

EMPOWERING THAILAND'S RESILIENCE



Contents

3	Message from the Chair and CEO
5	Our Purpose
7	Financial and Operational Highlights
18	Board of Directors
Section 1	Structure and Business Operations of Group Companies
23	Structure and Business Operations of Group Companies
49	Risk Management
59	Sustainability
81	Management Discussion and Analysis
89	General and Other Significant Information
Section 2	Corporate Governance
97	Corporate Governance Policy
109	Corporate Governance Structure and significant information regarding the Board of Directors, Subcommittees, Management, Employee and other information
129	Significant Operating Results in respect of Corporate Governance
149	Internal Control and Connected Transactions
Section 3	Financial Statements
168	Total Access Communication Public Company Limited and its subsidiaries Report and consolidated financial statements
Section 4	Certification of Accuracy
272	
Attachment 1	Details of Directors, Executives, Controlling Persons, the person taking the highest responsibility in finance and accounting and the person supervising accounting and Company Secretary
275	
Attachment 2	Details of directors of subsidiaries
301	
Attachment 3	Head of Internal Audit and Head of Compliance
305	
Attachment 4	Assets for Business Operations and Details of Assets Assessment
309	
Attachment 5	Policy and Guideline for Corporate Governance and Code of Conduct of the Company
315	
Attachment 6	Audit Committee Report and other Subcommittees' Reports
352	

Message from the Chair and CEO

A Resilient Future



Dear Shareholders,

The year 2020 leaves us deeply transformed and acutely aware of the importance of resilience in mobile networks. Thai society, dtac's business and our ways of work have changed faster than we have ever experienced during our three decades of operation. dtac shops and retailers were closed for weeks on end, office workers embraced work from home, tourists all but disappeared, and millions of Thais and migrants headed back home to their provinces or home countries. But the COVID-19 pandemic also triggered an unprecedented acceleration of digital adoption brought about by social distancing measures. In this context, dtac emerged as a critical service for Thailand to continue operating productively and safely at all times.

Doing the Right Thing

Our purpose, "Connecting you to what matters most. Empowering societies," has never felt more tangible. As offices in business districts shut down, dtac customers took to video conferencing from residential areas. As restaurants shuttered, delivery services on mobile apps kept them afloat. As borders closed and events were canceled, calling friends and family kept spirits from flagging.

With a renewed sense of the essential nature of dtac's services comes a heightened imperative to conduct our business responsibly and ethically. Our resilience depends on doing the right thing by our communities, customers and employees. To support dtac's Code of Conduct, we thus launched an employee culture program that reinforced dtac's zero-tolerance towards corruption, misuse of customer data and both online and real-world safety breaches.

Customer-Centric Challenger

When it comes to safety, touch-free operations also emerged as a bedrock for resilient service. To support our customers during the first COVID-19 lockdown, dtac provided free services such as call time, data and COVID-19 insurance. But it is our effort to bolster our digital channels which will have the most lasting effect, ensuring our customers can receive service from us anywhere and at any time.

We achieved this by greatly expanding the dtac app's digital ecosystem. We built on the launch of dtac reward for prepaid customers with dtac coins, a more gamified experience that rewards customers for every purchase. We continually refined our recommendation algorithms, which use machine learning to deliver nearly half of topping sales. And, as a result, the dtac app conserved its top spot in Thailand as the mobile operator app with the highest penetration

Nor was dtac's creativity limited to digital channels. As our mobile network recorded an unprecedented human migration from Bangkok to the provinces, our sales network responded with a more granular and regional distribution. By adding retailers in markets, petrol stations, and small convenience stores, dtac took our products to where our customers moved, maintaining dtac service within their reach.

Value-Focused Network

Just as it challenged dtac's distribution, the movement of people and their sharply increased use of data put unprecedented strain on our mobile network. By using massive MIMO technology and adding thousands of mid-band TDD sites, we were able to triple our capacity at high-traffic locations nationwide. And we did so on the devices our customers already own and use.

The other big headline of 2020 is 5G. In February, we secured 200 MHz of 26 GHz spectrum and were the first to use it for both commercial and industrial 5G applications. By working closely with industry leaders, we pioneered 5G solutions for video surveillance, logistics and smart metering—the building blocks of a 5G smart city. At the very end of the year, we also added 5G on 700 MHz to our portfolio, ensuring we can deliver both coverage and capacity nationwide.

As we never stop growing our network on 4G and 5G, we do so obsessed by the customer experience and informed by big data models that indicate where sites can most benefit our customers. Data-driven and value-focused, our network was able to achieve the year's fastest download speeds according to several independent measurement companies, confirming the effectiveness of our strategy.

Modernization and Simplification

When society changes as quickly as it did in 2020, our ways of work must adapt. In Thailand, dtac was the first and only organization of its size to decree flexible work is here to stay indefinitely. It is part of our wider ambition to empower our teams under dtac's "tight-loose-tight" management method. We are tight on setting clear expectations, loose on where and how employees complete their work, and tight on measuring outcome and performance.

These changes have led to wide-ranging programs to build our internal capabilities and refocus ourselves on our core competencies. Managers are being retrained to act as coaches. Supervisors are retooling themselves to be individual contributors. And all employees are invited to automate their most repetitive tasks, with the ambition to hand over all such processes to robots by 2023.

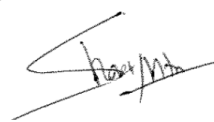
Just as last year we entered a historic partnership with Ericsson for the management of our network operations, 2020 saw dtac and Tech Mahindra partner to upgrade our IT operations. Working with global leaders ensures dtac's continued access to cutting-edge technology, while allowing us to focus on our customers.

Better Together

The world has been changed forever. But dtac embraced these changes in real-time and positioned itself for a bright 2021. Fast-to-adapt, data-driven and customer-centric, dtac never stops connecting you to what matters most and empowering societies. To achieve our twin purposes, we have been blessed with the lasting support of our customers, shareholders, employees, partners and public sector stakeholders. Thank you for your continued trust in dtac.



Mr. Boonchai Bencharongkul
Chair of the Board of Directors



Mr. Sharad Mehrotra
Chief Executive Officer



Our Purpose

Connecting you to what matters most.
Empowering societies.

Connectivity is a fundamental need and serves as the lifeblood of modern societies. For over 30 years, dtac has delivered mobile connectivity to our customers, allowing them to work, play and stay in touch with one another. We deliver our services in a safe, reliable and efficient way, ensuring Thailand's development and digital transformation.

Our Strategy

Three Must-Win Battles and an unshakable foundation

Founded on Responsible Business

Our strategy rests on the foundation of responsible business through the way we operate and approach our business environment. We aspire to do the right thing in the right way and to improve the standard of doing business in Thailand. We take care of the environment, treat customer data with great responsibility and help to accelerate Thailand's digital transformation.

Must-Win Battle

1

Customer-centric challenger

Our starting point is always the customer, and we continually delight our customers with great value, great services, great channels and a great signal. We challenge the market not with technology, but with innovative solutions that brings value to the customers' daily life.

Must-Win Battle

2

Value-focused network

We constantly advance our network with technologies and solutions to deliver on what matters most to our customers: better coverage and speed. Our data-driven processes ensure our efforts are focused on where we will deliver the greatest impact to customer experience.

Must-Win Battle

3

Simplification & Modernization

We continue to simplify and modernize on our core business—including improved skills, efficient processes and right leadership—in order to deliver the best speed and efficiency that our customers deserve.

Financial Highlights

(Unit: Million Baht)

	2018	2019	2020
Operating Results			
Revenue from telephone services	65,325	63,333	59,993
Total revenues from sales and services	75,290	81,167	78,818
EBITDA*	28,391	30,417	30,193
Net Profit to Equity holders	(4,369)	5,422	5,107
Balance Sheet			
Total Assets	150,958	167,258	174,280
Total Liabilities	129,028	142,292	149,965
Total Shareholders' Equity	21,930	24,966	24,315
Ratio			
EBITDA margin	37.7%	37.5%	38.3%
Return on Equity	-17.1%	23.1%	20.7%
Net Debt : EBITDA **	1.2	2.1	2.3
Shares			
No. of Shares (million)	2,368	2,368	2,368
Earnings per Share (THB)	(1.85)	2.29	2.16
Share Price (THB)***	43.25	53.25	33.25

* EBITDA herein is EBITDA before other items

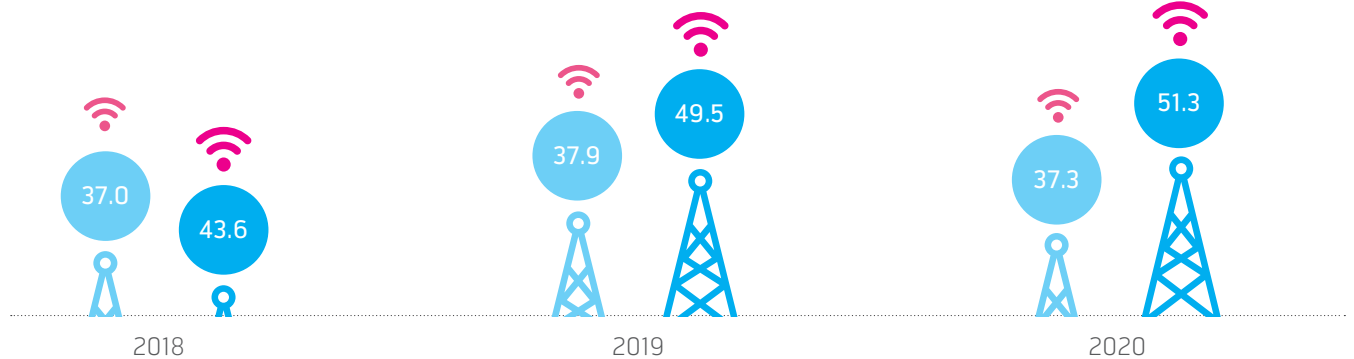
** Net Debt : EBITDA ratio from year 2019 onwards includes lease liabilities as per TFRS16 adoption

*** As of the last trading day of each calendar year

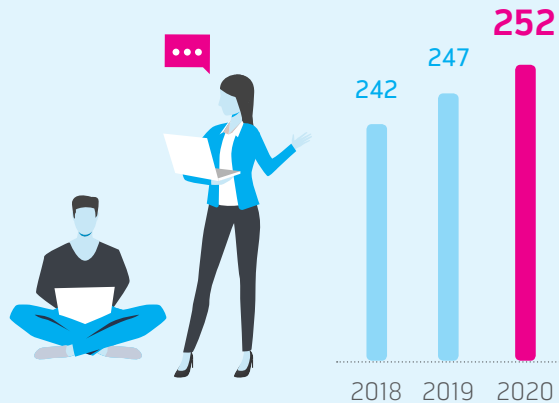
Operational Highlight

Total Base Stations
(Thousand)**

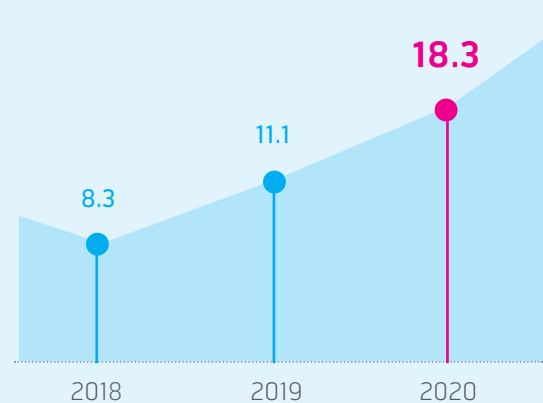
● 3G Base Stations ● 4G Base Stations



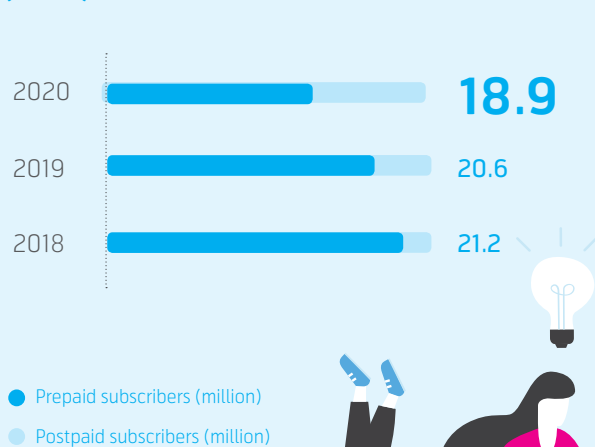
Average Revenue Per Users*
(THB/Month)



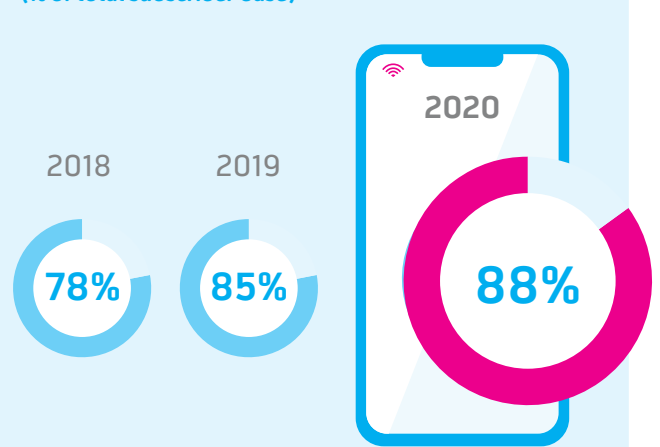
Data Usage
(GB/Sub/Month)



Number of Subscribers
(Million)

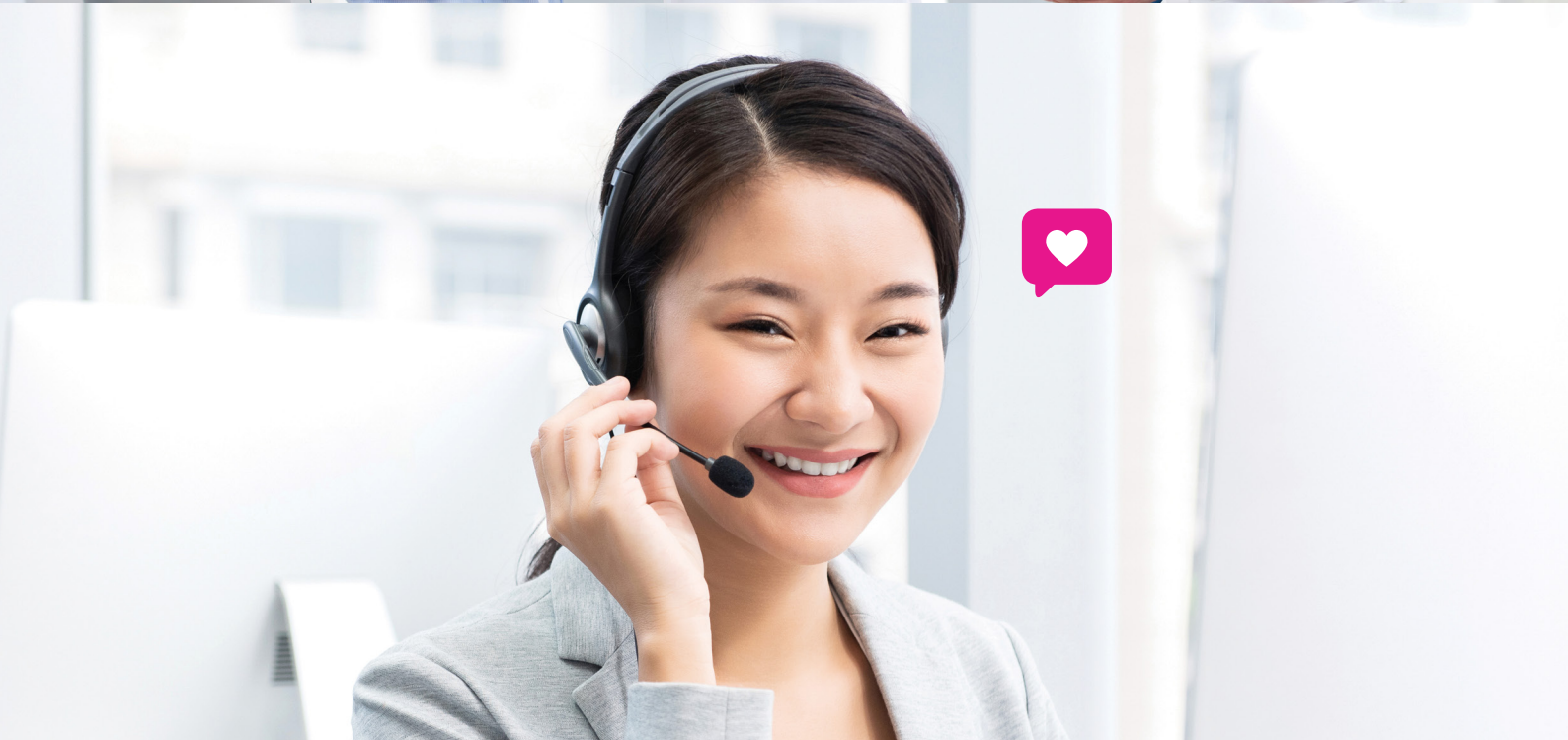


Smartphone Penetration
(% of total subscriber base)



* ARPU excludes interconnection charge, based on financial reporting standards applicable for respective year

** Installed base stations including those under license application process as well as base stations under a partnership with TOT



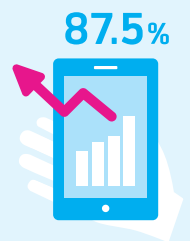
The dtac Heart

At dtac, we are driven by a passion for connecting our customers to what matters most and empowering societies with mobile connectivity and innovative digital services. We treat our customers with heart, developing services that address their everyday needs, focusing on affordability and ease of use. This is how we make mobile connectivity a foundation for resilience.

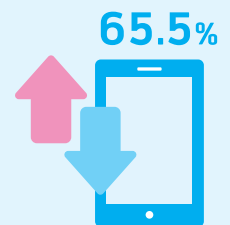
Sharad Mehrotra

Chief Executive Officer

"As the year 2020 brought hardships on our customers, dtac responded with free data and call time. But we didn't stop there. We also developed innovative services to reduce the costs of everyday necessities, from free COVID-19 insurance to discounted pharmacy vouchers and food delivery. Simple, easy, helpful and available everywhere: this is the dtac way, the jaidee way."



Smartphone penetration
as of Dec 2020.



Data usage growth from
FY2019 to FY2020.



Growth from lowest to highest
peak for the monthly usage of
the most-used video
conferencing app in 2020.



Connecting You Everywhere

In 2020, Thailand experienced an unprecedented human migration: upcountry workers headed back to their home provinces, inner-city office employees hunkered down in the suburbs, tourists vanished, and migrants returned home. dtac responded with an ever-growing number of sites nationwide to accommodate our customers new usage patterns, and innovative distribution channels to continue offering our services in the socially-distanced new normal.

Prathet Tankuranun

Chief Technology Officer

"dtac's network continued to grow in coverage and capacity throughout the year. Massive MIMO technology tripled our capacity at high-capacity locations nationwide, while our pioneering use of mmWave 5G provides the building blocks of tomorrow's smart cities."



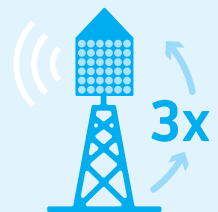
Tipayarat Kaewsringarm

Chief Sales Officer

"With dtac building a network for all Thais, no matter where they are or which device they use, comes the need to provide services through a host of innovative channels. dtac mitigated limited access to shops during lockdowns and the movement of workers back to their hometowns with innovative distribution points such as 'mom and pop' shops gas stations, market stalls, pharmacies, and even our shops' Facebook pages and LINE accounts. dtac is wherever our customers need us most."



Rate of growth for in provinces and residential areas versus central Bangkok during the Mar-Apr 2020 lockdown.



Network capacity increases achieved in high-traffic locations with Massive MIMO technology and additional TDD sites.



Ranking for dtac's download speeds compared to competitors in OpenSignal's 2020 network measurements.



Customer-First Journeys

Helping our customers lead digital lives became a question of public health and economic resilience in 2020. dtac vastly expanded its ecosystem of services on the dtac app and our online channels to help bring all our customers, from prepaid users to SMEs, into a more digital environment. As a mobile operator, we fully embraced our responsibility to bridge the digital gap in Thai society.

How Lih Ren

How Lih Ren, Chief Marketing Officer

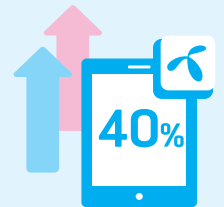
"Customers changed drastically in 2020—and so did dtac. We were the first operator in Thailand to communicate on TikTok and Facebook LIVE. And we vastly enriched our digital ecosystem with a new dtac reward program for prepaid customers, the launch of dtac Coins and a new online experience to select lucky numbers. Customers switch between their offline and online lives constantly, and dtac is there to support them."



Rajiv Bawa

Chief Business Officer

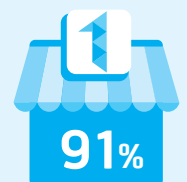
"In a challenging year for Thai businesses, dtac continued to offer simple, worry-free solutions that allow enterprises and SMEs to focus on their performance. Whether we're helping an SME keep tabs on its mobile phone bills or leapfrogging them into a cloud-based collaborative future, we are here to help."



Year-on-year increase for dtac app monthly active users.



Topping sales driven by dtac's AI-powered recommendation engine.



Percentage of dtac retailers using the dtac One app to service customers.



The Next Normal

The COVID-19 epidemic highlighted how critical mobile connectivity is to society's resilience during a natural disaster or health crisis. dtac's ability to continue operating under difficult circumstances proved essential to safeguarding Thailand's productivity. By taking a leadership position on flexible work, dtac also demonstrated that safety and productivity could coexist. dtac employees reported high levels of satisfaction with work from home, and managers saw no impact to their team's productivity. These new ways of work will further the digital transformation of dtac, allowing us to operate faster and closer to our customers.

Nardrerdee Arj-harnwongse

Chief People Officer

"In Thailand, dtac was the first and only organization of its size to decide that remote work is here to stay. It's part of our vision for more empowered, independent teams that can be closer to customers and react to their needs more quickly. The future belongs to those who move fast."



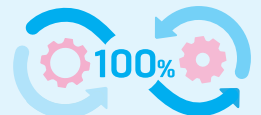
Marcus Adaktusson

Chief Corporate Affairs Officer

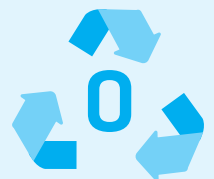
"The year 2020 has made everyone at dtac even more passionate about our purpose to connect and empower customers. It's clearer than ever that our role is essential for Thai society. And it is only by conducting our business responsibly that we can ensure dtac's resilience in the face of extraordinary events."



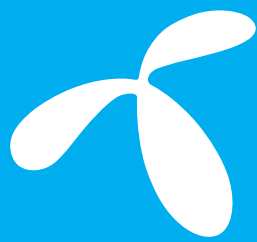
Percentage of employees working flexibly at dtac's offices.



Ambition to automate all repetitive, rule-based processes in the organization by 2023.



dtac's commitment to zero landfill for its waste processing by the year 2022.



Board of Directors and Executive Management

Board of Directors

1	3	7
	4	8
2	5	9
	6	10

- 1 Mr. Boonchai Bencharongkul**
Chair of the Board of Directors
- 2 Mr. Joergen Christian Arentz Rostrup**
Vice Chair of the Board of Directors
- 3 Mrs. Kamonwan Wipulakorn**
Independent Director
- 4 Mr. Stephen Woodruff Fordham**
Independent Director
- 5 Mrs. Chananyarak Phetcharat**
Independent Director
- 6 Mrs. Tone Ripel**
Director
- 7 Mr. Rakesh Jain**
Director
- 8 Mrs. Pratana Mongkolkul**
Independent Director
- 9 Mr. Haakon Bruaset Kjoel**
Director
- 10 Mr. Thomas Alexander Thyholdt**
Director





Executive Management

- 1 **Mr. Sirawit Klabdee**
Interim Chief Financial Officer
- 3 **Mr. Rajiv Bawa**
Chief Business Officer

- 2 **Mr. Lars Marcus Adaktusson**
Chief Corporate Affairs Officer
- 4 **Miss Tipayarat Kaewsringarm**
Chief Sales Officer



5 Mr. Sharad Mehrotra

Chief Executive Officer

6 Miss Nardrerdee Arj-Harnwongse

Chief People Officer

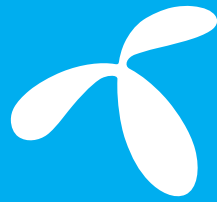
7 Mr. Prathet Tankuranun

Chief Technology Officer

8 Mr. How Lih Ren

Chief Marketing Officer





Structure and Business Operations of Group Companies

1. Structure and Business Operations of Group Companies

1.1 Policy and Overview of Business Operations

Total Access Communications Public Company Limited (“the Company”) is one of the leading telecommunications operators in Thailand. Through its subsidiary, dtac TriNet Company Limited (“dtac TriNet”), the Company provides telecommunications services with a comprehensive 4G, 3G, and 2G technology network which allow customers to use high-speed internet services, domestic mobile phone services, roaming (International Roaming), and long-distance telephone services (International Direct Dialing “IDD”). The Company provides telecommunication services with 4G technology using 1800 MHz, 2100 MHz, and 700 MHz spectrum together with 2300 MHz spectrum in cooperation with TOT Public Company Limited (“TOT”), while providing 3G technology telecommunications services by using 2100 MHz together with 850 MHz spectrum (which is scheduled to be switched to 900 MHz no later than 31 December 2021, per the approval from the National Broadcasting and Telecommunications Commission (“NBTC”)), and provide 2G telecommunication technology using 1800 MHz spectrum. The Company and dtac TriNet provide services under the “dtac” brand, which has a customer base at the end of Q4’20 of approximately 18.9 million numbers in Thailand, consisting of postpaid of 6.1 million and prepaid of 12.8 million.

In 2018, dtac TriNet and TeleAssets Company Limited, which is 99 percent held by dtac TriNet, entered into an agreement with TOT for roaming on TOT’s 2300 MHz spectrum to provide 4G services alongside the Company’s 2100 MHz spectrum. The partnership agreement with TOT will expire in August 2025. Since 2012, dtac TriNet holds a license to operate on the 2100 MHz until license expires in December 2027. dtac TriNet participated in spectrum auction held by NBTC in 2018, and won the licenses to operate on the 1800 MHz and 900 MHz spectrum bands until the licenses expire in December 2033.

In June 2019, dtac TriNet participated in the 700 MHz spectrum allocation held by NBTC. The license was awarded in December 2020 and dtac TriNet has turned on the spectrum region by region, starting in and around Bangkok, and selected locations in the North, Northeast and South. In February 2020, dtac TriNet participated in the 26 GHz auction, and won the license in the same month – the license will expire in February 2035.

The Company also operates in the business of selling and distributing mobile handsets. Along with providing telecommunication services, handset and starter kit sales allows the Company to offer full services and various value-added promotions, including providing handset subsidies, when acquiring new postpaid customers. Various promotional campaigns that featured mobile handsets not only contributed to higher smartphone penetration, but also helped to both maintain and expand the customer base. At the end of 2020, the Company had a smartphone penetration of 87.5 percent of the total customer base, reflecting an increase from 85 percent of the total customer base in 2019. Revenue from handset and starter kit sales accounted for 8.9 percent of the Company’s total revenues.

The Company’s ambition is to increase and enhance ways of incorporating digital service channels when offering products and services. By accommodating customer demands for a digital lifestyle, the Company helps to support Thailand’s digital transformation while enabling increased convenience and customer engagement.

1.1.1 Company's Vision and Strategy

Company's Vision

Connecting you to what matters most. – Empowering societies.

Strategy

- ***Improving customer experience***

The Company strives for growth opportunities by providing a high-speed, high-quality connectivity experience to the mass market. The Company maintains its market position through a simple, honest, and human proposition, while providing seamless connectivity for all and driving sales and distribution through an omni-channel approach with increased digitalization in operations. Given the series of unprecedented events caused by the global pandemic throughout 2020, the Company has demonstrated its importance in connecting customers and society at-large to what matters most through the provision of reliable connectivity and relevant services that benefit their everyday lives. Meanwhile, the Company continues to enhance its online experience and engagement through digitalization and personalization using artificial intelligence (AI). The approach will support the Company to maintain and attract a prepaid customer base, and expand growth in postpaid as well as in enterprise groups.

- ***Strengthening network***

dtac's ambition is to strengthen the network to keep up with customer changing usage. The Company continuously delivered network improvements throughout 2020. The Company actively responds to market demand while embarking on a new journey to develop 5G services. Strong network planning capabilities, covering low-, mid-, to high-band, ensures strong capacity and coverage for the mass segment. At the end of 2020, the Company had over 20,000 of TDD base stations to serve the operation of high-speed 4G on 2300 MHz through its partnership with TOT. Furthermore, starting in the third quarter of 2020, the Company further increased capacity on TDD sites nationwide through the installation of massive MIMO technology. In the second half of 2020, the Company began rolling out a low-band network on 700 MHz and 900 MHz spectrum, which together has started to further improve coverage in rural areas and within buildings. dtac Trinet acquired the 26 GHz high-band spectrum license in February 2020 and subsequently launched a 5G mmWave showcase in selected locations in the third quarter of 2020. With 26 GHz spectrum, the Company moved ahead with its 5G strategy by exploring several use cases using mmWave through industry partnerships, as announced publicly in the fourth quarter of 2020.

- ***Getting fit for the future***

The Company's continuous improvement program includes the systematic elimination of operational redundancies and improving efficiency. While providing a seamless and worry-free experience to our customers, the Company works to ensure long-term sustainable growth for the business. Operational planning covers modernizing the organization, increasing automation, increasing capacity, enabling new partnerships and a broader digital transformation agenda, with a goal to maintain cost optimization. To best serve the mass market, the Company maintains a lean business model and continues to build a strong organization that is resilient and ready to progress in an ever-changing operating environment.

1.1.2 Key Development and Improvement in 2020

January 2020	The Company refreshed the loyalty program “dtac Rewards” to make the program relevant and accessible to all subscribers, and introduced the Happy Friday campaign to enable all subscribers to enjoy benefits every week.
February 2020	dtac TriNet won the auction for 26 GHz spectrum in the frequency range of 26.8 – 27.0 GHz, totalling 2 lots with the total bandwidth of 200 MHz, and received the 26 GHz spectrum license starting 24 February 2020.
March 2020	To proactively address the customers’ emerging needs from the pandemics, the Company launched COVID-19 insurance offered to all dtac customers.
April 2020	The Company pivoted innovative offerings to address the “new normal” through the integrated “Happy@Home” proposition for postpaid and prepaid customers to cater the demand for work/study/play from home. The Company was the first telco in Thailand to launch official TikTok account. The Company launched dtac branded Nong Tua d (the newly-introduced brand icon) line sticker with over 1 million downloads.
May 2020	The Company became the first Telco in Thailand to offer Video Ringback Tone service to dtac customers under dtac callME VDO.
June 2020	The Company obtained an extension on the usage of 850 MHz spectrum from NBTC, originally due to expire in December 2020, granting usage for an additional 6 months after CAT completes its installation on the 900 MHz frequency band, but no later than 31 December 2021.
July 2020	The Company launched the personalized lucky number campaign to enable customers to select their mobile phone numbers based on their birthdate and zodiac.
August 2020	<ul style="list-style-type: none">-The Company held the 2020 Annual General Meeting of Shareholders through electronic means according to the Emergency Decree on Electronic Meeting B.E. 2563.-The Company announced its commitment to zero landfill by 2022 through several initiatives nationwide for network operations and consumer e-waste management.
September 2020	<ul style="list-style-type: none">-The Company launched all-new integrated 3D Prepaid proposition – good Price, good Network and good Jaidee services including 11 Jai Dee services, from balance transfer to pharmacy vouchers.-The Company launched dtac Business consisting of worry-free solutions covering sims, IoT, and cloud solution SmartConnect.

October 2020

The Company announced a partnership with PTT on the next phase of 5G development in the EECi using dtac TriNet's 26 GHz mmWave spectrum.

November 2020

-The Company introduced dtac Reward coin as a part of dtac Reward to strengthen customer engagement through gamification of digital transactions and digital reward redemption.

-The Company showcased 5G Smart Water and Smart Energy Management Solutions with WHA Group, supporting industrial businesses in the WHA industrial estate.

-The Company and Yara Thailand officially launched Kaset Go, a mobile application that connects farmers to reliable and real time insights verified by agricultural experts.

December 2020

-The Company announced partnership with ASEFA on 5G smart energy solution features 5G IoT to increase the capabilities of main distribution boards, using mmWave 5G on 26 GHz.

-dtac TriNet received a 700 MHz spectrum license from NBTC.

Awards received in 2020

- Award of honor for the outstanding performance in Environment from Ministry of Natural Resources and Environment
- Listed in Thailand Sustainability Investment list (THSI) 2020 provided by the Stock Exchange of Thailand
- 3 awards from 2020 SMARTIES APAC Awards held by Mobile Marketing Association, i.e., Gold medals for the Most Engaging Mobile Creative, Gold medals for Mobile Audio/Voice and Silver medal for Mobile Gaming, Gamification & E-Sports

1.1.3 Use of fund from Public Offering of Equity or Bond

N/A

1.1.4 Commitments provided in the Registration Statement and/or the approval conditions

N/A

1.1.5 Corporate Information

Name	Total Access Communication Public Company Limited
Symbol	DTAC
Registered Number	0107538000037
Type of Business	Operates telecommunication business and other related business
Registered Capital	THB 4,744,161,260 (2,372,080,630 ordinary shares of THB 2 per share)
Paid-Up Capital	THB 4,735,622,000 (2,367,811,000 ordinary shares of THB 2 per share)
Address	319 Chamchuri Square Building, 41st Floor, Phayathai Road, Pathumwan Sub-district, Pathumwan District, Bangkok 10330
TEL	(66 2) 202 8000
Website	www.dtac.co.th

1.2 Nature of Business

1.2.1 Revenue Contribution

Revenue contribution of the Company and its subsidiaries over the past three years consisted of the following:

	Period ending 31 December					
	2018		2019*		2020*	
	THB million	%	THB million	%	THB million	%
Revenues from sales and services						
Core service revenues	65,325	86.8	63,333	78.0	59,993	76.1
Handsets and starter kits sales	7,769	10.3	8,629	10.6	6,980	8.9
Other operating income	2,196	2.9	9,206	11.3	11,845	15.0
Total revenues from sales and services	75,290	100	81,167	100	78,818	100

*(Figures from 2019 are post-TFRS 15 & 16)

1.2.2 Information regarding Products

(1) Products/Services and Business Innovation

dtac is one of the leading telecommunications operators in Thailand. The Company and its subsidiaries provide comprehensive telecommunications services including mobile internet, voice, SMS/MMS, and other services through value-added services operator such as incoming calling melody services, digital content, etc. The Company's subsidiary also provides roaming and long-distance telephone services for its customers who use dtac services from abroad and other operators' customers who use the dtac network while staying in Thailand. The Company also sells and distributes mobile handsets, enabling a comprehensive offering of products and services to customers.

dtac designs and offers a comprehensive selection of packages and promotions that directly address customer needs. This includes bundling of data and voice packages, voice-only packages, data-only packages, and device-bundled packages that offer additional value to customers. Furthermore, dtac offers services that are personalized to customer usage, varying from 1-day to 365-day validity, as well as other adjacent services that met new demand for additional benefits and perks in a customer's everyday life. These included bundled insurances packages and promotional pharmacy vouchers.

The Company continues to provide new products and services to address evolving market demands, especially given the drastic change in customer behaviour triggered by the pandemic-driven new normal over the past year. dtac accelerated its digital transformation journey, including an enhanced customer online experience through personalization and digitalization. Finn Mobile, the all-digital service unit, continues to deliver comprehensive digital offerings. Meanwhile, the Company continuously improves its "dtac app" mobile application to increase customer convenience as well as its "dtac One" mobile application for retailers to enable more digitalized retail distribution management and efficiency improvements in relevant package offerings. dtac offers VoLTE (Voice over LTE) and VoWifi (Voice over WiFi, WiFi calling) technology to allow various types of usages on one phone, further improving customer experience and increasing customer confidence through its quality of services.

