand. Therefore, the assumptions are appropriate

**แผนภาพที่ 5-9: Thailand international Bandwidth forecast(Gbps)**

### Thailand international Bandwidth forecast(Gbps)

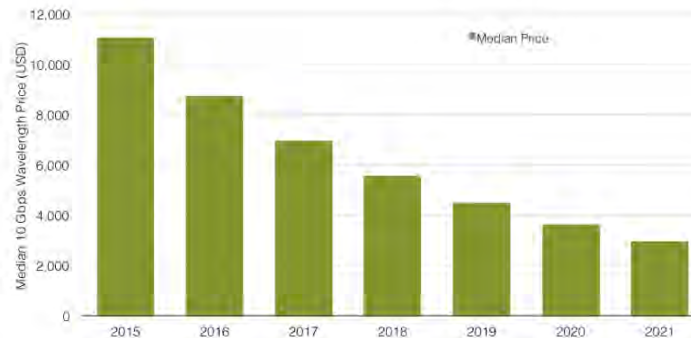


From the Company's assumption, the fee rates that are used in calculation are market rate that compared from the rate from same group of business and group of users that communicate with other groups of users. In this regard, the leasing of the above circuit is the minimum lease which is the yearly lease. It was forecasted, however, that due to higher competition, the monthly rate would decrease approximately 15-14% per year. However, the service fee may be adjusted accordingly in the future. Based on information from Telegeography It has been forecasted that future rents will fall. As a result, it is possible that the rental rate will decrease in the future.

**Figure 5-10: Intra-Asia Forecasted 10 Gbps Lease Prices**

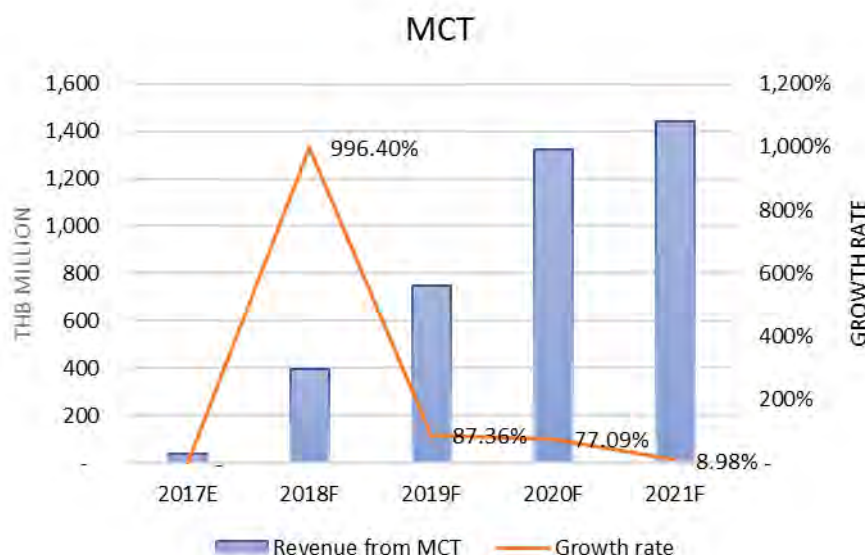
## Intra-Asia Forecasted 10 Gbps Lease Prices

Median 10 Gbps Wavelength Price, Hong Kong-Tokyo, 2015-21



Source: Telegeography ;global bandwidth research year 2015

**Figure 5-11: MCT revenue assumption**



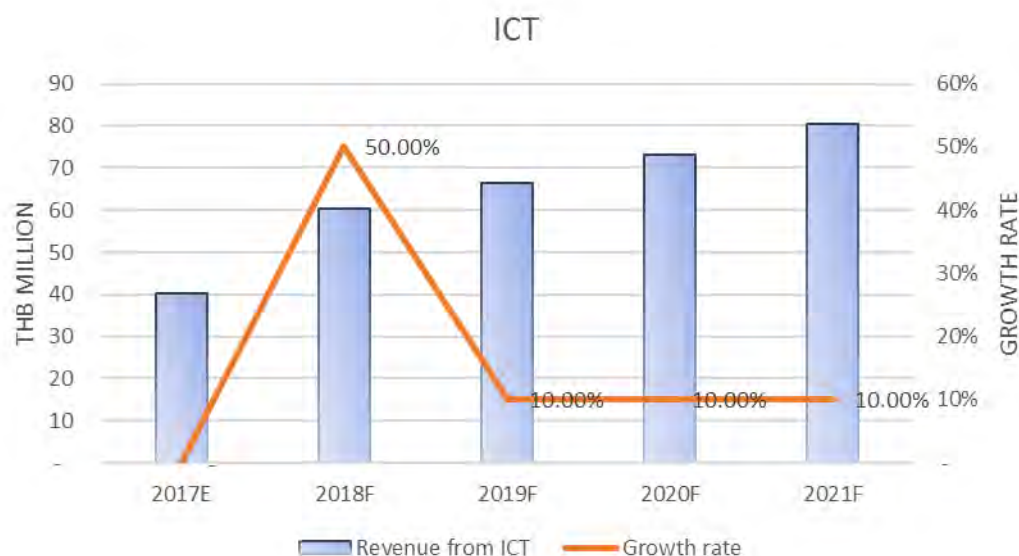
### **ICT (new business)**

Is the earning from providing and installing services in managing the information technology system. Most of the projects are network installation on both Hardware and Software. There are different projects which customers demand SYMC to assist end-users such as installation of network system on condominiums, institutions, and installation of routers and firewall etc. ~~which are general companies.~~

SYMC began this business in the 2<sup>nd</sup> quarter of 2017. There are currently 3 projects being negotiated. SYMC forecasted that in 2017, the earning from this business would be THB 40.30 million. In 2017 SYMC has signed the contract with new major customers and should realize revenue this year and the remaining earning in 2018. SYMC forecasted that in 2018 the growth of earning would be 50% as it would be the full year earning of the signed contract in 2017 and after that, the growth rate was determined to be between 10%. Due to the need for organizations to rely more on technology in the future, the information technology security, the launch of

the EEC project to generate more investment from both domestic and international investors that will need more network connection within the organization and the advent of the Internet of Things (IoT), the Independent Financial Advisor believes that such assumptions are feasible.

**Figure 5-12: ICT revenue assumption**



### **Revenues from other services**

As they are not main earning and limited earning in this business, SYMC forecasted that the earning from installation, maintenance and other would be stable while the independent financial advisor determined that other earnings shall equal the average of the past 3 years

**SYMC revenue structure can be summarized as follows**

**Table 5-8: SYMC revenue structure**

Revenue	2014A	2015A	2016A	2017E	2018F	2019F	2020F	2021F
Internet Access	391.46	400.24	399.45	402.29	402.29	402.29	402.29	402.29
Private Network	316.77	360.67	370.09	397.71	427.54	459.60	494.07	518.78
IPLC	265.10	248.03	287.01	322.42	354.66	390.13	419.39	450.84
Digital Broadcast	105.69	95.51	79.81	62.35	62.35	62.35	62.35	62.35
Local Loop International	80.33	93.82	105.09	106.64	117.31	129.04	141.94	149.04
Access Network	67.18	55.81	47.66	44.10	44.10	44.10	44.10	44.10
Broadband Internet Service	0.07	8.89	45.64	62.74	75.29	86.58	99.57	109.53
Other services - Installation	16.41	13.00	10.99	10.82	10.82	10.82	10.82	10.82
Other services - Wifi, Telco, Voice, Colo, Burst	7.37	13.54	20.87	19.59	19.59	19.59	19.59	19.59
MCT (new business(	-	-	-	36.35	398.57	746.75	1,322.41	1,441.17
ICT (new business(	-	-	-	40.30	60.45	66.49	73.14	80.46
<b>Lease line service income</b>	<b>1,250.38</b>	<b>1,289.50</b>	<b>1,366.61</b>	<b>1,505.31</b>	<b>1,972.96</b>	<b>2,417.75</b>	<b>3,089.68</b>	<b>3,288.96</b>
Management and maintenance service income-network	15.44	15.90	15.44	15.60	15.60	15.60	14.04	14.04
Revenue from sales of network service	2.73	0.38	0.02	1.04	1.04	1.04	1.04	1.04
Other income	6.84	13.20	6.64	8.89	8.89	8.89	8.89	8.89



Revenue	2014A	2015A	2016A	2017E	2018F	2019F	2020F	2021F
Total revenues	1,275.39	1,318.98	1,388.72	1,530.84	1,998.50	2,443.28	3,113.65	3,312.93

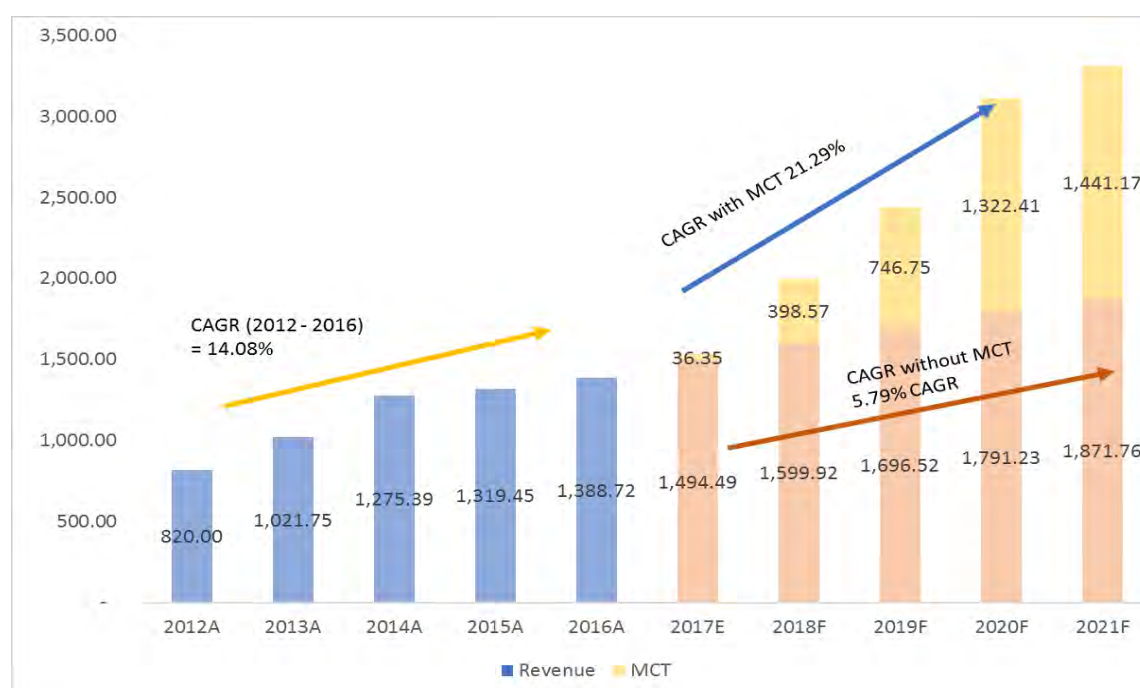
IFA considered the historical annual growth of SYMC's comparable companies which are CSL JAS ILINK and INET. SYMC has higher growth rate compared to comparable companies which are summarized as follows

**Table 5-9: Historical growth rate of SYMC's comparable companies**

THb million	CSL	JAS	INET	ILINK	Total group revenues	SYMC
2012	2,944.36	10,501.85	331.28	1,467.64	15,245.13	819.57
2013	3,050.85	11,260.21	392.96	1,996.51	16,700.53	1,021.75
2014	3,044.91	12,411.19	513.08	2,694.76	18,663.94	1,275.39
2015	2,963.84	33,427.14	640.35	3,078.99	40,110.32	1,319.45
2016	2,917.86	18,150.84	1,020.68	2,971.94	25,061.32	1,388.72
CAGR	-0.23%	14.66%	32.49%	19.29%	13.23%	14.09%

Remark: 5 year historical growth rate

**Figure 5-12: Total revenue growth rate assumptions**



As shown above, the compounded annual growth rate (CAGR) during 2012-2016 of SYMC was higher than CAGR of comparable companies. However, the CAGR for the forecasted year 2017 – 2021 is equal to 21.58% per year. If exclude revenues from MCT, the Company CAGR would be equal to 5.79% per year which is less than the historical growth rate due to the growth rate during 2015 – 2016 of SYMC was lowest at 3.13% – 5.98% per year.

As shown on the Figure 5-11 above, the CAGR Rate for the forecasted year 2017 – 2021 is expected to be 21.29%. However, if the MCT revenue is not included, the CAGR rate will be 5.79%, which is in line with the growth rate in 2015 – 2016 that showed the growth rate between 3.13% - 5.98% per annum. Moreover, as

can be seen on the table 5-9, the CAGR Rate of SYMC in 2012 – 2016 was a little higher than the comparable companies, which shows that SYMC has the ability to generate revenue higher than the comparable companies in similar business. Therefore, CAGR of the revenue growth without MCT is close to the upbound of the growth between 2015 – 2016 is reasonable.

## **2. Sale and Service cost**

Consists of depreciation cost, salary, welfare of employees, network renting fee, expenses in renting ~~the service center~~ Network Site Station, fee in laying down lines, license fee, maintenance fee, costs relating to MCT and ICT business and other costs are as follows:

- Depreciation cost of network equipment can be divided into
  - Depreciation cost for the current assets calculated from the asset registration data of SYMC in accordance with the remaining validity of such assets .
  - Depreciation cost for Capital Expenditure which SYMC planned to invest in the future and this is calculated from the validity of operation for such capital expenditure.
- From the interview with SYMC's management, the growth rate of salary and employee benefits are 5%. In this regard, SYMC plans to increase the number of employees of approximately 10-13 people per year throughout the forecasting period.
- Leasing fee can be divided into
  - Domestic network leasing is referred to the average proportion of domestic network leasing between 2014-2016. Such leasing rate continuously decreases from 7.77 to 3.33% which equal the average of 4.81%. The independent financial consultant, therefore, determined that the domestic network leasing remuneration is approximately 4% of the earning occurring in the country due to the latest year growth rate was 3.3% and this is determined to be stable throughout the forecasting period.
  - Network leasing abroad is referred from the average proportion of the network leasing to the earning of IPLC between 2014-2016 which equals 38.06%, the independent financial consultant, thus, determined that the network leasing remuneration abroad was approximately 38% of the earning of IPLC throughout the forecasting period.
- The expenses in renting ~~service center~~ Network site derived from ratio of renting network site expenses to total revenues in 2016 which equals 5.09% because such ratio average growth during 2014-2016 was 4.64% - 5.09% and was likely to increase in the past 3 years.
- Fee in laying down lines which is the expenses in laying down lines into building of customers (last mile) and the fee for initial wire line and yearly fee paid to Metropolitan Electricity Authority and Provincial Electricity Authority. This was referred to the earning occurring in the country in 2016 which equaled 3.69% such ratio average growth during 2014 - 2016 was 3.09% - 3.69% and was likely to increase in the past 3 years.

- Fee relating to basic telecommunication service and USO was determined to be 2.50% of the earning deducted by the exemption THB 40 MB. According to the NBTC's Notification on Rules and Procedures for Collection of Revenue to be Used for the Establishment of Basic Telecommunications Services and Social Services, dated 26 May 2017, which was enforce on 30 May 2017 onwards
- Cost for installation is referred to the average ratio of total earning between 2014 – 2016 which equals 2% of the earning and is determined to be stable throughout the forecasting period.
- Maintenance cost is referred to the average expenses of the network tools between 2014 – 2016 which equals 0.88% of the net value of network tools and is determined to be stable throughout the forecasting period after 2017.
- The cost of license fee is calculated in accordance with the yearly license fee under the Notification of the Office of The National Broadcasting and Telecommunications Commission on fee for license to operate telecommunication business as follows:

**Table 5-9: License fee cost**

License type	License fee for operating telecommunication (THB million)	Licene fee cost (%)
Every type of license	0-100	0.25
	101-500	0.50
	501-1,000	1.00
	More than 1,000	1.50

- Cost relating to the MCT business and in accordance with the forecasting of SYMC, the costs are as follows:
  - Licensee fee is calculated as 1.50% of the earning from MCT
  - Fee relating to basic telecommunication service provision and USO is calculated as 2.50% of the earning of MCT.
  - Agent fee is from hiring agents to conduct marketing activities, guide, consult and close the sale to customers that the company is not familiar with. is calculated as 7.50% of the earning from Thailand to destination station
  - Operating cost between Cable landing station in Thailand to destination countries is in between 46% - 49% of the earning in this line of product. The calculation is based on the criteria set out in the construction and maintenance contract. The Construction and Maintenance Agreement is the cost of using MCT circuits and / or capacity paid to the consortium member in the service.
  - Operating cost between Cable landing station in destination countries to customers in that country is in between 92% - 93% of the earning in this line of product. The calculation is based on the current expense and market price research in 2017. The expense is renting network expense offshore to connect network to other country.

- Cost relating to ICT business according to the interview of executives of SYMC, it was forecasted that the cost relating to ICT business ~~which is consisting of mainly equipment costs~~ would account for 85% of the earning from ICT which is consisting of mainly equipment and was determined to be stable throughout the forecasting period.
- Other costs are utilities and transportation expense and are referred from the average expenses to the total earning between 2014-2017 which equal 1.11% of the earning and is determined to be stable throughout the forecasting period.

### Summary of the cost of sale and service of SYMC

**Table 5-10: Summary of the cost of service of SYMC**

Unit: THB million

Cost of sale and service	2014A	2015A	2016A	2017F	2018F	2019F	2020F	2021F
Depreciation cost	226.98	308.88	370.79	435.42	482.19	476.63	460.12	435.76
Salary and employee benefits	103.24	119.85	123.45	132.16	142.83	154.02	164.11	174.67
Overseas network rental fees	106.05	93.08	105.21	122.52	134.77	148.25	159.37	171.32
Domestic network rental fees	76.57	34.76	35.99	44.25	46.37	48.57	50.99	52.66
<del>Service Center</del> Network site fee	45.70	50.65	54.93	56.28	58.98	61.78	64.85	66.98
Wiring installation fee	30.44	37.61	39.85	40.83	42.79	44.82	47.05	48.59
USO fee	39.28	42.16	44.65	34.86	46.05	57.02	73.65	78.45
Installation cost	25.92	27.99	23.91	28.54	30.24	32.05	33.84	35.31
Maintenance fee	20.68	26.75	16.77	24.57	30.29	29.81	29.78	29.81
Licene fee	9.08	9.87	11.52	10.93	20.40	30.97	49.58	54.25
Agent fee related to MCT	-	-	-	0.97	10.84	19.91	35.07	38.43
MCT operating cost	-	-	-	23.77	236.00	447.40	796.60	865.49
ICT cost	-	-	-	34.25	51.38	56.52	62.17	68.39
Other	12.79	13.58	17.20	15.88	16.83	17.83	18.83	19.64
Total cost	696.72	765.18	844.27	1,005.25	1,349.97	1,625.61	2,046.04	2,139.74

### 3. Service expense

Expenses in providing services consist of salary and welfare of employees, expenses in sale promotion, commission paid to the third parties, expenses in encouraging sale, public relation expenses and other expenses. The Independent Financial Advisor considers that the service expenses are related to sales, so the average expense to sales ratio is expected to be between 2014 - 2019 throughout the projection.

- Salary and welfare of the sale department: according to the interview of executives of SYMC, it was determined that the growth rate was 5% of the salary and welfare expenses in the previous year. In this regard, SYMC plans to increase the numbers of employees at the rate of 5-7 people per year throughout the forecasting period after 2017.
- Expenses in sale promotion is referred from the average expense to the total earning between 2014-2016 which equals 0.87% and is determined to be stable throughout the forecasting period.

- Commission fee is referred to the average expenses to the total earning between 2014-2016 which equals 0.78% and is determined to be stable throughout the forecasting period.
- Expenses in sale encouragement is referred to the average expenses to the total earning between 2014 – 2016 which equals 0.38% and is determined to be stable throughout the forecasting period.
- Public relation expense is referred to the average expenses to the total earning between 2014 – 2016 which equals 0.23% and is determined to be stable throughout the forecasting period.
- Other expenses is referred to the average expenses to the total earning between 2014 – 2016 which equals 0.23% and is determined to be stable throughout the forecasting period.

### **SYMC's service expenses**

**Table 5-11: Summary of SYMC service expenses**

(Unit: THB million)

Service expense	2014A	2015A	2016A	2017E	2018F	2019F	2020F	2021F
Salary and welfare expenses	32.66	37.90	38.32	40.24	47.72	55.86	62.97	70.64
Expenses in sale promotion	10.99	14.45	8.51	12.49	13.23	14.02	14.81	15.45
Commission fee	9.31	8.34	13.00	11.16	11.82	12.53	13.23	13.80
Expenses in sale encouragement	3.97	5.14	5.75	5.41	5.74	6.08	6.42	6.70
Public relation expense	2.33	3.43	3.24	3.28	3.48	3.69	3.89	4.06
Other expenses	2.93	3.05	3.13	3.33	3.53	3.74	3.95	4.12
Total service expenses	62.19	72.31	71.95	75.91	85.53	95.92	105.27	114.77

## **4. Administrative expenses**

Administrative expenses consist of salary and welfare expense, price depreciation, expenses relating to MCT submarine cable, hiring of experts, maintenance expenses and other expenses.