In addition to robust services and distribution channels nationwide, the Company worked to improve the sales and distribution channel for more digitalized operations. The dtac app mobile application and the Company's website www.dtac.co.th, offer better convenience to customers, allowing customers to perform various tasks online: from usage inquiry, to buying personalised data/voice/service toppings, and rewards redemption to using Jai Dee services on the customer's own smartphone device. The Company markets its products and services on various channels, from traditional media and retailer to digital channels such as dtac website www.dtac.co.th, dtac app, and social media channels i.e. Line, Facebook, Youtube, and Instagram. Incorporation of digital channels allow the customer to experience improved convenience and efficiency, while supporting the dtac brand image as the digital leader.

At the end of 2020, the Company provided telecommunication services with a comprehensive 4G, 3G, and 2G technology on 2300 MHz (under partnership with TOT), 2100 MHz, 1800 MHz, 850, and 700 MHz spectrum bands to over 18.9 million subscribers. The operational statistics of subscriber and Average Revenue Per User ("ARPU") excluding Interconnection Charges ("IC") over the past three years consisted of the following:

	Period ending 31 December		
	2018	2019	2020
Subscriber (unit : million)			
Postpaid	6.1	6.4	6.1
Prepaid	15.1	14.2	12.8
Total	21.2	20.6	18.9
	2018	2019*	2020*
ARPU excluding IC (unit: THB)			
Postpaid	532	515	518
Prepaid	142	137	128
Total	242	247	252

*(Figures from 2019 are post-TFRS 15 & 16)

Mobile phone services

Mobile phone services consisted of three customer groups, which were postpaid, prepaid, and business (B2B).

a) Postpaid

Postpaid services allow customers to select mobile service packages and use the services before making payment at the end of the month. Postpaid customers are required to register for the services and provide identification documents for the delivery of respective service invoices.

As a result of pandemic effect, postpaid subscriber base suffered slight decline in Q2 and Q3 2020 and returned to growth again in Q4 2020. Nevertheless, the Company continued to prioritize customer experience by offering high-quality, high-speed services through ongoing network improvement. dtac maintained its customer-centric approach through offerings of products and services that were simple, easy-to-use, and worry-free. In 2020, the Company introduced several key new campaigns to address the demand for relevant adjacent services. This included launch of insurance bundling and personalized lucky number, which attracted 3.7 times more customers than in the period before. Since Q4'20, dtac brand has been ranked as top of mind in lucky number on google search trends.

As the customer lifestyle significantly changed across segments due to lockdown in March and specific needs arised, the Company offered sets of Happy@Home products, including data rich packages and toppings, bundled relevant communication and entertainment services, as well as Covid-19 insurance, to cater for these needs. On top of this, the lockdown period emphasized importance of digital channels capabilities. The Company shifted majority of activities to dtac application, reaching 77 percent of the postpaid toppings to be activated this way and reaching 70 percent of bill payments to contactless channels at the end of the year.

The Company continued to offer attractive device promotional campaigns bundled with suitable services that allowed purchase of smartphone without large prepayment amount, overall pushing for higher smartphone penetration while maintaining a rational approach. This included tablet offering to different segments, responding to increased work-from-home, homeschooling and entertainment needs. In the second half of the year, in order to increase smartphone penetration, the Company introduced a range of affordable smartphone models. And in Q4'20, the Company announced the strongest iPhone 12 launch offer for its customers, increasing penetration of 5G-capable devices in preparation for the upcoming commercial 5G launch. In addition, new data-centric family package was launched in order to accompany the 5G devices and support the future customer adoption of 5G network.

The Company also continued to invest in dtac Reward, the loyalty program that addressed to various customer lifestyle to help retain customer of various segments. Throughout 2020, the Company further improved rewards offerings to match with the changing customer behavior, especially given the pandemic-induced new normal that triggered sharp increase in digital adoption. The Company saw over 4x increase in digital rewards redemption, as a result of more robust offerings and evolving customer lifestyle. Furthermore, in Q4'20, the Company has introduced dtac Reward coin as a part of dtac Rewards to engage more customers for digital transactions and digital reward redemption.

b) Prepaid

Under prepaid service, customers purchase credit in advance of service use. Prepaid customers need to register their identification according to the specified requirements. Prepaid credit refill transaction can be completed through several channels i.e. dtac app, mobile banking, digital payment partners, retailers, etc. Prepaid service benefits customers as they do not have to worry about paying their bills every month and they can manage their spending while maintaining uninterrupted service as long as they have sufficient balance and validity.

Despite intense competition in prepaid and prolonged economic impact, the Company strives to retain its prepaid customer base by offering products and services that are relevant to the evolving market demand while maintaining competitive promotions and offers. The Company launched many adjacent services to enhance customer value and relationship, from the exclusive Freefire gaming to insurance products, including the COVID-19 insurance, at affordable price to Mass Thais and migrant customers who remained in the country. This year, dtac enhanced the Jaidee portfolio to include the Pharmacy vouchers, and made the Jaidee services available in dtac app to enhance user experience and convenience.

This year marked a challenging year as a result of the major impact from COVID-19 affecting the Company's leading customer segments, which were tourists and migrants. While maintaining leadership in providing SIMS and prepaid packages for both segments in prior years, the Company experienced direct impact from the absence of tourists starting from the first quarter when the pandemic began to spread. With international travel bans, the level of tourist remained at near-zero level. As such, we saw substantial decline in revenue from tourist. The lockdown crisis, reaching its peak in the second quarter, also caused migrant groups to leave the country and network as a result of many business closures – while some returned when the situation alleviated in the following months, the level of migrants has not returned to pre-pandemic level. Nevertheless, the Company continues to focus on the Thai mass segment through offering of products and adjacent services that benefited customer in their everyday life especially given the prolonged impact from economic downturn with the granular execution at regional and provincial level, while promoting wider distribution outreach through partnership across business sectors to ensure full redemption of additional benefits and offers by all customer segments nationwide.



c) B2B

In addition to postpaid and prepaid, the Company provides services to the business customer segment. While holding small market share in this segment, dtac had been offering a wide range of services including monthly plans, handsets and starter kits sales, bulk SMS, IoT sims, etc. In the third quarter, the Company launched worry-free solutions to address the pain points experienced by many businesses based on feedback from over hundreds of businesses and business owners. The pandemic caused permanent changes in how many businesses operated, which resulted in changing needs. Business owners were pressured to equip employees with mobile connectivity, to collaborate safely in the cloud, and to digitize operations. As such, dtac Business offerings included worry-free sims, IoT solutions, and SmartConnect cloud solution, all of which address these new demands. The key underlying principles behind product launches was how they solved business pain points, services were simplified, worry-free and transparent with mechanisms for cost control, and had readily available digital service channels.

In addition to offerings based on the above three customer segments, the Company's products and services can be broken down based on the following categories:

d) Core Services

Core services consist of data and voice services including mobile connectivity covering dtac's and other operators' networks, internet services, Short Messaging Services (SMS), Multimedia Messaging Services (MMS), digital content services such as calling melody services, news and entertainment content services, etc. Revenues from core services accounted for the majority of service revenues excluding Interconnection Charges (IC) over the past three years, as following:

	Period ending 31 December		
	2018	2019*	2020*
Core service revenues (THB in million)	58,796	57,974	56,711
Core service as percentage of total service revenues excluding IC	93.1	94.7	97.1

*(Figures from 2019 are post-TFRS 15 & 16)

e) International services

International roaming consists of outbound roaming serving dtac customers who wish to use dtac services from abroad and inbound roaming for other customers from abroad who use the dtac network during their stay in Thailand. International Direct Dialing ("IDD") allows dtac customers to make international phone calls through their mobile phones.

dtac TriNet, the Company's subsidiary, obtained a license for operating international telecommunications service, of which it has launched direct dialing through "004" to a number of destination countries.

The Company's prepaid and postpaid customers are able to use international roaming services, which cover voice and data services, and sign up for a selection of promotional packages such as non-stop Data Roaming and Go Inter sims, etc. Nevertheless, this year marked a difficult year for international services as a result of the pandemic impact and an international travel ban that lasted for most of the year.

	Period ending 31 December		
	2018	2019*	2020*
International roaming (THB in million)	1,127	831	274
International roaming as percentage of total service revenues excluding IC	1.8	1.4	0.5

*(Figures from 2019 are post-TFRS 15 & 16)

f) **Handsets and starter kits sales**

The Company sells mobile handsets at various price points from a number of leading global brands. To address customer demands as much as possible, the Company constantly offers new mobile handsets to the market. Sale of mobile handsets and starter kits is considered an important driver for increased data usage amongst Thai consumers as well as for postpaid subscriber base expansion.

The Company engaged in various marketing activities to ensure higher mobile phone penetration, especially smartphones. This included offering mobile phone purchase through instalment payments at zero percent interest rates, as well as device bundled discounts for postpaid customers.

Amid aggressive competition, smartphone is one important tool that operator uses to retain customers and build a broader customer base. In 2020, the Company continued to maintain a cautious approach towards providing device subsidies, making sure that the level provided is rational. However, the level of sales compared to last year was lower as a result overall increase in customer optimization from the economic decline.

Customer service

Customer service is considered one key factor differentiating one operator from another. The Company continued its customer-centric approach through positioning itself as simple, honest, and human, while striving to ensure best customer experience. dtac provides services through the following channels:

a) **Call Center**

The dtac call center supports customers with advice on products and services, and responds to customer inquiries, service change request, invoice information, network complaints and other issues, and various types of emergency calls from customers. The call center supports Thai and other languages including English, Chinese, Myanmar, etc. Customers can reach the call center through dialing 1678 from their mobile phone and landline 24/7 every day. The Company's website, email, and social media channels are also available to readily support customers.

The Company puts focus on delivering the best customer experience. As such, call center staff are broken down into different groups to directly support, engage, and address the varying demand of each customer group. This includes postpaid customers, prepaid customers, customers with interest in different types of topping services, etc.



The Company developed an interactive Voice Response System (IVRS) and a mobile application, which addressed customers who would normally reach out to call center. This allows customers to fulfill transactions by themselves without contacting a call center agent. Examples included phone setup assistance for data package sign-up or news and content services sign-up. The system enables faster services. In addition, the Company uses Artificial Intelligence and Chat Bot, enabling more efficient customer service. While a customer was waiting in line for call service agent, the Company also surveyed customer satisfaction level in parallel to identify ways for call center service improvement. The Company continued to develop new products and services, while maintaining a strict focus on delivery of high-quality service and convenience.

b) *Service halls*

The Company continuously improved service halls to address customer demand, including space renovation and modernization. The improvement aimed to address the digital lifestyle while customers promptly benefited from convenience, advice, and after-sale services from professionally trained staffs. The Company used Net Promoter Score ("NPS") as key metric for monitoring customer tendency to recommend dtac to others. NPS not only helped the Company to better understand customer's real needs, but also improved its system and way of work of dtac halls and call centers nationwide. As a result, customers felt more engaged with the Company and more inclined to recommend dtac products and services to their friends and family. By listening to real customer feedback and following up through respective channels to identify the root causes and solutions, the Company was able to continuously understand and serve customers in the most relevant ways regardless of changing usage behavior.

c) *Customer Relationship Management (CRM)*

While observing high rate of mobile phone penetration, the Company put focus on customer relationship management. The Company not only retained high-value customer through offering attractive promotions but also strived to build customer engagement through dtac Rewards activities, ensuring delivery of perks and benefits to different groups of customers. dtac developed and continuously enhances dtac Rewards program to include more robust offers for customers from both postpaid and prepaid groups. dtac Rewards program is categorized by four tiers: Welcome, Silver, Gold, and Platinum Blue. Through strategic partnerships with various businesses nationwide, the rewards redemption includes both physical and digital channels. As a result of the unprecedented pandemic causing lockdown and respective change in consumer behavior this past year, the Company observed significant increase in digital redemptions, which was well in line with the Company's initiatives to make the offerings more comprehensive and robust for the online channels. Furthermore, in Q4'20, the Company has introduced dtac Reward coin as a part of dtac Reward to engage more customers for digital transactions and digital reward redemption.

In 2020, the Company re-introduced Jai Dee services, offering 11 services covering from balance transfer to pharmacy vouchers. The services address the Thai mass market demand for relevant benefits and perks in areas that matter to their everyday life.

Network improvement

Base stations data over the past three years consisted of the following:

	Period ending 31 December*		
	2561	2562	2020
2G-1800 MHz	10,695	10,576	10,490
3G-850 MHz	12,833	12,471	11,030
3G-2100 MHz	24,189	25,444	26,272
4G-700 MHz	0	0	2,441
4G-2100 MHz	24,049	25,409	26,251
4G-1800 MHz	6,868	6,758	2,200
4G-2300 MHz*	12,685	17,376	20,402

* Installed base stations including those under license application process as well as base stations under a partnership with TOT

In 2020, the Company's base stations increase was accounted by 4G network expansion on the 2100 MHz and the 2300 MHz through partnership with TOT. In Q4'20, dtac Trinet started to roll out the 700 MHz and was awarded the license to turn on the network on 24 December 2020.

Sales and distribution channel

a) Marketing

The "dtac" brand is widely recognized in Thailand. dtac continuously introduces new products, services, and promotional campaigns to the market, including various traditional and digital marketing activities that drive products and services communication while consistently engage with the customers. Marketing activities not only promote product launch, but also build brand image, market position, and enhance dtac's message in its corporate social responsibility approach. The Company constantly conducted market research in order to gain insight on customer demand, driving marketing effort efficiency and customer satisfactions.

The Company worked with retailers on marketing activities that are related to product distribution and services to make sure that retailers constantly understand dtac's new service innovation, pricing strategy, and network improvement plan. In addition, the Company's representatives routinely visit each shop to perform operational audit and collect feedback, overall ensuring alignment of service standards and policy across all retailers.

b) Distribution channels

The Company continues to improve its distribution channel through digitalization in order to drive enhanced operational efficiency. This includes simplification of sales platform and further improving dtac ONE retailer mobile application, operating chatbot for increased customer satisfaction, and retailer gamification for increased engagement. dtac ONE acted as the primary retailer digital platform for distribution, sales, and services, ensuring retailer value proposition while in parallel serving as a tool to identify operational efficiency improvement opportunities. The digital platform achieved many benefits, from allowing the retailer to offer personalized products and services to varying groups of customers, enabling lead-time reduction in launching new products and services, to increasing communication efficiency between the Company and retailers.



(1) dtac Halls

dtac Halls acted as full-service distribution channel. In order to further increase shopping and service experience to its customers, the Company designed dtac Halls in a way that allowed customer to test new models of smartphone device before making purchase decision. dtac Hall staff were equipped with tablet devices to promptly address customer subscription plan change inquiries, overall increasing customer experience. In addition, a queuing system allows customers to make service reservation in advance. Automatic payment kiosks also served customers who wish you use self-service channels.

(2) dtac Centers

The Company operates dtac Centers, consisting of company-operated Centers and retailer-operated Centers under the dtac trademark nationwide. dtac Centers were a relatively smaller distribution channel, operating similarly to dtac Halls which offered handsets and starter kits sales, postpaid plan registration, and payment and other services. In 2020, the Company continued to deliver service improvement by expanding self-service channel options to increase customer convenience.

(3) Blue Shop

The Company selected appropriate retailer touchpoints to offer sales and services. These smaller retailer “Blue Shops” are located across key districts nationwide to accommodate existing demand as well as address potential future demand from customer base expansion.

(4) Smaller retailers

The Company has a network of small retailers nationwide. The network ranged from small shops selling SIM cards, to retailers that offer top-up services. Self-served retailers were one key channel that promoted sales readiness and product accessibility.

(5) Retailers, modern trade, and online distributor

The Company offers a wide range of products and services including SIM cards, postpaid service payment, top-up and topping purchases, through the following channels:

(5.1) Telecommunications distribution such as CSci and IT City, etc.

(5.2) Modern trade and convenience stores such as Big-C, Family Mart, 7/11, etc.

(5.3) Online distributors such as Boonterm, Sabuy Money, Airpay, Line Pay, Lazada, etc.

These distribution channels consist of both human-assisted outlets and electronic self-service ones. dtac employees also work in these retailers and sales channels to service and provide advice to customers.

(6) Banks

The Company maintains good relationship with Thailand-leading banks to service topping and top-up purchases and service payment through mobile banking application, ATM, internet banking, as well as bank branches. Through good cooperation with banks, the Company was able to deliver convenient services to its customers. In 2020, the Company also improved its dtac application’s electronic payment channel interface with several mobile banking applications. This further resulted in increased customer convenience and better customer experience on dtac mobile application.

(7) Direct Sales

The Company's operation includes direct sales teams serving customer with relevant products and prepaid and postpaid services. Direct sales channel increases customer convenience by serving customers in the area where other physical retailers were not available, or by catering to specific customer groups through specialized sales teams.

(8) dtac Application and dtac Online Store

To increase customer convenience and accommodate varying customer demands for mobile and online transactions, the Company continues to improve its dtac mobile application to achieve enhanced customer experience through simplified functions, personalization, gamification, etc. The mobile application and online store can promptly fulfil a comprehensive range of prepaid and postpaid services 24/7 while also offering valuable promotions and personalized rewards offer for each individual customer. In 2020, the Company observed over 40% growth of Monthly Active User (MAU) of dtac application with 100% growth of prepaid Monthly Active Users of dtac application.

(2) Industry conditions and competition landscape

a) Mobile service market

The mobile service market consists of three main operators: AIS, True, and dtac, along with smaller mobile virtual network operators. The Company and its subsidiaries provide services under the "dtac" trademark through providing customer-centric products and services.

The private sector had played a role in providing telecommunications services since the industry early days. In the beginning, the private operator companies engaged with two state-owned enterprises ("SOEs"), namely TOT and CAT, through cooperation agreements to drive services that addressed the demand for wireless connectivity in Thailand. Such services were based on Build-Transfer-Operate model, of which the private company, granted with concession, invested in the network construction and then transferred the respective assets ownership to the SOE. Throughout the agreement term, the concession owners granted the private operators the sole right to operator the network assets and use the spectrum in exchange of revenue share payment to the SOE.

The Company began by operating on the 850 MHz and 1800 MHz spectrum bands, based on the 27-year Build-Transfer-Operate concession agreement that ended in 2018. In 2012, NBTC held a spectrum auction for 2100 MHz spectrum in which the three major operators, including dtac's subsidiary, won licenses. The Company then began operating on the 2100 MHz spectrum in 2013. Later, NBTC also held spectrum auction for 1800 MHz in 2015 and 900 MHz in 2016, overall driving growth in 4G technology over the past years.

In 2018, dtac TriNet, the Company's subsidiary, entered into an agreement with TOT to operate on the 2300 MHz spectrum, on which the Company launched commercial services in June of the same year. Later in 2018, the Company won the 1800 MHz and 900 MHz spectrum licenses through spectrum auction. dtac launched services on the 1800 MHz spectrum in December 2018. The 900 MHz spectrum launch date is pending – given that the Company has been granted extended use of the 850 MHz spectrum until six months after completion of filter installation by CAT or latest 31 December 2021.



In June 2019, dtac TriNet was allocated the 700 MHz spectrum license by NBTC. dtac TriNet has obtained the spectrum license in December 2020 and has turned on the spectrum region by region, starting in and around Bangkok, and selected locations in the North, Northeast and South.

In February 2020, dtac TriNet participated in the spectrum auction for the 26 GHz held by NBTC. In the same month, dtac TriNet was awarded the 26 GHz spectrum license, for frequencies between 26.8 – 27.0 GHz, which is set to expire in February 2035. In the third quarter of 2020, dtac TriNet launched 5G showcases in selected locations, as well as various showcases through industry partnership. To name a few, the partnership with PTT announced in October explored various use cases around smart city concepts such as smart surveillance and fixed wireless access (FWA), and so on.

b) Industry trend

Competition to gain subscriber market share was intense, particularly in the prepaid segment with availability of unlimited internet package offerings with aggressive pricing at the regional level. Prolonged economic impact led to intensifying competition while ARPU growth, especially in the prepaid segment, remained a challenge given customer spending optimization.

Despite expensive licensing and aggressive competition, telecommunication services remained a profitable business. In 2020, the Company was able to generate higher EBITDA margin amidst revenue pressure from the economic impact. This was due to improved operational efficiency and overall better customer satisfaction level, which improved and remained stable since the business turnaround strategy was executed in 2019. Furthermore, dtac continued to expand the 2300 MHz network (through partnership with TOT) with rollout of TDD sites reaching up to 20,000 base stations by the end of the year. And in the latter half of the year, the 2300 MHz network was upgraded with massive MIMO installation to expand capacity enabling continued high-speed experience for the mass market. Not only that, the Company maintained a continuous delivery of network improvement, improvement in customer services and sales and distribution channels, along with enhanced data analytic for personalized offerings throughout the year.

In December 2020, dtac TriNet was the first operator to be awarded the 700 MHz license – the low band spectrum will help expand network coverage like never better. Along with the upcoming swap of 850 MHz to 900 MHz expected in 2021, the low band rollout of 700 MHz and 900 MHz will together materially increase 4G coverage in rural areas and provide better indoor network experience. The full 700 MHz rollout continuing in 2021 will also provide 5G experience in selected key market centers. When it comes to 5G journey, dtac TriNet is actively working with various industrial partners to explore 5G use case through its 26 GHz. In 2020, dtac TriNet has launched several use cases in the EECi area covering smart city concepts with use case from smart surveillance, FWA, to smart water and smart energy management solutions. Above all, the massive MIMO as well as the 700 MHz and 900 MHz equipment are also 5G-ready.

Looking ahead, the Company see challenges and opportunities for 2021 as following:

- Despite the prolonged uncertainty affecting economic conditions and competitive environment, the Company focuses on growing monthly active user through relevant products and adjacent service offerings and strong spectrum portfolio with increase coverage powered by the new 700 MHz and 900 MHz. the Company believes in growth measured through monthly active user metric to ensure sustainable subscriber base expansion.

- As a result of the pandemic-led new normal where digital substantially increased its role in consumer everyday lives, the Company desires would like to lead customer-centric digitalization while capturing data monetization opportunity. Digitalization will not only support the consumer front but also contribute to operational efficiency gain. The Company strives to drive operational efficiency through structural optimization for attainable long-term growth.
- As part of dtac 5G journey, the Company will not only start offering services in selected area using the 700 MHz but also continue to use its 26 GHz for exploring 5G use case with various industry partners to identify relevant commercial and enterprise use.

Through delivery of network improvement, enhanced customer service and engagement, accelerated digital transformation, and resilient operating model that allowed for efficiency gain despite uncertain market conditions, The Company strives to achieve future growth along with the market. The Company is confident that our brand strength, healthy financial position, and 5G journey to unlock new innovation will contribute to long-term sustainable growth.

(3) Procurement of Prodcuts and Services

a) Spectrum

To provide telecommunications services, the Company operated on the following spectrums:

- The 1800 MHz spectrum is used to provide telecommunications services under 4G and 2G technology. The 1800 MHz spectrum was originally operated under the CAT concession agreement until its expiry in September 2018. After which, the Company's subsidiary, dtac TriNet, obtained a 15-year license from NBTC through spectrum auction in August 2018. The spectrum license was awarded in December 2018 and will expire in December 2033.
- The 850MHz spectrum is used to provide telecommunications services under 3G technology. The 850 MHz spectrum was originally operated under the CAT concession until its expiry in September 2018. After which, the Company's subsidiary, dtac TriNet, obtained a 15-year license for the 900 MHz spectrum from NBTC through the spectrum auction in October 2018. The 900 MHz spectrum license was subject to expire in December 2033. As part of the auction conditions related to solving potential interference issues, the Company was granted permission by NBTC to continue operating on the 850 MHz spectrum for another two years before switching to the 900 MHz. In the second quarter of 2020, the Company received further extension from NBTC to use 850 MHz spectrum until six months after CAT completes the installation of filter on their network or no later than 31 December 2021.
- The 2100 MHz spectrum is used to provide telecommunications services under 4G and 3G technology. The 2100 MHz spectrum is operated under NBTC license. The Company's subsidiary, dtac TriNet, obtained the license through spectrum auction in 2012. The 15-year license is set to expire in December 2027.
- TOT's 2300 MHz spectrum was used to provide telecommunications services under 4G technology. The Company's subsidiary, dtac TriNet, entered into Roaming Agreement with TOT to operate on TOT's 2300 MHz, which was under license granted by NBTC. dtac TriNet's agreement with TOT was set to expire in 2025.

- The 700 MHz spectrum was allocated by NBTC to dtac TriNet in 2019. dtac TriNet was granted a 700 MHz license in December 2020 with geographical limitation usage in the South, North, Northeast and Bangkok Metropolitan Area. The 700 MHz spectrum is used for 4G technology.
- dtac TriNet, won the auction for 26 GHz in February 2020 and was awarded the spectrum in the same month. The spectrum was set to expire in February 2035. dtac TriNet had not launched commercial services on 26 GHz in 2020 but had been using the spectrum for providing 5G showcase and exploring 5G use case through industry partnerships.

b) Network supply

The Company worked with world-leading telecommunications network suppliers to support its network operations. Network suppliers enabled operational efficiency while addressing new technology needs and customer demand for faster data services. dtac focuses on service quality especially when it comes to network capacity management. The Company has an operation unit that handled planning, sourcing, and maintaining network infrastructures to address further capacity and coverage expansion.

c) Mobile handsets and starter kits

Mobile handsets and starter kits sales are a key marketing tools for new campaign offerings that support existing subscriber base retention and promoted new subscriber base expansion. Handsets sales also provided convenience to customer. The Company works with world-leading mobile handsets manufacturers to provide handsets offerings. Through offerings that cover a wide range of handset models and price points, the Company is able to accommodate customer demand ensuring convenient access of 3G and 4G technology.

d) Telecommunication numbering

In providing telecommunication numbers, dtac TriNet applied for telecommunication numbering allocation from NBTC. After NBTC grants such numbers, dtac TriNet has the obligation to notify other telecommunication licensees the list of allocated numbers to allow connections between all operators' networks. In addition, dtac TriNet has to pay monthly numbering fee to NBTC at the specified rates.

e) Content

The Company partners with both domestic and international digital content providers in offering digital content services to address customer demands for an increasingly digital lifestyle. Digital content services cover music, videos, games, news, entertainment, incoming calling melody services, etc. The Company shares revenue from the services to the digital content providers based on the pre-agreed arrangement. The Company also works with these digital content providers to support new digital content creation.

(4) Assets for Business Operations

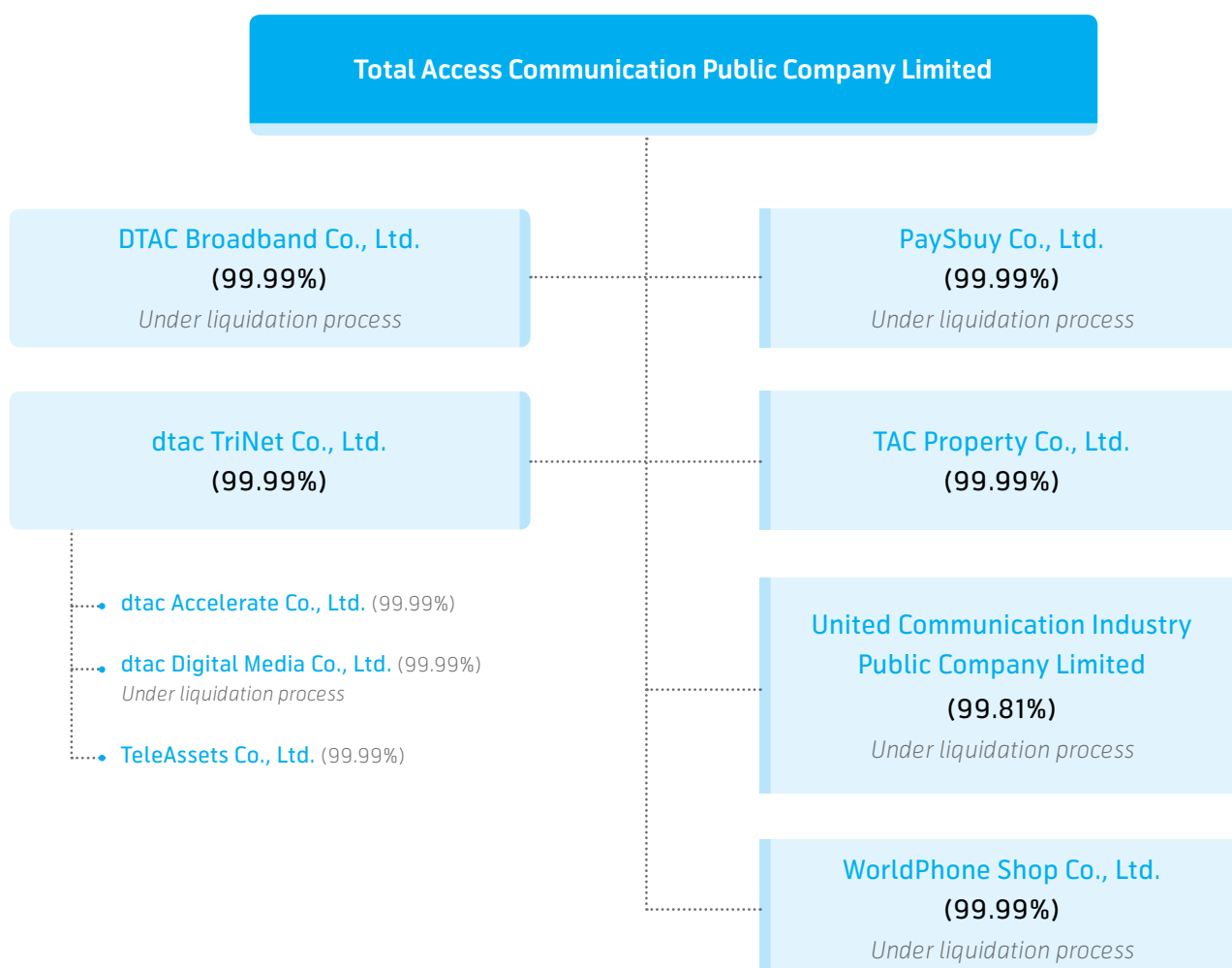
Details of the assets for the business operations are shown in the Attachment 4 of this Annual Registration Statements (Form 56-1 One Report).

(5) Outstanding work

- None

1.3 Shareholding Structure of the Group Company

1.3.1 Shareholding Structure of the Group Company



dtac is one of the largest wireless communication service providers in Thailand. The Company was established in 1989 to operate in the fields of telecommunication, mobile business, and internet Wi-Fi.

In December 2012, dtac TriNet Co., Ltd. (formerly known as DTAC Network Co., Ltd.), a wholly-owned subsidiary of dtac, was granted the 15-year spectrum license for International Mobile Telecommunications (IMT) in 2100 MHz spectrum and type III license for providing wireless communication services from the NBTC.

In 2018, TeleAssets Co., Ltd. (a subsidiary with 99.99% of its shares held by dtac TriNet) and dtac TriNet have signed the Lease of Telecommunication Equipment Agreement and Domestic Roaming Service Agreement to launch the country's first 4G LTE-TDD network on the widest bandwidth of 60 MHz in the 2300 MHz spectrum.

In December 18, 2018 dtac TriNet received spectrum licenses for the 900 MHz and 1800 MHz spectrum from the National Broadcasting and Telecommunications Commission (NBTC). In June 2019, dtac TriNet was allocated the 700 MHz spectrum license by NBTC with license award in December 2020, and, in February 2020, dtac TriNet was awarded the 26 GHz spectrum license. dtac now provides service on a complete spectrum portfolio including both low-band, mid-band and high-band frequencies, forming a total bandwidth of 330 MHz



At the end of 2020, dtac had nine subsidiaries, and two associated companies (under definition of the Notification of Office of Securities and Exchange Commission), namely, (1) United Distribution Business Co., Ltd. and (2) Clearing House for Number Portability Co., Ltd.*

During year 2020, there was one subsidiary which completed liquidation, namely, Eastern Beach Co., Ltd.

The Company has continued its focus on the mobile business and invested in its subsidiaries with the purpose to support its core business and asset management. Furthermore, the Company is committed to invest in businesses that create long-term value for its shareholders.

Remark: * the Company does not have significant influence on this company and hence this company does not qualify as associate as presented in the Company's financial statements.

Details of Subsidiaries and Associated Companies as of 31 December 2020

Company's Name	Address	Nature of Business	Registered Capital (THB Million)	Share Types	Percentage of Shareholding (%)	Total Shares of each Company
DTAC Broadband Co., Ltd.	319 Chamchuri Square Building, 41st Fl., Phayathai Rd., Pathumwan, Bangkok 10330 Tel: +66 2202 8000 Registered number: 0105549034424	Under liquidation process	175	Ordinary shares	99.99	1,750,000
dtac TriNet Co., Ltd.	319 Chamchuri Square Building, 41st Fl., Phayathai Rd., Pathumwan, Bangkok 10330 Tel: +66 2202 8000 Registered number: 0105549034548	Providing telecommunications services	1,160	Ordinary shares	99.99	11,600,000
dtac Accelerate Co., Ltd.	319 Chamchuri Square Building, 2nd Fl., Phayathai Rd., Pathumwan, Bangkok 10330 Tel: +66 2202 8000 Registered number: 0105557065767	Investment and support start-up companies to develop applications	15	Ordinary shares	99.99 (through dtac TriNet Co., Ltd.)	150,000
dtac Digital Media Co., Ltd.	319 Chamchuri Square Building, 41st Fl., Phayathai Rd., Pathumwan, Bangkok 10330 Tel: +66 2202 8000 Registered number: 0105549034467	Under liquidation process	100	Ordinary shares	99.99 (through dtac TriNet Co., Ltd.)	1,000,000

Company's Name	Address	Nature of Business	Registered Capital (THB Million)	Share Types	Percentage of Shareholding (%)	Total Shares of each Company
TeleAssets Co., Ltd.	319 Chamchuri Square Building, 41st Fl., Phayathai Rd., Pathumwan, Bangkok 10330 Tel: +66 2202 8000 Registered number: 0105559061246	Lease of telecommunication equipment and device	300	Ordinary shares	99.99 (through dtac TriNet Co., Ltd.)	3,000,000
PaySbuy Co., Ltd.	319 Chamchuri Square Building, 41st Fl., Phayathai Rd., Pathumwan, Bangkok 10330 Tel: +66 2202 8000 Registered number: 0125547001804	Under liquidation process	200	Ordinary shares	99.99	2,000,000
TAC Property Co., Ltd.	319 Chamchuri Square Building, 41st Fl., Phayathai Rd., Pathumwan, Bangkok 10330 Tel: +66 2202 8000 Registered number: 0105539049038	Asset management	1	Ordinary shares	99.99	100,000
United Communication Industry Public Company Limited	319 Chamchuri Square Building, 41st Fl., Phayathai Rd., Pathumwan, Bangkok 10330 Tel: +66 2202 8000 Registered number: 0107536000871	Under liquidation process	313.55	Ordinary shares	99.81	
WorldPhone Shop Co., Ltd.	319 Chamchuri Square Building, 41st Fl., Phayathai Rd., Pathumwan, Bangkok 10330 Tel: +66 2202 8000 Registered number: 0105539069969	Under liquidation process	450	Ordinary shares	99.99	4,500,000

Company's Name	Address	Nature of Business	Registered Capital (THB Million)	Share Types	Percentage of Shareholding (%)	Total Shares of each Company
United Distribution Business Co., Ltd. (UD)	499 Moo 3, Benchachinda Building, Kamphaeng Phet 6 Rd. Ladyao, Chatuchak, Bangkok 10900 Tel: +66 2953 2222 Fax: +66 2953 1269 Registered number: 0105545040951	Sale of mobile phone, SIM card, voucher card and supplementary equipment	200	Ordinary shares	25	20,000,000
Clearing House for Number Portability Co., Ltd.	98 Sathorn Square Office Tower, Room 403, 4th Fl., North Sathorn Rd., Silom, Bangrak, Bangkok 10500 Tel: +66 2108 1544 Fax: +66 2108 1544 Registered number: 0115553001471	Operating the Information System and the centralized database for the number portability service	2	Ordinary shares	20 (by dtac and through dtac TriNet Co., Ltd.)	20,000

1.3.2 Person who may have conflict of interest holding more than 10% of shares of the Company's subsidiary or associate company

75% of total shares of United Distribution Business Co., Ltd. ("UD"), are held by Benchachinda Holding Co., Ltd. Although Benchachinda Holding Co., Ltd., who is a related party to the Company holding 75% of total shares in UD, may have a conflict of interest with the Company, the Company believes that the shareholding structure will deliver the greatest benefit to the Company as the Company's main business is not distribution which will create more burden in managing inventory and logistics system. Furthermore, the Company has preventive measures and strict policies governing connected party transactions that may lead to conflict of interests to ensure that they are in compliance with the SET's rules and regulations concerning connected party transactions

As of 30 April 2020, Benchachinda Holding Co., Ltd. has the following shareholders:

Mr. Boonchai Bencharongkul	40.00%
Mr. Vichai Bencharongkul	30.00%
Mrs. Wanna Jirakitti	15.00%
Mr. Somchai Bencharongkul	15.00%

1.3.3 Relationship with the group business of the major shareholder

- None

1.3.4 Shareholders

(1) Major shareholders

Top 10 shareholders list are as follows;

(from the shareholder registered book as of 29 July 2020)

Ranking	Name	Amount of Share	Percentage
1	TELENOR ASIA PTE LTD	1,009,172,497	42.62
2	Thai Telco Holdings Limited	531,001,300	22.43
3	Thai NVDR Company Limited	200,048,490	8.45
4	TOT Public Company Limited	132,145,250	5.58
5	Social Security Office	66,713,500	2.82
6	STATE STREET EUROPE LIMITED	28,879,421	1.22
7	Krungsri Dividend Stock LTF	14,524,100	0.61
8	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	13,304,220	0.56
9	Mr. Weerawat Chutichetpong	9,533,600	0.40
10	EGAT Provident Fund	9,483,800	0.40

Remark: (1) Telenor Asia Pte. Ltd. is a holding company and a subsidiary of Telenor ASA.