- In respect of the salary and welfare of the management department, according to the interview of executives of SYMC, it was determined that the growth rate was 5% of the salary and welfare expenses in the previous year. In this regard, SYMC plans to increase the numbers of employees at the rate of 5-8 people per year throughout the forecasting period after 2017.
- Depreciation expense from property, plant and equipment and intangible assets can be divided as follows
  - Depreciation cost and amortization expense of intangible assets for the current assets calculated from the asset registration of SYMC in accordance with their remaining validity.
  - Depreciation cost and amortization expense of intangible for Capital Expenditure which SYMC planned to invest in the future and this is calculated from the validity of operation for such capital expenditure.
- SYMC forecasted that administrative expenses relating to MCT are as follows
  - The Company forecasted that the expenses in the operation relating to MCT are as follows:

- Moalee Operation Cost ~~and in 2017~~, it was forecasted that the initial expenses would be THB 1.56 million which is consisted of wage/salary of workers, utilities fee of Maolee station. These expenses were already occurred.
  - Expenses in infrastructure is approximately THB 1.24 million per year by calculating from the expenses in 2018 and is adjusted to increase at 2.2% per year throughout the projection period which is derived from Thailand's inflation rate.
  - Expenses relating to the employees is approximately THB 3 million per year and is calculated from the mid budget of 2017 and is adjusted to increase at 2.2% per year throughout the projection period which is derived from Thailand's inflation rate.
  - Other expenses of THB 1.30 million per year and is calculated from 2018 and is adjusted to increase at 2.2% per year throughout the projection period which is derived from Thailand's inflation rate.
- The administrative expenses and operation relating to MCT
  - In 2017, the cost is direct cost of submarine operation expense such as boat survey fee, maintenance of submarine cable, network operation system, and web portal that are shared with consortium at approximately THB 7.18 million
  - Expenses relating to the agreement on maintenance of cables in Gulf are approximately THB 13.50 million and is calculated from the expenses in 2018 and adjusted at 2.20% per year throughout the projection period which is derived from Thailand's inflation rate.
  - Expenses relating to network management of approximately THB 5.51 million per year and is calculated from the expenses in 2018 and adjusted at 2.20% per year throughout the projection period which is derived from Thailand's inflations rate.
  - Other expenses are approximately THB 3.50 million and is calculated from the expenses in 2018 and adjusted at 2.20% per year throughout the projection period which is derived from Thailand's inflations rate.
- Expenses in hiring consultant for the year 2017, SYMC forecasted that the expenses for this would increase from the previous year for approximately THB 7.32 million as there are the expenses in hiring external experts on information technology approximately THB 7 million and legal advisor of approximately THB 3 million. After that, the growth rate for the expenses of hiring experts would increase from the expenses of the year 2016 by 2.2% and this is referred from the inflation rate and is determined to be stable throughout the forecasting period.
- Maintenance expenses is referred from the average expenses to investment money on land, building and equipments and intangible assets between 2014-2016 which equals 1.36% and is determined to be stable throughout the forecasting period.

- Other expenses such as market survey, transportation cost is determined to equal the average of the year 2014 -2016, adjusted by the growth rate of 2.2% (inflation rate) and is determined to be stable throughout the forecasting period.

### Summary of administrative expenses

**Table 5-12: Summary of administrative expenses of SYMC**

(Unit: THB million)

Administrative expenses	2014A	2015A	2016A	2017E	2018F	2019F	2020F	2021F
Salary and welfare expenses	82.19	82.92	79.06	83.02	94.75	107.44	118.04	129.42
Depreciation expenses	44.55	51.66	52.92	74.82	80.73	76.39	68.64	68.59
Consultancy expenses	9.85	10.59	11.43	15.12	11.68	11.94	12.20	12.47
Maintenance expense	4.85	6.79	10.18	8.95	9.70	10.50	11.34	12.21
					<u>28.66</u>	<u>29.29</u>	<u>29.94</u>	<u>30.60</u>
Expenses relating to MCT	-	-	-	10.23	<del>28.66</del>	<del>29.29</del>	<del>30.65</del>	<del>31.57</del>
Other expenses	95.34	99.18	106.08	107.81	110.18	112.61	115.08	117.62
Total administrative expenses	236.78	251.13	259.67	299.95	335.70	348.17	355.24	370.91
					<del>335.93</del>	<del>348.63</del>	<del>355.95</del>	<del>371.08</del>

## 5. Corporate income tax

The tax rate of 20% of the net profit before tax throughout the forecasting period. However, the company has been approved with the investment promotion and tax privilege from the Board of Investment by which the Company is exempted from the Corporate Income Tax in the case where the net profit from the promoted business operation does not exceed THB 988,578,798.94 for a period of 8 years from the date of earning from business operation. In this regard, the independent financial advisor calculated the benefit from the promotion by determining the profit before tax after 2021 to be increased at the rate as inflation rate and deduct the free cash flow to be present.

## 6. Assets

### 8.1. Working capital

- Account receivable days, the independent financial advisor referred to the average of 2014-2016 and determined to be stable throughout the forecasting period which is 58 days.
- Inventory days, the independent financial advisor referred to the average of 2014-2016 and determined to be stable throughout the forecasting period which is 7 days
- Account payable days, the independent financial advisor referred to the average of 2014-2016 and determined to be stable throughout the forecasting period which is 153 days

### 8.2. Capital Expenditure

SYMC forecasted the capital expenditure in purchasing the new network equipment, building, land and tools, software, MCT submarine cable which can be summarized as follows:

**Table 5-13: CAPEX assumptions**

)Unit : THB million(

CAPEX	2017E	2018F	2019F	2020F	2021F
New network equipment	361.45	350.81	371.79	392.56	409.52
Land, building and equipment	43.24	41.33	43.80	46.25	48.25
Computer software	14.41	13.78	14.60	15.42	16.08
MCT	207.42	49.73	93.50	90.42	27.39
Total capex	626.52	455.65	523.69	544.64	501.25

## 7. Liabilities

### 7.1. Short term loan

In accordance with the 3 month financial statement of 2017 which ceased on the 30 June 2017, SYMC borrowed money from the financial institute of approximately THB 65 million with the interest rate of between 2.67%-2.85% which is the loan without guarantee. Such loan was to be repaid in July and September 2017 (31 December 2016: was specified to be repaid in January, February, March 2017 and upon demand) In this regard, it was determined that SYMC had minimum cash of 8% of the total cost and expenses in providing services and management and this deducted the price depreciation and expenses which was referred from the ratio of remaining cash to the total expenses above between 2014 – 2016 which equalled 7.76%. In the case where the cash flow in the business operation is insufficient, SYMC was determined to take out the loan to be spent in its operation with the interest rate of 2.75% per year (in accordance with the information complementary to the financial statement which specified that the interest rate of short term loan from a financial institute equals 2.67 – 2.85% per year(

### 7.2. Long term loan

In accordance with the 6 month financial state in 2017 ceased on the 30 June 2017, there were loan from 3 financial institutions accounting for THB 1,657.34 million by which SYMC planned to increase its loan and repay in the future as follows:

**Table 5-14: Long term loan**

(Unit : THB million)

Credit line	Interest rate	Outstanding Q2 2017	loan plan	Debt repayment				
				2017E	2018F	2019F	2020F	2021F
Bank 1 Credit line 1	5.82%	112.50	-	37.50	75.00	-	-	-
Bank 1 Credit line 2	3.95% for year 1-2 and MLR – fixed rate for year 3-7	425.00	-	32.50	130.00	130.00	130.00	2.50
Bank 2	4.5% for year 1-2 and MLR- fixed rate for year 3-10	644.84	65.16	-	66.56	88.75	88.75	88.75
Bank 3	THBFIX + fixed rate	475.00	-	35.00	84.00	96.00	120.00	120.00
	Total	1,657.34	65.61	142.50	355.56	314.75	338.75	211.25



### 7.3. Debenture

The annual general meeting of shareholders on the 26 April 2016 approved debenture without security and with the right no less than the revolving credit of not exceeding THB 1,000 million at the interest rate of 4.25% per year for 3 years and will be valid until the 20 of June 2022. As of the 31 March 2017, SYMC had issued the debenture of THB 660 million. The independent financial advisor determined that SYMC shall not issue additional debenture and shall issue a new debenture to replace the old one upon the validity of repayment.

### 7.4. Long-term employee benefits

Long term reserves for employees is calculated as 7.98% of the 3 year average salary and welfare expenses from 2014 – 2016 and thus, it was determined that for the forecasting period SYMC will have the long term reserve for employees for the average amount throughout the forecasting period.

## 8. Valuation

### 8.1. The growth rate of free cash flow after forecasting period (Terminal Value)

In financial valuation, it was determined that the free cash flow during the forecasting period of 2.20% per year for conservative basis according to the inflation rate from IMF.

### 8.2. Discount Rate

Discount rate used for the calculation of the current value of net free cash flow is from the Weighted Average Cost of Capital: WACC under the capital structure of SYMC which the independent financial advisor calculated the WACC from the weighted cost of debt (Kd) and cost of debt (Kd) and cost of capital (Ke) of SYMC with the detailed of discount rate as follows:

$$WACC = Ke * E / (D + E) + Kd * (1 - T) * D / (D + E)$$

Ke	=	cost of capital or return which the shareholder demands (Re)
Kd	=	cost of debt or interest rate of the loan of SYMC
T	=	Corporate Income Tax
E	=	Value of shareholder's equity
D	=	Value of interest-bearing debt

Cost of capital (Ke) or return which the shareholders demand (Re) is calculated from Capital Asset Pricing Model (CAPM) as follows:

$$Ke \text{ (หรือ } Re) = Rf + \beta (Rm - Rf)$$

By which

Risk Free Rate (Rf) = reference from the return of 10 year government bond which equals 2.25% per year (as of the 26 September 2017). The IFA determines that 10 year

Beta ( $\beta$ ) =

government bond has the most trading volume, therefore, liquidity risk and reinvestment risk are low. This rate can best reflect risk-free return.

Correlation between the return of the stock market and return of comparing companies as the sale and purchase of stock of SYMC is relatively low. The IFA based beta from average beta of comparable companies. This is done by calculating the close price in the previous 2 years as from the 26 September 2017. The IFA determines that this period is the most suitable due to appropriate sample amount for statistic calculation and can reflect current risk of the Company, which equalled to 0.89. (The beta is average unlevered beta of comparable companies of SYMC. After relevered with the Company target D/E of 0.60. The levered beta will be equal to 1.32) The IFA then used this levered beta to computed WACC as followed:

Company	2-year Raw beta	2-year Unlevered beta	Levered beta
JAS	1.36	1.19	
ILINK	1.04	0.85	
INET	1.48	1.04	
CSL	0.52	0.49	
Average	1.10	0.89	
			1.32

(Source : Bloomberg)

Market Risk (Rm) =

10 year average return from investment in the stock market from July 2008 – August 2517 which equals to 12.61% per year which should reflect the long-term risk of the market.

Kd =

Cost of debt which is refered from the ratio of financial of SYMC in the year 2017 to the 3 year average debt towards financial institutes and debenture which equals 4.49%

**Details of the variables and assumption in calculation can be summarized as follows:**

**Table 5-15: Discount rate of SYMC**

Assumptions	Amount
Risk free rate (Rf)	2.25%
Market return (Rm)	12.61%
Beta	1.32
Cost of capital (Ke)	15.95%
Cost of debt (Kd)	4.49%
Value of interest bearing debt (Wd)	37.50%
Value of shareholder's equity (We)	62.50%
WACC	11.31%

According to the above assumption, it resulted in the Weighted Average Cost of Capital (WACC) of %11.31 which will be used in calculating the discount rate in finding the net free cash flow expected to be received in the future by SYMC. Thus, the independent financial advisor summarized the Free Cash Flow to Firm (FCFF) as follows:

**Table 5-16: Free cash flow to firm**

Unit : THB million(	H2/2017E	2018F	2019F	2020F	2021F
Earning before interest and tax expense) EBIT)	50.76	<u>227.29</u> <del>227.07</del>	<u>373.57</u> <del>373.11</del>	<u>607.10</u> <del>606.39</del>	<u>687.50</u> <del>744.10</del>
Tax expense) 20%)	(10.15)	(45.46) <del>(45.41)</del>	(74.71) <del>(74.62)</del>	(121.42) <del>(121.20)</del>	(137.50) <del>(140.84)</del>
Non cash expense	279.05	565.35	555.63	531.04	506.77
CAPEX	(285.14)	(455.65)	(523.69)	(544.64)	(501.25)
Change in working capital	161.89	16.05	(3.78)	33.86	(0.05)
Free cash flow to firm (FCFF)	196.42	<u>307.59</u> <del>307.41</del>	<u>327.02</u> <del>326.65</del>	<u>505.94</u> <del>505.37</del>	<u>555.47</u> <del>501.21</del>
Terminal value					6,232.53 <del>6,679.87</del>
Sum of present value of FCFF and terminal value	186.17	261.93 <del>261.77</del>	250.18 <del>249.90</del>	347.73 <del>347.35</del>	4,191.44 <del>4,483.55</del>

**Table 5-17: Equity value of SYMC**

THB million	Amount
Present value of free cash flow to firm (FCFF)	<u>5,237.45</u> <del>5,520.74</del>
add :Cash and short-term investment as of 30 June 2017	56.42
Deduct :Financial liabilities as of 30 June 2017	(2,377.63)
add :Tax Benefits from BOI <sup>2</sup>	123.15
Equity value	3,330.69
Share outstanding (shares)	325,393,681
Equity value per share	<u>9.34</u> <del>10.24</del>

Remark: 1EBIT includes MCT project

2 The Terminal Value is calculated from the free cash flow of the business operation in the 2564 which is the last year of the forecasting year (FCFF (2564) from the following calculation formula: Terminal Value = FCFF(2564)\*(1+g)/(WACC-g)

By which g is the long term growth rate of SYMC after the year 2564 which the independent financial advisor established the assumption at %2.20 per year in accordance with the inflation rate of Thailand.

WACC is the Weighted Average Cost of Capital

3. The Company has obtained the approval of investment promotion and tax privilege by the Board of Investment by which the Company receives the Corporate Income Tax exemption from the operation promoted under the amount of not exceeding THB 988,578, 798.94 under the 8 year period as from the date of the income from the business operation. In this regard, the independent financial advisor has calculated the benefit from the promotion by determining the profit before tax after the year 2564 to be equal to increase to the same amount as the inflation rate and deducted the free cash flow as shown below.

**ตารางที่ 5-18: Present value of tax benefits**

(หน่วย : ล้านบาท)

	2017E	2018F	2019F	2020F	2021F	2022F	รวม
Revenue	<u>36.35</u>	<u>398.57</u>	<u>746.75</u>	<u>1,322.41</u>	<u>1,441.17</u>	N/A	
Cost and expenses	<u>78.40</u>	<u>365.09</u>	<u>611.98</u>	<u>1,010.93</u>	<u>1,090.50</u>	N/A	
EBT	(42.04)	<u>33.49</u>	<u>134.77</u>	<u>311.49</u>	<u>350.67</u>	<u>158.16</u>	<u>988.58</u>
Tax benefits	=	<u>6.70</u>	<u>26.95</u>	<u>62.30</u>	<u>70.13</u>	<u>31.63</u>	
Present value of tax benefits	=	<u>5.41</u>	<u>19.54</u>	<u>40.58</u>	<u>41.05</u>	<u>16.63</u>	<u>123.21</u>

In addition, the independent financial advisor had conducted the Sensitivity Analysis of the stock value by adjusting the main assumptions as follows:

- Weighted Average Cost of Capital (WACC) earning growth rate: this reflects the cost of debt and the cost of equity that affect the Company value significantly. The discount rate will be increase and decrease from base case by 0.50 to cover the rate of change of the variables which is sufficient for the Company valuation.
- Terminal growth rate: The IFA determines that terminal value can affect the Company value significantly as it accounts for 73.48% of the discounted cash flow. Therefore, terminal value will be sensitized as a rate of +/- 1.00% per year to cover the rate of change of the variables which is sufficient for the Company valuation.

**Table 5-19: Sensitivity analysis of SYMC share valuation**

(THB million(	Weighted Average Cost of Capital: WACC				
	base case-0.5%	base case-0.25%	base case	base case+0.25%	base case+0.5%
SYMC share price	<u>10.89</u> <del>11.90</del>	<u>9.83</u> <del>10.76</del>	<u>9.34</u> <del>10.24</del>	<u>8.88</u> <del>9.75</del>	<u>8.03</u> <del>8.89</del>

(THB million(	Terminal growth rate				
	base case-1.0%	base case-0.5%	base case	base case+0.5%	base case+1.0%
SYMC share price	<u>8.07</u> <del>8.87</del>	<u>8.67</u> <del>9.52</del>	<u>9.34</u> <del>10.24</del>	<u>10.09</u> <del>11.04</del>	<u>10.93</u> <del>11.94</del>

In accordance with the sensitivity analysis with the adjustment of the discount rate, it resultd in the value of SYMC between THB 8.03 ~~8.83~~ – 10.93 ~~(11.94)~~ per share and when compating this with the offer price of THB 12.20 per share, it is calculated to be 65.79% ~~72.44~~ – 89.59% ~~97.88~~ of the offer price. The valuated price is THB 4.17 ~~3.37~~– 1.27 ~~0.26~~ lower than the offer price.

In this regard, the valuation of stock under this approach is regered from the assumption of SYMB under the current economic circumstance and, thereby, any changes relating to the business plan and policies of SYMC or changing economic conditions, current business operation of SYMC which is changed from the forecasting and specified variables, this may significantly affect the forecasting under the above assumptions and may also affect the stock value of SYMC as valuated.

## 8. Page 62-63 No 5.3. Valuation summary of SYMC share value

### Original

From all the valuation approaches, it can be summarized the comparison of the share value of SYMC under different valuation approaches as follows:

**Table 5-19: Valuation results and comparison of pros and cons for each valuation approach**

Valuation method		SYMC price	Offer price	Higher (lower) than	% to the Tender Offer price
		(THB per share)		the Offer price (THB)	
1	Book value approach	4.46	12.20	(7.74)	36.56
2	Adjusted book value approach	-	12.20	-	-

	Valuation method	SYMC price (THB per share)	Offer price	Higher (lower) than the Offer price (THB)	% to the Tender Offer price
3	Weighted average market approach	10.66 – 12.11	12.20	(1.54) – (0.09)	87.38 – 99.26
4	Price to book value ratio approach	11.83 – 13.36	12.20	(0.37) – 1.16	96.96 – 109.50
5	Price to earnings ratio approach	5.43 – 6.50	12.20	(6.77) – (5.70)	44.51 – 53.28
<b>6</b>	<b>Discounted cash flow approach</b>	<b>10.24</b>	12.20	<b>(1.96)</b>	<b>83.92</b>
	<b>Sensitivity analysis</b>	<b>8.83 – 11.94</b>	12.20	<b>(3.37) – (0.26)</b>	<b>72.41 – 97.88</b>

The valuation of share price under each approach has advantages and weaknesses which reflect the appropriateness of the share price in accordance with each valuation of share price approach as follows:

- 1) Book Value Approach considers the financial position at a certain period of time and value of assets as recorded in the account. It does not consider the potential in making profit and performance result in the future. Neither does it consider competitiveness ability of the business operation, economy trend and overall industry. Thus, the independent financial advisor views that the valuation of share under this approach is not appropriate to value the fair price of ordinary share of SYMC and does not reflect the real value of the business operation.
- 2) Adjusted Book Value Approach is able to reflect the net assets better than the book account approach as it is to take the value under the account in 1) to be valued and adjusted by the new evaluation of land, building, and structures to be the market price or fair price. Subsequently, it is divided by the number of shares. This approach reflects the real value. However, as the ratio of permanent assets come from the network equipment consisting of fiberglass cable connecting the network domestically and internationally including the submarine cable, these are difficult to evaluate the conditions of the physical assets and, thus, the physical depreciation cost is limited to be valued due to examination limitation. It is, therefore, unable to value the share value under this approach.
- 3) Weighted Average Market Value Approach is the market price determined by the demand and supply of investors towards the shares of SYMC which is able to reflect the share value at a certain period of time. Moreover, it relatively reflects the basic factors and demand of general investors towards potential and growth in the future. Nonetheless, as the amount of sale and purchase of SYMC shares is low and illiquidated, this Weighted Average Market Value Approach may not reflect the real value.
- 4) Price to Book Value Ratio Approach considers the financial condition at a certain period of time in comparison to the average ratio as mentioned of the reference company group without considering the ability to make profit and performance result of SYMC in the future. Moreover, some reference companies do not undertake the main business operation like SYMC which is the business to lease the fiberglass cable or some companies are much larger than SYMC. Thus, the share valuation under this approach may not reflect the appropriate value of SYMC.
- 5) Price to Earnings Ratio Approach: even though it is the approach which considers the ability to make profit of the business operation by comparing to the average ratio of the reference company group, it

is merely the valuation of the previous profit. It does not reflect the ability of profit making and performance result of the company in the future. Moreover, the comparables companies do not operate the same as SYMC which is fiber optic cable and some companies are larger than SYMC. Thus, the share valuation under this approach may not reflect the appropriate value of SYMC.

- 6) Discounted Cash Flow is the approach reflecting the ability to make profit and ability to create free cash flow of SYMC in the future which is valued from the current net free cash flow of the business operation forecasted to receive in the future by refereeing to the past operation. This shall include the economic condition, performance result of the operation in the future. This approach is better at reflecting the real value of the business operation. However, the assumption of financial forecasting has not yet reflected the added value in the future which may occur after the offer tender which may result in the increasing value of SYMC from the current assumption.