(2) Thai Telco Holdings Co., Ltd. is a holding company. Shareholder's list and shareholding structure of Thai Telco Holdings Co., Ltd as of 24 April 2020 are as follows:

BCTN Holding Co., Ltd.	51.00%
Telenor South East Asia Investment Pte. Ltd.	49.00%
Telenor Asia Pte. Ltd.	0.00%

(3) BCTN Holding Co., Ltd. is a holding company. Shareholder's list and shareholding structure of BCTN Holding Co., Ltd. as of 5 October 2020 are as follows:

BCTN Innovation Co., Ltd.	51.00%
Telenor South East Asia Investment Pte. Ltd.	49.00%
Telenor Asia Pte. Ltd.	0.00%

(4) BCTN Innovation Co., Ltd. is a holding company. Shareholder's list and shareholding structure of BCTN Innovation Co., Ltd. as of 24 April 2020 are as follows:

BCH Holding Co., Ltd.	51.00%
Telenor South East Asia Investment Pte. Ltd.	49.00%
Telenor Asia Pte. Ltd.	0.00%

(5) BCH Holding Co., Ltd. is a holding company. Shareholder's list and shareholding structure of BCH Holding Co., Ltd. as of 30 April 2020 are as follows:

Mr. Vichai Bencharongkul	64.88%
Mr. Boonchai Bencharongkul	20.12%
Mr. Somchai Bencharongkul	15.00%

(2) Subsidiaries of the Holding Company (in case of Holding Company only)

N/A

(3) Shareholders' agreement

- None

1.4 Registered Capital and Paid-up Capital

1.4.1 Ordinary shares

The Company registered capital is THB 4,744,161,260, having its paid-up capital of THB 4,735,622,000 comprised of 2,367,811,000 common shares at par value of THB 2 per share. Voting right is one vote per share.

1.4.2 Other preferred shares

- None

1.4.3 As of July 29, 2020, Thai NVDR Co., Ltd. held the Company's shares in the amount of 200,048,490 shares, or 8.45% of paid-up capital. Although all financial benefits received by NVDR investors are similar to the benefits from the Company's shares, i.e., dividends, right issues or warrants, etc., NVDR investors shall have no voting rights in shareholder meetings. Thai NVDR Co., Ltd., therefore, will not vote in the shareholder meetings except in case of a delisting decision.

1.5 Other Securities

- None

1.6 Dividend Policy

The dividend payment policy of the Company is to pay no less than 50% of its net profits based on the separate financial statements of the Company (after deduction of all legal reserves), depending on its financial position and future business plans. The Company aims to pay dividend on a semi-annual basis.

The Board of Directors could propose for the annual dividends payment provided that it is approved by the shareholders' meeting. The Board of Directors may pay interim dividends to the shareholders from time to time if the Board of Directors believes that the profits of the Company justify such payment. After the dividends have been paid, such payment of dividends shall be reported to the shareholders at the next shareholders' meeting.

In consideration of dividends payment, the Board of Directors shall take into account the following factors;

- the operating results, liquidity, cashflow and financial position of the Company;
- future operation plan and investment demand; and
- any other factors as the Board of Directors deemed appropriate.

Furthermore, the Company is governed under the Public Limited Companies Act B.E. 2535 where no dividend shall be paid in the event that the Company has an accumulated loss even though the Company has annual net profit. The Public Limited Companies Act B.E. 2535 also provided that the Company shall allocate not less than 5% of its annual net profit, less the accumulated losses brought forward (if any), to a reserve fund until this fund attains an amount not less than 10% of the registered capital.

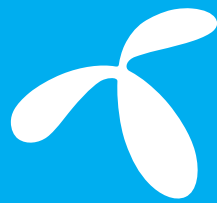
Dividends payment of the Company in the past 3 years are as follows;

Items (THB)	2018	2019	2020
Separate earnings per share	0.63	3.83	2.99
Dividend per share	1.01	2.87	0.87
Interim dividend	1.01	2.87	0.87
Annual dividend	-	-	2.12*
Pay-out ratio including interim dividend	161%	75%	100%

Remark * The annual dividend is subject to the approval by the shareholders at the 2021 Annual General Meeting of Shareholders.

For the Company's subsidiaries, the dividends payment shall be made when each subsidiary considers that it could maintain its working capital sufficiently after the dividends payment.

In 2020, dtac TriNet and TAC Property Co., Ltd., the Company's subsidiaries, has paid dividends to the Company in the total amount of THB 1,995 million and THB 173 million, respectively.



Risk Management

2. Risk Management

2.1 Risk Management Policy

The Company's Risk Management policy set out the requirements for Risk Management organization and responsibilities, Risk Management framework and tools, the process for Risk identification, assessment, treatment and escalation as well as Risk reporting.

The Company's risk management policy aims at identifying, assessing and treating all relevant, foreseeable risks in a way that is effective, proactive and fit-for-purpose. Risk Management supports the organization in achieving defined ambitions and goals by having a holistic and enterprise-wide perspective, linking to the relevant goals, maintaining risk exposure at acceptable levels and managing the significant threats and exploiting the significant opportunities.

The Management and the Board of Directors consider key risk and risk mitigation on a quarterly basis.

2.2 Risk Factors

Key risks that may affect the operation of the Company and its subsidiaries are as follows:

2.2.1 Current Risks for business operations and Emerging Risks

1) Risks from the changes in laws, regulations and regulator or government policies

a. Changes in laws and regulations related to management of radio frequency spectrum

The telecommunications business is governed by two main acts, namely the Frequency Act and the Telecommunications Act.

The NBTC is in the process of enacting a Royal Decree under Section 30 of the Act on the Organization of Frequency Allocation and Regulation of Radio Broadcasting Business, Television radio and telecommunication business (No. 3), 2019, which will result in changes in the spectrum management in important issues such as revising restrictions on spectrum usage from permitting the licensee to use it for only one type of businesses, either for radio broadcasting business, television business or telecommunication business, to permitting the licensee to use the spectrum to operate all types of businesses, either for radio broadcasting business, television business or telecommunication business. Apart from this, the license to use the spectrum will be allowed to transfer. This change will foster more convergence between radio broadcasting business and telecommunication business and would affect to competitiveness of the Company which provides only wireless telecommunication service.

2) Market Risks

a. Thai telecommunications industry is highly competitive and sensitive to price competition

The Thai mobile telecommunications industry is highly competitive and sensitive to price competition since SIM penetration is already very high, limiting the possibility to attract non-users. Data usage and smartphone penetration are also high, limiting the ability to increase revenue from the existing base with voice and data plans.

Moreover, the mobile operators are aggressively introducing cutting-edge technology and providing new products and services to attract and retain customers. As a result of the technology transition from 4G to 5G, the competition focuses on 5G service coverage communication, network quality and service enhancement and new products and services through collaboration with their business partners to respond to customers' needs at a competitive price. If this intensifies and the Company is unable to respond to such competition in a timely and cost-efficient manner, such competition may have a material effect on the result of business operations and business opportunity of the Company.

To mitigate these risks, the Company has included the following steps into its plan: network coverage expansion, spectrum management aligning to customer demand, and network quality enhancement to deliver better experience nationwide. In addition, the Company plans to acquire new customers and protect its existing customer base by providing relevant products and services according to customers' needs at good value for money and developing innovative products and services, collaborating with business partners for better work efficiency and providing more convenience in the daily life of customers.

b. Risk of revenue erosion due to continued economic recession (negative GDP growth, higher unemployment rate, lower consumption), and potential new wave of COVID-19 outbreak

The COVID-19 pandemic has resulted in a domestic economic recession and has had a negative effect on consumption demand, a decrease in consumer confidence, an increase in price sensitivity, and a significant decrease in migrant and tourist mobile users of the Company. The pandemic has directly impacted sales revenue, airtime and other service mobile revenues and has increased the churn rate.

The Company has managed this risk by managing postpaid and prepaid subscriber base diligently to increase active callers and their spending through the offering of relevant valued products and services to customers and acquiring Thai consumers to grow the Thai subscriber base to compensate for the decrease in migrant and tourist mobile revenue and to minimize the risk from future COVID-19 pandemic waves.



3) Operational Risks

a. Risks of technology and information security

The amount of data continues to grow exponentially, as does the rate at which organizations share data through online networks. There is also massive IoT coming into view as millions of machines-tablets, smartphones, ATM machines, sensors, and much more are all linked, increasing inter-dependencies exponentially. Organizations increasingly open their IT systems to a wide range of machines and lose direct control of data security. Cyber criminals are very aware of these vulnerabilities. To cope with ever increasing cyber threats, dtac TriNet has been working to build up defendable architecture, developing security competency and continuously improving the Security Operation Center (SOC). However, risks of technology and information security are still a factor that may affect the business and business opportunities of the Company.

Moreover, Data Privacy is another issue that the Company has emphasized on to ensure that all processing of personal data is lawful (Personal Data Protection Act 2019, with remaining material terms effective on 1 June 2021). However, as the demand and complexity of processing personal data has grown as mentioned earlier, the Company and its subsidiaries are committed to upholding transparency to data subjects (customers) through obtaining customer consent for processing personal data that could potentially be outside of original objectives (basic telecom services). Consent collection has been planned and implemented on all customer front channels to ensure possession of customer consent prior to any processing outside of main objectives.

b. Risk of interference from the spectrum

890-895 / 935-940 MHz (or 900 MHz band) spectrum that dtac TriNet won the auction on 28 October 2018, is a spectrum with small Guard Band, therefore, this may cause interference problems. If this happens, it will affect the quality of service of the 900 MHz band. Even though it is the responsibility of each licensee to install their own filters, as well as to prevent and to resolve the problem in order to prevent interference between spectrums, if the licensee fails to comply, it is under the NBTC's authority to enforce the law to resolve the interference problem. In this regard, dtac TriNet has coordinated with relevant authorities to prevent potential problems to ensure that the 900 MHz can be managed effectively and efficiently. However, if the risks of interference from the spectrums are not mitigated immediately, this will affect the quality of services and impact the business and business opportunities of the Company.

c. Risk from interruption of network service system and other important systems which may have an impact on service users

The Company and dtac TriNet perceive the risks which may occur as a result of a disruption of the network system and other essential systems that could impact the provision of services. Therefore, the Company and dtac TriNet have continuously prepared for and developed plans to support emergency events and disruption of the network system as well as other essential systems.

The Company and dtac TriNet have developed a network management system and prescribed maintenance procedures for the network and equipment so that all network and equipment function efficiently in order to provide telecommunications service to customers effectively, especially voice service and data service. The degrees of redundancy in our transmission network have been enhanced through the addition of fiber routes and a high capacity DWDM (Dense Wavelength Division Multiplexing) network. In addition, the Company and dtac TriNet have also been developing plans to prevent the disruption of other essential systems, such as information system, billing system and customer services so that the services can be continuously provided to the customers. The Company and dtac TriNet also have a backup plan in case of emergency which covers an additional investment in important equipment and safety system e.g. fire protection system and real-time network and equipment monitoring system. The Company and dtac TriNet regularly conduct trainings for its staff on their responsibilities and relevant procedures and strictly conduct test runs of the backup plans.

Furthermore, the Company and dtac TriNet have procured insurance policies to cover network and equipment damages in order to minimize the impact of such risk against the Company and dtac TriNet.

d. The Company has to rely on third parties for telecommunications equipment

The Company provides mobile phone service through complex telecommunications equipment, including mobile telecommunications network and 2G/3G/4G/5G base stations nationwide. Therefore, the success of the Company's and dtac TriNet's businesses (which may share some of the base stations with the Company to provide 2300 MHz services of TOT) depends on the effective maintenance and repair of the network and equipment.

At present, the Company and dtac TriNet engage third parties to provide maintenance and repair services for some base station equipment and transmission network. These service providers had gone through a thorough selection process and regular performance reviews to ensure that the service levels are in accordance with standards. If the third parties are unable to perform their duties under their agreements or in a timely and cost-effective manner which may affect the speed and quality of the services of the Company and dtac TriNet, the Company and dtac TriNet may choose to switch to alternative suppliers, albeit with potentially higher operating costs, to maintain quality of services.

In addition, to provide telecommunications services, dtac TriNet has to rely on a basic network from CAT Public Company Limited and has to roam on 2300 MHz spectrum belonging to TOT. Problems related to network management by the contract partners may affect the ability to run the business and may impact the financial status and business opportunities of the Company.

e. Risks from exchange rate fluctuation

The principal revenues of the Company are denominated in Thai Baht currency. Capital expenditures constitute the majority of the Company's expenditures. For capital expenditures, the Company has established an agreement with suppliers to pay in Thai Baht.

For the remaining USD exposure, the Company utilizes USD revenue from International Roaming to partially match USD expenses (Natural Hedge) and enters into FX hedging transactions as it deems appropriate.

f. Major shareholders may have influence on decisions of the Company

Telenor Asia PTE LTD and Thai Telco Holdings Co., Ltd. are major shareholders of the Company, holding collectively 65.05 per cent of the total issued shares of the Company (information as at 29 July 2020).

Thai Telco Holdings Co., Ltd. underwent a shareholding restructuring in July 2012, whereby Bencharongkul Group, the founder of the Company, now holds shares in the Company through Thai Telco Holdings Co., Ltd. Bencharongkul Group holds 51 per cent of the total issued shares of Thai Telco Holdings Co., Ltd.

As a result, Telenor Asia PTE LTD and Thai Telco Holdings Co., Ltd. (including Bencharongkul Group) may exert influence over corporate decisions of the Company, except for matters which they are not eligible to vote due to any special interest or conflict of interest relating thereto.

g. Supply chain risk from U.S. Restrictions on the Company's suppliers' acquisition of U.S. technology

The Company and its subsidiaries, dtac TriNet and TeleAsset, use radio network equipment from a major telecommunications equipment supplier in the southern region for network expansion and development and devices for sales and customer service. Since May 2019, such telecommunications equipment supplier has been listed to Entity List of U.S. Department of Commerce's Bureau of Industry and Security ("BIS"), restricting the export, re-export and transfer (in U.S.) of controlled products under Export Administration Regulations ("EAR") without Temporary General License.

Due to such situation, if the Company would enter any transaction with such telecommunications equipment supplier, a Temporary General License ("TGL") from BIS was required for such transaction. However, TGL expired on 13 August 2020. Expiry of TGL is likely to impact to the ability of procurement and delivery of semi-conductors and chipsets to the Company in the medium to long term and consequently affect both network/IT equipment and devices (e.g. phones, Customer Premises Equipment ("CPE") etc.).

Such telecommunications equipment supplier has indicated that it has enough stock of components to ensure uninterrupted deliveries for 5 years for spare parts and 6 months for new deliveries but in the meantime, such telecommunications equipment supplier is seeking other non-EAR affected alternatives. However, the Company has not found any other source of information that could verify the accuracy of notification given by such telecommunications equipment supplier.

In order to minimize this risk, the Company issued purchase orders to secure sufficient capacity and implemented a clear procurement plan for 2021, in alignment with the Company's guidelines on network modernization. Moreover, such telecommunications equipment supplier has confirmed in writing production availability of equipment and spare parts for 2021.

2.2.2 Risks which might impact to the investment of shareholders

1) Risk from unclear enforcement of laws governing foreign ownership

The principal laws which impose restrictions on foreign shareholding are as follows:

- The Land Code which prohibits a "foreigner" (as defined in the Land Code) from owning land, unless permission is granted in accordance with the law. Any foreigner who possesses the land without permission is required to sell such land within the specified period, which shall not be less than 180 days and not more than one year;
- The Foreign Business Act which prohibits a "foreigner" (as defined in the Foreign Business Act) from engaging in certain types of business, including the provision of certain telecommunications services, unless prior permission is obtained from the Director-General of the Department of Business Development, the Ministry of Commerce;
- The Telecommunications Act which prohibits a "foreigner" (as defined in the Foreign Business Act) from engaging in Type II and Type III telecommunications businesses;

The violation of restrictions on foreigners under the above laws may result in the revocation of the telecommunications license. The Company and/or its subsidiaries may not be able to continue the telecommunications business.

The Company believes that it is not a "foreigner" under the definitions of the Foreign Business Act, the Land Code and the Telecommunications Act, and has correctly and completely followed the practices applicable in Thailand.

The Company is of the opinion that the Government has no clear policy on the interpretation and enforcement of the term "nominee" under Foreign Business Act, resulting in the Company being subject to risk in undertaking its business. Although the Foreign Business Act has been in force for more than 20 years, there has been no Supreme Court precedent regarding a "nominee" arrangement under Section 36 of the Foreign Business Act in order for the Company to evaluate or assess the impact of the enforcement or interpretation of such provision under the Foreign Business Act that may impact the Company and its subsidiaries.

Due to such unclear interpretation and enforcement of the Foreign Business Act, on 14 June 2011, a telecommunications operator submitted an allegation to the Royal Thai Police to take a criminal action against the Company (including its directors, certain shareholders of the Company and their directors) alleging that the Company operated the telecommunications business in violation of the Foreign Business Act. Furthermore, on 22 September 2011, a minority shareholder of the Company (holding 100 shares in the Company) filed a lawsuit against certain state agencies, including the NBTC, before the Administrative Court, alleging that the Company is a "foreigner" under the Foreign Business Act. Both cases are being considered by the Royal Thai Police and the Supreme Administrative Court.

The Company believes that the Company is not a “foreigner” and has correctly and fully complied with the Foreign Business Act. However, if eventually it is decided (by the final Supreme Court judgment) that the Company is not a Thai company under the Foreign Business Act and the Telecommunications Act and such event is not remedied, the NBTC may revoke dtac TriNet’s Type III telecommunications license. As a result, the Company and/or dtac TriNet may not be able to continue the telecommunications business.

2) Risk from unclear enforcement of the law governing foreign dominance

The NBTC has issued the NBTC Notification on Determination of Foreign Dominance Restrictions B.E. 2555 (2012) (the “Foreign Dominance Notification”), which became effective on 24 July 2012. The Foreign Dominance Notification defines “dominance” as the scenario where foreigners have the controlling power or influential power in policy making, management and operation of the telecommunications business of the licensee by way of, among others, holding shares with half or more than half of the total voting rights. In this respect, the Company is of the opinion that it has not acted in any way that conflicts with the Foreign Dominance Notification, and the Company and dtac TriNet have always submitted letter of declaration to the NBTC indicating that the Company and dtac TriNet will comply with the NBTC’s Foreign Dominance Notification. The Company has only held a Type 1 Telecommunications Business License since September 2018.

The NBTC may not agree with the Company’s interpretation mentioned above. As for dtac TriNet, it still has the risk from unclear enforcement of the law governing foreign dominance. However, based on the NBTC’s explanation to the public at the public hearing regarding the aim and objectives of the Foreign Dominance Notification and, in particular, the definition of “dominance” in 2012, the Company’s external counsel opines that the Company and dtac TriNet would not be regarded as a company under foreign dominance pursuant to the definition of “dominance” of the NBTC. Nevertheless, the risk from unclear enforcement of law governing foreign dominance may have a material effect on the business operation and business opportunities of the Company and dtac TriNet.

3) Risk from disputes over excise tax and revenue sharing

The Government policy is still uncertain on the collection of excise tax from telecommunications services. CAT submitted a dispute to the Thai Arbitration Institute on 11 January 2008, demanding that the Company pays additional revenue sharing for the concessionary years 12 to 16, including penalty and VAT, in the amount of approximately THB 23,164 million. This was because, during said concessionary years, the revenue sharing payable to CAT was reduced by the amount of excise tax paid by the Company to the Excise Department prior to making the revenue sharing payment to CAT, in accordance with the Cabinet resolutions and the letter from CAT. On 28 May 2012, the Arbitral Tribunal rendered its decision to dismiss the dispute raised by CAT on the grounds that the Company had fully paid the revenue sharing to CAT and all debts had already been settled. Nevertheless, CAT has appealed the Arbitral Tribunal’s decision before the Central Administrative Court. The Central Administrative Court issued the verdict in favor of the Company and dismissed CAT’s petition. Currently, the case is under the consideration of the Supreme Administrative Court.

The Company is subject to disputes with CAT concerning the treatment of revenue from interconnection charges. In 2006, the NBTC issued a notification, changing the compensation model for connection between teleoperators’ networks. As a result of this change, the Company started receiving interconnection charges from operators terminating calls in its network. This led to disputes between the Company and CAT as to whether these interconnection charges should be included when calculating the revenue share the Company was obliged to pay to CAT under the Concessionary Agreement.

The dispute is an industry issue that has been pending for years. CAT has initiated six different arbitration cases against the Company related to the dispute. In three of the arbitration cases, the tribunals have sustained CAT's claims in full. In one case the tribunal decided for the Company. All these cases have been appealed to the Central Administrative Court. Two cases are still pending in arbitration.

4) Risk from class action dispute on overcharging for mobile phone usage

There is a risk of a material effect on the financial position of the Company and dtac TriNet in connection with a class action dispute filed against the Company and dtac TriNet. The dispute alleges that the practice of charging for calls per minute (rounded up) instead of per second is overcharging, breaching customer agreements and certain NBTC resolutions. The claim relates to calls from June 2016 to July 2018 and includes demands for punitive damages and interests. Based on the Company's external legal counsel opinion, the Company's management is of the view that the Company and dtac TriNet have complied with relevant laws and regulations and have no liability to pay the claimed damages.

5) Risk from other disputes

The Company and its subsidiaries are subject to several disputes, including with CAT, which used to be a party to the Concessionary Agreement with the Company. These disputes are highlighted above and included in the notes to the consolidated financial statements. If the Company or its subsidiaries lose these disputes, it may affect the business, financial status, and performance of the Company.

2.2.3 Risks from investment in securities in the other country (only for foreign company)

N/A



Sustainability

3. Sustainability

3.1 Sustainability Policy and Targets

The Company has developed its Sustainability Policy based on various international standards, such as the UN Global Compact, UN Guiding Principles for Business and Human Rights, and ILO Core Conventions. The Company conducts assessments and discussions on important sustainability issues with its stakeholders to ensure that the Company's business operations can truly create a positive economic, social, and environmental impact. The targets are to ensure that:

- Sustainability is implemented across the Company;
- Responsible business is practiced transparently;
- The benefits and positive impact of the Company's core business are leveraged for social growth;
- Sustainability risks and opportunities are assessed and managed over time for continuous improvement;
- Periodic reporting is conducted transparently on sustainability issues.

Responsible Business

Guided by international standards and its operational experience, the Company works systematically to address risks and to maximize the positive impact of its business operations. The Company is committed to strengthening transparency and anti-corruption practices in addition to human rights integration to the dtac Code of Conduct to business operations and supply chain. The Company also assesses its role and responsibilities as a telecommunications leader to identify opportunities to promote national economic and social development agendas as well as to respond to emergency situations, e.g., a global pandemic beyond mere compliance to laws and regulations.

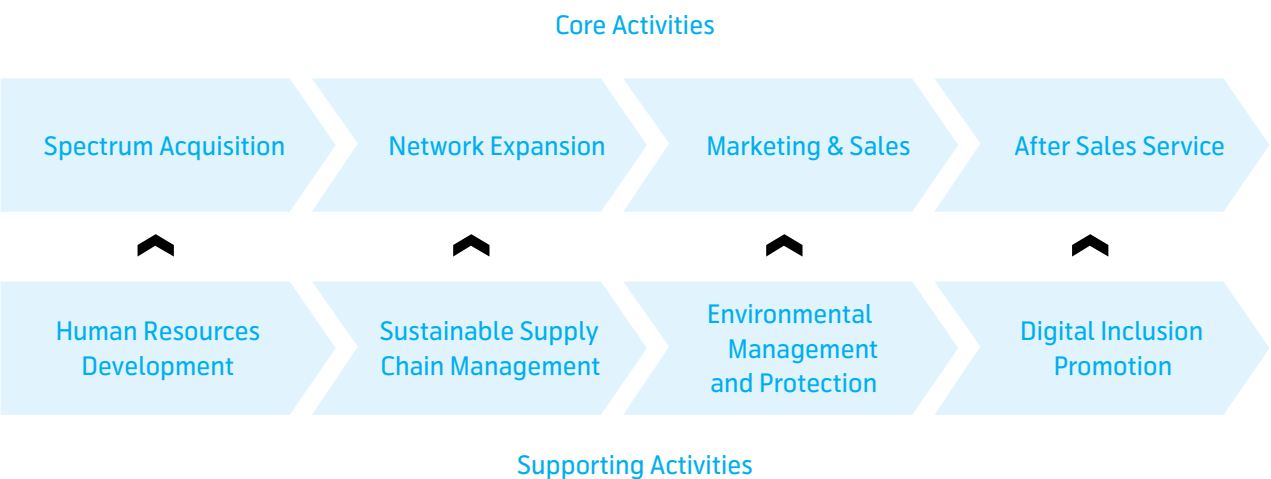
Empower Societies

The Company's purpose, 'Connecting you to what matters most – empowering societies,' reflects the Company's determination and dedication to using digital technology, its expertise, and infrastructure to increase Thailand's economic and social development capabilities, especially in the area of 'reducing inequalities' and 'raising work standards'. To reduce inequalities, the Company's efforts have been aligned with the UN Sustainable Development Goal 10: "Reduce inequality within and among countries". By embracing methodologies aimed at Creating Shared Value (CSV) the Company seeks to ensure it can clearly address stakeholders' problems and design solutions that will lead to long-term sustainable development.

3.2 Business Value Chain and Stakeholders Impact Management

3.2.1 Business Value Chain

As a telecommunication business in Thailand, the Company focuses on improving its technology and workforce to stay competitive and bring value to consumers and society. In 2020, with a goal to grow and stay competitive in the market while promoting digital inclusion, the Company explored new ways of working and creating new products and services. The Company also developed business partnerships to explore new business opportunities. There were no significant changes to the Company's supply chain in 2020.



3.2.2 Stakeholders Analysis

To ensure that the Company's business brings the highest value and benefits to the Thai economy and society in compliance with the governing principles, the Company engages with seven groups of stakeholders. They are shareholders and investors, employees, communities and society, customers, suppliers, government agencies and regulators. The Company has also defined the expectations of each stakeholder group as shown below.

The process of identifying the stakeholders' expectations and concerns starts by conducting a materiality assessment and identifying both direct and indirect stakeholder groups. This process is essential to the Company's business, building confidence and security for both the Company and stakeholders. Moreover, it increases long-term competitiveness of the Company and ensures that each of the stakeholder groups are engaged constructively.

Shareholders and Investors

Engagement/Number/ Frequency	<ul style="list-style-type: none"> • Annual general meeting for shareholders • Teleconferences to report quarterly performances • Shareholder and investor roadshows or conferences • Investor meetings or teleconferences • Regular investor relations updates on the website • Daily communication with investors via phone and email
Expectations/concerns	<ul style="list-style-type: none"> • Equal treatment for every shareholder • Disclosure of accurate information, on time, and available in easily accessible channels. • Earning growth, profitability for shareholders • Regular payment of dividends
Engagement Activities	<ul style="list-style-type: none"> • Complying with guidelines and regulations of the Stock Exchange of Thailand and the Securities Exchange Commission • Operating in accordance to corporate governance and social responsibility • Investing to generate growth • Payment of dividends as per policy • Provide varied channels for publishing information and communications with for shareholders and investors • Regular participation in investor roadshows or conferences domestically and overseas.
Achievements	<ul style="list-style-type: none"> • The annual general meeting was organized on 31 August 2020. • 15 shareholder and investor roadshows and conferences • 78 investor meetings or teleconferences • The Company is in the TH Sustainability Index, assessed by the Stock Exchange of Thailand, for the third consecutive year. • The Company is listed in the ESG100 for Sustainable Investment, assessed by Thaipat Institute.

Employees

Engagement/Number/ Frequency	<ul style="list-style-type: none"> • Annual Employee Engagement Survey • Biennial Corporate Culture Survey • dtac People Council, re-elected every two years, to represent employees in different units, receiving opinions and concerns about benefits, safety, and work-life issues, to discuss with groups and find solutions on a monthly basis • Opportunity to voice opinion and suggestions for business operations and other issues during employee town halls or other communication channels including OpenTalk
Expectations/concerns	<ul style="list-style-type: none"> • Management and assistance during COVID-19 crisis • Change management • Capacity building and career advancement • Efficient and fair performance evaluation • Employee compensation, welfare and safety

Engagement Activities

- Communicate corporate targets, strategies and performances to employees at all levels
- Promote employee capacity building and learning with varied trainings for different employees
- Promote career advancement opportunities by efficiently evaluating performances to reflect on employee skills and plan reskilling training to develop career path, including efficient use of human resources planning and management tools
- Set policy, strategy and criteria on benefit, welfare and privileges as required by law or better in order to be competitive
- Ensure suitable and on-time remuneration
- Electing the People Council to mediate communications between employees and the company on issues and opinion
- Ensure strict compliance with the policy and code on health, safety, security and environment (HSSE)

Achievements

- Provided COVID-19 insurance package for permanent and contract employees. Collaborated with partner hospitals to provide coronavirus tests free-of-charge to high-risk employees.
- Offered special allowances to permanent and temporary employees to alleviate impact from the coronavirus outbreak.
- Employee Effectiveness Index score is 79 percent, increasing from 2019 by 3 percent from 2019.
- 100 percent of all eligible employees entered the performance review for compensation and role adjustment, among other things
- Organized a “40-Hour Challenge” to encourage self-learning among employees, averaging over 80 hours of training per person.
- The People Council held 8 meetings with employees across different regions as planned, and worked with the company’s representatives on improving the accessibility of employee benefits

Communities & Society

Engagement/Number/ Frequency

- Site visits to discuss safety issues, such as electromagnetic fields, the construction of cell towers, and other issues of interest.
- The Smart Farmer initiative to help Thai farmers build potential, increase income, and sustainably improve their quality of life
- The Safe Internet initiative to create a safe internet ecosystem for children and youths
- Organize activities engaging with civil society, education and media sectors to exchange opinions and gain knowledge on various issues related to sustainable development
- Join networks or alliances with goals of sustainable economic, social and environmental development.

Expectations/concerns

- Engagement and assistance in mitigating impact of COVID-19.
- Safety in corporate operations, such as electromagnetic fields from cell towers, the construction of cell towers, etc.
- Compliance with laws and regulations by government agencies or other relevant agencies at national and local levels in community-level corporate operations, such as the construction of cell towers

- Working with the civil society at national and international levels on issues related to sustainable development and inequality to address economic, social, and environmental problems
- Participating in economic and social development by engaging company experts in digital technology, communications and other resources to create value to the public and the underprivileged.

Engagement Activities

- Carry out the Safe Internet initiative, aiming to create a safe internet ecosystem for children and youths
- Assess the environmental impact of dtac's business.
- Continuously forging ties and networks with the civil society, with emphasis on groups working on inequality and safety issues, etc.
- Carry out the Safe Internet initiative, aiming to create a safe internet ecosystem for children and youths
- Assess the environmental impact of dtac's business.
- Continuously forging ties and networks with the civil society, with emphasis on groups working on inequality and safety issues, etc.

Achievements

- Organized 400 site visits to conduct public hearings, discuss safety issues, such as electromagnetic fields, the construction of base stations, and other issues of interest.
- Collaborated with Chaipattana Foundation and NECTEC to create IoT solutions to manage Lingzhi mushroom research and development on the highland. The Chaipattana Foundation will use this pilot project as the base to transfer knowledge to Lingzhi mushroom farmers.
- Reached to 200,987 children and youth across Thailand through the Safe Internet project with activities such as Young Safe Internet Leaders Camp, and DekLum e-Learning platform.
- 178,189.83 kg. of e-waste were collected and recycled 100. 35,992 pieces of discarded mobile phones and accessories were collected for recycling or remarketing purposes. This resulted in carbon dioxide reduction to the amount of 9,918,708.12 KgCO₂e.
- Supported the expansion of network, connectivity and service upgrade, including base station expansion and emergency maintenance in essential areas such as hospitals, emergency services, police stations and key government office. Priority is given to support connectivity for frontline COVID-19 response personnel such as doctors, nurses and medical personnel.
- Educated children and youth on online safety, especially in the midst of COVID-19 by identifying various forms of online scams.
- Supported Siriraj Hospital with project "dtac Ruam Raeng Jai Fight COVID-19" led by highly experienced call center team who are used to handling over 10,000 customer calls per day. The project involved the Company setting up digital connectivity with the hospital's in-patients and provide them with remote examination via Siriraj Connect app. This was achieved by reaching out to the patients via SMS and MMS, with added interactive voice response system. At the same time, addition experienced call center personnel reached out to the patients who received the SMS, to further explain how to use the app and provide initial trouble shooting for the patients including answering query calls from patients who were could not use the app. These actions supported Siriraj Hospital in patient care and follow-up, and improved access to app for the patients and their relatives. The app enabled remote examination, prescription of treatment and medicine during pandemic crisis. The app also contributed to monitoring, prevention and control of contagion. The Company found that in the senior group of patients (aged 50 and over) took 2-3 times more time to learn the digital service than younger age groups.

- The Company supported the Psychiatrists Association of Thailand by offering a string of sequential numbers (063-474-0061 through 0065) that were easier to remember, and at no charges. The hotline was created to handle rapidly increasing calls of mental health nature during the COVID-19 crisis from the public. It also helped to mitigate risks of COVID-19 contagion at the hospital for infected patients, persons under quarantine and the general public.
- The Company provided internet SIM packages with unlimited internet for 14 days to Thai citizens returning from abroad and undergoing state quarantine, so that they can communicate with their families and loved ones.

Business Partners and Suppliers

Engagement/Number/ Frequency

- Site visits to discuss safety issues, such as electromagnetic fields, the construction of cell towers, and other issues of interest.
- The Smart Farmer initiative to help Thai farmers build potential, increase income, and sustainably improve their quality of life
- The Safe Internet initiative to create a safe internet ecosystem for children and youths
- Organize activities engaging with civil society, education and media sectors to exchange opinions and gain knowledge on various issues related to sustainable development
- Join networks or alliances with goals of sustainable economic, social and environmental development.

Expectations/concerns

- Management and assistance during COVID-19 crisis
- Equal treatment for all business partners and suppliers
- Fair and transparent procurement process
- Business confidentiality in areas such as concepts and products etc.
- Knowledge and skills to comply with the SCP, such as in HSS, fair labor practice and anti-corruption policy

Engagement Activities

- During COVID-19 pandemic, safety assessments and workshops were carried out online to ensure business partners and suppliers were operating in compliance with SCP
- Ensuring fair and equal treatment for all business partners and suppliers
- Complying with the written Sourcing Policy that is easy to understand and conforms to the same standards to assure business partners and suppliers of the transparent selection process, as well as make clear the bidding policy
- Complying with the policy to ensure that business partners and suppliers in turn comply with the SCP in various areas, such as labor rights, health, safety, security, environment and anti-corruption, in line with the Company's self-same, internationally recognized standards
- Respecting intellectual property rights of business partners and suppliers and other parties by ensuring that the Company's directors, service providers, employees, and others who act in the name of the company avoid violating partners' and others' intellectual property rights, as set down in the dtac Code of Conduct
- Visiting operation sites of business partners and suppliers and regularly sending them the questionnaire to elevate business operations standards and build sustainable stability for the partners

Achievements	<ul style="list-style-type: none"> • 15 percent of all suppliers completed the SAQ for the SCP • 3,809 individuals from 211 suppliers attended workshops about operational safety and other topics in the SCP, accounting for 4,277 hours • 928 inspections conducted at suppliers' workplaces or operational sites for impact assessment in areas of safety, labor rights, human rights, anti-corruption efforts, and environment. • 97 cases of major SCP non-conformities identified and all cases were rectified. 110 cases of minor SCP non-conformities identified, and 109 cases were rectified.
Customers	
Engagement/Number/ Frequency	<ul style="list-style-type: none"> • 430 service shops nationwide to receive customer contact via dtac halls and dtac centers • Conduct Network Net Promoter Score to assess customer experience and satisfaction • Conduct customer satisfaction surveys on services and staff after receiving services via dtac hall, dtac center, the call center lines 1678 and *777, dtac app, and other channels, to assess Customer Satisfaction Score (CSAT) with the goal of 95 percent in 2020. • 24-hour customer call center lines at 1678 and *777 • Digital contact channels via the dtac app, www.dtac.co.th, email, social media, e.g. Facebook, LINE, and other forums such as Pantip.com
Expectations/concerns	<ul style="list-style-type: none"> • Continuous service during COVID-19 crisis • Service quality and quality of service by staff, as well as quality of cell signals for both voice and data • Constant improvement in different service channels in terms of efficiency, speed, and effectiveness in solving problems and meeting demands • Diverse and fairly priced product options, suitable for various usage types • Customer data protection and privacy measures
Engagement Activities	<ul style="list-style-type: none"> • Continuous customer service, network maintenance and expansion to support increased internet use at home in response to lockdown measures and corporate work-from-home policies • Following corporate policy on fair and equal customer treatment based on respect and customer-centric professionalism • Strictly complying with corporate policy on customer personal data protection, establishing that any proceedings involving personal data must be carried out carefully and only in accordance with defined steps; only when necessary for business operations, efficient customer care, and relevant commercial activities; and only with customers' consent • Constantly develop and improve systems and customer service channels to help solve customers' problems with efficiency and speed, by using customer satisfaction data and customers' suggestions. • Developing employee capacity and skills to increase customer service efficiency and speed, especially artificial intelligence-related skills alongside other skills such as service mind
Achievements	<ul style="list-style-type: none"> • 47 percent of customers completed the Customer Satisfaction Score (CSAT) which the average score was 95 percent. • Total customer complaints decreased by 13 percent. • Strengthened the customer personal data protection process to adhere the PDPA and GDPR. • Provided assistance to all 20.6 million postpaid and prepaid users under the Happy@ Home campaign during the coronavirus pandemic.

Government Agencies

Engagement/Number/ Frequency	<ul style="list-style-type: none"> • Participation in or promotion of activities organized by government agencies • Meetings and discussions to fosters relations • Open house events for visits by government agencies • Representation in working committees as an expert and stakeholder of the telecommunications industry
Expectations/concerns	<ul style="list-style-type: none"> • Equal and transparent development, expansion, and maintenance of relations at all levels to support works and efficiency of government agencies • Support in government efforts to realize the Thailand 4.0 vision, using the Company's expertise in digital technology
Engagement Activities	<ul style="list-style-type: none"> • Following corporate policy in maintaining cooperation and good inter-organizational relations • participating in developing public policies that are relevant to the \ Company's business agenda and telecommunication industry. • Supporting the government's Thailand 4.0 drive, including policies involving the use of digital technology to increase service efficiency for the people and the reduction of inequality in terms of access to technology, in order to create more income and increase quality of life through the NetArsa initiative
Achievements	<ul style="list-style-type: none"> • Provided support to drive the government's policy in digital inclusion by deploying the NetArsa team to improve digital literacy for a better income generations and quality of life to approximately 2,000 individuals and 6,000 smallholder entrepreneurs. • Established joint programs to promote social development and to provide support for vulnerable populations, e.g. Work Skills Training for Prisoners with Thailand Institute of Justice (TIJ) and use of online financial management tools with SME Bank.

Regulators

Engagement/Number/ Frequency	<ul style="list-style-type: none"> • Propose drafting of regulations based on Best Practice • Meeting with regulatory agencies to provide opinions or suggestions pertaining to regulatory impact on business operations • Participation in working group on important regulations design • Participation in every regulatory designing processes from input proposals, working group meetings and public hearings.
Expectations/concerns	<ul style="list-style-type: none"> • Conduct business operations in strict compliance with regulations. • Produce performance and operational reports for references by regulatory agencies in regulatory planning or regulatory impacts on businesses • Provide information to regulatory agencies on instances where regulations impact levels of services
Engagement Activities	<ul style="list-style-type: none"> • Complying with policies of regulatory agency and other agencies to improve the communications landscape • Support the work of regulatory agency in case of emergencies or disasters • Support the work of regulatory agency by supporting communication equipment in important events.
Achievements	<ul style="list-style-type: none"> • Acquired 200 MHz of the 26 GHz spectrum in the multi-band auction organized by NBTC. • Collaborated with NBTC to receive an extension on use of 850 MHz and early adoption of 700 MHz license. • Collaborated with NBTC to obtain an approval to adopt the self-registration and online registration of SIM cards by customers and via LINE OA application.

3.3 Environmental Dimension

3.3.1 Environmental Policy and Standards

Environmental protection and conservation is part of the Company's responsible business practices. The Company has developed the environmental management policy and guideline to ensure minimal negative impact to communities. The policy sets out key directions in the following.

1. Assess environment risks and impact of business operations in a timely manner.
2. Develop the Environment Management System (EMS) as a platform to report the company's action on the environment and use the information to plan and improve environmental management.
3. Collaborate with stakeholders and relevant agencies to develop environmental management.

From the environmental risk assessment, the Company has identified issues that may adversely impact the environment as the results of dtac's business operations: electronic and general waste management and efficient use of energy to mitigate climate change. To address these issues, the company has laid out the following detailed processes:

- Environmental Management System
- E-Waste Management and Recycling
- Climate Strategy Manual

3.3.2 Environmental Activities

In 2020, the Company launched and carried out the "Think Hai D" project and internal waste management improvement process to ensure efficient waste management and achieving the 'Zero Landfill' goal by 2022. It also looked into efficient energy consumption in the business operations to decrease GHG emission by 30-50 percent in 2030.

E-Waste Management

Three main sources of e-waste generated from dtac's business operations are the network, office premises and service centers. The Company is aware that e-waste is a significant environmental issue as a result of dtac's business operations. It is the Company's ambition to ensure that all e-waste is properly managed and treated with zero landfill by 2022.

A set of criteria has been drawn to select e-waste treatment service providers for all company operations. The Sustainability Department and the Sourcing Division are two parties who will ensure that e-wastes resulting from any Company's business operations will be properly collected, transported, sorted and recycled. The e-waste treatment service provider must have licenses and permits issued from the Department of Industrial Works and relevant regulators.

Apart from environmental management of internal operations, the Company has also extended e-waste management to external sources under the “Think Hai d” campaign. The Company collects e-wastes from customers in the forms of disused mobile phones, batteries, accessories and other small IT devices to be properly disposed and recycled without contaminating the environment. The Company has distributed Think Hai d e-waste disposal boxes at 51 dtac halls around the country and at program partners’ premises. The collected e-waste is properly sorted, stored, disposed of or recycled. Precious metal can be recovered from recycling, translating into conservation of natural resources as mining for these metals can be avoided. The process also reduces carbon footprint, with one mobile phone recycled contributing to carbon dioxide emission reduction of 12.585 KgCO₂e.

In 2020, 178,189.83 kg. of e-waste were collected and recycled 100. 35,992 pieces of discarded mobile phones and accessories were collected for recycling or remarketing purposes. This resulted in carbon dioxide reduction to the amount of 9,918,708.12 KgCO₂e. This is equal to planting 1,102,078 trees, using the Stock Exchange of Thailand and Thailand Greenhouse Management Organization’s calculation approach.

Municipal Wastes

Municipal waste has become a significant issue in the Company as identified by the EMS assessment since 2019. The amount of municipal wastes generated in the headquarters and in regional offices was as much as 281 tons, or 37 kg of waste per employee. There was not an effective waste management process in place internally. The Company, therefore, set out the target to reduce its amount of municipal waste by 40 percent by end of 2021 by improving its waste management process and creating awareness among employees.

Types of waste	Amount Collected (Kg.)	Disposal and Treatment
General Waste	49,868.80	Landfill, 100 percent
Food Waste	806	Livestock feeding production, 100 percent
Paper Waste	2,472.40	Recycling, 100 percent
Recyclable Waste	3,763.5	Recycling, 100 percent
Waste for Refuse-Derived Fuel	305.80	Refuse-Derived Fuel production, 100 percent

Electricity Efficiency and Climate Change

The Environmental Management System (EMS) identifies electricity consumption as a significant environmental risk stemming from the business operations, especially in the network which takes approximately 90 percent of the Company’s total grid electricity consumption. This causes high GHG emission and leads to climate change impact.

The Company is well aware of the risks from climate change that may affect the business, whether physical damage to the network, infrastructure and utilities caused by natural disasters and rising sea levels, to potential regulatory challenges, such as an oil tax increase, imposition of carbon taxes, and investment in transition to renewable energy. All of these can affect our operational costs related to the environment.

The Company therefore has developed a roadmap to bring about electricity efficiency in the network. The Company applies the Science-Based Targets Initiative (SBTi) guideline to set the GHG emission target at 30-50 percent in 2030, using the data from 2019 as a baseline. This is in an alignment of the GSMA Climate Change Roadmap which encourages mobile operators worldwide to take actions to prevent global warming and climate change impact.

3.4 Social Dimension

3.4.1 Policy and Standard for Social Dimension

The Company aims to create a shared value in economic and social development with the stakeholders, and focuses on translating human rights and digital inclusion into initiatives.

3.4.2 Social Activities

Human Rights

The Company is committed to respecting human rights as set out in the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, Children's Rights and Business Principles, and all building on the UN Bill of Human Rights.

The Company uses due diligence as a way to identify and address human rights challenges. This requires a long-term perspective, continuous improvement and stakeholder dialogue. The Company conducts a human rights due diligence every other year and provides training to employees on the human right issues relevant to their scope of work on a regular basis.

Employees

The Company has developed a People Policy by applying the International Labour Organization's Eight Fundamental Conventions. Key practice in the policy includes:

- The Company shall not employ or contract child labor neither in permanent nor fixed-term positions.
- The Company shall not practice forced labor or labor in exchange for payment of debt. Any employee shall be free to leave employment after giving reasonable notice.
- The Company respects the right to freedom of association, collective bargaining, and allow employees to elect representatives to protect their rights and benefits.
- The Company shall not discriminate against employee representatives in the dtac People Council that is established in accordance with national law and regulations.
- The Company shall ensure appropriate working hours in compliance with the applicable laws. Employees receive adequate time for recreation and recovery.

The Company ensure equality in recruitment and in overall human resource management. The recruitment and employment process must be transparent, free from discrimination, and fair to all applicants as stipulated in the dtac Code of Conduct. The recruitment process must lead to diversity and in compliance with applicable laws. Recruitment must be selected based on work experience and abilities, as well as demonstration of attitude and qualities in line with company values, missions and goals. Employees must have access to all opportunities available for career advancement and receive a fair performance evaluation.

In 2020, the Company implemented the following key activities

(1) Health, Safety and Work Environment

the Company promoted 'work-from-home' skills in employees, focusing on use of digital and online tools for work and maintaining good physical and mental health. An employee survey and communication channels were launched to help employees stay engaged with the Company and to keep high productivity. In 2020, there were no significant health and safety incidents in employees. This brought the Lost-Time Injury Frequency (LTIF) and the Lost-Time Injury Close-Out rates to zero.

(2) Employee Training

The Company has implemented the 40-Hour Challenge program for the third year to encourage employees to upskill and reskill through online courses and contents that are useful to their career growth and productivity. Employees can choose courses from the dtac Academy and other leading e-learning platforms like LinkedIn Learning and Coursera. In 2020, there were 3,187 employees participating in the program and for a total of 289,835 learning hours, or about 83 learning hours per employee.

(3) Employee Engagement Survey and Effectiveness Index

The Company conducts an employee engagement survey on an annual basis. In 2020, 3,238 employees, equal to 96 percent of the permanent workforce, who participated in the survey. The "Effectiveness Index" among employees is 79 percent, increasing by 3 percent from 2019.

(4) Employee Care During the COVID-19 Pandemic

Apart from the health and safety measures issued to help employees stay safe and healthy during the COVID-19 pandemic, the Company also provided the following:

1. Special allowance of THB 4,000 to permanent and contract employees to alleviate impact from the coronavirus outbreak
2. A COVID-19 insurance package for permanent and contract employees.

Customers

dtac customers are one of the Company's most important stakeholder group. The Company shall ensure that the customers are satisfied and have the best experience from dtac's services. Customer feedback, therefore, helps the Company develop new solutions, choose where to invest and plan durable developments to bring value to customers and business operations.

The Company made concrete efforts to understand the true needs of customers by conducting research, surveys and other engagement channels. The Company also set up a specialized team to turn every complaint from customers into an opportunity for prompt improvement.



The Company takes customers' personal data privacy seriously in its business operations to ensure customers' trust and that their rights are protected. Therefore, the Company is committed to execute data protection guidelines that are in line with international standards and require all employees to prioritize keeping customers' personal data secured. The Company seeks to ensure continuous improvements in service quality and personal data security.

(1) Customers' Personal Data Protection

Since 2018, the Company improved customers' personal data protection standards to conform to international laws, namely the General Data Protection Regulation (GDPR). One prominent point of the GDPR is that it maintains balance between promoting the digital economy and upholding basic human rights principles, making it the world's most advanced privacy law.

In addition, the Company took steps to ensure the personal data protection practice was in line with the Personal Data Protection Act B.E. 2562 (2019), which will be fully enforced in May 2021.

The Company strengthened the customer personal data security process in compliance with the Personal Data Protection Act B.E. 2562 (2019) with the focus in the following areas.

- Customer engagement process improvement
- Business partners engagement process improvement
- Cybersecurity improvement
- Data privacy process assessment approach
- Consent and data life cycle planning and implementation

The Company issued the dtac Privacy Policy to ensure protection of customers' personal data and maintain compliance to laws and standards. The 'Customers' Personal Data Protection Unit' is established to enforce the policy, educate employees, monitor risks and assess impacts as well as improve customers' personal data protection processes to always stay relevant to the current situation and emerging risks.

(2) Customers' Rights Protection through the Authority Request Assessment Process

The Company has established and strictly enforced assessment process when receiving an order from a government authority, based on the Thai laws and human rights principles. Before taking any action, the Company ensures that the requesting agency has the legal authority to do so, fully follows all legal procedures, and has corresponding written documents. Any order or request that does not comply with legal procedures will never be proceeded by the Company.

In 2020, the Company exercised the authority request assessments as shown below.

14,946 requests	to access personal information
352 requests	to block access to online contents
0 requests	to shutdown network
5 requests	to disseminate public information

Community and Society

The Company defines communities and society as those that are impacted by the business operations, from the landowners of where dtac's base station towers are installed to general mobile technology users.

(1) Responsible Network Expansion

Building base stations is a task that requires the dtac team to work closely with the local people in the various communities around Thailand. dtac is mindful of taking input from the communities and ensure that their top concerns – fair treatment, safety and law compliance – are being adequately addressed.

The Company provides direct communication channels for landowners to access its Site Management Team. The Company also has an Electromagnetic Field (EMF) Working Team to create awareness about the safety of electromagnetic fields, which is a concern among some communities.

The Company adheres to the Land Registration Act 2552 B.E. (1979), the Office of the National Broadcasting and Telecommunications Commission BTS Guideline, and local rules and requirements applicable in each location. The Legal Department examines all contracts made with the landowners to ensure compliance to those laws and regulations.

(2) Digital Inclusion

Creating a digital society that belongs to everyone is a long-term ambition of the Company. The Company's ambition is to implement campaigns that promote digital inclusion where internet users can stay safe online while retrieving benefits from useful data access to improve their quality of life and to generate income generations.

4.1 NetArsa Project

The Company has been running the NetArsa project since 2014, aiming to promote digital literacy and reduce the digital divide. The NetArsa team is set to provide knowledge and skills to vulnerable and marginalized groups on using the mobile internet to improve quality of life and for income generation activities. In 2020, the NetArsa team provided training in online marketing and e-marketplace access to about 6,000 entrepreneurs and cottage industries. The team also reached out to about 2,000 individuals in vulnerable groups to promote digital literacy.

4.2 Smart Farmer Project

Over the past 10 years, dtac has been committed to applying digital technology to solving problems faced by many groups of people in the Thai society. Farmers is one of those groups that dtac values and has always been working to improve their conditions. According to the Bank of Thailand, around 30 percent of the Thai population works in agriculture but contributes to only 10 percent of the GDP. The figure reflects the productivity of the Thai agricultural sector which is lagging behind and requires technological integration.

This is why increasing the productivity of Thai farmers with digital technology is part of dtac's strategic action plan. Since 2008, 'dtac Smart Farmer Project,' a collaboration with the Ruam Duay Chuay Kan Sam Nuek Rak Ban Kerd Foundation, has been disseminating agricultural knowledge and skills to smallholder farmers through various channels with support from dtac. The project has also initiated the

'Sam Nuek Rak Ban Kerd Farmer Awards' on an annual basis to recognize outstanding farmers with potentials to be role models for young-generation farmers. The award program is an initiative of Mr. Boonchai Bencharongkul, Chairman of the Board of Directors.

In 2020, the '*Sam Nuek Rak Ban Kerd Farmer Awards*' was organized in the '*Agriculture for Export*' theme, awarding outstanding farmers with a forward-looking vision and achievements in agricultural export markets.



Winner

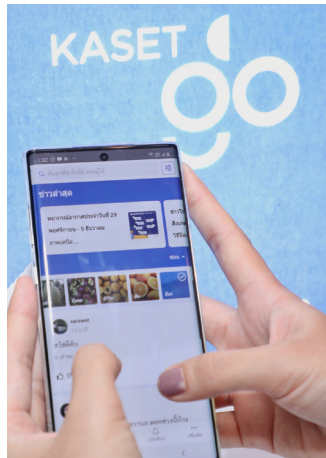
Ms. Saowalak Maneetong of Punsan Garden, Tak Province – Herb farmer who exports her community's produce to America, Sri Lanka and Australia

1st runner up

Mr. Sitta Sukkan of Organic Rice Group, Phichit Province – Farmer who exports unmilled rice to trading partners who turn it into flour, pasta, and ramen

2nd runner up

Mr. Nuttawut Junruang of Junruang Farm (JR Farm), Chanthaburi Province – Farmer who exports fresh fruit and processed durian to China, Singapore, Taiwan, and Vietnam



In 2020, dtac partnered with Yara Thailand and RBK to develop and launch the **'Kaset Go Application,'** an online community and platform for farmers to exchange and discuss with experts who offer practical advice that helps farmers improve yields and raise the quality of their produce to meet the standard and market demands.



In addition to providing services to farmers, dtac places great emphasis on digital technology research for agriculture. In 2020, dtac signed a collaboration agreement on highland agriculture research in a project called 'Precision Farm Solution.' The lingzhi mushroom study with the Chaipattana Foundation and NECTEC – NSTDA was a rollout of the Precision Farm Project in 2017, in which three working groups visited Fang District, Chiang Mai, to study the use of IoT technology, sensors, and measurement tools to increase the yield of lingzhi mushroom, a high-value export crop with over 100,000 baht return per yield.

4.3 Safe Internet Project

As one of Thailand's leading telecommunication service provider, the Company is a part of the internet ecosystem and it is its responsibility to make the internet a safer place for children and youth. The Company thus initiated the Safe Internet Project to provide skills and build resilience in for children and youth, allowing them to roam the internet safely, properly, and creatively. From 2019, the Company worked under three main pillars as follows:

(1) Knowledge Management in Child Online Safety

The Company aims to build a knowledge management that provides information and studies in child online safety and digital resilience through partnerships with academics and practitioners.

(2) Awareness and Capacity Building for Teacher and Parents

The Company aims to provide online and on-ground learning programs to increase online-risk awareness and digital resilience in children and youth. The Company also aims to provide teaching tools and materials to help teachers, parents and practitioners increase digital resilience and digital skills in children and youth.

(3) Policy Advocacy and Public Communication

The Company aims to leverage experience and resources in child online safety and digital resilience to support the national policy and guideline development to bring long-term and wide-scale benefits to the country.

In 2020, the Company was able to reach out to 200,987 children, youth, teachers and practitioners in youth empowerment through key Safe Internet project activities.

- (1) The Young Safe Internet Leaders Cyber Camp in collaboration with the Digital Economy Promotion Agency, Thai Media Fund, Internet Foundation for the Development of Thailand, etc.
- (2) DekLum e-learning platform (<https://www.safeinternet.camp/home/landing>) which accommodates online courses in online risks and digital skills for students and teachers
- (3) The Gender Diversity Respect to End Cyberbullying Project in collaboration with Plan International aiming to provide training to teachers and students.
 - a. Teachers training to help teachers understand about gender diversity and cyberbullying, while becoming a coach and a safety net for students who experience cyberbullying
 - b. Students training to promote good understanding and attitude towards gender diversity that leads to reduction in cyberbullying behaviors.

Governance

The Company adheres the principle of corporate governance for listed companies established by the Securities and Exchange Commission of Thailand and the Stock Exchange of Thailand, which has been reviewed and amended in compliance with the ASEAN Scorecard.

The Company has issued and enforced policies, strategies and principles of corporate governance through the organization's management committee structure which consists Board of Directors, Subcommittees, Internal and management audits. Chief Executive Officer is appointed as a leader to evaluate the process on policy implementation and regulatory documents in all levels. CEO is required to report to the Board of Directors at least once a year.

dtac Code of Conduct and Compliance

The Company publishes a “dtac Code of Conduct” since 2006 as a principle and guidelines for the Board of Directors, executive management, employees and those entities operating under dtac name. The code has been reviewed and revised in line with current situations, concerns and stakeholder’s expectation. This is to prevent new risks in business operations may happen at any time, which involve zero-tolerance to corruption, human rights, fair competition, data protection and security, employee rights, health, safety and people security, employee welfare as well as financial integrity and frauds.

The current edition of the code came into full enforcement on 27 August 2020. It outlines four core principles that demonstrate dtac’s responsible business practice between the Company and its stakeholders, which are

1. We play by the rules
2. We are accountable for our clients
3. We are transparent and honest
4. We speak up

In 2020, 100 percent of employees received an online training about dtac Code of Conduct. The Integrity Index Score from the Employee Engagement Survey is 95 percent.

To follow and implement the code, the Company provides instructions and reporting procedure, so that suitable measures may be taken in a timely manner as follow.

Compliance Function

The Company established the ‘Ethics and Compliance Department,’ an internal independent unit responsible for training and educating employees as well as managing day-to-day operations in compliance with the code on all aspects.

Communication Channel

The Company provides communication channels to seek advices and report an issue that is likely to violate the dtac Code of Conduct.

- (1) Line managers and the Ethics and Compliance Department
- (2) Via <http://dtac.ethicspoint.com>, an online platform run by the EU based third party developer NAVEX Global, Inc. the online channel is available to all employees, customers and suppliers.

All reported concerns will go to the Ethics and Compliance Department and are kept confidential. Whistleblowers can choose to report the case unanimously. There is no any record in the reporting process, including IP Address and phone number.

Internal Audits

If the reported issues are substantiated, they will go to the Investigation Team, an internal independent unit responsible for investigation on cases of dtac Code of Conduct violations.

As whistleblowers may expose a potential risk from their actions, the Company does not tolerate retaliation of any kind against those who speak up in good faith. If found, the Company may take disciplinary action up to and including termination of employment.

- Violate or ask others to violate the code
- Ignore to report the suspected activities that may violate the code
- Do not give coordination with investigative process
- Retaliation against those who speak up

Anti-Corruption

In 2020, 100 percent of employees received an online training about anti-corruption. 278 individuals from 51 suppliers also received a training about anti-corruption.

Supply Chain Management

The Company implements a strong sustainable supply chain management practice to ensure that all suppliers provide best products and services while maintaining a high work standard and responsible business in their own operations.

The Company has launched the Supply Chain Sustainability Manual, under the dtac Policy – Sustainability, that provides a working guideline to achieve the ‘Zero Incident’ goal. The manual ensures the following practice in the supply chain management operations.

- Fair treatment to all suppliers
- Effective inspections on suppliers’ practice in social and environmental compliance on a regular basis
- Raising social and environmental standards and practice to suppliers’ business operations.

The Company has set up the ‘Supply Chain Sustainability Management Team’ to ensure that the suppliers comply with the ‘Supplier Conduct Principles (SCP) that has been enforced since 2008. The SCP follows global standards and is updated to ensure that it stays relevant to local and international concerns about human rights, labor standards, environmental conservation, law-compliant and ethical business practices.

The Company’s supply chain sustainability management includes risk assessment at the supplier selection process to the SCP enforcement and Corrective Action Request (CAR) issuance till effective closure when non-conformities are found.

(1) Supplier Risk Assessment

The Company assesses suppliers’ risks that are relevant to social and environmental compliance in the supply chain by categorizing the suppliers into six groups based on their service types. The most significant group is ‘Base Station Construction and Maintenance / Fiber Optic Cable Installation’ service providers due to its highest tendency of risk exposures.

Prior to becoming a supplier at dtac, the supplier will be assessed on their governance, social and environmental risks. Once approved, the supplier will sign the Agreement of Responsible Business Conduct (ABC) to confirm their compliance to the SCP.

For current suppliers, dtac administrates a self-assessment tool, Self-Assessment Questionnaire (SAQ), in the first quarter of every year to identify social and environmental risks that the suppliers may be vulnerable to, and to group them based on their chances of risk exposures. In 2020, 15 percent of suppliers participated in the SAQ.

(2) Capacity Building

The purpose of the Capacity Building Program is to provide awareness, training and resource support to suppliers to help them raise standards locally in accordance to international best practice as required by the SCP. In 2020, the Company provided a capacity building to 3,809 individuals from 211 suppliers, accounting for 4,277 man-hours, higher than the annual target by 22 percent.

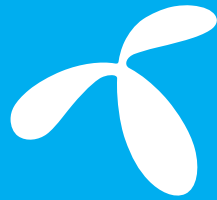
(3) Inspections and Corrective Actions

The Company selects suppliers for inspections based on risk assessments and past records or pending issues of non-compliance to the SCP. If any non-conformities are found a Corrective Action Request (CAR) is issued to the suppliers and followed up systematically until effective closure.

In 2020, the Company set a target to conduct 900 supplier inspections. The Company achieved 928 inspections. The findings of non-conformity ad progress are below.

Major Non-Conformity	97 findings	97 findings (100%) were resolved accordingly to CAR
Minor Non-Conformity	110 findings	109 findings (99%) were resolved according to CAR

Information provided above is to disclose dtac's sustainability performance and significant results in sustainability efforts as well as to communicate how dtac responds to stakeholders' concerns and expectations. The aforesaid information and data covers dtac's business operations principles, initiatives and results that are material to the Company's sustainability view, from 1 January 2020 to 31 December 2020. For more information about the GRI Standards Index, please visit <https://www.dtac.co.th/sustainability/en/home>.



Management Discussion and Analysis

4. Management Discussion and Analysis

(Please note that all financial figures and analyses are based on the applicable accounting policy for 2019 and 2020, unless otherwise stated)

4.1 Executive Summary

In FY20, the emergence of coronavirus pandemic has reshaped the world like no other events in history. With physical distancing requirement, the Company was confronted with creating and adapting to new ways of operating while meeting the commitment to connect people through essential services in a new era where customer usage behavior has changed. International travel bans and lockdown not only translated into loss of revenue from absence of tourist and reduction in number of migrants starting in Q120, ongoing macroeconomic pressure that led to customer's shrinking wallet size was also observed post-lockdown and throughout the year. Despite prolonged uncertainty, the Company embraced new challenges and focused on re-defining customer experience to quickly address unmet market needs: from high-speed connection with relevant services that offer benefits to the Thai mass market to serving worry-free solution to business customers, along with providing improved digital capabilities for enhanced customer experience.

In December 2020, dtac TriNet, the Company's subsidiaries, paid the first installment of the license for the 700 MHz of 2x10 MHz bandwidth, which was allocated to the company in June 2019. The low-band spectrum, both 4G and 5G-enabled, was turned on as it got freed up for use, starting in Bangkok, and selected locations in the North, Northeast, and South. As of Q420, approximately 2,400 nodes of 4G – 700 MHz network have been installed.

At the end of FY20, a total of approximately 20,400 nodes of 4G-2300 MHz network were installed, an addition of approximately 3,000 nodes during the year.

In February 2020, dtac TriNet participated in the multi-band spectrum auction and won a total bandwidth of 200 MHz of 26 GHz. The 15-year license was obtained after full payment made in the same month. With the mmWave band, dtac TriNet rolled out and showcased 5G in selected locations and announced several ongoing industry partnerships for 5G use case in the latter half of the year.

The swapping of 850 MHz equipment with 900 MHz equipment had been delayed from 2020 to 2021 as a result of delay in filter installation process. As such, the Company obtained permission from NBTC for the 850 MHz extension until another six months after CAT completes its filter installation or no later than the end of 2021.

Competition in postpaid was relatively stable in FY20. Prepaid acquisition remained aggressive with unlimited data allowance at a fixed speed in the main portfolio. Although the unlimited data packs were maintained at slightly higher price point in the latter half of the year, the Company observed intense competition with heightened level of activities at the provincial level consisting of special offerings and lower pricing from time to time.

At the end of FY20, total active subscriber base stood at 18.9 million, an increase of 173k from the end of Q320 following gradual recovery in the Thai mass segment and better churn management. The subscriber base increase consisted of prepaid at 110k and postpaid at 63k. Approximately 32.4% of total subscriber base were postpaid subscribers.

Service revenues excluding IC dropped 2.0% QoQ in Q420 and 4.6% YoY in FY20. Core service revenues (defined by bundle of voice and data service revenues) declined 2.2% YoY in FY20. Blended ARPU increased slightly at 1.0% in FY20 despite declining trends in prepaid and postpaid from customer spending optimization. EBITDA (before other items), excluding one-time effect, was relatively flat in FY20 primarily due to lower network OPEX and SG&A despite challenging external environment. EBITDA margin for FY20 was 38.3%. However, excluding revenues from CAT lease agreements and TOT network rental, EBITDA margin stood at 43.1%. Net profit for FY20 amounted to THB 5,107 million.

Our guidance for FY21 includes a low single-digit decline for service revenue excluding IC, low single-digit decline for EBITDA, and THB 13-15 billion CAPEX.

Operational Summary

At the end of FY2020, total subscriber base stood at 18.9 million, declining 1.8 million from the end of last year. The decline was accounted mostly by prepaid, reflecting primarily loss in tourist and migrants, and lower acquisition following the lockdown crisis and intense competition. Postpaid subscriber base stood at 6.1 million, reflecting a decline of 321k from FY19 but increasing 63k QoQ. Prepaid subscriber dropped 1.5 million YoY but increasing 110k QoQ to 12.8 million, reflecting gradual recovery following the Company's focus on Thai mass segment in the second half of the year.

Average Revenue per User excluding IC (ARPU) for FY20 was THB 252 per month, which was a slight increase of 1.9% YoY. At the end of FY2020, postpaid subscriber base accounted for approximately 32.4% of total subscriber base. Postpaid ARPU for FY2020 was THB 518 per month, showing an increase of 0.6% YoY, while prepaid ARPU was THB 128 per month, showing a decline of 6.4% YoY, driven by customer spending optimization.

Traffics on TOT's 4G-2300MHz network continued to stay at the high levels, driven by change in customer behavior as part of the new normal adaptation after the lockdown. No. of 4G-2300MHz installed base stations under the partnership with TOT reached approximately 20,400 at end of FY2020, increasing by approximately 3,000 base stations from FY2019. The number of 4G users reached 12.2 million, representing approximately 64% of total subscriber base. The number of 4G compatible device increased to 83% of total subscriber base. Smartphone penetration reached 87.5%.

Active subscribers (in thousand)	Q419	Q320	Q420	%QoQ	%YoY	FY2019	FY2020	%YoY
Postpaid	6,427	6,043	6,106	1.0%	-5.0%	6,427	6,106	-5.0%
Prepaid	14,214	12,641	12,750	0.9%	-10.3%	14,214	12,750	-10.3%
Total active Subscribers	20,642	18,683	18,856	0.9%	-8.6%	20,642	18,856	-8.6%
Net additional subscribers (in thousand)	Q419	Q320	Q420	%QoQ	%YoY	FY2019	FY2020	%YoY
Postpaid	45	(34)	63	-287.8%	40.8%	357	(321)	-190.0%
Prepaid	181	(73)	110	-250.6%	39.4%	(917)	(1,464)	-59.7%
Total net additional Subscribers	226	(107)	173	-262.4%	23.5%	(560)	(1,785)	-218.7%
MoU (minutes/sub/month)	Q419	Q320	Q420	%QoQ	%YoY	FY2019	FY2020	%YoY
Postpaid	216	199	199	0.1%	-8.2%	223	201	-10.1%
Prepaid	85	78	76	-2.2%	-9.8%	85	79	-6.7%
Blended MoU	123	117	116	-0.9%	-6.0%	124	118	-5.3%
Postpaid excluding Incoming minutes	150	136	137	0.5%	-9.1%	156	138	-11.9%
Prepaid excluding Incoming minutes	61	54	53	-1.9%	-12.9%	62	55	-11.2%
Blended MoU excluding Incoming minutes	87	81	80	-0.6%	-8.1%	89	82	-8.6%
ARPU (THB/sub/month) - (Post-TFRS 15)	Q419	Q320	Q420	%QoQ	%YoY	FY2019	FY2020	%YoY
Postpaid	541	531	518	-2.4%	-4.2%	533	532	-0.3%
Prepaid	144	133	131	-1.1%	-8.8%	142	132	-7.2%
Blended ARPU	263	262	256	-1.9%	-2.6%	256	259	1.0%
Postpaid excluding IC	523	517	505	-2.3%	-3.3%	515	518	0.6%
Prepaid excluding IC	138	129	128	-1.1%	-7.8%	137	128	-6.4%
Blended ARPU excluding IC	254	255	250	-1.8%	-1.6%	247	252	1.9%

Financial Summary

Revenues

Total revenues in FY20 amounted to THB 78,818 million, decreased at 2.9% YoY from decline in service revenue and handsets & starter kit sales. The decrease was slightly offset by higher other operating income from TOT 2300 MHz network rental. Service revenues excluding IC decreased 4.6% YoY down to THB 58,412 million.

Core service revenues (defined by bundle of voice and data service revenues) in FY20 amounted to THB 56,711 million, reducing 2.2% YoY from prolonged economic impact from COVID-19 and intense competition in prepaid.

International Roaming (IR) revenues in FY20 amounted to THB 274 million, decreasing by 67.0% YoY. The significant reduction reflected the COVID-19 impact on international travel bans from Q220 throughout the rest of the year.

Other service revenues in FY20 amounted to THB 1,427 million, a reduction of 41.2% YoY from declining trend in IDD revenues.