The independent financial advisor viewed that the most appropriate approach in valuating the value is the Discounted Cash Flow Approach which reflects the demand and supply of the price purchased and sold in the market and reflect the ability to make profit in the future with the current free cash flow. This resulted in the price of share between THB 8.83 – 11.94 per share or 72.41 – 97.88% of the offer price by which the basis value is at THB 10.24 per share. The independent financial advisor viewed that the offer price of THB 12.20 per share is THB 3.37 – 0.26 per share higher than the valuated price. Thus, the offer price is the appropriate price.

#### Revision

From all the valuation approaches, it can be summarized the comparison of the share value of SYMC under different valuation approaches as follows:

**Table 5-20: Valuation results and comparison of pros and cons for each valuation approach**

Valuation method	SYMC price (THB per share)	Offer price	Higher (lower) than the Offer price (THB)	% to the Tender Offer price
1 Book value approach	4.46	12.20	(7.74)	36.56
2 Adjusted book value approach	-	12.20	-	-
3 Weighted average market approach	10.66 – 12.11	12.20	(1.54) – (0.09)	87.38 – 99.26
4 Price to book value ratio approach	11.83 – 13.36	12.20	(0.37) – 1.16	96.96 – 109.50
5 Price to earnings ratio approach	5.43 – 6.50	12.20	(6.77) – (5.70)	44.51 – 53.28
<b>6 Discounted cash flow approach</b>	<b><u>9.34</u> <del>10.24</del></b>	12.20	<b><u>(2.86)</u> <del>(1.96)</del></b>	<b><u>76.56</u> <del>83.92</del></b>
<b>Sensitivity analysis</b>	<b><u>8.03 – 10.93</u></b>		<b><u>(4.17) – (1.27)</u></b>	<b><u>65.79 – 89.59</u></b>
	<b><u>8.83 – 11.94</u></b>	12.20	<b><u>(3.37 – 0.26)</u></b>	<b><u>72.41 – 97.88</u></b>

The valuation of share price under each approach has advantages and weaknesses which reflect the appropriateness of the share price in accordance with each valuation of share price approach as follows:

- 1) Book Value Approach considers the financial position at a certain period of time and value of assets as recorded in the account. It does not consider the potential in making profit and performance result in the future. Neither does it consider competitiveness ability of the business operation, economy trend

and overall industry. Thus, the independent financial advisor views that the valuation of share under this approach is not appropriate to value the fair price of ordinary share of SYMC and does not reflect the real value of the business operation.

- 2) Adjusted Book Value Approach is able to reflect the net assets better than the book account approach as it is to take the value under the account in 1) to be valued and adjusted by the new evaluation of land, building, and structures to be the market price or fair price. Subsequently, it is divided by the number of shares. This approach reflects the real value. However, as the ratio of permanent assets come from the network equipment consisting of fiberglass cable connecting the network domestically and internationally including the submarine cable, these are difficult to evaluate the conditions of the physical assets and, thus, the physical depreciation cost is limited to be valued due to examination limitation. It is, therefore, unable to value the share value under this approach. However, the adjusted book value approach may not be suitable for the network service business. Because this business has a relatively high investment and this does not take into account the profitability, future performance of the Company and the competitiveness of the business. Therefore, the IFA views that the share valuation by this approach is not appropriate for the fair valuation of SYMC's ordinary shares and cannot reflect the true value of the Company.
- 3) Weighted Average Market Value Approach is the market price determined by the demand and supply of investors towards the shares of SYMC which is able to reflect the share value at a certain period of time. Moreover, it relatively reflects the basic factors and demand of general investors towards potential and growth in the future. Nonetheless, as the amount of sale and purchase of SYMC shares is low and illiquidated, this Weighted Average Market Value Approach may not reflect the real value.
- 4) Price to Book Value Ratio Approach considers the financial condition at a certain period of time in comparison to the average ratio as mentioned of the reference company group without considering the ability to make profit and performance result of SYMC in the future. Moreover, some reference companies do not undertake the main business operation like SYMC which is the business to lease the fiberglass cable or some companies are much larger than SYMC. Thus, the share valuation under this approach may not reflect the appropriate value of SYMC.
- 5) Price to Earnings Ratio Approach: even though it is the approach which considers the ability to make profit of the business operation by comparing to the average ratio of the reference company group, it is merely the valuation of the previous profit. It does not reflect the ability of profit making and performance result of the company in the future. Moreover, the comparable companies do not operate the same as SYMC which is fiber optic cable and some companies are larger than SYMC. Thus, the share valuation under this approach may not reflect the appropriate value of SYMC.
- 6) Discounted Cash Flow is the approach reflecting the ability to make profit and ability to create free cash flow of SYMC in the future which is valued from the current net free cash flow of the business operation forecasted to receive in the future by referring to the past operation. This shall include the economic condition, performance result of the operation in the future. This approach is better at

reflecting the real value of the business operation. However, the assumption of financial forecasting has not yet reflected the added value in the future which may occur after the offer tender which may result in the increasing value of SYMC from the current assumption.

The independent financial advisor viewed that the most appropriate approach in valuating the value is the Discounted Cash Flow Approach which reflects the demand and supply of the price purchased and sold in the market and reflect the ability to make profit in the future with the current free cash flow. This resulted in the price of share between THB ~~8.03 – 10.93~~ ~~8.83 – 11.94~~ per share or ~~65.79% – 89.59%~~ ~~72.44 – 97.88~~ of the offer price by which the basis value is at THB 10.24 per share. The independent financial advisor viewed that the offer price of THB 12.20 per share is THB ~~4.17 – 1.27~~ ~~3.37 – 0.26~~ per share higher than the valued price. Thus, the offer price is the appropriate price.

## Part 6 Rationale to Accept and/or Reject the Tender Offer

### 9. Page 64 No6.1. Appropriateness of the Tender Offer price

#### Original

IFA has assessed the Valuation of SYMC shares by using 6 approaches of valuation: including 1) Book Value Approach 2) Adjusted Book Value Approach 3) Weighted Average Market Value Approach 4) Price to Book Value Ratio Approach or P/BV Ratio 5) Price-to-Earnings Ratio Approach and 6) Discounted Cash Flow Approach), as summarized below:

**Table 6-1: Summary of SYMC share valuation under each approach**

Valuation approach	SYMC price (THB per share)	Offer price	Higher (lower) than the Offer price (THB)	% to the Tender Offer price
1 Book value approach	4.46	12.20	(7.74)	36.56
2 Adjusted book value approach	-	12.20	-	-
3 Weighted average market approach	10.66 – 12.11	12.20	(1.54) – (0.09)	87.38 – 99.26
4 Price to book value ratio approach	11.83 – 13.36	12.20	(0.37) – 1.16	96.96 – 109.50
5 Price to earnings ratio approach	5.43 – 6.50	12.20	(6.77) – (5.70)	44.51 – 53.28
<b>6 Discounted cash flow approach</b>	<b>10.24</b>	12.20	<b>(1.96)</b>	<b>83.92</b>
<b>Sensitivity analysis</b>	<b>8.83 – 11.94</b>	12.20	<b>(3.37) – (0.26)</b>	<b>72.41 – 97.88</b>

In accordance with the summarized table, the independent financial advisor opined that the Discounted Cash Flow Approach was the most appropriate approach compared to other valuation. This will result in the value of between THB 8.83-11.94 per share with the basic value of THB 10.24 per share. The independent financial consultant, therefore, opined that the offer price of THB 12.20 per share is the appropriate price as the Discounted Cash Flow Approach reflected the ability to make profit in the future of SYMC and it is lower than the offer price.

#### Revision

IFA has assessed the Valuation of SYMC shares by using 6 approaches of valuation: including 1) Book Value Approach 2) Adjusted Book Value Approach 3) Weighted Average Market Value Approach 4) Price to



Book Value Ratio Approach or P/BV Ratio 5) Price-to-Earnings Ratio Approach and 6) Discounted Cash Flow Approach), as summarized below:

**Table 6-1: Summary of SYMC share valuation under each approach**

Valuation approach		SYMC price (THB per share)	Offer price	Higher (lower) than the Offer price (THB)	% to the Tender Offer price
1	Book value approach	4.46	12.20	(7.74)	36.56
2	Adjusted book value approach	-	12.20	-	-
3	Weighted average market approach	10.66 – 12.11	12.20	(1.54) – (0.09)	87.38 – 99.26
4	Price to book value ratio approach	11.83 – 13.36	12.20	(0.37) – 1.16	96.96 – 109.50
5	Price to earnings ratio approach	5.43 – 6.50	12.20	(6.77) – (5.70)	44.51 – 53.28
6	Discounted cash flow approach	<u>9.34</u> <del>10.24</del>	12.20	<u>(2.86)</u> <del>(1.96)</del>	<u>76.56</u> <del>83.92</del>
	Sensitivity analysis	<u>8.03 – 10.93</u>	12.20	<u>(4.17) – (1.27)</u>	<u>65.79 – 89.59</u>
		<del>8.83 – 11.94</del>		<del>(3.37) – 0.26</del>	<del>72.41 – 97.88</del>

In accordance with the summarized table, the independent financial advisor opined that the Discounted Cash Flow Approach was the most appropriate approach compared to other valuation. This will result in the value of between THB 8.03 – 10.93 ~~8.83 – 11.94~~ per share with the basic value of THB ~~10.24~~ 9.34 per share. The independent financial consultant, therefore, opined that the offer price of THB 12.20 per share is the appropriate price as the Discounted Cash Flow Approach reflected the ability to make profit in the future of SYMC and it is lower than the offer price.

#### Page 65-66 No 6.4.2 Financial Restructuring Plan

##### Original

Pursuant to the conditions of entering into the PVTO under the PVTO Letter, the Annual General Meeting of Shareholders held on 26th April 2017 of the Company, by a majority vote of 99.91% of the shareholders attending the meeting and eligible to vote, resolved to approve the capital increase and the offer for sale of the newly-issued ordinary shares to the existing shareholders proportionate to their respective shareholdings after the completion of the PVTO, in accordance with the following conditions:

- the offering price of the newly-issued ordinary shares offered for sale shall not be higher than THB 8.80 per share;
- the capital increase by means of the issuance of the newly-issued ordinary shares shall be approximately THB 1,000,000,000; and
- the subscription for the newly-issued ordinary shares offered for sale shall be subject to the condition that the PVTO must be completed, and that the Tender Offeror has become a shareholder of the Company with the shareholding%age as per its notified intention so that The Tender Offeror is entitled to subscribe for the newly-issued ordinary shares.