Handset and starter kit sales in FY20 amounted to THB 6,980 million, decreasing 19.1% YoY, reflecting impact from shop closures in Q220 and lower units sold as a result of customer spending optimization.

Cost of Services

Cost of services excluding IC in FY20 amounted to THB 45,510 million, increasing 4.9% YoY from higher depreciation and amortization, and other cost related to partnership with TOT on the 2300 MHz spectrum, offsetting by lower regulatory and network cost.

Regulatory costs in FY20 amounted to THB 2,350 million, decreasing 10.8% YoY. The annual reduction reflected one-time gain during the year. Regulatory costs in FY20 accounted for 4.0% of service revenue (excluding IC), which decreased from 4.3% in FY19.

Network OPEX in FY20 amounted to THB 6,628 million, reducing 6.2% YoY primarily from network cost optimization initiatives and reduction in CAT lease expense.

Other operating costs of services in FY20 amounted to THB 17,243 million, increasing 12.9% YoY, driven by roaming cost on 2300 MHz paid to TOT. TOT's 2300 MHz roaming cost, net of corresponding revenues, was approximately THB 4,966 million in FY20, reflecting a small increase of THB 99 million from FY19.

Depreciation and Amortization (D&A) of costs of services in FY20 amounted to THB 19,289 million, increasing 4.9% YoY, driven by amortization of 26 GHz and 700 MHz licenses and continuing network expansion.

Selling, General and Administrative Expenses (SG&A)

SG&A expenses in FY20 amounted to 14,409 million, decreasing 6.6% YoY. The reduction was driven by lower selling and marketing and general administrative expenses from structural efficiencies and prioritization and lower level of activities during the lockdown, and slightly offset by increase in provision for bad debt from earlier in the year.

Selling and Marketing (S&M) expenses in FY20 amounted to THB 4,108 million, decreasing 12.9% YoY from significantly lower activities in Q220 and structural optimization and spending prioritization effort throughout the year.

General administrative expenses in FY20 amounted to THB 7,063 million, decreasing 9.0% YoY from structural optimization and well-controlled spending.

Provision for bad debt in FY20 amounted to THB 1,576 million, increasing 17.5% YoY. The increase was primarily driven by the higher bad debt level in Q120, which was brought down in the following three consecutive quarters. Postpaid bad debt, which contributed to almost all of bad debt, was 3.9% of postpaid revenues in FY20, increasing from 3.4% of postpaid revenues in FY19.

Depreciation and Amortization (D&A) of SG&A in FY20 amounted to THB 1,662 million, increasing 3.3% YoY.

EBITDA and Net Profit

EBITDA (before other items) in FY20 amounted to THB 30,193 million. Excluding one-time effect in Q420, the figure was flattish YoY and reflective of soft top line development offset by well managed network OPEX and SG&A expenses. EBITDA margin (excluding revenues from CAT lease agreements and TOT network rental) was 43.1% in FY20, increasing from 38.0% in FY19.

Net profit for FY20 amounted to THB 5,107 million, decreasing 5.8% YoY.

Income statement (THB million) - (Post-TFRS 15&16)	Q419	Q320	Q420	%QoQ	%YoY	FY2019	FY2020	%YoY
Core service revenues (Voice & Data)	14,811	14,003	13,826	-1.3%	-6.7%	57,974	56,711	-2.2%
IR revenues	210	46	(39)	-183.8%	-118.5%	831	274	-67.0%
Other service revenues	549	326	295	-46.4%	-46.4%	2,425	1,427	-41.2%
Service revenues ex. IC	15,570	14,375	14,082	-2.0%	-9.6%	61,231	58,412	-4.6%
IC revenue	546	386	367	-4.9%	-32.8%	2,102	1,581	-24.8%
Service revenues	16,116	14,761	14,449	-2.1%	-10.3%	63,333	59,993	-5.3%
Handsets and starter kits sales	2,727	1,249	2,655	112.6%	-2.6%	8,629	6,980	-19.1%
Other operating income	2,580	3,043	3,427	12.6%	32.8%	9,206	11,845	28.7%
Total revenues from sales and services	21,423	19,053	20,531	7.8%	-4.2%	81,167	78,818	-2.9%
Cost of services	(11,947)	(11,738)	(12,082)	2.9%	1.1%	(45,565)	(47,102)	3.4%
Regulatory	(641)	(603)	(573)	-5.0%	-10.6%	(2,634)	(2,350)	-10.8%
Network	(1,806)	(1,466)	(1,763)	20.2%	-2.4%	(7,070)	(6,628)	-6.2%
IC	(538)	(429)	(360)	-16.0%	-33.0%	(2,195)	(1,592)	-27.4%
Others	(4,260)	(4,391)	(4,691)	6.8%	10.1%	(15,279)	(17,243)	12.9%
Depreciation and Amortization	(4,701)	(4,849)	(4,694)	-3.2%	-0.2%	(18,388)	(19,289)	4.9%
Cost of handsets and starter kits	(3,369)	(1,487)	(3,370)	126.6%	0.0%	(10,549)	(8,871)	-15.9%
Total costs	(15,316)	(13,226)	(15,452)	16.8%	0.9%	(56,114)	(55,973)	-0.3%
Gross profit	6,107	5,827	5,079	-12.8%	-16.8%	25,053	22,845	-8.8%
SG&A	(4,426)	(3,443)	(4,172)	21.2%	-5.7%	(15,430)	(14,409)	-6.6%
Selling & Marketing expenses	(1,273)	(1,031)	(1,103)	7.1%	-13.3%	(4,717)	(4,108)	-12.9%
General administrative expenses	(2,384)	(1,631)	(2,346)	43.8%	-1.6%	(7,763)	(7,063)	-9.0%
Provision for bad debt	(363)	(351)	(327)	-6.9%	-9.9%	(1,341)	(1,576)	17.5%
Depreciation and Amortization	(406)	(431)	(396)	-8.1%	-2.3%	(1,609)	(1,662)	3.3%
Loss from Asset Impairment	-	-	-	N/A	N/A	-	-	-100.0%
Gain (loss) on fair value hedge	-	(30)	(1)	-97.2%	N/A	-	134	-100.0%
Gain (loss) from fair value measurement of derivative assets	-	-	-	N/A	N/A	-	164	-100.0%
Gain/Loss on foreign exchange	30	5	(4)	-182.4%	-114.5%	(15)	31	-307.5%
Interest income	13	3	7	95.0%	-50.7%	58	26	-55.0%
Other income & share of profit from investment in associated company	(2)	33	0	-99.2%	-116.8%	(6)	27	-579.9%
EBIT	1,723	2,395	908	-62.1%	-47.3%	9,660	8,818	-8.7%
Financial cost	(802)	(689)	(664)	-3.7%	-17.3%	(3,269)	(2,859)	-12.6%
Corporate income tax	(127)	(270)	36	-113.4%	-128.4%	(969)	(853)	-12.0%
Non-controlling interest	0	-	-	n.m.	n.m.	0	-	n.m.
Net profit attributable to equity holders	794	1,436	281	-80.5%	-64.7%	5,422	5,107	-5.8%
EBITDA (THB million)* - (Post-TFRS 15&16)	Q419	Q320	Q420	%QoQ	%YoY	FY2019	FY2020	%YoY
Net profit for the period	794	1,436	281	-80.5%	-64.7%	5,422	5,107	-5.8%
Finance costs	802	689	664	-3.7%	-17.3%	3,269	2,859	-12.6%
Income tax expenses	127	270	(36)	-113.4%	-128.4%	969	853	-12.0%
Depreciation & Amortization	5,107	5,281	5,090	-3.6%	-0.3%	19,997	20,951	4.8%
Other items	509	81	663	721.1%	30.3%	760	424	-44.3%
EBITDA	7,339	7,757	6,662	-14.1%	-9.2%	30,417	30,193	-0.7%
EBITDA margin	34.3%	40.7%	32.4%			37.5%	38.3%	
EBITDA margin (based on total revenues excluding revenues from CAT lease agreement and TOT network rental in the denominator)	38.8%	47.7%	38.5%			38.0%	43.1%	

* EBITDA herein is EBITDA before other incomes and other expenses. Please see more details in the note of the financial statement.

4.2 Outlook 2021

In FY2021, the Company strives to maintain our customer-centric approach in serving products and services that matter to our customers alongside investing for network expansion for improved customer experience while maintaining efficient operations with enhanced digital capabilities and innovation.

2021 guidance:

- Service revenue excluding IC: low single-digit decline
- EBITDA: low single-digit decline
- Capital expenditure: THB 13-15 billion

The Company maintains our dividend policy which is to pay out dividend not less than 50% of the Company's net profits based on the separate financial statements, depending on financial position and future business plans, and aim to pay dividend semi-annually. Based on net profits of the Company for 2020, the Board of Directors has approved an annual dividend of THB 2.12 per share, subject to shareholders' approval at the Annual General Meeting 2021. The Record Date will be 15 February 2021 and the payment is scheduled to be made on 20 April 2021.

4.3 Balance Sheet and Key Financial Information

At the end of FY20, total assets amounted to THB 174,280 million, increasing from THB 167,258 million at the end of FY19. Cash and cash equivalent amounted to THB 6,647 million, decreasing from THB 8,528 million at the end of FY19 mainly from licenses payment, slightly offset by better working capital management. Interest-bearing debt including lease liabilities increased from THB 65,029 million at the end of FY19 to THB 69,962 million. Net debt to EBITDA (including lease liabilities) was 2.3x, increasing from 2.1x the end of FY19.

CAPEX in FY20 amounted to THB 9,728 million. Operating cash flow (defined by EBITDA minus CAPEX) amounted to THB 20,465 million.



Statement of financial position (THB million) (Post-TFRS 15 & 16)	End of 2019	End of FY2019
Cash and cash equivalent	8,528	6,647
Other current assets	14,068	15,075
Non-current assets	144,662	152,558
Total assets	167,258	174,280
Current liabilities	60,149	48,426
Non-current liabilities	82,143	101,539
Total liabilities	142,292	149,965
Total shareholders' equity	24,966	24,315
Total liabilities and equity	167,258	174,280

Cash flows statement (THB million) (Post-TFRS 15 & 16)	FY2019	FY2020
Cash flows from operating activities	20,748	30,550
Cash paid for interest expenses and tax	(3,213)	(4,608)
Net cash flows from operating activities	17,535	25,942
Net cash flows from investing activities	(17,794)	(20,786)
Net cash receipt/(Repayment)	(2,319)	(1,165)
Dividend paid	(2,983)	(5,872)
Net cash flows from financing activities	(5,303)	(7,037)
Net change in cash	(5,562)	(1,881)

Debt repayment schedule (THB million), end of FY20	Loan	Debenture
In 2021	4,000	2,500
In 2022	3,333	3,000
In 2023	3,333	6,000
From 2024	3,333	27,500
Total	14,000	39,000

Key Financial Ratio (Post-TFRS 15&16)	Q320	Q420	FY2019	FY2020
Return on Equity (%)***	23.2%	20.7%	23.1%	20.7%
Return on Asset (%)****	6.4%	5.2%	6.1%	5.2%
Net debt to EBITDA (times)	2.0 x	2.3 x	2.1 x	2.3 x
CAPEX to Total Revenue (%)	11.0%	26.2%	16.0%	12.3%

*** Net profit attributable to equity holder (LTM) divided by average equity

**** EBIT (LTM) divided by average assets

Spectrum payment schedule (as of the end of 2020)

Frequency band	Winning price (THB mm)	Period ending 31 December								
		2021	2022	2023	2024	2025	2026	2027	2028	2029
900MHz	38,064	3,806	3,806	3,806	3,806	3,806	3,806	3,806	-	-
1800MHz	12,511	3,128	-	-	-	-	-	-	-	-
700MHz	17,584	1,758	1,758	1,758	1,758	1,758	1,758	1,758	1,758	1,758
Total spectrum payment	68,159	8,693	5,565	5,565	5,565	5,565	5,565	5,565	1,758	1,758



General and Other Significant Information



5. General Information

and other significant information

5.1 General Information

Name	Total Access Communication Public Company Limited
Address	319 Chamchuri Square Building, 41 st Floor, Phayathai Road, Pathumwan, Sub-district, Pathumwan District, Bangkok 10330
Tel	(66 2) 202 8000
Website	www.dtac.co.th
Share Registrar	Thailand Securities Depository Company Limited 93 Ratchadapisek Road, Dindaeng Sub-district, Dindaeng District, Bangkok 10400 Tel: (66 2) 009 9000 Fax: (66 2) 009 9991 Call Center: (66 2) 009 9999 Website: www.set.or.th/tsd
Auditor	Mrs. Gingkarn Atsawarangsalit Certified Public Accountant No. 4496 EY Office Limited 33 rd Floor, Lake Rajada Office Complex, 193/136-137 Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok 10110 Tel: (66 2) 264 0777 Fax: (66 2) 264 0789-90 Website: www.ey.com
Debenture Registrar of dtac TriNet Co., Ltd. which is a wholly owned subsidiary of the Company (99.99%)	Bangkok Bank Public Company Limited 333 Silom Road, Silom Sub-district, Bangrak District, Bangkok 10500 Tel: (66 2) 230 1478 Fax: (66 2) 626 4545-6 Website: www.bangkokbank.com

5.2 Other significant information

5.2.1 Significant agreements

This part is to summarize or brief key terms of certain significant agreements entered into by the Company with other parties. However, since certain agreements were entered into before a change in law and/or other relevant regulations governing the telecommunication business, certain provisions of these agreements might no longer be enforceable due to their conflict with the amended laws or relevant regulations. The below information is therefore for reference only.

1) Mobile Domestic Roaming Agreement between dtac TriNet and TOT

The Company has approved dtac TriNet, a subsidiary of the Company, to enter into the Mobile Domestic Roaming Agreement (“Roaming Agreement”) with TOT to use the mobile domestic roaming service on 2300 MHz spectrum of TOT so that dtac TriNet’s mobile service users are able to use the mobile domestic roaming service on 2300 MHz spectrum of TOT, provided that mobile domestic roaming service fees shall be paid to TOT in accordance with the terms and conditions of the Roaming Agreement.

Details of the Roaming Agreement summarized below are given for reference only.

Execution Date	23 April 2018
Term	23 April 2018 to 3 August 2025
Objectives	dtac TriNet agrees, with terms and conditions specified in the Roaming Agreement, to use the mobile domestic roaming on 2300 MHz of TOT licensed by NBTC to enable dtac TriNet’s mobile service users to use the mobile domestic roaming service on 2300 spectrum of TOT.
Consideration	dtac TriNet shall pay mobile domestic roaming service fees to TOT in accordance with the terms and calculations under the Roaming Agreement

2) Lease of Telecommunications Equipment Agreement between TeleAssets Co., Ltd., and TOT

The Company has approved TeleAssets Co.,Ltd., (“TeleAssets”) a subsidiary of the Company, to enter into the Lease of Telecommunications Equipment Agreement (“Lease Agreement”) with TOT where TeleAssets agrees to procure, install and maintain the telecommunications equipment (“Telecom Equipment”) and agrees to lease out such Telecom Equipment to TOT so that TOT can lease and use such Telecom Equipment to provide telecommunications service on 2300 MHz spectrum, provided that TeleAssets shall receive the rental and service fees from TOT in accordance with the terms and conditions of the Lease Agreement.

Details of the Lease Agreement summarized below are given for reference only.

Execution Date	23 April 2018
Term	23 April 2018 to 3 August 2025
Objectives	TeleAssets agrees to procure, install and maintain Telecom Equipment and agrees to lease out such Telecom Equipment to TOT for use of its 2300 MHz spectrum between 2310 – 2370 MHz licensed by NBTC so that TOT may use such Telecom Equipment in providing service on 2300 MHz to its users.
Consideration	TOT agrees to make monthly payments of rental and service fees at the rate specified in the Lease Agreement only for those Base Stations which have been delivered, accepted and are in service.
Rights and Obligations of TeleAssets	<p>(1) to procure and install the Telecom Equipment (including all relevant software) on location and in accordance with specifications as specified in the Lease Agreement. The Parties agree that TeleAssets shall procure 20,400 base stations by 31 December 2020 and 21,300 base stations by 31 December 2021</p> <p>(2) to maintain and repair Telecom Equipment (including hardware and software) to be in efficient working condition in accordance with the Service Level Agreement under the Lease Agreement and all relevant notifications of NBTC</p>
Rights and Obligations of TOT	<p>(1) to control and manage the 2300 MHz spectrum network of TOT</p> <p>(2) to access Call Detail Records and collect and process the details of usage of each service</p> <p>(3) to control and manage Telecom Equipment in accordance with the Lease Agreement</p> <p>(4) to facilitate TeleAssets to access the Base Stations located at the sites of the Lessee to operate such Base Station</p> <p>(5) to coordinate with and assist TeleAssets with the import of Telecom Equipment under the Lease Agreement and the application for all licenses relating to all Telecom Equipment from competent authorities, such as telecommunications station installation license and license for the use of Telecom Equipment.</p> <p>(6) to comply with the conditions in the telecommunications business licenses and conditions for usage of 2300 MHz Spectrum in the provision of mobile phone services.</p>

5.3 Legal Disputes

As of 31 December 2020, the Company and its subsidiaries are litigants or parties in significant cases or disputes that have not yet finalized, details are as follows:

a. Dispute between the Company and CAT regarding the collection of excise tax on the provision of telecommunication services

On 11 February 2003, the Cabinet passed a resolution granting telecommunications service operators, including the Company, to have the right to deduct the excise tax paid to the State throughout the year (excluding interest, fines or any additional money) from the amount of royalty that the Company has to pay to CAT at the end of the concession year under the Concession Agreement. On 27 March 2003, CAT issued a letter informing the Company to comply with such cabinet resolution. However, such cabinet resolution was subsequently revoked on 23 January 2007.

After the above cabinet resolution was revoked, on 11 January 2008, CAT submitted its petition to the Arbitration Institute demanding the Company to pay additional royalty for the 12th to 16th concession years together with fine and VAT in the total amount of approximately THB 23,164 million, as if CAT had never allowed the Company to deduct the excise tax paid to the State from the royalty that the Company had to pay to CAT under the Concession Agreement. The Arbitral Tribunal issued an award dated 28 May 2012 in favor of the Company and dismissed CAT's petition. However, on 31 August 2012, CAT submitted a petition to the Central Administrative Court to revoke the arbitral award, and on 29 January 2016, the Central Administrative Court rendered its decision not to revoke the arbitral award. CAT has appealed the judgment of the Central Administrative Court to the Supreme Administrative Court. The case is currently being considered by the Supreme Administrative Court.

b. Dispute between the Company and CAT regarding the method for calculating the royalty payable from Interconnection Charges the Company received from other telecommunication operators in accordance with the NBTC's notification. (Interconnection Charge)

In 2011, CAT submitted a petition to the Arbitration Institute demanding the Company pay additional royalties for Interconnection Charge revenue in the 16th concession year (16 September 2006 - 15 September 2007) amounting to approximately THB 4,026 million with a penalty at the rate of 1.25 percent per month. CAT's petition was based on the fact that the Company calculated the royalty payable to CAT by offsetting Interconnection Charge revenue the Company received from other operators and the Interconnection Charge expenses that the Company had been charged by other operators. However, CAT requested the Company to pay the royalty based on the total Interconnection Charge revenue it received from all other operators without deducting the Interconnection Charge expenses that the Company was charged by other operators. Subsequently, on 25 December 2019, the Company received an award from the Arbitral Tribunal dismissing CAT's petition requesting the Company to pay additional royalty for Interconnection Charge revenue for the 16th concession year. However, CAT submitted a petition to revoke the award to the Central Administrative Court. Currently, the case is under the consideration of the Central Administrative Court.

In 2012, CAT submitted a petition to the Arbitration Institute demanding the Company to pay additional royalties for the Interconnection Charge revenue for the 17th concession year amounting to approximately THB 3,860 million together with a penalty. On 27 December 2019, the Company received an award from the arbitral tribunal ordering the Company to pay additional royalties for the Interconnection Charge revenue for the 17th concession year in the amount of THB 3,957 million, with default interest at 7.5 percent per year.

In 2013, CAT submitted a petition to the Arbitration Institute demanding the Company to pay additional royalties for the Interconnection Charge revenue for the 18th concession year amounting to approximately THB 3,340 million together with a penalty. On 26 December 2019, the Company received an award from the arbitral tribunal ordering the Company to pay additional royalties for the Interconnection Charge revenue for the 18th concession year in the amount of THB 3,438 million, with default interest at 7.5 percent per year.

In 2015, CAT submitted a petition to the Arbitration Institute demanding the Company to pay additional royalties for the Interconnection Charge revenue for the 19th concession year amounting to approximately THB 3,667 million together with a penalty.

In 2015, CAT submitted a petition to the Arbitration Institute demanding the Company to pay additional royalties for the Interconnection Charge revenue for the 20th concession year amounting to approximately THB 3,914 million together with a penalty. On 6 February 2020, the Company received an award from the arbitral tribunal ordering the Company to pay additional royalties for the Interconnection Charge revenue for the 20th concession year in the amount of THB 4,346 million, with default interest at 7.5 percent per year.

The Company does not agree with the arbitral awards in which the arbitral tribunal requires the Company to pay additional royalties for the Interconnection Charge revenue for the 17th concession year, 18th concession year and 20th concession year. The Company submitted petitions to withdraw the arbitral award for the additional royalty disputes for the Interconnection Charge revenue for the 17th concession year, 18th concession year and 20th concession year to the Central Administrative Court. Currently, the cases are under the consideration of the Central Administrative Court.

The arbitral awards only have legal effect on the disputes at issue, and have no legal or binding consequences for any other related disputes.

In 2019, CAT submitted a petition to the Arbitration Institute demanding the Company to pay additional royalties for the Interconnection Charge revenue for the 21st – 27th concession years amounting to approximately THB 15,879 million together with a penalty.

On 29 October 2020, the Company received an order from the Central Administrative Court requesting the company to file statement against CAT's petition seeking the enforcement of the arbitral decision of 17th concession year.

c. **Overcharging mobile phone usage allegation (Class action)**

On 24 July 2018, a class action lawsuit was filed against the Company and dtac TriNet, alleging that the practice of charging for calls per minute (rounded up) instead of per second is overcharging, breaching customer agreements and certain NBTC resolutions. The claim relates to calls from June 2016 to July 2018 and includes demands for punitive damages and interest. On 29 July 2020, the court accepted the case as a class action but has not yet made any ruling on the underlying merits of the claims. Currently, the case is under the consideration of the Civil Court.

5.4 Secondary Market

- None

5.5 Regular Financial Institutes (in case the Company issued bonds)

- None



Corporate Governance

6. Corporate Governance Policy

6.1 Overview of the Corporate Governance Policy and Guideline

The Board of Directors and the Management of the Company are committed to the principles of good corporate governance pursuant to the Corporate Governance Code for listed companies 2017 of The Securities and Exchange Commission and the Principles of Good Corporate Governance for Listed Companies 2012 of the Stock Exchange of Thailand in order to sustain and maximize long term value of the shareholders.

The Board of Directors has established corporate governance policies, which set out the key governing bodies in the Company and process in respect of risk management, strategy, financial reporting and internal control. The Company has been emphasizing greatly on the principles of good corporate governance where the principles of good corporate governance of the Company are in line with the Principles of Good Corporate Governance for Listed Companies of the Securities and Exchange Commission and the Stock Exchange of Thailand. From the assessment on corporate governance practices of Thai listed companies assessed by the Thai Institute of Directors Association (IOD) in 2020, the Company is one of 240 companies that were awarded a level of “excellent” (CG scoring equal or above 90%) among 692 listed companies which were assessed. This shows that the Company has been committed to the Principles of Good Corporate Governance for sustainability development. Details of the Company’s practices of the good corporate governance are set out in 5 categories as follows:

Section 1 Rights of Shareholders

The Board of Directors realizes and places importance on the fundamental rights of the shareholders, i.e., the rights to trade and transfer shares, receive the Company’s profit distribution, independently and equally attend and vote at general meetings of shareholders, decide on the Company’s important matters, appoint or remove directors, determine directors’ remuneration, appoint auditors, determine auditors’ remuneration and receive the Company’s information promptly, completely, and sufficiently through an easy-to-access channel. The Company encourages its shareholders to fully exercise their rights through the general meetings of shareholders (the Company has only one type of shares that is ordinary share and one share has one voting right) so that the shareholders can participate in any decision-making that affects or relates to their rights and benefits.

The Company has a policy to support and facilitate the shareholders, including institutional investors, to attend the general meetings of shareholders. The Company announced the date of the meeting in advance via channel provided by the Stock Exchange of Thailand on 15 July 2020 and fixed the record date to collect the list of shareholders who have the right to attend the meeting on 29 July 2020. The meeting was held through electronic media (E-meeting) according to the Emergency Decree on Electronic Meeting B.E. 2563 with utmost concern for the health and safety of all shareholders, attendees and staff due to the outbreak of the 2019 coronavirus (COVID-19) in Thailand, but still providing opportunities for the shareholders to attend the meeting easily and safely. The Company provided opportunities for the shareholders to submit registration documents for attending the meeting in advance of the meeting date and also provided registration and verification channels through link or scanning QR Code in advance. In addition, the Company arranged the system administrators for providing advices, responding inquiries and solving problems regarding the registration or logging in to the E-meeting system. To facilitate the shareholders, the Company used E-voting system for counting votes to expedite and ensure the accuracy of the vote computation process.

The Company conducts the general meetings of shareholders in a transparent manner with verification mechanisms. The shareholders are provided with an opportunity to raise questions and express opinions relating to an agenda which then were summarized and recorded in the minutes. The directors, relevant senior Management and the auditor of the Company are encouraged to attend such meetings to provide answers to and acknowledge the opinions of the shareholders.

The Company held the 2020 Annual General Meeting of Shareholders on 31 August 2020 through electronic media according to the Emergency Decree on Electronic Meeting B.E. 2563. There were 24 Directors and senior Management attending the 2020 Annual General Meeting of Shareholders.

The Company engaged Thailand Securities Depository Co., Ltd., its registrar, to send the invitation notice to the meeting, together with the supporting documents, to the shareholders on 14 August 2020. The invitation notice and supporting documents in both Thai and English version were published on the Company's website at www.dtac.co.th on 31 July 2020 or 30 days prior to the meeting in order to facilitate the shareholders with an easy and prompt access to the information relating to the meeting. The invitation notice was completed with the Meeting's agenda items, supplementary documents and the Board's opinions on each agenda item and clearly stated type of the agenda, be it for the acknowledgement or approval. A proxy form, which was stipulated by the Ministry of Commerce, was also included in the invitation notice, while 3 independent directors were available to act as shareholders' proxy.

The Company provided opportunities in advance for the shareholders to submit questions relevant to the meeting agenda, as well as to propose agenda item, and to nominate person to be appointed as the Company's director at the 2020 Annual General Meeting of Shareholders during 3 October 2019 - 15 January 2020 through channel provided by the Stock Exchange of Thailand and published on the Company's website at www.dtac.co.th on 3 October 2019. However, no question, agenda item, or nominated person were submitted.

Before the meeting began, the Company explained to all shareholders the criteria and the procedures for vote. Shareholders or proxy holders have voting right equal to number of shares they held, and such voting rights could not be split (with exception of the C-type proxy). The Company also provided an independent external legal advisor (inspector) to supervise the meeting and the voting process to ensure that they were conducted in accordance with applicable laws and the Articles of Association of the Company. At the meeting, the Chair of the meeting provided opportunities for the shareholders to express their opinions and to make inquiries relevant to the Company and the meeting agenda.

On the same day after the conclusion of the meeting, the Company informed the SET, in the form of a newsletter, the resolution of each agenda of the 2020 Annual General Meeting of Shareholders by indicating the votes as “approved”, “disapproved” or “abstained from voting”.

Section 2 Equitable Treatment of Shareholders

The Board of Directors places importance on fair and equitable treatment to all shareholders; as a result, the following actions have been implemented:

The Company has a policy to protect the rights of all shareholders. At the 2020 Annual General Meeting of Shareholders, the Chair of the meeting conducted the meeting in accordance with the agenda as set forth in the invitation notice to the meeting. No agenda was added without prior notification to the shareholders. All shareholders were entitled to vote based on the number of shares held by each shareholder whereby one share was equal to one vote.

The Company has not implemented a cumulative voting system as the Company’s Articles of Association prescribes that a director is elected by using a majority vote. However, the Company has provided other mechanisms to protect the rights of minority shareholders by setting out relevant policy and procedure for selection of knowledgeable and competent person to serve as the Company’s directors. Shareholders have the right to propose agenda and candidates for directorship at the Annual General Meeting of Shareholders in accordance with the relevant rules and regulations of the Company. The candidates for Chairmanship and directorship shall possess necessary knowledge and experience in telecommunications business or related businesses which are beneficial to the Company’s business. The procedure for selection of the independent directors also ensures that the independent directors would function to the best interest of the Company and its shareholders.

The shareholders who could not attend the meeting in person were entitled to appoint an independent director of the Company or any other person to attend the meeting and vote on their behalf. The Company prepared proxy forms as prescribed by the Ministry of Commerce, whereby the shareholders may give their proxies voting instruction. The proxy forms were delivered to the shareholders together with the invitation notice to the meeting. Additionally, the shareholders could download the proxy forms from the Company’s website at www.dtac.co.th.

The Company appointed outside experts who had experience working with Thailand Securities Depository Co., Ltd. to proceed with the registration and vote counting through electronic system. As for the agenda regarding election of directors, the Company provided the shareholders with an opportunity to elect each director individually. The vote counting in each agenda was conducted openly and transparently and log files were collected and maintained for further examination.

The Company prepared the minutes of the 2020 Annual General Meeting of Shareholders and posted the video record of the meeting on the Company's website at www.dtac.co.th, within 14 days after the meeting.

Section 3 Roles of Stakeholders

(1) Right of Stakeholders

The Company realizes the rights of all groups of stakeholders, whether internal or external, and has undertaken to ensure that such rights are well protected and treated, in order to create good understanding and co-operation between the Company and its stakeholders, which will be advantageous to the operation of the Company, create confidence and stability for the Company and its stakeholders and increase the ability of the Company to compete in the long term.

Rights of Shareholders

The Company realizes and places importance on the rights of the shareholders as the owners of the Company. The Company has ensured equal and fair treatment among all shareholders through its accurate, transparent and timely disclosure of information and safeguarding of its assets. The Company aims to operate its business in a manner which is profitable and maintains sustainable growth, so as to increase the long-term value for the shareholders. Further details on the rights of shareholders are demonstrated in Section 1 Rights of Shareholders and Section 2 Equitable Treatment of Shareholders.

Rights of Employees

The Company has always regarded its employees as valuable resources, whose roles are fundamental to the success of the Company. Accordingly, the Company aspires to increase the potential of its employees throughout their career by enhancing skills, knowledge and mindset of its employees, as well as providing every employee with an opportunity to manage and control their career progression on an equitable basis and offering appropriate remuneration to its employees. The Company has studied and reviewed the organization structure, role, and responsibility of each unit, evaluated the performance and work progress of employees regularly, in order to build internal potential and organization readiness for being the best organization. The Company also places an emphasis on employees' remuneration policy which is needed to align with the Company's performance both short-term and long-term.

The Company places importance on the welfare and safety of its employees. The Company provides fundamental welfare and benefits as required by law, such as working hours, holidays, annual leaves, and any other types of leaves including six-month maternity leave with pay and paternity leave, as well as social security, workmen compensation fund and provident fund, and constantly communicates all benefits to its employees.

In addition to those as prescribed by law, the Company also provides other welfare to its employees, such as health insurance, which covers outpatient and inpatient treatment and dental care, life insurance, personal accident insurance, annual health check-up, and in-house medical and nursing treatment with doctors and nurses standing by at the Company's office during working hours, as well as providing healthcare measure, such as communication of preventive measures for epidemics and provision of protective masks and alcohol-based hand gel for its employees and visitors. Furthermore, the Company encourages its employees to exercise for good health by providing facilities, sport equipment and other sport activities, such as yoga and aerobics, etc. The Company also promotes good family relationship by providing various areas and activities, such as kids' room, library, breastfeeding room and activities during school vacation, to support employees who have the necessity to bring their children to the work place. In addition, the Company also provides financial aid to its employees in various cases, such as wedding, childbirth, ordination, death of close relatives and natural disasters, etc.

The Company promotes and supports its employees to participate in organization development by holding an election for the "House of Employee Representatives" to represent the employees and be the mediator for cooperation with the Company, in order to solve and relieve problems of its employees in addition to those welfare and benefits already provided by the Company to its employees, as well as to provide advices to and obtain opinions from its employees.

The Company has a safety and environmental management system which is in line and complies with the international standards on safety and environmental management system. The Company has set up a unit to oversee matters relating to occupational health, safety, security and environment to establish a policy and a code of conduct on health, security, safety and environment by specifying and promoting good health and the provision of safe working environment, as well as security and relevant measures to prevent accidents and illnesses from work in accordance with the internationally accepted standards. The Company has also arranged workshops and activities on safety and working environment in order to promote a culture of safe working environment in the organization. The Company has also set up an HSSE Committee for 3 groups in several areas, which consists of representatives from its employees and the management, working together to report and recommend solutions and improvement for safe working environment, and promote and encourage safe working behavior.

In order to develop and improve the organization to truly meet the needs of its employees, the Company invites its employees to complete an online questionnaire on employees' opinions towards the organization (Employee Engagement Survey) on an annual basis. The questionnaire covers employees' opinions towards their line managers, working teams and the Company, as well as guidelines and suggestions that would help develop the Company's potential. For this purpose, employees could freely express their feelings and opinions on the questionnaire; the information obtained from the questionnaire will be kept confidential.

Rights of Community, Society and Environment

The Company is strongly aware that it is a part of Thai society and has placed importance on responsibility towards community, society and environment. Hence, the Company has established a corporate responsibility framework that responds to concerns and expectations from this stakeholder group. The framework is based on the Company's policy and strategies in sustainability: 'Do the Right Thing' and 'Empower Societies to Reduce Inequalities and Raise Standards.' Results from social and environmental risk and impact assessments as well as from stakeholder engagements are also considered when designing and implementing the framework.

One of the most significant frameworks for social development is to promote safe and responsible use of Internet and communication technology, especially in children and youth which are considered a vulnerable group for such technology. The Company, therefore, has been implementing the Safe Internet Project where the goal is to increase digital resilience in children and youth. Key target groups are not only 5-16-year-old children and youth, but also parents and teachers.

In the environment area, the Company has implemented an effective environmental management system to ensure low environmental impacts to communities and Thailand in general. The system also allows the Company to control and manage business activities that may be risky to environment. The most significant aspect found is management of electronic and hazardous wastes that are generated by business operations, e.g. degraded batteries from base station towers, and by external parties, e.g. used mobile phones, used SIM cards and deteriorated accessories, etc.

In addition, the Company promotes efficient energy consumption in the business process. Initiatives, for instance, include designing the office at Chamchuri Square Building with an energy-saving and eco-friendly features as well as reducing energy consumption in the office by promoting 'Digital Workplace', or use of communication technology at work, e.g. e-conference, to reduce carbon emission from traveling, etc.

Rights of Customers

The Company aspires to enhance its efficiency in providing services, offer products and services which meet customers' demand and undertake relevant actions to ensure that customers will be confident and satisfied with the services of the Company. The Company has a clear policy that every customer will be equitably and fairly treated with respect and good manner on the principle of "customer centricity" or customer focus, in which understanding of customers' needs is a priority and shall be adhered to by all employees in performing their work on any matters. In this regard, the Company has arranged for internal activities throughout the year in order to provide all employees the opportunities to learn and exchange opinions which will be used by the Company to improve and encourage cooperation amongst divisions which will be directly or indirectly beneficial to the customers.

Currently, the Company provides service channels to support customers, namely the Service Center and the Call Center. Customers can visit the Company's Service Centers which are located in prime locations of Bangkok, its vicinities and upcountry, or dial 1678 to the Call Center for 24 hours. The Company also implements digital channels such as, dtac application, website, email and social networks e.g. Line dtac Connect, Facebook etc., for customer support.

The Company has a policy of protecting personal data of the customers, under which any processing of personal data must be undertaken cautiously and carefully and must be limited to the extent required for the Company to operate, provide relevant services and carry out related commercial activities for the best interest of the customers in accordance with the laws.

Rights of Business Partners

It is a policy of the Company to treat all business partners equitably and fairly. The Company has established written, easily understandable and standardized procedures for procurement to assure its business partners' confidence in the vendor selection process of the Company at all events. The Company has a clear policy on procurement for competitive bidding process. Negotiation of contracts between the Company and its business partners are undertaken based on general commercial terms.

The Company has a policy requiring its business partners to comply with the Supplier Code of Conduct in relation to various matters, such as, labor, health, safety, security, environment and corruption etc., which shall be of the same standard as the Company, which is in line with the internationally accepted standards. The Company conducts an onsite visit and sends questionnaires to its business partners on a regular basis in order to follow-up on the business partners' compliance with the supplier code of conduct. This aims to improve the standard of business operation and build sustainable growth of the business partners of the Company.

In addition, the Company also emphasizes on respecting intellectual property rights of business partners and other third parties. It is the Company's policy that directors, executives and employees of the Company and other persons acting on behalf of the Company shall avoid infringement of intellectual property rights of business partners and other third parties. At the same time, the directors, executives and employees of the Company and other persons acting on behalf of the Company shall protect and administer the Company's intellectual property in the interest of the Company as prescribed in the code of conduct "dtac Code of Conduct"

Rights of Competitors

The Company encourages and supports fair and transparent competition. The Company will not perform any act which would violate or contradict to any competition law or may cause damages to the reputation of its competitors. The Company competes in the market by offering good products and services at the right price and will deal with its competitors in an honest and professional manner.

Rights of Creditors

The Company aspires to maintain sustainable relationship with its creditors. The Company has a policy to treat its creditors equitably and fairly by providing correct, transparent and verifiable information to its creditors, and to strictly honor the terms and conditions of the contracts it has with its creditors whether in relation to the repayment of principal, interest and fees, maintenance of financial ratio or other conditions, etc. The Company will immediately inform its creditors in case the Company fails to comply with any condition in order to jointly find solutions.

Over the past years, the Company has complied with the terms and conditions of the contracts it has with its creditors.

(2) International Human Rights Principles

The Company supports internationally declared human rights which include declarations and treaties of the United Nations on human rights. Directors, Executives and employees of the Company and other persons acting on behalf of the Company shall respect personal dignity, privacy and individual rights of each person they are in contact with in the course of their duties, and shall not take any action which results in or supports the violation of any human rights as prescribed in the code of conduct “dtac Code of Conduct”.

Section 4 Disclosure of Information and Transparency

The Company complies with the regulations of the SEC, the Office of SEC and the SET in respect of disclosure of significant information, in particular, disclosure of financial information, the Company’s development, operational information, business performance and other relevant substantial information of the Company through the websites of the SET to ensure transparent and equitable disclosure. In addition, the Company regularly posts updated information, both in Thai and English, regarding its financial information, policies and CSR activities and Annual Registration Statements (Form 56-1 One Report) on its website at www.dtac.co.th. The Company also holds an analyst briefing in each quarter to announce its quarterly operating results to shareholders, investors, analysts, fund managers, and other interested persons. The Management of the Company attends the analyst briefing to clarify and answer inquiries raised by attending persons.

The Company realizes that the Company’s information, whether financial or non-financial information, will influence decision making of its shareholders and other general investors. Therefore, to ensure that significant information is disclosed accurately, promptly and transparently, the Company established an Investor Relations Division to efficiently and regularly communicate with its shareholders and general investors. Any interested person can obtain the Company’s information from the Investor Relations Division at telephone number +66-2202-8882 or email address IR@dtac.co.th.

In 2020, the Company had disclosed material information through the channel provided by the Stock Exchange of Thailand totaling 44 times, the Company also arranged relevant activities to visit and provide publicly disclosed information to shareholders, analysts, and investors from time to time, which could be summarized as follows;

Stakeholders	Engagement Channel	Frequency	Expectations	Response to stakeholders
Shareholders / Investors	Annual General Meeting of Shareholders (AGM)	Once a year	<ul style="list-style-type: none"> Fair treatment to all shareholders Disclosure with accuracy, punctuality and easy access 	<ul style="list-style-type: none"> Compliance with guidance and regulation of the Stock Exchange of Thailand and the Securities and Exchange Commission, Thailand
	Quarterly result announcement –Conference Call	Once a quarter	<ul style="list-style-type: none"> Growth of business and profit for shareholders 	<ul style="list-style-type: none"> Doing business with corporate governance and social responsibility
	Roadshow and conference meeting both local and international shareholders/ investors	15 times in 2020	<ul style="list-style-type: none"> Consistent dividend payment 	<ul style="list-style-type: none"> Making investments to support the Company's growth
	Investor Company Visit/ Conference Call	78 times in 2020		<ul style="list-style-type: none"> Compliance with dividend policy
	Investor Relations website	Frequently update information on website		<ul style="list-style-type: none"> Providing a variety of channels to communicate with shareholders and investors
	Investor Relations email	Daily		<ul style="list-style-type: none"> Regularly participating in activities, including roadshow and conference, to meet investors both local and abroad

The Board of Directors of the Company is responsible for the Company's financial statements and financial information contained in the Annual Registration Statements (Form 56-1 One Report). The financial statements have been prepared in accordance with the generally accepted accounting principles in Thailand. The Company has chosen an appropriate accounting policy and has applied the applicable accounting standard for each accounting period. The Board of Directors has appointed the Audit Committee to review the quality of the financial statements and internal control system of the Company, as well as sufficient disclosure of significant information in the notes to the financial statements, in order to ensure all accounting records are accurate, complete and adequate for the benefit of the shareholders and general investors. Furthermore, the Board of Directors has prepared the Board of Directors' report in the Annual Registration Statements (Form 56-1 One Report), providing information on the results of business operation and other important matters occurred within the year for the shareholders' acknowledgement.

In 2020, there is no action taken against the Company by the relevant regulators on the basis of any non-disclosure of any material information within the requisite timeframe.

6.2 Code of Conduct

The Board of Directors of the Company has established a Code of Conduct “dtac Code of Conduct”, which applies to its Directors, Management, employees and other persons acting on its behalf. The Company’s code of conduct has been in effect since 2006 and has been regularly updated to cover various subjects, such as, privacy, human rights, labor, occupational health, safety, security, environment, conflicts of interests, use of inside information, internal control, disclosure of information, anti-corruption, etc. in accordance with the international standard.

The corporate governance policies and the Code of Conduct can be found on the Company’s website at www.dtac.co.th and its intranet for easy access and reference of the Directors, Executives and employees of the Company. In addition, the Company has taken actions to raise awareness and understanding of the corporate governance policies and the Code of Conduct on a regular basis, for instance, providing the Code of Conduct and Manuals and arranging an orientation program for new employees and additional trainings on such subjects from time to time. The Company has also developed learning media on the code of conduct in cartoon version which explains various important topics in an easy and simplified way, e.g. conflict of interest, anti-corruption, bribery, gifts and business courtesies, personal information and privacy, information security as well as other important topics employee should be aware of. Furthermore, interactive e-learning programs are executed to increase awareness of employees over Code of Conduct and Anti-Corruption Policy. To monitor the compliance of the corporate governance policies, the Chief Executive Officer will perform an assessment of the implementation of the governing documents, the level of compliance and report the results to the Board of Directors at least once a year.

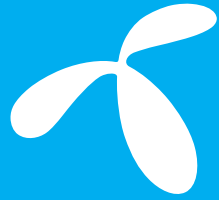
Policy and Guideline for Corporate Governance of the Company and dtac Code of Conduct are provided as the Attachment 5 of this Annual Registration Statements (Form 56-1 One Report).

6.3 The significant changes and developments of the Policies, Guidelines and the Corporate Governance Procedures in 2020

The Company regularly reviews its Policies, Guidelines and the Corporate Governance Procedures to improve the control and enhance Corporate Governance standard of the Company which is in line with the Corporate Governance Code for listed companies 2017. In 2020, the Company has reviewed and amended its charters as follows;

- 1) The Board of directors has reviewed and revised the Rules of Procedure of the Corporate Governance Committee, which was approved by the Board of Directors meetings no. 7/2020 and the Board of Directors meetings no. 9/2020, by revising the authorities of the Corporate Governance Committee to review the changes of dtac Group Authority Matrix – BoD Level (CAI) and Governing documents to ensure compliance with the corporate governance policy of the Company before proposing for the Board’s approval.

- 2) The Board of directors has reviewed the Audit Committee activities. It appears that the Audit Committee already performed duties in compliance with the related laws and regulations of the Securities & Exchange Commission, the Stock Exchange of Thailand, the laws relating to the Company's business, and the good corporate governance principle. However, to ensure explicit communication of those roles and responsibilities, the Board of Directors approved, in meeting no. 9/2020, added statement in the Audit Committee Charter as follows:
- 1) Under the article 2.1 of the Duties and Responsibilities, - "To review ... the disclosure of information in its financial statements in accordance with the legally defined Accounting Standards and Financial Reporting Standards"; and
 - 2) Under the article 5.4 of Organization, - "The Internal Audit Department shall directly report to the Audit Committee. The Audit Committee shall approve the Internal Audit Charter and its amendment."
- 3) The Boards of directors decided to combine the Nominating Committee and the Remuneration Committee together which will be effective on 1 January 2021. The Nomination and Remuneration Committee's responsibilities are to evaluate and make recommendations to the Board on the remuneration policy covering the Directors and senior management of the Company. The Nomination and Remuneration Committee ("NRC") is also responsible for providing recommendations to the Board of qualified candidates for consideration on election of directors and sub-committee members, Chief Executive Officer and Chief Financial officer of the Company and its subsidiaries. Furthermore, NRC will also make recommendations to the Board on the structure, size and composition of the Board, the selection of new directors who are qualified, experienced, and versatile to drive the business growth and benefit to shareholders.



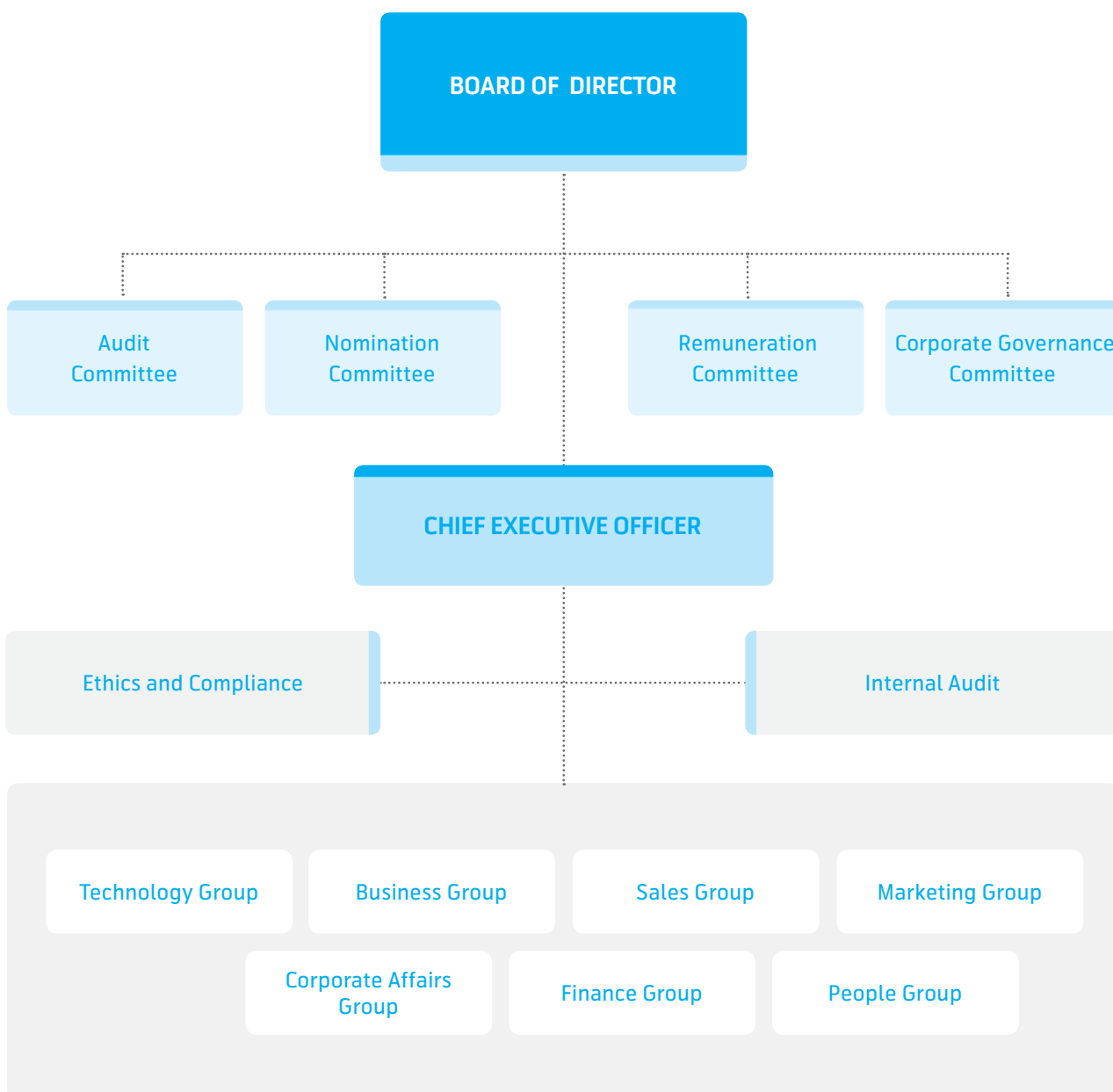
Corporate
Governance Structure
and significant
information regarding
the Board of Directors,
Subcommittees,
Management, Employee
and other information

7. Corporate Governance Structure

and significant information regarding the Board of Directors, Subcommittees, Management, Employee and other information

7.1 Corporate Governance Structure

As of 31 December 2020, the Corporate Governance Structure are as follows;



7.2 Board of Directors

7.2.1 Composition of the Board of Directors

At present, the Board of Directors of the Company consists of 10 directors, all are non-executive directors. 4 directors are independent directors, three of whom are female. In addition, there is another female director who is a non-executive director. In total, the Company has 4 female directors representing 40% of existing directors. No director or independent director holding more than 5 directorship positions in publicly listed companies. Currently, one of directors hold more than 3 directorships in publicly listed companies. The Company has no policy which allows executive director to hold more than 2 directorship positions in publicly listed companies, excluding subsidiaries, affiliates and joint-venture companies of the Company in order to ensure their efficiency in performing their duties and responsibilities towards the Company. More than one non-executive directors have work experience in the business of the Company.

The Chair of the Board of Directors and the Chief Executive Officer have separate functions and responsibilities and are not the same person. The Chair has been elected by the directors of the Company and acts as the Chair of the meetings. The Chair has the responsibility to ensure that the meetings of the Board of Directors of the Company proceed in accordance with the agendas, encourage all directors to participate in the meeting, such as, asking questions or making observation notes, giving advices and recommendations to the Management and supporting the business operation of the Company. However, the Chair will not interfere with the work of the Management of the Company. The Chief Executive Officer is responsible for managing the business of the Company and supervising the business operation of the Company to ensure that it complies with the resolutions of the shareholders' meetings and the Board of Directors' meetings, policies and business plans of the Company and applicable laws.

The Board of Directors of the Company is composed of directors who possess qualifications, knowledge, expertise and experiences in various areas, including finance and accounting, business administration, law and telecommunications business. The independent directors possess higher qualifications than those required by the SEC and the SET, details of which can be found under Section 8.1.1 Recruitment, Development and Performance Assessment of Director – (1) Independent Directors”.

7.2.2 Directors

During 2020, four directors resigned from their directorship and there were four new directors. Therefore, as of 31 December 2020, the Board of Directors of the Company consists of 10 directors as follows

Name – Surname	Position	Date of First Appointment	Date of Last Appointment
Mr. Boonchai Bencharongkul	Chair	29 October 1990	31 August 2020
Mr. Joergen Christian Arentz Rostrup ⁽¹⁾	Vice Chair	24 April 2020	24 April 2020
Mrs. Kamonwan Wipulakorn	Independent Director, Chair of the Audit Committee, Remuneration Committee and Corporate Governance Committee	8 December 2014	4 April 2018
Mr. Stephen Woodruff Fordham	Independent Director, Chair of the Nomination Committee, Audit Committee and Corporate Governance Committee	17 November 2006	4 April 2018
Mrs. Chananyarak Phetcharat	Independent Director, Chair of the Corporate Governance Committee, Chair of the Remuneration Committee and Nomination Committee	5 September 2011	4 April 2018
Mrs. Tone Ripel	Director, Nomination Committee, Remuneration Committee and Corporate Governance Committee	30 March 2016	4 April 2019
Mr. Rakesh Jain	Director, Nomination Committee, Remuneration Committee and Corporate Governance Committee	9 December 2019	9 December 2019
Mrs. Pratana Mongkolkul ⁽²⁾	Independent Director, Audit Committee, Nomination Committee and Remuneration Committee	28 January 2020	31 August 2020
Mr. Haakon Bruaset Kjoel ⁽³⁾	Director	5 September 2011	16 October 2020
Mr. Thomas Alexander Thyholdt ⁽⁴⁾	Director	16 October 2020	16 October 2020

Remark: (1) Mr. Joergen Christian Arentz Rostrup was appointed as a new director in replacement of Mr. Christian Wulff Sondergaard (who resigned from his directorship on 24 April 2020) with effect from 24 April 2020 pursuant to the resolution of the Board of Directors' Meeting No. 6/2020 held on 24 April 2020.
(2) Mrs. Pratana Mongkolkul was appointed as a new director in replacement of Mr. Chulchit Bunyaketu (who resigned from his directorship on 28 January 2020) with effect from 28 January 2020 pursuant to the resolution of the Board of Directors' Meeting No. 2/2020 held on 28 January 2020.
(3) Mr. Haakon Bruaset Kjoel was appointed as a new director in replacement of Mr. Petter Boerre Furburg (who resigned from his directorship on 15 October 2020) with effect from 16 October 2020 pursuant to the resolution of the Board of Directors' Meeting No. 9/2020 held on 16 October 2020.
(4) Mr. Thomas Alexander Thyholdt was appointed as a new director in replacement of Mr. Sverre Pedersen (who resigned from his directorship on 15 October 2020) with effect from 16 October 2020 pursuant to the resolution of the Board of Directors' Meeting No. 9/2020 held on 16 October 2020.

The names of the directors who resigned during 2020 are as follows:

Name – Surname	Position	Date of First Appointment	Date of Last Appointment
Mr. Chulchit Bunyaketu	Independent Director, Chair of the Remuneration Committee, Audit Committee and Nomination Committee	6 March 2000	31 March 2017
Mr. Christian Wulff Sondergaard	Director, Nomination Committee, Remuneration Committee and Corporate Governance Committee	9 December 2019	9 December 2019
Mr. Petter Boerre Furburg	Director	13 July 2017	31 August 2020
Mr. Sverre Pedersen	Director	8 December 2017	31 August 2020

The Company does not require that the Chair of the Board of Directors be an independent director, given that the telecommunications business has unique and complex nature and is subject to rigorous regulations. The Company believes that its Chair and the Board of Directors possess knowledge, capacity and good understanding of the nature of the telecommunications business, which are necessary in the decision-making process in order to bring the utmost benefits to the Company and its shareholders as a whole. Despite the fact that the Chair is not an independent director, the Board of Directors of the Company is still of the opinion that the Company has good internal control system, including mechanisms which can create confidence for its shareholders and all stakeholders that any decision-making of the Board of Directors was made independently, prudently, and without being influenced or directed in any respect.

7.2.3 Roles of Directors

The Board of Directors of the Company approves the vision, missions, strategies, business direction and operational policy, business plan and annual budget of the Company, and directs the Management to perform in compliance with the established policies and business plans in accordance with applicable laws, objectives and Articles of Association of the Company, and resolutions of the Board of Directors' and shareholders' meetings, taking into account the utmost benefits of the Company and the stakeholders, in order to build sustainable growth of the Company and increase long term value for the shareholders. The Board of Directors will review and approve the vision, missions, strategies, and business direction and operational policy on an annual basis in order to adapt to the changing situation and business conditions. Further details on the authorities, duties and responsibilities of the Board of Directors are provided as the Rules of Procedure for the Board of Directors, the Attachment 5 of this Annual Registration Statements (Form 56-1 One Report).

The Board of Directors holds a Board of Directors' Meeting without the presence of the executive director or member of the Management at least once a year. The meeting provides the directors with the opportunity to review the performance of the Board of Directors, the Management and the Company as well as to consider and discuss management issues or other issues which are of the interest of the Board of Directors. The resolutions of the meeting would be notified to the Chief Executive Officer for acknowledgement and consideration for further improvement. In 2020, the Board of Directors held 1 meeting without the presence of the executive director and the Management. Moreover, the Board of Directors holds a Board of Directors' meeting with the External Auditor without the presence of the executive director or member of the Management at least once a year. In 2020, the Board of Directors held 1 meeting with the External Auditor without the presence of the executive director and the Management.

7.3 Subcommittees

7.3.1 Information of each Subcommittee

In 2020, the sub-committees have performed its duties as follows:

Audit Committee

The Audit Committee consists of 3 independent directors. The Chair of the Audit Committee has experiences and professional qualifications i.e. accounting and financial skills. From her experience, she was a Chief Financial Officer of a leading company including the listed companies in Thailand and was a financial executive with several financial institutions. Her expertise is also valuable and supportive in the telecommunication industries.

The duties and responsibilities of the Audit Committee are as follows:

- (1) to review the adequacy of the Company's financial reporting system and the disclosure of information in its financial statements in accordance with the legally defined Accounting Standards and Financial Reporting Standards;
- (2) to review the Company's internal control system and internal audit system to ensure that they are suitable and sufficient;
- (3) to determine the internal audit department's independence, as well as to approve the appointment, transfer, and dismissal of the head of the internal audit department or any other unit in charge of internal audit matters, as well as to attend a non-management meeting with the head of the internal audit department at least once a year;
- (4) to review the Company's compliance with the Securities and Exchange Act (the "SEC Act"), the SET's regulations, and the laws relating to the Company's business;
- (5) to consider, select and nominate an independent person to be the Company's external auditor, and to propose such person's remuneration and terms of engagement (including to propose to terminate the auditor who is not qualified), as well as to attend a non-management meeting with the external auditor at least once a year;

- (6) to review Connected Party Transactions or transactions which may lead to conflicts of interests to ensure that they comply with laws, the SEC's rules and SET's regulations and that they are reasonable and are entered into for the best interest of the Company;
- (7) to prepare and disclose in the Company's annual report, an Audit Committee's report which must be signed by the Chair of the Audit Committee and consist of at least the following information;
 - an opinion on the accuracy, completeness, and reliability of the Company's financial reports in accordance with the legally defined Accounting Standards and Financial Reporting Standards;
 - an opinion on the adequacy of the Company's internal control system;
 - an opinion on compliance with the SEC Act, the SET's regulations and the laws relating to the Company's business;
 - an opinion on the suitability of an auditor;
 - an opinion on the transactions that may lead to conflicts of interests;
 - the number of the Audit Committee meetings, and the attendance of such meetings by each committee member;
 - an opinion or overview remark of the Audit Committee on its performance of duties in accordance with the Charter;
 - other transactions which, according to the Audit Committee's opinion, should be known to the shareholders and general investors, subject to the scope of the duties and responsibilities of the Audit Committee as assigned by the Board; and
- (8) to perform any other activities as assigned by the Board, with the approval of the Audit Committee.

In discharging the Audit Committee's duties in accordance with the foregoing paragraphs, the Audit Committee shall comply with the relevant procedures (if any), as approved by the Board, and is directly responsible and accountable to the Board. The Board is responsible and accountable in respect of the operations of the Company towards third parties.

The duties and responsibilities of the Audit Committee are provided as the Audit Committee Charter, the Attachment 5 of this Annual Registration Statements (Form 56-1 One Report).

Remuneration Committee

The Remuneration Committee of the Company consists of 5 directors, more than half are independent directors (3 persons) and 2 non-executive directors. Chair of the Remuneration Committee is an independent director. A meeting of the Remuneration Committee is held at least twice a year.

The duties and responsibilities of the Remuneration Committee are as follows:

- (1) To review and recommend the remuneration of the Chair and other directors;
- (2) To review and approve the remuneration of the Chief Executive Officer;
- (3) To review the on-going appropriateness and relevance of the remuneration policy;
- (4) To ensure that all relevant legal requirements regarding disclosure of remuneration, in all forms, are complied with;

- (5) To report to the Board of Directors regarding the remuneration of the Chief Executive Officer (including base pay, incentive payments, equity awards and retirement or severance rights), having regard to the remuneration policy and whether in respect of any elements of remuneration, any shareholders' approvals are required;
- (6) To review the contractual rights of the Chief Executive Officer on termination, and any payments made or proposed, to determine whether they are reasonable in the circumstances;
- (7) To provide the Board of Directors with minutes of Remuneration Committee meetings and to report the remuneration Committee's actions to the Board of Directors with appropriate recommendations;
- (8) To provide a statement for inclusion in the annual report that describes the Remuneration Committee's composition and how its responsibilities were discharged;
- (9) To review and update the Remuneration Committee's charter to reflect any changes in the relevant laws and regulations for approval by the Board; and
- (10) To perform such other functions as may be assigned to it by the Board of Directors.

The duties and responsibilities of the Remuneration Committee are provided as the Remuneration Committee Charter, the attachment 5 of this Annual Registration Statements (Form 56-I One Report).

Nomination Committee

The Nomination Committee of the Company consists of 5 directors, majority is 3 independent directors and 2 non-executive directors. Chair of the Nomination Committee is an independent director. A meeting of the Nomination Committee is held at least twice a year.

The duties and responsibilities of the Nomination Committee are as follows:

- (1) Making recommendations on qualified candidates for election as directors of the Company and its subsidiaries to be proposed to Board of Directors' meeting for approval;
- (2) Making recommendations on qualified candidates for election as Chief Executive Officer and Chief Financial Officer of the Company and its subsidiaries;
- (3) Reviewing the structure, size and composition of the Board taking into account the current requirements and future development of the Company, and make recommendations to the Board with regard to any adjustments as deemed necessary by take into account beneficial of all shareholders, expertise, capacity, and diversity as needed by the Company;
- (4) Paying attention to the Board self-assessment evaluation and recommends any improvement as it deems necessary;
- (5) Monitoring that steps be taken to ensure that shareholders have the opportunity to propose candidates for the Board;
- (6) When assessing candidates, taking into consideration if the candidates have the necessary experience, qualifications and capacity;
- (7) Considering if a rotation of the members of the Board is necessary;
- (8) Justifying its recommendations and thus any dissenting votes (if any) must be stated in the recommendation;

- (9) Ensuring the Company's compliance with relevant laws and regulations regarding nomination and qualifications of directors;
- (10) Satisfying itself with regard to succession planning for the Board and key management appointments;
- (11) Ensuring appropriate disclosure of information on its activities; and
- (12) Carrying out an evaluation once a year of its work, functions, performance.

The duties and responsibilities of the Nomination Committee are provided as the Rules of Procedure for the Nomination Committee, the Attachment 5 of this Annual Registration Statements (Form 56-1 One Report).

Corporate Governance Committee

The Corporate Governance Committee consists of 5 directors, majority is 3 independent directors and 2 non-executive directors. Chair of Corporate Governance Committee is an independent director. A meeting of Corporate Governance Committee is held at least once a year.

The duties and responsibilities of the Corporate Governance Committee are as follows:

- (1) Overseeing that the Company adheres to generally accepted principles for governance and effective control of the Company's activities and maintain a corporate culture that encourages good corporate governance practices;
- (2) Establishing and maintaining an appropriate corporate governance policy and procedures;
- (3) Ensuring the implementation of the governing documents as adopted by the Board and the policy and procedures to secure adequate corporate governance in the Company and in all subsidiaries controlled directly and indirectly by the Company;
- (4) Ensuring that the Chief Executive Officer at least annually perform an assessment of the implementation of the governing documents and the level of compliance, and report to the Board;
- (5) Reviewing and reporting to the Board on material matters, findings and recommendations pertaining to corporate governance;
- (6) Justifying its recommendations and thus any dissenting votes must be stated in the recommendation;
- (7) Ensuring the Company's compliance with relevant laws and regulations regarding good corporate governance;
- (8) Ensuring appropriate disclosure of information on its activities and the Company's corporate governance practices;
- (9) Carrying out an evaluation once a year of its work, functions, performance;
- (10) Reviewing the dtac Group Authority Matrix – BoD Level (CAI) and its subsequent amendment to ensure it is compliant with corporate law, SEC regulations, the Company governing principles and other relevant laws and regulations and making a recommendation to the Board prior to the matter being sent to the Board for consideration and approval; and

- (11) Reviewing the Governing Documents and making the recommendations to the Board, focusing primarily on the governance aspects, before proposing such Governing Documents to the Board for consideration and approval.

The duties and responsibilities of the Corporate Governance Committee are provided as the Rules of Procedure for the Corporate Governance Committee, the Attachment 5 of this Annual Registration Statements (Form 56-1 One Report).

7.3 .2 Name of the Subcommittees

Audit Committee

The Audit Committee consists of 3 independent directors, namely:

Names of Directors	Position
Mrs. Kamonwan Wipulakorn (Independent Director)	Chair of the Audit Committee
Mr. Stephen Woodruff Fordham (Independent Director)	Member of the Audit Committee
Mrs. Pratana Mongkolkul (Independent Director)	Member of the Audit Committee

The members of the Audit Committee have all the qualifications of an “Independent Director”. They are not authorized by the Board of Directors to make decisions on the business operation of the Company, its parent company, subsidiary, affiliate or juristic person which may have conflicts of interest, and are not directors of its parent company, subsidiary or affiliate, which is a listed company. Mrs. Kamonwan Wipulakorn and Mrs. Pratana Mongkolkul have the knowledge and experience in the area of accounting, sufficient to review the creditability of financial statements of the Company.

Remuneration Committee

The Remuneration Committee consists of 5 directors, namely:

Names of Directors	Position
Mrs. Chananyarak Phetcharat (Independent Director)	Chair of the Remuneration Committee
Mrs. Kamonwan Wipulakorn (Independent Director)	Member of the Remuneration Committee
Mrs. Pratana Mongkolkul (Independent Director)	Member of the Remuneration Committee
Mr. Rakesh Jain (Non-Executive Director)	Member of the Remuneration Committee
Mrs. Tone Ripel (Non-Executive Director)	Member of the Remuneration Committee

Nomination Committee

The Nomination Committee consists of 5 directors, namely:

Names of Directors	Position
Mr. Stephen Woodruff Fordham (Independent Director)	Chair of the Nomination Committee
Mrs. Chananyarak Phetcharat (Independent Director)	Member of the Nomination Committee
Mrs. Pratana Mongkolkul (Independent Director)	Member of the Nomination Committee
Mr. Rakesh Jain (Non-Executive Director)	Member of the Nomination Committee
Mrs. Tone Ripel (Non-Executive Director)	Member of the Nomination Committee

Corporate Governance Committee

The Corporate Governance Committee consists of 5 directors, namely:

Names of Directors	Position
Mrs. Chananyarak Phetcharat (Independent Director)	Chair of the Corporate Governance Committee
Mr. Stephen Woodruff Fordham (Independent Director)	Member of the Corporate Governance Committee
Mrs. Kamonwan Wipulakorn (Independent Director)	Member of the Corporate Governance Committee
Mr. Rakesh Jain (Non-Executive Director)	Member of the Corporate Governance Committee
Mrs. Tone Ripel (Non-Executive Director)	Member of the Corporate Governance Committee

7.4 Management

7.4.1 Name list with position of the Management

The Chief Executive Officer is the head of the management team. The Company's organization structure is divided into 7 groups, i.e. Finance Group, Technology Group, People Group, Business Group, Sales Group, Marketing Group, and Corporate Affairs Group. Names of the Management and their position in the Company as of 31 December 2020 are as follows:

No.	Name	Position
1	Mr. Sharad Mehrotra ⁽¹⁾	Chief Executive Officer
2	Mr. Sirawit Klabdee ⁽²⁾	Interim Chief Financial Officer
3	Mr. Prathet Tankuranun	Chief Technology Officer
4	Miss Nardrerdee Arj-Harnwongse	Chief People Officer
5	Mr. Rajiv Bawa	Chief Business Officer
6	Miss Tipayarat Kaewsringarm	Chief Sales Officer
7	Mr. How Lih Ren	Chief Marketing Officer
8	Mr. Lars Marcus Adaktusson	Chief Corporate Affairs Officer

Remark: In 2020, there were organizational changes that affected the Company's organizational structure as follows:

(1) Mr. Sharad Mehrotra was appointed as the Chief Executive Officer with effect from 1 February 2020.

(2) Mr. Sirawit Klabdee was appointed as the Interim Chief Financial Officer with effect from 1 November 2020.

The executives listed above are executives pursuant to the definition specified by the SEC, which includes managers, or persons holding the top four management positions following the managers, and every person holding a position equivalent to the fourth management position, including persons holding management position in accounting and finance at the level of department manager or higher. Each of the executives of the Company has not been an employee or partner of the external audit firm engaged by the Company during the past 2 years.

7.4.2 Policy for Remunerations of Directors and Management

Policy for Directors Remuneration

In determining the remuneration of the Board of Directors of the Company and the sub-committees i.e. the Audit Committee, the Remuneration Committee, the Nomination Committee and the Corporate Governance Committee, the Remuneration Committee will take into account various factors, including, among others, the Company's business and performance, the market and industry norms, market and industrial standards, the current economic situation and the duties and responsibilities of the Board of Directors and the sub-committees. The Remuneration Committee will consider the remuneration of directors and propose the Board of Directors' and shareholders' meetings for consideration and approval on an annual basis. In addition, the Remuneration Committee will review the remuneration structure for the Board of Directors and the sub-committees every 3 years in order to be in line with the market and industry trends. At present, the remuneration of directors consists of monthly allowance. The Company does not offer any kind of remuneration payable in the form of equity rewards or in any other forms to its directors.

The Remuneration Committee views that the aforesaid remuneration structure is appropriate to the Board's responsibilities and encourages the Directors to lead the organization in order to achieve the short-term and long-term goals. Such remuneration structure is also comparable to the telecommunication industry.

Policy for Management Remuneration

The remuneration provided to CEO and Executives consists of the following components:

Element	Key purpose
Base salary	Provide a basis for competitive remuneration overall
Short-term incentive	Enhance leadership and deliver business result to achieve the Company's strategy.
Long-term incentive	Align the interests of the CEO, Executives with the interests of the shareholders for a long-term value creation.
Other Benefits	Offer insurance plans and other benefit to support in various life situations in light of economic conditions and standard of living.

1. Base salary

The level base compensation is reviewed annually based on the scope of the role, business environment, market position and performance. Key performance criterions are

- Delivery according to business priorities
- Demonstrated leadership in accordance with the Company's values
- Building organization capabilities

2. Short-term incentive

The short-term incentive (STI) plan is designed to help drive the leadership behaviors and deliver the expected results. It is a cash-based variable pay plan based on following key performance indicators. The key performance indicators below applied for all members:

- Financial KPIs to drive profitable growth and efficiency, revenue growth, brand NPS, OPEX and gross profit; and
- Responsible Business Conduct – this is to drive the ethical and sustainable business Operations, as well as tightening security measures in operations.

3. Long-term incentive

The long-term incentive plan reflects the long-term value creation of the Company. The participants receive a grant of long-term incentive which is subject to four years lock-in period. If the participants leave the Company during the lock-in period, the LTI will be forfeited. In case of retirement, disability or death of the participant, the LTI will be unlocked.



4. Other Benefits

The purpose of these benefits is to establish a level of security. The company's car, mobile package, provident fund, pension, insurance plan and other welfare provisions are in line with the market standards.

The Remuneration Committee views that the aforesaid remuneration structure is appropriate to the Management's responsibilities and encourages the Management to lead the organization in order to achieve the short-term and long-term goals. Such remuneration structure is also comparable to the telecommunication industry.