The Company will issue 113,514,548 newly-issued ordinary shares at the par value of THB 1 per share to accommodate the offer for sale of shares to the existing shareholders of the Company proportionate to their respective shareholdings (Right Offering) which will affect the shareholders as follows:

- Price Dilution – If every existing shareholder subscribes for the newly-issued shares, the effect on the price of the shares will decrease by approximately 6.41% (calculated using weighted average market price 15 working days before the declaration of the Tender Offer (Form 247-4))
- Control and EPS Dilution – The effect is approximately 25.86% for a shareholder who does not exercise the right offering while the other shareholders exercise the right offering.
- In the case that the number of shares remaining from the first allocation of newly-issued ordinary shares to the existing shareholders proportionate to their respective shareholdings (Rights Offering) is more than or equivalent to the number for which the existing shareholders have oversubscribed, such remaining shares will be allocated to all oversubscribing shareholders who made a subscription payment in the number of shares for which they have oversubscribed. Therefore, TIME can increase its shareholding more than 38.75% which increase risk from lack of balance in power to manage the Company. However, Under no circumstances will the Company allocate shares to any oversubscribing shareholder in a manner that would require any oversubscribing shareholders to make a tender offer in accordance with the Notification of the Capital Market Supervisory Board No. TorChor. 12/2554 Re: Rules, Conditions and procedures for the Acquisition of Securities for Business Takeovers, or in a manner which results in a breach in the Company's foreign shareholding limit of not more than 49% of the total amount of issued shares of the Company specified in the Articles of Association of the Company.

#### Revision

Pursuant to the conditions of entering into the PVTO under the PVTO Letter, the Annual General Meeting of Shareholders held on 26th April 2017 of the Company, by a majority vote of 99.91% of the shareholders attending the meeting and eligible to vote, resolved to approve the capital increase and the offer for sale of the newly-issued ordinary shares to the existing shareholders proportionate to their respective shareholdings after the completion of the PVTO, in accordance with the following conditions:

- (a) the offering price of the newly-issued ordinary shares offered for sale shall not be higher than THB 8.80 per share;
- (b) the capital increase by means of the issuance of the newly-issued ordinary shares shall be approximately THB 1,000,000,000; and
- (c) the subscription for the newly-issued ordinary shares offered for sale shall be subject to the condition that the PVTO must be completed, and that the Tender Offeror has become a

shareholder of the Company with the shareholding percentage as per its notified intention so that The Tender Offeror is entitled to subscribe for the newly-issued ordinary shares.

The Company will issue 113,514,548 newly-issued ordinary shares at the par value of THB 1 per share to accommodate the offer for sale of shares to the existing shareholders of the Company proportionate to their respective shareholdings (Right Offering) which will affect the shareholders as follows:

- Price Dilution – If every existing shareholder subscribes for the newly-issued shares, the effect on the price of the shares will decrease by approximately 6.41% (calculated using weighted average market price 15 working days before the declaration of the Tender Offer (Form 247-4))
- Control and EPS Dilution – The effect is approximately 25.86% for a shareholder who does not exercise the right offering while the other shareholders exercise the right offering.
- In the case that the number of shares remaining from the first allocation of newly-issued ordinary shares to the existing shareholders proportionate to their respective shareholdings (Rights Offering) is more than or equivalent to the number for which the existing shareholders have oversubscribed, such remaining shares will be allocated to all oversubscribing shareholders who made a subscription payment in the number of shares for which they have oversubscribed. Therefore, TIME can increase its shareholding more than 38.75% which increase risk from lack of balance in power to manage the Company. However, Under no circumstances will the Company allocate shares to any oversubscribing shareholder in a manner that would require any oversubscribing shareholders to make a tender offer in accordance with the Notification of the Capital Market Supervisory Board No. TorChor. 12/2554 Re: Rules, Conditions and procedures for the Acquisition of Securities for Business Takeovers, or in a manner which results in a breach in the Company's foreign shareholding limit of not more than 49% of the total amount of issued shares of the Company specified in the Articles of Association of the Company.
- However, if the existing shareholders do not wish to acquire additional shares in proportion to their holding of the SYMC shares TIME will subscribe the newly issued ordinary shares in excess of their rights of upto 54.59% of issued shares. (This is not possible due to limit of foreigner shareholding of 49.00%), TIME will be able to buy only 88,974,982 shares to maintain the proportion of not more than 49% of the total number of shares. This may affect the investment plan's policy as proposed by TIME in the tender offer 247-4.

## 10. Page 68 No 6.5.6 Policies and Plans of the Company Operations

### Original

After the successful of the Tender Offer, the Tender Offeror does not intends to make any material change to the core business of SYMC within the period of 12 months following the completion of the Tender Offer and intends to focus on growing and operating the business in an efficient and effective manner. Furthermore, The Tender Offeror has no intention to change the existing dividend policy within the period of 12 months after the completion of the Tender Offer.

### Revision

After the successful of the Tender Offer, the Tender Offeror does not intends to make any material change to the core business of SYMC within the period of 12 months following the completion of the Tender Offer and intends to focus on growing and operating the business in an efficient and effective manner. Furthermore, ~~The Tender Offeror has no intention to change the existing dividend policy within the period of 12 months after the completion of the Tender Offer.~~

## 11. Page 68-69 No 6.5.7 The Company's shareholder structure

### Original

According to the business' list of shareholders as of 31 August 2017, which has groups of persons who have the same family name or related persons, the top 10 shareholders of the Business are as follows:

**Table 6-2: Top 10 shareholders of the Company**

Shareholders	Number of shares	% in comparison with total issued and paid-up shares and total voting rights
1. Asawasuwun Group	53,176,759	16.34
<i>Mr. Kranphol Asawasuwun</i>	53,057,593	16.31
<i>Ms. Kwandarin Asawasuwun</i>	108,333	0.03
<i>Mr. Paitoon Asawasuwun</i>	10,833	0.00
2. Pantarasutra Group	50,695,925	15.58
<i>Mr. Teerarat Pantarasutra</i>	50,695,915	15.58
<i>Ms. Tounporn Pantarasutra</i>	10	0.00
3. Thanakijsumton Group	26,567,384	8.16
<i>Mr. Pongthep Thanakijsumton</i>	26,459,051	8.13
<i>Ms. Srisamorn Threepetchsomkhun</i>	108,333	0.03
4. Srisuphakhanin Group	26,283,551	8.08
<i>Mr. Pathomkrit Srisuphakhanin</i>	25,484,051	7.83
<i>Ms. Sumatthakan Srisuphakhanin</i>	799,500	0.25
5. Phatra Capital Public Company Limited	15,834,000	4.87

Shareholders	Number of shares	% in comparison with total issued and paid-up shares and total voting rights
6. Mr. Niphol Suwannachet	15,540,351	4.78
7. Mr. Wanchai Somboonphon	13,850,634	4.26
8. Ms. Bussakorn Jaruwachirathanakul	8,929,916	2.74
9. Mr. Taweerach Prungpattanasakul	8,570,000	2.63
10. Mr. Manoch Youbunyong	8,195,945	2.52
11. Others	97,749,216	30.04

Source: Thailand Securities Depository

#### Anticipated shareholding structure following the Tender Offer

In the event that all of the securities of the Business that The Tender Offeror intends to purchase are tendered, the expected shareholding structure of the Business after the PVTO will be as follows:

**Table 6-3: Anticipated shareholding structure following the Tender Offer**

Shareholders	Number of shares	% in comparison with total issued and paid-up shares and total voting rights
1. TIME dotCom International Sdn Bhd	126,090,050	38.75
2. Group A Shareholders*	90,751,993	27.89
3. Other original shareholders	108,551,638	33.36

\* Group A Shareholders include Mr. Teerarat Pantarasutra, Mr. Kranphol Asawasuwana, Mr. Wanchai Somboonphon and Mr. Pongthep Thanakijsumton.

\*\* Assuming Group A Shareholders tendered all of their shares with pro-rata participation at 37.00% in the PVTO.

#### Revision

According to the business' list of shareholders as of 31 August 2017, which has groups of persons who have the same family name or related persons, the top 10 shareholders of the Business are as follows:

**Table 6-2: Top 10 shareholders of the Company**

Shareholders	Number of shares	% in comparison with total issued and paid-up shares and total voting rights
1. Asawasuwana Group	53,176,759	16.34
Mr. Kranphol Asawasuwana	53,057,593	16.31
Ms. Kwandarin Asawasuwana	108,333	0.03
Mr. Paitoon Asawasuwana	10,833	0.00
2. Pantarasutra Group	50,695,925	15.58
Mr. Teerarat Pantarasutra	50,695,915	15.58
Ms. Tounporm Pantarasutra	10	0.00
3. Thanakijsumton Group	26,567,384	8.16
Mr. Pongthep Thanakijsumton	26,459,051	8.13
Ms. Srisamorn Threepetchsomkhun	108,333	0.03
4. Srisuphakhanin Group	26,283,551	8.08
Mr. Pathomkrit Srisuphakhanin	25,484,051	7.83

Shareholders	Number of shares	% in comparison with total issued and paid-up shares and total voting rights
Ms. Sumatthakan Srisuphakhanin	799,500	0.25
5. Phatra Capital Public Company Limited	15,834,000	4.87
6. Mr. Niphol Suwannachet	15,540,351	4.78
7. Mr. Wanchai Somboonphon	13,850,634	4.26
8. Ms. Bussakorn Jaruwachirathanakul	8,929,916	2.74
9. Mr. Taweerach Prungpattanasakul	8,570,000	2.63
10. Mr. Manoch Youbunyong	8,195,945	2.52
11. Others	97,749,216	30.04

Source: Thailand Securities Depository

#### Anticipated shareholding structure following the Tender Offer

In the event that all of the securities of the Business that The Tender Offeror intends to purchase are tendered, the expected shareholding structure of the Business after the PVTO will be as follows:

**Table 6-3: Anticipated shareholding structure following the Tender Offer**

Shareholders	Number of shares	% in comparison with total issued and paid-up shares and total voting rights
1. TIME dotCom International Sdn Bhd	126,090,050	38.75
2. Group A Shareholders*	90,751,993	27.89
3. Other original shareholders	108,551,638	33.36

\* Group A Shareholders include Mr. Teerarat Pantarasutra, Mr. Kranphol Asawasuwana, Mr. Wanchai Somboonphon and Mr. Pongthep Thanakijsumton.

\*\* Assuming Group A Shareholders tendered all of their shares with pro-rata participation at 37.00% in the PVTO. Each of the Group A Shareholders and TdCI have entered in to Shareholders' agreement and expresses no intention to be a concert party of the other under applicable laws (i.e. Notification of the Capital Market supervisory Board No. TorChor. 7/2552 Re. Acting in concert as a result of the nature of a relationship or behavior and requirements under Sections 246 and 247) and agrees to exercise all of its respective voting rights and powers in relation to the Business in its own direction.

## **12. Page 69-70 No 6.5.8 Members of the Board of Directors following the Tender Offer**

### Original

According to the form 247-4, the members of the Company's board of directors before the Tender Offer are as follows:

#### The Board of Directors as of 31 August 2017

**Table 6-4: The Board of Directors as of 31 August 2017**

Name	Position
1. Mr. Woodtipong Moleechad	Chairman of the Board/ Independent Director/ Audit Committee/ Non-Executive
2. Mr. Prasit Hemwarapornchai	Deputy Chairman of the Board/ Independent Director/ Audit Committee/ Non-Executive
3. Mr. Jitkasem Sangsingkeo	Independent Director/ Chairman of the Audit Committee
4. Mr. Kranphol Asawasuwana	Director/ Chairman Executive officer

Name	Position
5. Mr. Teerarat Pantarasutra	Director/ Executive / Managing Director
6. Mr. Pongthep Thanakijsumton	Director/ Executive
7. Ms. Bussakorn Jaruwachirathanakul	Director
8. Mr. Supornchai Chotputtikul	Director/ Executive
9. Mr. Wanchai Somboonphon	Director

Source: the Stock Exchange of Thailand

Note: Ms. Nattaya Jungsawatmetha is the secretary of the Board of Directors and company secretary

After the PVTO, The Tender Offeror plans to be represented at the board of director level in proportion to its shareholding in the Business. In accordance with good governance, The Tender Offeror plans to replace one existing executive director with a new independent, non-executive director, so as to increase the overall number of independent directors on the board of directors. The total number 3 non-independent directors and 1 independent director will be nominated for consideration and appointment by the board of directors and/or the shareholders.

#### Revision

According to the form 247-4, the members of the Company's board of directors before the Tender Offer are as follows:

#### Name list of Board of Directors

#### The Board of Directors as of 31 August 2017

**Table 6-4: The Board of Directors as of 31 August 2017**

Name	Position	Term
1. Mr. Woodtipong Moleechad	Chairman of the Board/ Independent Director/ Audit Committee/ Non-Executive	<u>26 April 2016 – 26 April 2019</u>
2. Mr. Prasit Hemwarapornchai	Deputy Chairman of the Board/ Independent Director/ Audit Committee/ Non-Executive	<u>26 April 2016 – 26 April 2019</u>
3. Mr. Jitkasem Sangsingkeo	Independent Director/ Chairman of the Audit Committee/ Non-Executive	<u>24 April 2015 – 24 April 2018</u>
4. Mr. Kranphol Asawasuan	Chairman Executive officer/ Director	<u>26 April 2017 – 26 April 2020</u>
5. Mr. Teerarat Pantarasutra	Director/ Executive / <u>Managing Director</u> <sup>1</sup>	<u>24 April 2015 – 24 April 2018</u>
6. Mr. Pongthep Thanakijsumton	Director/ Executive/ <u>Deputy Managing Director, Marketing and Information</u>	<u>24 April 2015 – 24 April 2018</u>
7. Ms. Bussakorn Jaruwachirathanakul	director / <u>Deputy Managing Director, Finance and Accounting</u> <sup>2</sup>	<u>26 April 2017 – 26 April 2020</u>
8. Mr. Supornchai Chotputtikul	Director/ Executive / <u>Deputy director, engineering</u>	<u>26 April 2017 – 26 April 2020</u>
9. Mr. Wanchai Somboonphon	Director / <u>Assistant Managing Director of Public Relations Purchasing and Property Management</u>	<u>26 April 2016 – 26 April 2019</u>

Source: the Stock Exchange of Thailand

Remark: 1. Managing director means Chief executive officer as define in shareholders' agreement in form 247-4

2. Deputy Managing Director, Finance and Accounting means chief financial officers as define in shareholders' agreement in form 247-4

Note: Ms. Nattaya Jungsawatmetha is the secretary of the Board of Directors and company secretary

After the PVTO, the Tender Offeror plans to be represented at the board of director level in proportion to its shareholding in the Business. At the board level, the Offeror intends to nominate 4 new directors to replace 4 existing directors. Of the 4 new directors, 3 are expected to be non-independent and 1 is expected to be independent. As a result of these proposed changes, the total number of directors on the board would remain unchanged. Hence, in accordance with good governance, the number of independent directors would increase from 3 to 4, out of a Board of 9 directors. Such nomination by the Offeror will be done in compliance with the Business' Articles of Association and the relevant provisions prescribed under the Public Limited Companies Act, the Securities and Exchange Act, B.E. 2535, and other relevant regulations. ~~In accordance with good governance, The Tender Offeror plans to replace one existing executive director with a new independent, non-executive director, so as to increase the overall number of independent directors on the board of directors. The total number 3 non-independent directors and 1 independent director will be nominated for consideration and appointment by the board of directors and/or the shareholders.~~

## Part 7 Benefits or Impacts from Policies and Business Directions Disclosed in the Tender Offer

### 13. Page 72-73 No 7.3 Plan of investment

#### Original

The initial investment plan over the next 1-2 years, apart from a business-as-usual investment plan, e.g. network enhancement, is summarised as below:

Plan to additionally invest in the existing business	<ul style="list-style-type: none"> <li>Development of international networks                             <ul style="list-style-type: none"> <li>To build and develop international networks, as well as to increase the connecting points between the Thai borders with Malaysia, Myanmar, Cambodia, and Laos for the target groups, that is, the wholesale customer group and the enterprise customer group</li> <li>To embrace the opportunity to connect its networks to the networks of TIME, CMC Telecom, and other networks invested in by TIME and enhance its competitiveness with the same service standards and contracts.</li> </ul> </li> </ul>	Additional investment of approximately THB 600-700 million
Plan to invest in other related business	<ul style="list-style-type: none"> <li>To study and consider in detail the feasibility for using the proceeds in other investment, including without limitation, entering into the data centre market.                             <ul style="list-style-type: none"> <li>To establish a data centre with the net neutrality and effective connectivity.</li> <li>To conduct a study and connect to AIMS, TIME's data centre, for development of the full services to the region</li> </ul> </li> </ul>	Additional investment of approximately THB 100-200 million

The initial investment plan will require the investment fund of approximately THB 700 - 900 million, to be raised as part of the rights offerings which will be launched subsequent to the successful completion of the PVTO pursuant to the approval on the capital increase and right offerings in the Annual General Meeting of Shareholders of the Business.



However, the successful execution of the abovementioned initial investment plan is subject to detailed feasibility study of each investment as well as further relevant approval from the board of directors. In addition, the implementation and benefits of each investment plan is subject to uncertainties and changes in the external factors which is beyond the Offeror's and the Business's control such as the insufficient proceeds from the Rights Offering subscriptions to fund all the intended investment plans above and/or any adverse changes in the market conditions which may require the Business to revisit the investment plan outlined above.

According to the plan of investment indicated in 247-4, it can be seen that the tender offeror has planned to invest so that the network of SYMC can be connected to the TIME's network, including CMC Telecom and other networks which TIME has invested. Moreover, it also planed to build and develop international networks, as well as to increase the connecting points in CLMV countries, which will improve company's operating capacity for the company in the future. In addition, it also specifies the operational expansion to other related business which is the business The Tender Offeror has already operated in Malaysia. This, therefore, benefits the company in transferring the knowledge, capability, experience and technology of The Tender Offeror to apply to the expansion of the service provision of the company.

However, the investment plans stated above are just primary plan. They are needed to do detailed feasibility study of each investment, return on investment, sufficiency of funds for each plan, worthiness of investment in details. In addition, a part of funds for the investment plan stated above will be raised through the right offering, which will occur after the PVTO completed, so the amount of fund that can be raised through right offering is still be uncertainty and changes in the external factors which is beyond the Offeror's and the Business's control. Independent financial advisor opined that the benefit which may occur is not certain and may not occur immediately. Thus, IFA still cannot measure the effect to investor in the future, depending mainly upon policies, efficiency plan of the administration in the future, cooperation of the current executives and offeror who is a major shareholder of SYMC.

#### Revision

The initial investment plan over the next 1-2 years, apart from a business-as-usual investment plan, e.g. network enhancement, is summarised as below:

Plan to additionally invest in the existing business	<ul style="list-style-type: none"> <li>• Development of international networks <ul style="list-style-type: none"> <li>- To build and develop international networks, as well as to increase the connecting points between the Thai borders with Malaysia, Myanmar, Cambodia, and Laos for the target groups, that is, the wholesale customer group and the enterprise customer group (<u>the investment and construction of the aforementioned network could take up to 18 factors, such as, approval from relevant regulators, government authorities, procure,emt of network equipment and suitable contractors by the Business etc.</u>)</li> <li>- To embrace the opportunity to connect its networks to the networks of TIME, CMC Telecom, and other networks invested in by TIME and enhance its competitiveness with the same service standards and contracts.</li> </ul> </li> </ul>	Additional investment of approximately THB 600-700 million
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Plan to invest in other related business	<ul style="list-style-type: none"> <li>To study and consider in detail the feasibility for using the proceeds in other investment, including without limitation, entering into the data centre market. <ul style="list-style-type: none"> <li>To establish a data centre with the net neutrality and effective connectivity.</li> <li>To conduct a study and connect to AIMS, TIME's data centre, for development of the full services to the region</li> </ul> </li> </ul>	Additional investment of approximately THB 100-200 million
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The initial investment plan will require the investment fund of approximately THB 700 - 900 million, to be raised as part of the rights offerings which will be launched subsequent to the successful completion of the PVTO pursuant to the approval on the capital increase and right offerings in the Annual General Meeting of Shareholders of the Business.

However, the successful execution of the abovementioned initial investment plan is subject to detailed feasibility study of each investment as well as further relevant approval from the board of directors. In addition, the implementation and benefits of each investment plan is subject to uncertainties and changes in the external factors which is beyond the Offeror's and the Business's control such as the insufficient proceeds from the Rights Offering subscriptions to fund all the intended investment plans above and/or any adverse changes in the market conditions which may require the Business to revisit the investment plan outlined above.

According to the plan of investment indicated in 247-4, it can be seen that the tender offeror has planned to invest so that the network of SYMC can be connected to the TIME's network, including CMC Telecom and other networks which TIME has invested. Moreover, it also planed to build and develop international networks, as well as to increase the connecting points in CLMV countries, which will improve company's operating capacity for the company in the future. In addition, it also specifies the operational expansion to other related business which is the business The Tender Offeror has already operated in Malaysia. This, therefore, benefits the company in transferring the knowledge, capability, experience and technology of The Tender Offeror to apply to the expansion of the service provision of the company.

However, the investment plans stated above are just primary plan. They are needed to do detailed feasibility study of each investment, return on investment, sufficiency of funds for each plan, worthiness of investment in details. In addition, a part of funds for the investment plan stated above will be raised through the right offering, which will occur after the PVTO completed, so the amount of fund that can be raised through right offering is still be uncertainty and changes in the external factors which is beyond the Offeror's and the Business's control. Independent financial advisor opined that the benefit which may occur is not certain and may not occur immediately. Thus, IFA still cannot measure the effect to investor in the future, depending mainly upon policies, efficiency plan of the administration in the future, cooperation of the current executives and offeror who is a major shareholder of SYMC.