7.4.3 Remunerations of Directors and Management

In 2020, the total remuneration of directors of the Company was THB 13,972,800. The remuneration of directors consists of monthly allowance. The Company does not offer any kind of remuneration payable in the form of equity rewards or in any other forms to its directors. The remuneration of the Directors and the Subcommittees as approved by the 2020 Annual General Meeting of Shareholders are as follows;

Position	Directors' Remuneration Structure (THB)
	Monthly Allowance
Chair	320,000
Independent director	110,000
Chair of the Audit Committee	80,400
Member of the Audit Committee	60,000
Chair of the Remuneration Committee / Chair of the Nomination Committee / Chair of the Corporate Governance Committee	34,000
Member of the Remuneration Committee / Member of the Nomination Committee / Member of the Corporate Governance Committee	17,000

The total remuneration of Management of the Company in 2020 was THB 93,260,736.64.

7.5 Employee

Reward Management of the Company

The objective of reward management is to attract, engage and retain the right employees to deliver sustainable value for shareholders in accordance with the Company's values. With this objective, reward philosophy in the Company has been designed to offer total reward packages that are fair, consistent and competitive both within and outside the organization.

Total reward packages are the monetary and non-monetary compensations including welfare, benefits, training, career growth and employee recognition.

Remuneration

The Company has set out remuneration policy for both executives and employees based on knowledge, duty and responsibility. The Company also has the procedure for performance assessment in accordance with the widely accepted standard. The remuneration policy of the Management has been disclosed. Moreover, the Company has urged all executives and employees to adhere to relevant widely accepted principles, for example, employee shall not disclose his/her remuneration to other persons. The Company would also treat employees' remuneration as a confidential matter and would respect the employees' right to privacy.

Remuneration is monetary compensation including fixed compensation and variable pay. Fixed compensation is linked to job value that reflects impact and contribution of that job to the Company. Jobs with similar values are structured together in the same pay scale of Company's pay structure which enable the Company to maintain internal equity and fairness of employees' pay in similar job values. In terms of external equity and competitiveness, compensation is regularly reviewed against other companies in the market through data obtaining from third-party survey, as well as taken into account macro-economic indicators and Company's business result.

Variable pay is based on pay for performance principle, connecting both individual performance and Company strategic targets which are set and communicated on an annual basis. This is to award achievement of employees on the short-term basis in relation to company achievement.

Employee recognition and benefits

Employee recognition is the timely, informal or formal acknowledgement of a person's or team's behavior, effort or business result that supports the Company's goals and values, and which has clearly been beyond normal expectations. Recognition program enable strong culture and building collaboration across all functions in the Company.

Benefits scheme are provided in the Company in alignment with prevalent practice in the market, which are regularly reviewed to ensure competitiveness of the scheme. Benefits scheme in the Company comprise of multiple elements and dimensions:

- Monetary as fixed allowance and non-monetary as well-being program, e.g., flexible office facility, providing fitness center, etc.
- Work-related as travel expenses, uniforms and personal-related benefits as emergency loan, paternity and maternity leave which allows employees to apply for long leave days to take good care of newborn
- Short-term basis as health care insurance, medical check-up and long-term basis as provident fund which is provided as a saving scheme for employee after retirement

As of 31 December 2020, the Company has 3,156 employees who receive payment on a fixed salary basis. The number of employees in each key function is as follows:

Key Function	Number of Employees – Permanent – Expat (Persons)
Finance Group	180
Marketing Group	264
Sales Group	2,136
Technology Group	336
People Group	56
Corporate Affairs Group	46
Business Group	111
Office of CEO	27
Total	3,156

In 2020, the remuneration of the employees comprised of salary and bonus totaling THB 3,961,242,782.73. The Company has made contributions to the provident fund in an amount of THB 108,907,779.96.

Development & Career Opportunities

To enable the employee retention and engage employees to strive for delivering the best performance, career development is one of the critical enablers. In September 2019, the Company launched the new career management concept and platform. 'PromptGROW' has been initiated and deployed in the Company to facilitate employees to manage their own career to align with employees' career aspiration and business needs. The Company provides opportunities for employees to grow career in various roles e.g. professional individual contributor or managerial role, from vertical advancement to higher-responsibility role, horizontal or diagonal career move to other job functions or in different job scopes. Enlarge or enrich the responsibility and accountability in current position, across-BU/regional or global roles are also other career opportunities which employees can explore. The 4D-step of "PromptGROW" with essential facilities and tools are in place for employees in their career management.

1. Discover: Career Conversation with Line Manager and/or Career Coach will help employees to understand their self-insight on career planning and competency assessment will make employees realize their competency gaps need to be developed regarding competency framework/ business requirement
2. Design: Our Performance Management System which focuses on People Dialogue and Performance with Impact is provided for employees to design their own performance goals and Individual Development Plan (IDP) for both short-term in current role and future expected role as career goal.
3. Develop according to 3E+1 Development Approach: The 3E+1 Development Approach is deployed in the Company for continuous learning and development which are Education (10%), Exposure (20%), Experience (70%), and Ecosystem for learning and development, and included coaching made by Line Manager continuously.
4. Deploy: After competency assessment, employees would know their capability and develop themselves to be ready for the new job opportunities. Once there is a vacancy of their target jobs, an employee could simply apply for the job through online system. No need to inform his or her current line manager in this stage but the manager will know after an employee gets a job offer from other units. Candidate selection will be done through Selection Committee to ensure fair treatment and suitable candidate selected. The new career movement process is designed to promote job rotation and learning that aligned with employee's career self-planning

From business perspective, the Development and Career Management programs will also strengthen organization capability towards high performing organization with effective talent pipeline continuity aligned with business needs to drive business goals and ambition achievement.

“dtac Academy” - center of people development

dtac Academy provides learning opportunities and offers a wide range of training programs to ensure that employees can develop their skills, knowledge, capabilities and potential with respect to both employees' ambition and company's business requirements. All employees will have the opportunity to explore their learning many ways including blended learning, online, training course, project based learning and etc. in accordance to their individual development plans, job requirements and their own aspiration.

dtac Academy has conducted Organization Capability Assessment to assess leaders against future capability model required to support future organization setup. The assessment covered 381 leaders in VPs level up and postpaid sales management team. The assessment results were synthesized to identify development priorities including core, leadership and agility readiness and design 3-day extensive bootcamp with regular follow-up for Branded Retail. The bootcamp objectives were to communicate clearly defined sales management's roles and responsibilities and uplift sales capability towards organization future expectations and covered 127 participants from sales management team.

In addition to traditional classroom training, the Company provides a blended approach including enhanced e-learning options, encourages and provides other forms of development activities, e.g. on-the-job training, engagement in strategic projects, interactive knowledge sharing sessions by guest speakers from various industries and relevant topics. The Company deploys new technology in employee development by providing digital and mobile learning platforms that enable a more flexible learning experience for its employees where learning can happen anytime, anywhere with no fixed times and schedules.

Leadership & Talent Development Programs

Development of new generation of leadership and talents has always been the focus area of the Company. The Company provides comprehensive Leadership Development Programs to ensure that leaders at all levels are equipped with essential skills to effectively lead their team and organization to achieve results. The program covers both business and people management, and is delivered in the forms of classroom training, e-learning modules, workshops and 1-on-1 executive coaching on a continuous basis.

The Company has partnered with International Institute for Management Development (IMD), one of the world-class institutes, to co-design Future Leaders Program to develop leaders in SVP level and their direct reports through the training and coaching continuously during 3 months to enhance leadership capability, agility and cross-functional collaboration for future organization setup.

The Company provided customized Leadership Development for all People Managers from VP to Assistant Manager level. The program objective is to equip People Managers to understand their roles and accountabilities, mindset, skillset and toolset required to manage their team throughout Employee Life Cycle starting from Selection, Onboarding & Goal Setting, Coaching & Feedback, People Dialogue, Ethics and Compliance, Organization Design & Manpower Planning, Change Management.

The Company also provides Leadership Acceleration Program to develop high potential employees in VP and AVP level to accelerate their development. The program comprises various blended learning courses covering both business management, specialized areas and driving transformation aligned with the Company's strategic business direction. These specific training courses are jointly developed and conducted in close collaboration with various institutions both in Thailand and internationally.

In 2020, the Company has a total budget for people development equal to THB 17.9 million, covering 100% of all employees with average learning hours at 83.5 per employee.

7.6 Other significant information

7.6.1 Name of Person supervising accounting, Company Secretary, Head of Internal Audit and Head of Compliance

Name of Person supervising accounting	Miss Peeraya Rodkorn
Company Secretary	The Board of Directors appointed Miss Napat Tanyakulsajja as the Company Secretary with the duties and responsibilities as prescribed in the Securities and Exchange Act
Head of Internal Audit	Mr. Kiti Wichitsawangwong
Head of Compliance	Mr. Thanatt Louhalertdecha

Information in relation to the aforesaid persons are provided in the Attached 1 and 3 of this Annual Registration Statements (Form 56-1 One Report).

7.6.2 Name of Head of Investor Relation and contact details

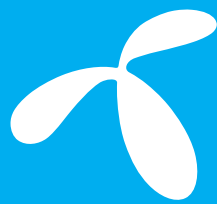
Name of Head of Investor Relation	Miss Jessica Chandrangam
Contact details	319 Chamchuri Square, 41st floor, Phayathai Road, Pathumwan Sub-District, Pathumwan District, Bangkok 10330
Tel	(+66) 2202 8882
E-mail	IR@dtac.co.th

7.6.3 Remuneration for Auditors, Auditors' Firm and the related persons or businesses of the Auditors and the Auditors' Firm

The shareholders of the Company, at the 2020 Annual General Meeting of Shareholders, which was held on 31 August 2020, approved either one of the auditors of the EY Office, namely Mrs. Gingkarn Atsawarangsalit Certified Public Accountant No. 4496, Ms. Sirirat Sricharoensup Certified Public Accountant No. 5419, Ms. Rungnapa Lertsuwankul, certified public accountant No. 3516, and Ms. Pimjai Manitkajohnkit, certified public accountant No. 4521 to be the auditor of the Company for the financial year ended on 31 December 2020 and also approved the remuneration of the auditors for 2020 in the amount not exceeding THB 4,000,000 (exclusive of VAT). The remuneration consists of the fees for the audit of the annual financial statements and the review of the quarterly financial statements. The approved remuneration is lower than that of 2019. In 2020, the Company's total non-audit fee, which was not related to the auditing services and booked as the Company's expenses, was THB 250,000.

7.6.4 Name of the representative in Thailand (for foreign company)

N/A



Significant
Operating Results
in respect of
Corporate Governance

8. Significant operating results

in respect of Corporate Governance

8.1 Summary of Director Performance in 2020

The Company has planned at least 6 Board of Directors' meetings in a year in advance in order to consider regular agenda items. If there is any other important matter, the Chair of the Board is empowered to call meetings to consider such matter by giving advanced notice to all directors as required by the relevant laws. The number of Board of Directors' meetings in 2020 was 12.

The authorities, duties and responsibilities of the Board of Directors are as set forth in the Public Limited Company Act, the Securities and Exchange Act, the regulations of the SET and the Articles of Association of the Company.

The authorities, duties and responsibilities of the Board of Directors, including the approval authorities are as follows:

- (1) Performing its duties and responsibilities with due care and loyalty, taking into consideration the best interest of the Company and its shareholders;
- (2) Responsible for the administration of the Company, managing the Company's long-term and strategic planning, safeguarding the proper organization of the business, and overseeing the management of day-to-day operations;
- (3) Setting the Company's direction, vision, values and leadership expectations;
- (4) Considering and approving to make decisions to enter into major transactions and other proceedings, and in certain cases grants authority to make decision, in accordance with applicable legislation, the Company's objectives and Articles of Association, decisions made by the shareholders' meetings, as well as the Company's governing documents;
- (5) Ensuring that the Company adheres to generally accepted principles for the governance and effective control of the Company's activities;
- (6) Approving and supervising targets and strategy plans and any deviations therefrom;
- (7) Ensuring the accuracy and completeness of the Company's operational and financial reporting to all shareholders and general investors;
- (8) Having adequate oversight of internal control over financial reporting (ICFR) to ensure that these controls adhere to its objectives, are compliant with legal requirements and the Company's governing documents;
- (9) Evaluating and discussing the Company's optimal capital structure, the dividend policy, the funding strategy and the optimal funding composition on a regular basis;
- (10) Declaring interim dividends to shareholders from time to time when the Board is of the view that the Company has derived sufficient profits to do so;

- (11) Reviewing the management's draft of the annual accounts and ensuring that the accounts are accurately and completely prepared and that they reflect the Company's financial condition and results of operation for the benefits of all shareholders and general investors;
- (12) Together with the management, compiling the annual report;
- (13) Overseeing and determining the overall organization of the Company's and its key subsidiaries' operations;
- (14) Ensuring that risk management activities are in place to pro-actively identify and deal with critical business risks related to the Company. All strategic, operational (financial and non-financial) and legal risks of importance shall be taken into consideration;
- (15) Overseeing that transactions with potential conflicts of interest of management, Board members and shareholders, including their related persons, are undertaken on an arm's length basis and on normal commercial terms, and are not prejudicial to the interests of the Company and the Company's minority shareholders;
- (16) Ensuring that the Company has adequate and appropriate internal controls and that an internal audit unit is established and maintained to monitor the Company's internal controls and report any significant failures or weaknesses thereof, together with recommendations of corrective action;
- (17) Preparing issues to be dealt with at shareholders' meetings and providing recommendations thereon;
- (18) Identifying potential candidates with the appropriate knowledge, competencies and expertise to complement the existing skills of the Board and the board of its key subsidiaries;
- (19) Reviewing and making recommendations on remuneration of directors to shareholders for approval;
- (20) Appointing (and dismissing) the Company's Chief Executive Officer, and overseeing and undertaking an annual evaluation of the Chief Executive Officer's execution of his/her duties;
- (21) Overseeing that both safety and security risks are managed proportionally and effectively to ensure protection of personnel, information and other assets;
- (22) Ensuring that the Company has adequate procedures in place to prevent the Company from being involved in corruption; and
- (23) Carrying out an evaluation once a year of its work, functions and performance.

Reserved key matters for the Board's approval are as follows;

- (1) Strategy, business plan, key performance indicators;
- (2) Capital expenditure and expenses exceeding certain material limits;
- (3) Strategic investments in new business and divestments;
- (4) Organizational structure and the appointment of the CEO and senior executives;
- (5) CEO and Management's succession plan;
- (6) CEO's compensation;
- (7) Appointment of directors, CEO and CFO of all subsidiaries of the Company;
- (8) Important transactions and any other extraordinary matters having significant importance;
- (9) Litigation having significant impacts;

- (10) Significant policies;
- (11) Loan commitments and lines of credit from banks and other financial institutions; and
- (12) Dividend policy, declaration of interim dividends and proposal of annual dividend for the annual general meeting of shareholders' approval.

8.1.1 Recruitment, Development and Performance Assessment of Directors Recruitment

(1) Independent Director

The Company has set out the criteria and qualifications of an independent director, which are stricter than the requirements of the SEC and the SET, as follows:

- (1) Holding shares not exceeding 0.5 percent of the total voting shares of the Company, its parent company, subsidiary, affiliate or juristic person which may have conflicts of interest, including shares held by related persons of the independent director;
- (2) Not being or having been an executive director, employee, staff, advisor who receives regular salary, or controlling person of the Company, its parent company, subsidiary, affiliate or juristic person which may have conflicts of interest, unless such characteristic ceases at least 2 years prior to the date of appointment;
- (3) Not being a person related by blood or legal registration, such as father, mother, spouse, sibling and children, including spouse of the children, executives, major shareholders, controlling persons, or persons to be nominated as executive or controlling person of the Company or its subsidiary;
- (4) Having no business relationship with the Company, its parent company, subsidiary, affiliate or juristic person which may have conflicts of interest, in a manner which may interfere with his/her independent judgement, and not being or having been a major shareholder, non-independent director, executive of any person having business relationship with the Company, its parent company, subsidiary, or juristic person which may have conflicts of interest, unless such characteristic ceases at least 2 years prior to the date of appointment;
- (5) Not being or having been an auditor of the Company, its parent company, subsidiary, affiliate or juristic person which may have conflicts of interest, and not being a major shareholder, non-independent director, executive, or managing partner of the audit firm in which the auditor of the Company, its parent company, subsidiary, affiliate or juristic person which may have conflicts of interest is employed, unless such characteristic ceases at least 2 years prior to the date of appointment;
- (6) Not being or having been any professional advisor, including legal advisor or financial advisor which receives service fee of more than THB 2 million per year from the Company, its parent company, subsidiary, affiliate or juristic person which may have conflicts of interest, and not being a major shareholder, non-independent director, executive, or managing partner of the professional advisor which is a juristic person, unless such characteristic ceases at least 2 years prior to the date of appointment;
- (7) Not being a director appointed as representative of a director of the Company, its major shareholder, or shareholder which is a related person of the major shareholder of the Company; and
- (8) Not having any characteristics which render him/her incapable of expressing independent opinion regarding the Company's business operation.

At present, the Company has 4 independent directors which accounted for 40% of the Board of Directors, namely (i) Mr. Stephen Woodruff Fordham, (ii) Mrs. Kamonwan Wipulakorn, (iii) Mrs. Chananyarak Phetcharat and (iv) Mrs. Pratana Mongkolkul, who are independent from any major shareholders and the Management of the Company and are fully qualified pursuant to the criteria specified above. The independent directors did not have any business relationship nor provide any professional services to the Company in the past financial year.

(2) Recruitment of Directors and Executives

Recruitment of Directors

The Company places importance on the nomination and selection of directors by specifying the qualifications of directors and independent directors in accordance with the laws and relevant regulatory requirements, including the Articles of Association of the Company.

The selection and nomination of directors of the Company is considered by taking into account the educational background, work experience, knowledge and expertise, particularly in the telecommunications industry, and past performance as a director as well as the appropriate mix of skills and other diversities e.g. gender. This is in order to enable the Board of Directors to perform its duties effectively.

The Board recognizes the benefits of diversity and considers it as an important element in effective decision-making and management. The Corporate Governance Committee and Nomination Committee draw up guidelines regarding the diversity of other qualifications of nominated candidate as the position of director. Moreover, the Company used the Board Skill Matrix as supporting information in selecting of candidates with a focus on recruitment of versatility of expertise with appropriate mix of skills suitable for telecommunication industry. In 2017, the Company reviewed the Board Skill Matrix by classifying it to 10 subject matters including collaborative leadership and strategic planning, customers and marketing, account and finance, IT and technology, industry knowledge, legal, crisis and risk management and organization and human resources management.

The Nomination Committee is responsible for the selection and nomination of directors of the Company. Since 2011, the Company has engaged professional recruitment firms to assist in the selection of independent directors. The Nomination Committee will select qualified person for the position of director, conclude the selection results and nominate them as candidates for further consideration by the Board of Directors and the shareholders (as the case may be).

Directors of the Company must have the qualifications to act as directors and do not possess any of the prohibited characteristics prescribed by laws and must not simultaneously hold more than 5 board seats in publicly listed companies and executive directors must not hold more than 2 directorship positions in other companies or publicly listed companies, excluding subsidiaries, affiliates and joint-venture companies of the Company in order to ensure their efficiency in performing their duties and responsibilities towards the Company.

Directors are elected to hold office for a period of 3 years and may be re-elected for another term of office. The appointment, removal and retirement of a director from the Board of Directors of the Company must comply with the Articles of Association of the Company as follows:

- (1) The Board of Directors must comprise at least 5 members and at least half of whom must have residence in Thailand;
- (2) The shareholders must appoint members of the Board of Directors in the following manners:
 - a. each shareholder shall have the votes equals to the number of shares held by him/her;
 - b. all votes can be casted for a particular candidate or group of candidates but cannot be split between different candidates; and
 - c. candidates receiving the highest number of votes in descending order will be appointed as directors of the Company. In the event of a tie, the Chair of the meeting will have the casting vote;
- (3) director wishing to resign from his/her position must submit a letter of resignation to the Company. Resignation takes effect upon receipt of the letter of resignation by the Company;
- (4) The shareholders' meeting may resolve to remove any director before the expiration of his/her term by not less than three-fourths of the number of shareholders attending the meeting and having the right to vote and holding not less than one-half of the total number of shares of all the shareholders attending the meeting and having the right to vote; and
- (5) At every annual general meeting of shareholders, one-third of the directors who have served for the longest term must retire from their office, but such directors are eligible for re-election.

Furthermore, shareholders have the right to propose candidates for directorship at the Annual General Meeting of Shareholders in accordance with the relevant rules and regulations of the Company. The candidates for Chairmanship and directorship shall possess necessary knowledge and experience in telecommunications business or related businesses which are beneficial to the Company's business. The Company also has a procedure for selection of the independent directors which ensures that the independent directors would function to the best interest of the Company and shareholders

To this end, given the complicated and lengthy historical backgrounds of the telecommunications business sector, there is a need that directors have good understandings on relevant specific matters, including commercial, e.g. business transactions, etc. or the complicated technical matters, e.g. spectrum bands, telecommunications network, fiber optic, transmission equipment, mobile device, online business, internet, technological advancement, rules and regulations of the Office of The National Broadcasting and Telecommunications, etc. Lengthy and complexity backgrounds make telecommunication sector very difficult to understand. However, understanding of these matters is quite essential for business analysis and planning. Thus, years of services are a key factor for a director to have in-depth knowledge and to provide valuable recommendations and directions to the Company. The Company's board of directors has well functioned in this respect.

Recruitment of Executives

The Board of Directors of the Company has established a policy and criteria for the nomination and appointment of senior management and a policy for succession plan. There is a clear and transparent nomination process in which educational background, work experience, knowledge, capability, ethics and leadership are taken into consideration. The Board of Directors of the Company has appointed the Nomination Committee to consider and recommend qualified candidates for the appointment as Chief Executive Officer and Chief Financial Officer of the Company.

The Board of Directors of the Company has appointed People Group to be responsible for setting up the succession plan for the Chief Executive position. People Group will consider persons who have suitable qualifications, knowledge and ability for managing the Company's business. The Management has proposed top executives' succession plan to the Nomination Committee and the Board of Directors for consideration and recommendations on the appropriateness of such plan.

Development of Directors

When appointing a new director, the Company will prepare material information with respect to business operation and the corporate governance policy of the Company as well as arrange for a meeting with the Management, so that the new director can familiarize himself/herself with the business and the corporate governance of the Company. The Company also encourages its directors to attend the trainings relating to duties of directors, which are organized by Thai Institute of Directors Association and other institutes. The Company will inform its directors of relevant trainings which would be useful for the directors in carrying out their duty as the directors of the Company. At present, there are 6 directors of the Company who have attended the courses organized by the Thai Institute of Directors Association where no director attended the courses this year. Details of the directors training can be found under under Details of Directors, Attachment 1 of this Annual Registration Statements (Form 56-1 One Report).

The evaluation on the performance of the Board of Directors

The Board of Directors conducts an evaluation on the performance of the Board of Directors, an individual director self-assessment, and sub-committee self-assessment on an annual basis in order to provide an opportunity for each director to express his or her view on the performance of the Board of Directors and to consider and review the results, problems and obstacles on its performance over the previous year. In 2020, the Board of Directors has conducted the aforementioned evaluations with the results as set out below.

The Board of Directors Self-Assessment

The Company arranges for an evaluation on the performance of the Board of Directors on an annual basis to assess the performances of the Board of Directors in accordance with the good corporate governance principles. The evaluation procedure can be summarized as follows.

The Company Secretary prepares and reviews the evaluation form for correction and completeness and in compliance with the criteria required by the regulators. The evaluation form will then be proposed to the Board of Directors to complete. The Company Secretary will summarize the result of the evaluation on the performance of the Board of Directors as well as the strength and improvement areas before proposing to the Nomination Committee for its recommendations for further proposing to the Board of Directors for its consideration. The Board of Directors will review the result of the evaluation in order to improve their performance.

The evaluation form for the evaluation of the performance of the Board of Directors contains six key areas, namely, (1) structures and qualifications of the Board of Directors, (2) roles, duties and responsibilities of the Board of Directors, (3) meetings of the Board of Directors, (4) performance of the Board of Directors, (5) relationship of the Management, and (6) self-improvement of the directors and executives' development. The results of each key area are calculated in percentage, whereby 85 percent or more = excellent, more than 75 percent = very good, more than 65 percent = good, more than 50 percent = average, and less than 50 percent = need improvement. It can be concluded from the evaluation results that the Board of Directors has performed its duties in accordance with the good corporate governance principles and the code of conduct "dtac Code of Conduct" of the Company with most of the performance in the level of excellent and having an average score of 95.97 percent.

Sub-Committee Self-Assessment

In 2020, the Company has arranged for sub-committee's self-assessment. The evaluation procedure is the same as the evaluation on the performance of the Board of Directors as mentioned above. The evaluation form for sub-committee's self-assessment contains 3 key aspects, which are, (1) committee composition, (2) committee responsibilities, and (3) operating practices. After the evaluation, most of the results were comparable with those of last year for all sub-committees.

Individual director's self-assessment

The Company also arranges for individual director's self-assessment on an annual basis. The evaluation procedure is the same as the evaluation on the performance of the Board of Directors as mentioned above. The evaluation form for individual director's self-assessment contains five key areas, namely, (1) foundational, (2) directors' citizenship, (3) directors' responsibilities, (4) directors' meetings, and (5) directors' overall performance. After the evaluation, the average results were 98.06 percent. The results showed that the Company's directors are qualified and have performed their duties excellently and properly in accordance with the principles of good practice for directors.

8.1.2 Attendance and Remuneration of the Director

Attendance of Director

A meeting of the Board of Directors of the Company is held at least once every quarter. The Company informs the directors of the dates and time of the meetings in advance every year so that the directors can manage their schedule to attend the meetings accordingly. There are clear agendas for each meeting. The Company sends the meeting invitation, together with the supporting documents, to the directors at least 7 days in advance to allow the directors sufficient time to study the information prior to the meeting. Each meeting takes at least three hours, except for extraordinary meeting on specific purpose. The senior Management of the Company will join the meeting in order to clarify and answer the Board of Directors' queries. The Chair will allow every director to express his/her opinion before proceeding with the vote and concluding a resolution of the meeting in each agenda. Directors having interest, whether directly or indirectly, will not be eligible to vote and will have to leave the meeting during the consideration of the relevant agenda.

The Company records the minutes of the meetings in writing and keep the originals with the meeting invitation notices and the relevant supporting documents. Electronic copies of the documents are also maintained to facilitate the directors and relevant persons.

The Company has arranged facilities for the Directors to attend the Board of Directors' meetings via video or teleconference according to the Emergency Decree on Electronic Meeting B.E. 2563 including any other related rules and regulations, so the directors could provide opinions or recommendations which are beneficial to the Management and the business operation of the Company.

The Company imposes the policy with regard to the quorum of the Board of Directors that the quorum of each meeting must consist of no less than two-third of total directors. This policy is also applied to the vote of each agenda. However, in case that the quorum is less than two-third, it is the Chair's discretion to proceed with quorum prescribed in the Company's Articles of Association (no less than half of the total directors).

In 2020, the Company held 12 Board of Directors' meetings with the rate of attendance of the directors of 94 percent. The attendance of each director is as follows:

Name – Surname	Position	Attendance of the Board of Directors Meetings			Attendance of the 2020 Annual General Meeting of Shareholders
		Total	In person	By electronics means ⁽⁵⁾	
Mr. Boonchai Bencharongkul	Chair	12/12	11/12	1/12	1/1
Mr. Joergen Christian Arentz Rostrup ⁽¹⁾	Vice Chair	6/6	-	6/6	1/1
Mrs. Kamonwan Wipulakorn	Independent Director, Chair of the Audit Committee, Remuneration Committee and Corporate Governance Committee	12/12	4/12	8/12	1/1
Mr. Stephen Woodruff Fordham	Independent Director, Chair of the Nomination Committee, Audit Committee and Corporate Governance Committee	9/12	2/12	10/12	1/1
Mrs. Chananyarak Phetcharat	Independent Director, Chair of the Corporate Governance Committee, Chair of the Remuneration Committee and Nomination Committee	12/12	7/12	5/12	1/1
Mrs. Tone Ripel	Director, Nomination Committee, Remuneration Committee and Corporate Governance Committee	9/12	2/12	10/12	1/1
Mr. Rakesh Jain	Director, Nomination Committee, Remuneration Committee and Corporate Governance Committee	12/12	8/12	4/12	1/1
Mrs. Pratana Mongkolkul ⁽²⁾	Independent Director, Audit Committee, Nomination Committee and Remuneration Committee	9/10	3/10	6/10	1/1
Mr. Haakon Bruaset Kjoel ⁽³⁾	Director	4/4	-	4/4	-
Mr. Thomas Alexander Thyholdt ⁽⁴⁾	Director	4/4	-	4/4	-

Remark: (1) Mr. Joergen Christian Arentz Rostrup was appointed as a new director in replacement of Mr. Christian Wulff Sondergaard (who resigned from his directorship on 24 April 2020) with effect from 24 April 2020 pursuant to the resolution of the Board of Directors' Meeting No. 6/2020 held on 24 April 2020.

(2) Mrs. Pratana Mongkolkul was appointed as a new director in replacement of Mr. Chulchit Bunyaketu (who resigned from his directorship on 28 January 2020) with effect from 28 January 2020 pursuant to the resolution of the Board of Directors' Meeting No. 2/2020 held on 28 January 2020.

(3) Mr. Haakon Bruaset Kjoel was appointed as a new director in replacement of Mr. Petter Boerre Furburg (who resigned from his directorship on 15 October 2020) with effect from 16 October 2020 pursuant to the resolution of the Board of Directors' Meeting No. 9/2020 held on 16 October 2020.

(4) Mr. Thomas Alexander Thyholdt was appointed as a new director in replacement of Mr. Sverre Pedersen (who resigned from his directorship on 15 October 2020) with effect from 16 October 2020 pursuant to the resolution of the Board of Directors' Meeting No. 9/2020 held on 16 October 2020.

(5) The attendance through the electronic media before 19 April 2020 was constituted a quorum only when joining through the electronic media in Thailand and 1/3 of the quorum physically presented at the same place according to the National Council for Peace and Order No.74/2557 on Teleconferences through Electronic Devices. However, after the Emergency Decree on Electronic Meeting B.E. 2563 became effective on 19 April 2020, the Directors joining through the electronic media from overseas were constituted the quorum commencing from the Board of Directors Meeting No. 6/2020 (held on 24 April 2020) onward.

The attendance of the directors who resigned during 2020 is as follows:

Name – Surname	Position	Attendance of the Board of Directors Meetings			Attendance of the 2020 Annual General Meeting of Shareholders
		Total	In person	By electronics means ⁽¹⁾	
Mr. Chulchit Bunyaketu	Independent Director, Chair of the Remuneration Committee, Audit Committee and Nomination Committee	1/2	1/2	-	-
Mr. Christian Wulff Sondergaard	Director, Nomination Committee, Remuneration Committee and Corporate Governance Committee	3/6	2/6	4/6	-
Mr. Petter Boerre Furburg	Director	3/8	-	8/8	0/1
Mr. Sverre Pedersen	Director	5/8	2/8	6/8	1/1

Remark: (1) The attendance through the electronic media before 19 April 2020 was constituted a quorum only when joining through the electronic media in Thailand and 1/3 of the quorum physically presented at the same place according to the National Council for Peace and Order No.74/2557 on Teleconferences through Electronic Devices. However, after the Emergency Decree on Electronic Meeting B.E. 2563 became effective on 19 April 2020, the Directors joining through the electronic media from overseas were constituted the quorum commencing from the Board of Directors Meeting No. 6/2020 (held on 24 April 2020) onward.

Remuneration of the Director

In 2020, the total remuneration of directors of the Company was THB 13,972,800 with the remuneration of each individual director as follows:

Names	Directors' Remuneration (THB)					
	Board of Directors	Audit Committee	Remuneration Committee	Nomination Committee	Corporate Governance Committee	Total
Mr. Boonchai Bencharongkul	3,840,000	-	-	-	-	3,840,000
Mr. Joergen Christian Arentz Rostrup	-	-	-	-	-	-
Mr. Stephen Woodruff Fordham	1,320,000	720,000	-	408,000	204,000	2,652,000
Mrs. Chananyarak Phetcharat	1,320,000	-	374,000	204,000	408,000	2,306,000
Mrs. Kamonwan Wipulakorn	1,320,000	964,800	204,000	-	204,000	2,692,800
Mrs. Pratana Mongkolkul	1,210,000	660,000	204,000	187,000	-	2,261,000
Mr. Chulchit Bunyaketu ⁽¹⁾	110,000	60,000	34,000	17,000	-	221,000
Mrs. Tone Ripel	-	-	-	-	-	-
Mr. Rakesh Jain	-	-	-	-	-	-
Mr. Haakon Bruaset Kjoel	-	-	-	-	-	-
Mr. Thomas Alexander Thyholdt	-	-	-	-	-	-
Mr. Christian Wulff Sondergaard ⁽²⁾	-	-	-	-	-	-
Mr. Petter Boerre Furburg ⁽³⁾	-	-	-	-	-	-
Mr. Sverre Pedersen ⁽⁴⁾	-	-	-	-	-	-
Total	9,120,000	2,404,800	816,000	816,000	816,000	13,972,800

Remark: (1) Mr. Chulchit Bunyaketu resigned from his directorship on 28 January 2020 and Mrs. Pratana Mongkolkul was appointed as a new director in replacement of him.
(2) Mr. Christian Wulff Sondergaard resigned from his directorship on 24 April 2020 and Mr. Joergen Christian Arentz Rostrup was appointed as a new director in replacement of him.
(3) Mr. Petter Boerre Furburg resigned from his directorship on 15 October 2020 and Mr. Haakon Bruaset Kjoel was appointed as a new director in replacement of him.
(4) Mr. Sverre Pedersen resigned from his directorship on 15 October 2020 and Mr. Thomas Alexander Thyholdt was appointed as a new director in replacement of him.

Moreover, in 2020, Mrs. Kamonwan Wipulakorn and Mrs. Chananyarak Phetcharat who are the Directors of dtac TriNet Co., Ltd., the subsidiary of the Company, also receive the Director's remuneration from dtac TriNet Co., Ltd. in the total amount of THB 450,000 and THB 500,000 respectively. Such remuneration is paid as the meeting allowance for the actual attendance in the amount of THB 50,000 per meeting.

8.1.3 Monitoring of the Operation of the Company's Subsidiaries and Affiliates

The Company has developed monitoring mechanisms for its subsidiaries and affiliates to monitor their administration, management and operation and protect the interests of the Company. The Company has appointed representatives of the Company as Directors and Senior Management of such Subsidiaries and Affiliates. The Board of Directors of the Company has appointed the Nomination Committee to consider and recommend qualified candidates for the appointment as Director, Chief Executive Officer and Chief Financial Officer of its subsidiaries. In addition, the Company has taken actions to ensure that the authorities, duties and responsibilities of the Directors and Management of its Subsidiaries, rules and procedures relating to connected transactions and other key transactions are in line with those of the Company in order to have the same standard of governance. The Company arranges for the financial and operational performance of its key subsidiaries to be reported to its Board of Directors quarterly.

8.1.4 Corporate Governance Policies Compliance Review

The Company has set out new Governing Principles to improve and to strengthen Company's governance. For example, the introducing of 'Yearly Meeting Plan' for the Board of Directors, having a meeting, at least once a year, between the Board of Directors and the Company's external auditor without presence of the management. Also, the Board's duty is to review several reports such as Risk Management, Supply Chain Sustainability (at least twice a year) including reviewing internal audit report at all Board of Directors Meeting.

The Board of Directors of the Company ensures compliance with the requirements on actions and disclosure of information concerning transactions which may give rise to conflicts of interests pursuant to the regulations of the SEC, the SET and relevant regulators by assigning the Audit Committee to be responsible for considering, approving and giving recommendations in relation to transactions which may give rise to conflicts of interests. In addition, the Company has introduced the General Mandate for Interested Person Transactions, which sets out the types and approval procedures for transactions which may give rise to conflicts of interests, which are undertaken by the Company in its normal course of business. The Management is required to seek the Board of Directors' approval for entries into transactions which may give rise to conflicts of interests which are of significant size or important nature to the business operation of the Company. The Company proposes Interested Person Transactions to the Board of Directors for approval or reports the entries into such transactions to the Board of Directors for acknowledgement in accordance with its policy.