#### **14. Page 73 No 7.4 Plan of changing corporate structure, management, and recruitment**

##### Original

After the successful completion of the PVTO, the Offeror will nominate its representatives to take part in the management of the Business by means of holding director positions on the board of directors and taking on

an executive role in the Business. At the board level, the Offeror intends to nominate 4 new directors to replace 4 existing directors. Of the 4 new directors, 3 are expected to be non-independent and 1 is expected to be independent. As a result of these proposed changes, the total number of directors on the board would remain unchanged. Hence, in accordance with good governance, the number of independent directors would increase from 3 to 4, out of a Board of 9 directors.

Such nomination by the Offeror will be done in compliance with the Business' Articles of Association and the relevant provisions prescribed under the Public Limited Companies Act, the Securities and Exchange Act, B.E. 2535, and other relevant regulations.

Apart from the above, within the period of 12 months after the completion of the Tender Offer, the Offeror has no plan to change the number of directors or the directors of the Business or to appoint additional directors of the Business, except in the case that the board of directors of the Business and/or the shareholders' meeting of the Business resolve to change the directors or to appoint new directors in accordance with the nomination procedures of the Business and in compliance with relevant laws and regulations.

Further, the board of directors shall procure that a formal search process via a reputable professional head hunting firm is initiated for a competent individual to take the position of the Business' CEO. The Offeror shall be entitled to nominate the CFO of the Business.

Independent Financial Advisor opined that the company operation is likely to continue as most of the directors are still from the previous management to keep managing the company. In addition, the correspondence with the cooperation with the government sector and current customers are by the original Board of Directors who has good relationship with such groups. However, according to the tender offer to purchase part of the shares of the company, The Tender Offeror has the right to select the representatives to be a member of the Board of Directors which the Company is likely to benefit from the experience of TIME, cooperation in expanding the new service provision and cooperation in connecting the network in the region from the new Board of Directors and executives of the Tender offeror. Furthermore, the increase in number of the independent directors will make it more transparency.

#### Revision

After the successful completion of the PVTO, the Offeror will nominate its representatives to take part in the management of the Business by means of holding director positions on the board of directors and taking on an executive role in the Business. At the board level, the Offeror intends to nominate 4 new directors to replace 4 existing directors. Of the 4 new directors, 3 are expected to be non-independent and 1 is expected to be independent. As a result of these proposed changes, the total number of directors on the board would remain unchanged. Hence, in accordance with good governance, the number of independent directors would increase from 3 to 4, out of a Board of 9 directors.

Such nomination by the Offeror will be done in compliance with the Business' Articles of Association and the relevant provisions prescribed under the Public Limited Companies Act, the Securities and Exchange Act, B.E. 2535, and other relevant regulations.

Apart from the above, within the period of 12 months after the completion of the Tender Offer, the Offeror has no plan to change the number of directors or the directors of the Business or to appoint additional directors of the Business, except in the case that the board of directors of the Business and/or the shareholders' meeting of the Business resolve to change the directors or to appoint new directors in accordance with the nomination procedures of the Business and in compliance with relevant laws and regulations.

Further, the board of directors shall procure that a formal search process via a reputable professional head hunting firm is initiated for a competent individual to take the position of the Business' CEO. The Offeror shall be entitled to nominate the CFO of the Business.

The Offeror shall ensure that the nomination of the new directors and executives is carefully undertaken to ensure that resigning directors and executives are replaced by experienced directors and executives. Further, according to the Business' annual report, the Business has in place a Succession Plan and Talent Management System to ensure that the Business is not dependent on any particular individuals. In addition, it is expected that the existing major shareholders will continue to hold a significant amount of shares in the Business and will continue to be directors and/or management of the Business, which could facilitate the replacement process of directors and executives to ensure that the Business operates without any major disruption.

After the successful completion of the PVTO, the Offeror will hold more than 35.00 percent in the Business. Consequently, the Offeror will have sufficient voting rights to vote against any agenda that requires super majority vote from shareholders (more than 75.00 percent of total voting rights).

Independent Financial Advisor opined that the company operation is likely to continue due to the Offeror will nominate its representatives to take part in the management of the Business in proportion of its shareholding by means of holding director positions on the board of directors and executives. From Plan of changing corporate structure, management, and recruitment in form 247-4, the previous group of major shareholders still holding shares in significant amount and most of the directors that got replaced are still executives and will keep managing the company. They will be able to provide assistance during the process of changing directors and executives to allow the business to operate without significant disruption. In addition, the correspondence with the cooperation with the government sector and current customers are by the original Board of Directors who has good relationship with such groups. However, according to the tender offer to purchase part of the shares of the company, The Tender Offeror has the right to select the representatives to be a member of the Board of Directors which the Company is likely to benefit from the experience of TIME, cooperation in expanding the new service provision and cooperation in connecting the network in the region from the new Board of Directors and executives of the Tender offeror. Furthermore, the increase in number of the independent directors will make it more transparency.

However, even though most non-independent directors are TIME's executives, they still cannot control the decision-making power of the important issues that require more than three-fourths of the votes in the shareholders' meeting. Therefore, the minority shareholders and management of the Company It can still balance the power in the management of the business.

## 15. Page 76 No 7.8 Connected transaction

### Original

Currently, the Business has specified policies and procedures regarding related party transactions to comply with the rules and regulations of the SET and the SEC to prevent any conflict of interests between the Business, its subsidiaries, associate companies and/or any potential conflict persons.

Prior to the PVTO, an associated company of The Tender Offeror and a subsidiary of TIME had transactions with the Business, whereby these transactions are of a normal business nature. The description of the transactions is summarised below:

**Table 7-1: Connected transaction**

Company	Relationship	Description
KIRZ Co. Ltd. ("KIRZ")	An associate company of The Tender Offeror	SYMC provides 2 main services to KIRZ, including  (i) Internet access and (ii) Private network services, in exchange for service income. The majority of such income was from providing internet access service.  Such transactions were under normal business operations/ transactions at market price.
Global Transit Communications Sdn Bhd ("Global Transit")	A subsidiary of TIME	SYMC has rented international network from Global Transit to provide IPLC services to its clients who would like to have a network connection from Thailand to Malaysia.  Such transactions were under normal business operations/ transactions at market price.

Source: TIME dotcom Berhad

Within the period of 12 months following the completion of the Tender Offer, there may be related party transactions as in a normal business nature in accordance to the post-acquisition business plan. However, the Tender Offeror does not plan to make any material change to the type and size of existing related party transactions under the policy on the related party transaction of the Business.

However, the Tender Offeror shall carefully consider and ensure that terms and conditions of any related party transactions in the future are similar to those of normal business transactions on an arm's length basis. There would not be any special terms or preference among the Business, its related companies, associate companies and shareholders. Moreover, the audit committee will consider and give opinions on the necessity for entering into such transactions before proposing to the board of directors or shareholders' meeting (as the case may be) for further approval.

The independent financial advisor considered and opined that from the past to now, there are transactions between the sub-offices and subsidiary offices of the Tender offeror, the Tender offeror has no policy to significantly change the transaction between those for the type or kind of transactions between the operations as specified in the policy relating to undertaking transactions. Moreover, it was forecasted that the transactions in the future is likely to be the transaction relating to the usual business operation of the whole

operation and sub-offices and subsidiaries of The Tender Offeror. In addition, in each transaction, the business operation as a listed company must comply with the rules and conditions relating to the strict transactions of the SEC Office and/or the SET. Thus, the independent financial advisor opined that the business operation is not likely to be affected by the management policies and plans relating transactions specified by The Tender Offeror in the tender offer (form 247-4).

#### Revision

Currently, the Business has specified policies and procedures regarding related party transactions to comply with the rules and regulations of the SET and the SEC to prevent any conflict of interests between the Business, its subsidiaries, associate companies and/or any potential conflict persons.

Prior to the PVTO, an associated company of The Tender Offeror and a subsidiary of TIME had transactions with the Business, whereby these transactions are of a normal business nature. The description of the transactions is summarised below:

**Table 7-1: Connected transaction**

Company	Relationship	Description
KIRZ Co. Ltd. ("KIRZ")	An associate company of The Tender Offeror	SYMC provides 2 main services to KIRZ, including (i) Internet access and (ii) Private network services, in exchange for service income. The majority of such income was from providing internet access service. <u>Total transaction value for the year 2016 is less than THB 10 million</u> Such transactions were under normal business operations/ transactions at market price.
Global Transit Communications Sdn Bhd ("Global Transit")	A subsidiary of TIME	SYMC has rented international network from Global Transit to provide IPLC services to its clients who would like to have a network connection from Thailand to Malaysia. <u>Total transaction value for the year 2016 is approximately THB 15 million.</u> Such transactions were under normal business operations/ transactions at market price.

Source: TIME dotcom Berhad

Within the period of 12 months following the completion of the Tender Offer, there may be related party transactions as in a normal business nature in accordance to the post-acquisition business plan. However, the Tender Offeror does not plan to make any material change to the type and size of existing related party transactions under the policy on the related party transaction of the Business.

However, the Tender Offeror shall carefully consider and ensure that terms and conditions of any related party transactions in the future are similar to those of normal business transactions on an arm's length basis. There would not be any special terms or preference among the Business, its related companies, associate companies and shareholders. Moreover, the audit committee will consider and give opinions on the necessity for entering into such transactions before proposing to the board of directors or shareholders' meeting (as the case may be) for further approval.

Further, given (i) both the Offeror and TIME do not own any network infrastructure in Thailand and are not licensed to operate in Thailand under the Telecommunication Business Act and (ii) KIRZ operates in different market segments with different service offerings and has network coverage and footprint which is relatively

small compared to the Business, the Offeror does not expect any material conflicts of interest between the Offeror / TIME / KIRZ and the Business in respect of the Business' domestic operations. In respect of crossborder connectivity services provided by the Business to its existing customers, it is intended that both TIME and the Business collaborate together so as to promote the optimal use of respective network infrastructures in a manner not detrimental to each other

The independent financial advisor considered and opined that from the past to now, there are transactions between the sub-offices and subsidiary offices of the Tender offeror, the Tender offeror has no policy to significantly change the transaction between those for the type or kind of transactions between the operations as specified in the policy relating to undertaking transactions. Moreover, it was forecasted that the transactions in the future is likely to be the transaction relating to the usual business operation of the whole operation and sub-offices and subsidiaries of The Tender Offeror. In addition, in each transaction, the business operation as a listed company must comply with the rules and conditions relating to the strict transactions of the SEC Office and/or the SET. Thus, the independent financial advisor opined that the business operation is not likely to be affected by the management policies and plans relating transactions specified by The Tender Offeror in the tender offer (form 247-4).

The independent financial advisor certified that it carefully considered and provided financial opinion and performed the duty in accordance with the professional standard by taking into account the interest of the shareholders mainly.

Your faithfully,

- Adulpol Charukesnunt -

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Adulpol Charukesnunt

Supervisor

Grant Thornton Services Ltd.

- Julaporn Namchaisiri -

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Julaporn Namchaisiri

Managing Director – Corporate Finance

Grant Thornton Services Ltd.