(1) Prevention of Conflicts of Interest

The directors and executives of the Company are also required to submit a report on their and their related persons' interests, in relation to the administration and management of the Company and its subsidiaries within 15 days from the end of each calendar year, and within 15 days from the date of any changes in their interests. The purpose of the report is for monitoring of and compliance with the requirements on connected transactions which may be transactions that give rise to conflicts of interest.

(2) Usage of Inside Information for taking advantage

The Company is aware of an importance of handling of information of the Company in order to prevent unlawful use of inside information for personal benefits or the benefits of other persons. It is the responsibility of the Directors, Executives and Employees of the Company to prevent access by unauthorized persons to, and disclosure of, non-public information that may affect the market price of the Company's shares and other financial instruments issued by the Company before the Company discloses such information via the stock exchange's disclosure system, or before the information ceases to be price-sensitive. The Directors, Executives and Employees shall not trade in the shares or financial instruments before such information has been made public or ceases to be price-sensitive. Violation of the code of conduct for the handling of information will be subject to investigation, punishment and/or dismissal of employment in accordance with the rules and procedures under applicable laws and regulations

In addition, the Company has developed a manual for Directors, Executives and Employees on dealing in the Company's securities. The directors, executives and relevant employees of the Company are prohibited from dealing in the Company's securities for the period of one month prior to the announcement of the Company's operating results for each quarter until the day following the date in which the Company's operating results are made public, and from trading on short-term considerations. The Company Secretary will notify the Directors, Executives and relevant Employees of such period prior to the announcement of the Company's operating results. The Directors and Executives are required to notify the Company of any acquisition or change of their shareholdings in the Company (including the shareholdings of their spouses or minor children) within 24 hours from the date of such acquisition or change. The Company Secretary will compile and report such information to the Board of Directors of the Company.

The Company's code of conduct in relation to the usage of Inside Information can be found on the Company's website at www.dtac.co.th and on the Company's intranet.

While the privacy laws continue to increase interest and attention, the company gives importance to the care and processing of personal information in a transparent manner. The Company has raised standards of care and protection on customers' personal information by complying with the Personal Information Protection Act (PDPA) and applying the best practice in Data Protection from the European (GDPR) for identifying objectives of usage and disclosure of person information. The Company has also applied robust technical measures to protect personal information. This includes raising awareness and educating employees within the organization on the protection of personal information and cyber protection practices. The Company ensures that its employees have strictly complied with dtac Code of Conduct and privacy policy.

(3) Anti-corruption

The first Company's Anti-Corruption Policy was implemented in 2006 and it has been revised from time to time. In October 2018, the Company amended the Code of Conduct with an increased emphasis on Anti-Corruption. The key message of this section was set to clearly enhance its best practices in doing business and to effectively gain its employee acknowledgement of the Company's policy. It was stated that "dtac has zero tolerance for corruption". This was the Company's commitment in conducting its business in an open and transparent manner. Therefore, the Company does not tolerate bribery or improper payments or advantages of any kind as the Company recognizes that bribery is illegal and exposes those involved and the Company to reputational and legal risk. Bribery may take many forms including facilitation payments, kick-back schemes. In this section, the Company expanded its corporate culture on Anti-corruption boundary to touch upon its key stakeholders-related matter such as "Public Officials" who were often subject to strict anti-corruption rules and so should be treated with extra caution. In addition, the Company had focused on corruption in its supply chain which might create significant risk for the Company even if it was not directly involved. The Company had to carefully select its Business Partners and monitor their commitment to ethical and lawful conducts same as what it did, since any breach of statutory duty by its business partner may cause material risks to the Company although it has not directly involved. In addition, the Company believes that business courtesies like gifts, hospitality and travel may create a conflict of interest or be considered bribery in certain circumstances. Last but not least, the Company has paid more attention when it played the role as a donor, even charitable donations or sponsorships, which could be seen as bribes if undertaken to secure a commercial advantage.

In order to make all Employees understand the impact of corruption and the importance of good governance and transparency in doing business, CEO has acted as a role model and communicated tone from the top to its employees to ensure that they are fully committed to the Company's ethical corporate culture for sustainable development. Currently, the Company continues to implement strict sponsorship and donation policies to ensure that the Company contributes to Thailand in the responsible way.

Moreover, the Company was certified as an anti-corruption organization by the Thai Institute of Directors under the Private Sector Collective Action Coalition Against Corruption. In year 2020, Company received certification renewal for a period of three more years.

In addition, the Company has regularly conducted risk assessment on the corruption and established practical guideline to control, prevent and monitor corruption risks. The Company communicates and provides training to employees about the Anti- Corruption Policy and keep monitoring on the Anti-Corruption Policy implementation. These activities will be presented and reported to Board of Directors annually.

In this regard, the Company has conducted in line with Policy Anti-Corruption as follows:

- d) The Company communicates to all level including Directors, Management and Employees to ensure all activities are in line with the applicable laws
- e) The Company provides reporting channel for the case of the breach of company policies or other corruption cases. The protection measures are established to ensure safety of the people who reported the cases. Details of policies and relevant anti-corruption activities are described in Company's website at www.dtac.co.th
- f) The Company communicates via e-mail to all Suppliers and Employees to ensure they aware of the good practice, for example, "No Gift" receiving during festive season, etc.
- g) Executive annually participates in the International Anti-Corruption Day organized by NACC-National Anti-Corruption Commission on December 9th each year.

(4) Whistleblowing

The Company has set up a communication channel through its website at www.dtac.co.th to provide opportunities for shareholders and interested persons to opine or complain directly to the Board of Directors of the Company in case there is an unfair treatment or a trouble arising from the action of the Company. It is mandatory to all employees that he or she is required to report any act that is likely to constitute a breach of the Code of Conduct to the Integrity Hotline (<https://dtac.ethicspoint.com>). Employees can consult Ethics and Compliance Officer or his/her leader in case advice concerning the reporting breaches is necessary.

The Integrity Hotline is a confidential web-based intake system. The Hotline is operated by an independent third party. The information of the whistleblower and other details are under supervision of the Investigation Officer of Investigation Department. Such information will be kept confidential for the confidence of the whistleblower. Furthermore, Ethics and Compliance Officer has regularly updated to Audit Committee at least once a quarter for updating compliance program and take consideration and recommendation from the Audit Committee if there is any concern.

All reported concerns are taken seriously and given fair and objective follow-up. The reports are first received and reviewed by the Company's Investigation Department. In cases which present serious allegations or concerns, the Investigation Department will undertake an independent investigation to clarify relevant facts. Other cases are transferred to the Business Unit and managed by an appointed independent function. All functions are required to maintain all information in the strictest confidence in order to ensure the integrity of the process.

The Company always communicates to Employees that they can report all suspected, unethical or illegal behavior without fear of retaliation. The Company does not tolerate retaliation of any kind against those who speak up in good faith.

8.2 Report on the Audit Committee's performance in 2020

The Audit Committee consists of 3 independent directors. The Chair of the Audit Committee of the Company has experiences and professional qualifications i.e. accounting and financial skills. From her experience, she was a Chief Financial Officer of a leading company including the listed companies in Thailand and was a financial executive with several financial institutions. Her expertise is also valuable and supportive in the telecommunication industries.

The meeting of the Audit Committee is held approximately once a month. In 2020, the Company held 13 Audit Committee meetings, the attendance of which was as follows:

Name list	No. of attendance / No. of meetings in 2020		
	Total	In person	By electronics means
Mrs. Kamonwan Wipulakorn (Chair and Independent Director)	13/13	3/13	10/13
Mr. Stephen Woodruff Fordham (Independent Director)	13/13	1/13	12/13
Mrs. Pratana Mongkolkul ⁽¹⁾ (Independent Director)	12/12	2/12	10/12

Remark⁽¹⁾ Mrs. Pratana Mongkolkul was appointed as the Audit Committee with effective date from 28 January 2020 pursuant to the resolution of the Board of Directors' Meeting No. 2/2020 held on 28 January 2020. After she has been seating as a member of Audit Committee, there were 12 Audit Committee meetings.

In 2020, the Audit Committee was responsible for reviewing the financial reporting system of the Company, the internal control system and internal audit system, compliance with laws relating to the business of the Company, considering, selecting, and nominating the Company's auditors and reviewing Connected Party Transactions or transactions which may lead to conflicts of interests, etc.

In carrying out its duty on the selection and nomination of the auditors of the Company, the Audit Committee will consider the selection of auditors pursuant to the Company's assessment criteria, which consist of the auditors' experience, performance, understanding of the telecommunications business and expertise on auditing telecommunications companies, as well as their independence in performing their works during the past year, in order to propose the appointment of the auditors to the Board of Directors and the shareholders' meeting for consideration. At the 2020 Annual General Meeting of Shareholders, which was held on 31 August 2020, Mrs. Gingkarn Atsawarangsali Certified Public Accountant No. 4496, Ms. Sirirat Sricharoensup Certified Public Accountant No. 5419, Ms. Runnapa Lertsuwankul, certified public accountant No. 3516, and Ms. Pimjai Manitkajohnkit, certified public accountant No. 4521, either of them from EY Office Limited was appointed as the auditors of the Company. Mrs. Gingkarn Atsawarangsali was the auditor in charge of auditing the Company and expressed opinions on the financial statements of the Company for the year ended 31 December 2020.

In performing its duty, it includes oversight of the preparation of the Company's financial reports by asking Management about making judgments in preparing the report, ensuring the compliance with applicable laws, considering of connected transactions or transactions that may lead to conflicts of interest are reasonable and in the best interest of the Company. The Audit Committee oversees the performance of the head of internal audit. It also reviews the internal control system's adequacy and appropriateness by meeting regularly with Executives and functions responsible for risk management and internal control. The Audit Committee meets with the Auditors of the Company at least once a year without the presence of the Management of the Company. Furthermore, where the Audit Committee deems necessary and appropriate, the Audit Committee may request clarifications and opinion from the Head of Internal Audit and the Auditors of the Company on information relating to financial and accounting matters to support the performance of its duties.

8.3 Report on the Subcommittee's performance in 2020

Remuneration Committee

The Remuneration Committee of the Company consists of 5 directors, more than half are independent directors (3 persons) and 2 non-executive directors. Chair of the Remuneration Committee is an independent director. A meeting of the Remuneration Committee is held at least twice a year. In 2020, the Company held 2 Remuneration Committee meetings, the attendance of which was as follows:

Name list	No. of attendance / No. of meetings in 2020		
	Total	In person	By electronics means
Mrs. Chananyarak Phetcharat (Chair and Independent Director)	2/2	1/2	1/2
Mrs. Kamonwan Wipulakorn (Independent Director)	2/2	1/2	1/2
Mrs. Pratana Mongkolkul ⁽¹⁾ (Independent Director)	1/1	-	1/1
Mr. Rakesh Jain (Non-Executive Director)	2/2	-	2/2
Mrs. Tone Ripel ⁽²⁾ (Non-Executive Director)	0/0	-	-

Remark: (1) Mrs. Pratana Mongkolkul was appointed as the Remuneration Committee with effective date from 28 January 2020 pursuant to the resolution of the Board of Directors' Meeting No. 2/2020 held on 28 January 2020. After she has been seating as a member of Remuneration Committee, there was only one Remuneration Committee meeting.

(2) Mrs. Tone Ripel was appointed as the Remuneration Committee with effective date from 24 April 2020 pursuant to the resolution of the Board of Directors' Meeting No. 6/2020 held on 24 April 2020. After she has been seating as a member of Remuneration Committee, there was no Remuneration Committee meeting.

In 2020, the Remuneration Committee was responsible for considering and giving recommendation on remuneration of the Chair and other directors, reviewing and recommending the remuneration packages and bonus scheme for the Chief Executive Officer and reviewing the local engagement contract of the Chief Executive Officer, promoting and encouraging the Company to develop a Company's remuneration philosophy and policy to be in line with the Company's direction and talent development plan, etc.

In determining the remuneration of the Chief Executive Officer, the Remuneration Committee will consider the performance of the Chief Executive Officer during the previous year pursuant to the specified key performance indicators (KPIs), each of which has different weighted scores.

Nomination Committee

The Nomination Committee of the Company consists of 5 directors, majority is 3 independent directors and 2 non-executive directors. Chair of the Nomination Committee is an independent director. A meeting of the Nomination Committee is held at least twice a year. In 2020, the Company held 9 Nomination Committee meetings, the attendance of which was as follow:

Name list	No. of attendance / No. of meetings in 2020		
	Total	In person	By electronics means
Mr. Stephen Woodruff Fordham (Chair and Independent Director)	9/9	2/9	7/9
Mrs. Chananyarak Phetcharat (Independent Director)	9/9	2/9	7/9
Mrs. Pratana Mongkolkul ⁽¹⁾ (Independent Director)	7/7	1/7	6/7
Mr. Rakesh Jain (Non-Executive Director)	9/9	2/9	7/9
Mrs. Tone Ripel ⁽²⁾ (Non-Executive Director)	5/5	-	5/5

Remark: (1) Mrs. Pratana Mongkolkul was appointed as the Nomination Committee with effective date from 28 January 2020 pursuant to the resolution of the Board of Directors' Meeting No. 2/2020 held on 28 January 2020. After she has been seating as a member of Nomination Committee, there were 7 Nomination Committee meetings.

(2) Mrs. Tone Ripel was appointed as the Nomination Committee with effective date from 24 April 2020 pursuant to the resolution of the Board of Directors' Meeting No. 6/2020 held on 24 April 2020. After she has been seating as a member of Nomination Committee, there were 5 Nomination Committee meetings.

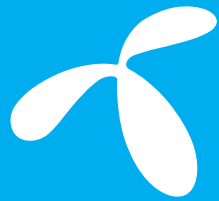
In 2020, the Nomination Committee was responsible for selection of qualified candidates to be nominated for election as Directors and Executive Management of the Company and its subsidiaries. Additionally, the Nomination Committee has considered and made recommendation on the Board of Directors' self-assessment results, the restructure of the Subcommittee and senior Executives' Succession Plan, etc.

Corporate Governance Committee

The Corporate Governance Committee consists of 5 directors, majority is 3 independent directors and 2 non-executive directors. Chair of Corporate Governance Committee is an independent director. A meeting of Corporate Governance Committee is held at least once a year. In 2020, the Company held 3 Corporate Governance Committee meetings and all members of Corporate Governance Committee were present at the meetings as follows

Name list	No. of attendance / No. of meetings in 2020		
	Total	In person	By electronics means
Mrs. Chananyarak Phetcharat (Chair and Independent Director)	3/3	-	3/3
Mr. Stephen Woodruff Fordham (Independent Director)	3/3	-	3/3
Mrs. Kamonwan Wipulakorn (Independent Director)	3/3	-	3/3
Mr. Rakesh Jain (Non-Executive Director)	3/3	-	3/3
Mrs. Tone Ripel (Non-Executive Director)	3/3	-	3/3

In 2020, the Corporate Governance Committee was responsible for developing and promoting a good corporate governance so as to be in compliance with the international standard and acceptable to shareholders, investors, regulators, and other stakeholders.



Internal Control and Connected Transactions

9. Internal Control and Connected Transactions

9.1 Internal Control

9.1.1 The internal control system of the Company is monitored by the Board of Directors and the Management to ensure that the Company achieves the following objectives:

- Effectiveness and efficiency of operations;
- Assurance of reliability of financial reports; and
- Compliance with the Company's corporate governance policies, applicable laws and regulations.

The Company applies internal control framework in line with the international standard for internal control framework of the Committee of Sponsoring Organizations of the Treadway Commission (COSO), the guidelines under the Sarbanes-Oxley Act Section 404 (SOX) and guidelines under the SEC. The Company has adopted the guidelines under SOX since 2006 to ensure that the activities related to the internal control over financial reporting (ICFR) are integrated into the business operation of the Company.

The internal control system of the Company consists of 5 components, which can be described as follows:

(1) Organizational Environment

The Company has established an organization structure that effectively supports the Management's administration and improves the Employees' performance. The Company has also set up clear and appropriate business goals by taking into consideration the possibility of achieving these goals and has communicated these goals to its Employees as guidance in performing their work at least once a year.

The Company is committed to be extremely vigilant and proactive in adhering to our culture of conducting business the right way. dtac Code of Conduct has been established and enforced as our company's ethical standard, which imposes restrictions on the Company's Directors, Management and Employees in engaging in any action which may give rise to a conflict of interest with the Company, conducts towards various stakeholders, both internal and external, including conducts towards Employees, customers, business partners, competitors and government agencies, and matters relating to the environment, assets, internal control, accounting, reporting and disclosure, information management and protection of personal data. Employees may consult or report any incidents of violation of the code of conduct directly to the Ethics and Compliance Officer. The policies and the code of conduct have been prescribed based on the principle of fair treatment towards stakeholders and for the long-term benefits of the Company.

The Company has set up an Internal Control Unit to oversee and support activities concerning Internal Control over Financial Reporting (ICFR) and also set up Ethics and Compliance Department to assist the Company in the development and adoption of its governance policies and manuals. The responsibility of the internal control unit includes monitoring and reporting the status of internal control over financial reporting to the Management, the Audit Committee and the Board of Directors on a regular basis, in order to enhance the accuracy and credibility of the Company's financial reports.

Moreover, the Company has also set up a Unit responsible for occupational health, safety, security and environment (HSSE), which follows the concept of ISO 14001 & OH SAS18001 international standards as its framework.

(2) Risk Management

Risk management in the Company aims at identifying, assessing and treating all relevant, foreseeable risks in a way that is effective, proactive and fit-for-purpose. The risk management processes feed in to a holistic and enterprise-wide risk management process, which is a continuous and iterative process, in order to:

- support the Company in achieving defined ambitions and goals
- maintain risk exposure of the Company at acceptable levels by managing significant threats and exploiting the significant opportunities
- enable explicit consideration of risks in decision-making by having risk management as an integral part of the decision-making processes
- ensure compliance with external risk requirements and standards
- timely initiate actions to reduce significant threats and to enhance significant opportunities
- raise awareness on risk management and enhance risk culture in the Company

The Company has put in place its risk management policy and manual with a regular review. The Company risk management is inspired by both the ISO 31000 and COSO II Enterprise Risk Management standards. Risks that may affect ambitions and goals of the Company shall be identified, assessed and responded to.

Line managers are responsible for ensuring that risk management is embedded into the strategic and day-to-day business processes. Each employee is responsible for managing the risks within his/her areas of responsibility. Company management team is an arena where the Company's risk picture is assessed regularly. Top risks in the Company are owned and managed by Company management team. The top risk picture will be reported to Board of Directors on a quarterly basis.

(3) Control Activities

The Company has set up appropriate control activities in response to specific risks regarding work processes, complexity, environment and entity-specific characteristics. The Company has developed policies and manuals for various management matters, including policies and manuals for entering into financial, procurement and general management transactions as well as information security management which is in line with international standard ISO/IEC 27001. The Company has set out a clear and appropriate scope of authority and approval limits for the Management at each level pursuant to the Policy on Delegation of Authority, which has been approved by the Board of Directors. The segregation of duties has been appropriately established. For example, the approval function is segregated from the account and information recording function and also separated from the safeguarding of assets function for purpose of check and balance.

The Company has also put in place strict measures for monitoring transactions with major shareholders, directors, executives, and their related persons, in order to ensure that the transactions are entered into in accordance with the prescribed procedures and approval process, so as to prevent any conflict of interests and for the best interest of the Company.

(4) Information and Communication

The Company places emphasis on information and communication system in order to ensure that accurate and sufficient information is communicated to the Board of Directors, the Management, shareholders and other related persons to make informed decisions. The Company has adopted accounting policies that are in accordance with the generally accepted accounting principles and suitable for the type of businesses in which the Company engages. All accounting records and supporting documents are being properly kept and maintained for verification at all times. The Company has also prepared meeting notices and supporting documents, including minutes of the Board of Directors' meetings and the shareholders' meetings, and proposed the same to the Board of Directors and shareholders, as the case may be, for consideration in advance of the meetings and in accordance with the law.

(5) Monitoring

There are clear processes for monitoring the internal control system and reporting any significant control failures or weaknesses together with details of corrective action. These include both on-going monitoring and periodic evaluation by the Management to ensure that a strong internal control system is in place and functioning.

On-going monitoring activities include regular reviews of performance and key financial information, analysis of, and appropriate follow-up on, operation reports or metrics that might identify anomalies indicating a control failure, etc. In addition, the Management is required to immediately report to the Audit Committee and the Board of Directors cases or suspected cases of fraud, violation of laws, or other misconduct that may have a material adverse effect on the reputation and financial status of the Company.

Key periodic evaluations include the followings:

- (a) The Management testing of key internal control over financial reporting – this test was carried out in 2020 and there was no significant internal control deficiency that may have a material effect to the financial reports. Furthermore, the summary of internal control testing is reported to the Audit Committee at least twice a year;
- (b) The activities of the Internal Audit Department, which examines the business operation procedures of the Company through an approved internal audit plan, highlights any internal control weaknesses and proposes recommendations for corrective actions thereon. The Internal Audit Department reports its findings directly to the Audit Committee, follows up on the progress of any corrective actions with the Management and provides a summary report on the results of such actions to the Audit Committee regularly, at least on a quarterly basis; and
- (c) Review of internal control matters as identified by the Company's external auditor.

9.1.2 EY Office Limited, the Company's external auditor, has reviewed and assessed the accounting control of the Company and its subsidiaries. There are no material findings that may have a material effect on its opinion on the financial statements of the Company and its subsidiaries as of 31 December 2020.

9.1.3 The Audit Committee accorded with the opinion of the auditor that the Company's internal controls and risk management systems were sufficient and suitable for the Company's business and capable of safeguarding the Company's assets from undue or unauthorized use by the Management. The Board of Directors' Meeting No. 1/2021, which was held on 29 January 2021, acknowledged the opinion of the Audit Committee on the sufficiency of the Company's internal controls and risk management systems. The Audit Committee report is attached as the Attachment 6 of this Annual Registration Statements (Form 56-1 One Report).

Internal Audit

The Internal Audit Department is obliged to perform its duties on an independent and fair basis and to provide advice in order to add value and improve the Company's operations. The Internal Audit Department is independent from the Management and provides report with respect to the internal audit directly to the Audit Committee.

The objectives, authorities, duties and responsibilities of the Internal Audit Department towards the Company, including roles and responsibilities of the Head of Internal Audit Department are explicitly defined in the Internal Audit Charter, which is formally reviewed and approved by the Chief Executive Officer and the Audit Committee at least on an annual basis to ensure accordance between responsibilities under the Internal Audit Charter and the operation of the Internal Audit Department. The Head of Internal Audit Department is required to confirm the independence of the internal audit activities to the Audit Committee on an annual basis.

The Internal Audit Department adheres to the guidance of the Institute of Internal Auditors (including the definition of Internal Auditing, the Code of Ethics and the International Standards for the Professional Practice of Internal Auditing) and the Information Systems Audit and Control Association and the internal audit manual of the Company.

The Internal Audit Department has developed a flexible annual internal audit plan by taking into account business strategic directions and key corporate risk-based methodology, including any matters concerned by senior Management. The annual internal audit plan is reviewed and approved by the Audit Committee. Apart from implementing the approved annual internal audit plan, the Internal Audit Department also performs any special tasks or projects as requested by the Management and the Audit Committee as appropriate.

According to the approved annual internal audit plan, the Internal Audit Department identifies and reviews potential risks, reviews the adequacy and effectiveness of the internal control and reports significant internal control weakness, non-compliance issues and recommendations for business improvements to the Management. An appropriate follow up process is implemented by the Internal Audit Department to ensure that the Management responds to and takes actions on the recommendations of the Internal Audit Department and external auditors. The audit findings, progress on any corrective actions taken by the Management and the status of the Internal Audit Department's activities are directly reported to the Audit Committee on a quarterly basis.

The Internal Audit Department also takes part in examining suspected fraudulent activities within the Company and notifies the Management and the Audit Committee of the results. In addition, the Internal Audit Department performs consulting services to assist the Management in meeting its goals and business strategy.

The staffs of the Internal Audit Department are encouraged to continually enhance their knowledge, skills and competencies through participation in various in-house and external training courses as well as overseas seminars. In addition, the staff members of the Internal Audit Department are provided with opportunities to develop themselves through the participation in the Company's mobility program.

To ensure the Internal Audit Department's conformance to the Institute of Internal Auditors, International Standards for the Professional Practice of Internal Auditing (IIA Standards), and internal audit activities as set forth in the Internal Audit Charter and the expectations of the Management, the Internal Audit Department has arranged for an assessment on the effectiveness of internal audit by an external independent assessor every five years. The assessment result is reported to the Company's Board of Directors and the Audit Committee.

The Internal Audit Department is assessed through external consulting for conducting a Quality Assessment Review (QAR) every 5 years. The latest external assessment was reviewed in November 2016. The quality assessment result was that the activities of the Internal Audit Department generally conform to the International Standard for the Professional Practice of International Auditing as prescribed by the Institute of Internal Auditors.

- 9.1.4 The Company has appointed Mr. Kiti Wichitsawangwong as the Head of Internal Audit Department and acts as the secretary to the Audit Committee supporting their oversight responsibilities and accountability to achieve their authorities and duties effectively. The Audit Committee views that the Head of Internal Audit Department is qualified for the performance of his duties.
- 9.1.5 The appointment, transfer and dismissal of the Head of Internal Audit Department and the heads of other units within the Internal Audit Department shall be approved by the Audit Committee.

9.2 Connected Transactions

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

As shown in Clause 9 of the notes to consolidated Financial Statements for the year ended 31 December 2020, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarized below, arose in the ordinary course of businesses and were concluded on commercial terms and agreed upon between the Company and those related parties.

All numbers shown below are based on the total amount of transactions done with respective entity in a respective year, regardless of whether such entity was considered connected entity of the Company or its subsidiaries for the whole year. The amount shown as zero in each respective year means there was no transaction with such entity during the year or such entity was not a connected entity for the whole year.

(1) Transactions with BB Technology Co., Ltd.

Benchachinda Holding Co., Ltd. held 100% of shares in BB Technology Co., Ltd. While conducting the transactions, Mr. Boonchai Bencharongkul, Chair of the Board of Directors of the Company, was a director and a shareholder with 40% shareholding in Benchachinda Holding Co., Ltd.

Principal Transactions	Total amount (THB million)		
	2018	2019	2020
1. Expenses and other payments			
• Service fees for network maintenance and installation of telecommunications equipment	3,017.4	1,858.4	687.7
• Service fees of network operation and management	417.8	442.0	411.1
• Trade payable	1,150.0	1,237.6	710.4

Rationale for the transactions

- The Company has entered into the agreement with BB Technology Co., Ltd. since the fourth quarter of 2008 to hire BB Technology Co., Ltd. to install, operate, and maintain the Company's entire transmission network. The maintenance fee and contract renewal are similar to what the Company agreed with the previous parties.

(2) Transactions with I.N.N. Group

While conducting the transactions, Mr. Boonchai Bencharongkul, Chair of the Board of Directors of the Company, was a director and a shareholder of I.N.N. Group.

Principal Transactions	Total amount (THB million)		
	2018	2019	2020
1. Expenses and other payments			
• Marketing expense	0.3	-	0.1
• Information service fee	13.3	4.0	3.0
• Trade payable	1.9	1.0	0.7

Rationale for the transactions

- The Company purchased airtime from I.N.N. Ruam Duay Chuay Kan Co., Ltd. to advertise the Company's product via radio. I.N.N. Ruam Duay Chuay Kan Co., Ltd. is a service provider of the Company providing agricultural information for the Company's customers in several forms through mobile phones. The service rate is of normal commercial terms.
- The Company entered into a Content Provider Access Agreement with I.N.N. News Co., Ltd. to provide content service to the Company's customers.

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

While conducting the transactions, Mr. Boonchai Bencharongkul, Chair of the Board of Directors of the Company, was a director and a shareholder with 25% shareholding in International Cold Storage and Agricultural Co., Ltd.

Principal Transactions	Total amount (THB million)		
	2018	2019	2020
1. Expenses and other payments			
• Rent for Land	1.0	1.0	1.0

Rationale for the transactions

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

(4) Transactions with Private Property Co., Ltd.

While conducting the transactions, Mr. Boonchai Bencharongkul, Chair of the Board of Directors of the Company, was a director and a shareholder with 25% shareholding in Private Property Co., Ltd.

Principal Transactions	Total amount (THB million)		
	2018	2019	2020
1. Expenses and other payments			
• Rent for space in Benchachinda Building	1.5	1.2	0.9

Rationale for the transactions

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

(5) Transactions with Telenor Group

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

Principal Transactions	Total amount (THB million)		
	2018	2019	2020
1. Revenue			
• Revenue from international roaming service	75.1	58.5	25.2
• Revenue from interconnection	191.1	130.0	113.7
• Revenue from management service	26.9	1.1	-
• Trade receivable	63.9	49.4	34.9
• Amount due from related party	6.1	1.2	1.7
2. Expenses and other payments			
• Fees to Telenor under a service agreement	1,247.6	1,045.0	1,072.7
• Software and system maintenance fee	226.0	229.2	237.8
• International roaming costs	19.0	13.3	14.7
• Interconnection costs	893.7	655.7	376.0
• Cost on international signaling	29.2	17.8	16.1
• Trade payable	221.5	192.5	100.7
• Other payable	144.3	208.6	286.9

Rationale for the transactions

- During the operational process, Telenor provides secondments with appropriate experience and capacity as requested by the Company to jointly manage the business operations for the best interest of shareholders by charging an applicable service fee. The Company's Internal Audit Department submitted the opinion on this matter to the Audit Committee. The Audit Committee reviewed the Management's justification regarding the necessity, considered its reasonableness, and approved the transaction.
- Revenue from mobile phone service arose from the mobile phone services charged to Telenor Asia (ROH) Co., Ltd., the office of which locates in Thailand.

- Revenue from international roaming service arose from the usage of Telenor subsidiaries' customers who traveled to Thailand and used the roaming service on dtac's network. The fee was charged in accordance with the agreement.
- Revenue from and cost of interconnection, including cost of international signaling and international internet transit service, arose from the interconnection between dtac TriNet Co., Ltd. and Telenor Global Services AS.
- The Company purchased computer software and made annual maintenance contract to improve operational efficiency of the Company.

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

UD is a subsidiary of Benchachinda Holding Co., Ltd. with 75% shareholding and an associate of the Company with 25% shareholding. While conducting the transactions, Mr. Boonchai Bencharongkul, Chair of the Board of Directors of the Company, was a director and a shareholder with 40% shareholding in Benchachinda Holding Co., Ltd.

Principal Transactions	Total amount (THB million)		
	2018	2019	2020
1. Revenue			
• Sales of SIM cards, SIM card packages, refill vouchers and starter kits	2,953.2	2,013.0	1,326.0
• Dividend income	-	5.0	5.0
• Trade receivable	474.4	360.0	247.7
2. Expenses and other payments			
• Marketing expense	2.9	2.4	0.9
• Rental and service fee	157.2	133.5	73.0
• Trade payable	26.7	15.6	10.4
• Other payable	-	-	-

Rationale for the transactions

- In June 2002, the Company and United Communication Industry PLC. transferred their sales and distribution business to UD. UD also has an exclusive right to distribute and sell the Company's telecommunication products. The business relationship is beneficial as it allows the Company to concentrate on core business and to be able to control the cost of distribution.
- The Company purchased handsets from UD for resale at dtac shops and service centers.

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

UIH is a subsidiary of Benchachinda Holding Co., Ltd. with 100% shareholding. While conducting the transactions, Mr. Boonchai Bencharongkul, Chair of the Board of Directors of the Company, was a director and a shareholder with 40% shareholding in Benchachinda Holding Co., Ltd.

Principal Transactions	Total amount (THB million)		
	2018	2019	2020
1. Revenue			
• Revenue from base station sublease include	36.3	22.3	22.1
electricity charge	3.7	16.0	5.0
• Trade receivable			
2. Expenses and other payments			
• Rental and service expenses	7.0*	5.8*	29.6
• Cost of Wi-Fi equipment and service	4.4	-	-
• Trade payable	0.8**	1.0**	20.9
• Other payable	0.7	0.3	-

Rationale for the transactions

- UIH provides high-speed data communication service via a nationwide leased optical fiber network to public and private organizations. UIH has one of the most extensive and high-quality fiber optic networks in Thailand and has been providing consistent and high-quality data communication services to the Company and its subsidiaries for many years.
- It was beneficial to conduct business with UIH as the Company did not have such data communication networks. In addition, UIH has one of the most extensive and high-quality fiber optic network coverage throughout Thailand.
- Sourcing team will obtain quotations from at least 3 service providers as part of the review of pricing arrangements. The Company will continue to rent the high speed leased circuits from UIH if the pricing arrangements continue to be more favorable to the Company than those extended by other service providers, taking into consideration various factors i.e. reputation, the size and quality of the leased circuit, the switching cost and strategic purposes of the transaction.
- dtac Broadband Co., Ltd., the Company's subsidiary currently under liquidation, entered into an agreement for high speed circuit at a rate comparable with the market rate and an agreement for equipment and service of Wi-Fi with normal commercial terms. Such agreement was later novated to the Company following the entire business transfer from dtac Broadband Co., Ltd. to the Company.

Remark * Rental and service expenses of year 2018 and 2019 does not included the sublease of TOT conduit in year 2018 amounting to THB 5.2 million and year 2019 amounting to THB 5.6 million. The reported number of rental and service expenses was THB 7 million for year 2018 and THB 5.8 million for year 2019. With the sublease expenses, the amount of rental and service expenses would become THB 12.2 million for year 2018 and THB 11.4 million for year 2019.

** Account payable balance of 2018 and 2019 does not included the accrual for sublease of TOT conduit in year 2018 THB 7 million and year 2019 THB 12.6 million. The reported number of account payable was THB 0.8 million as of year 2018 and THB 1 million as of year 2019. With the sublease accrual, the balance of account payable would become THB 7.8 million for year 2018 and THB 13.6 million for year 2019.

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

While conducting the transactions, Mr. Boonchai Bencharongkul, Chair of the Board of Directors of the Company, was a director and a shareholder with 25% shareholding in Bang-san Townhouse Co., Ltd.

Principal Transactions	Total amount (THB million)		
	2018	2019	2020
1. Expenses and other payments			
• Rent for Land	0.7	-	1.5

Rationale for the transactions

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

(9) Transactions with Top Up 4U Co., Ltd.

Benchachinda Holding Co., Ltd. holds 100% of shares in Top Up 4U Co., Ltd. While conducting the transactions, Mr. Boonchai Bencharongkul, Chair of the Board of Directors of the Company, was a director and a shareholder with 40% shareholding in Benchachinda Holding Co., Ltd.

Principal Transactions	Total amount (THB million)		
	2018	2019	2020
1. Revenue			
• Revenue from sales of top-up service	179.2	133.3	94.8
• Trade receivable	16.3	13.2	9.2
2. Expenses and other payments			
• Service expenses and commission expenses	9.2	6.5	3.8
• Trade payable	0.8	0.6	0.4

Rationale for the transactions

- The Company hired Top Up 4U Co., Ltd. to be an E-refill distributor. The fee was charged in accordance with the agreement. This is to enhance channels for E-refill service for customers of the Company.

(10) Transactions with BB Content & Multimedia Co., Ltd.

Benchachinda Holding Co., Ltd. holds 100% of shares in BB Content & Multimedia Co., Ltd. While conducting the transactions, Mr. Boonchai Bencharongkul, Chair of the Board of Directors of the Company, was a director and a shareholder with 40% shareholding in Benchachinda Holding Co., Ltd.

Principal Transactions	Total amount (THB million)		
	2018	2019	2020
1. Expenses and other payments			
• Information service fee	0.6	-	-
• Trade payable	0.1	-	-

Rationale for the transactions

- The Company signed a Content Provider Access Agreement with BB Content & Multimedia Co., Ltd. to provide content service to dtac customers.

(11) Transactions with Rakbankerd Co., Ltd.

Benchachinda Holding Co., Ltd. holds 100% of shares in Rakbankerd Co., Ltd. While conducting the transactions, Mr. Boonchai Bencharongkul, Chair of the Board of Directors of the Company, was a director and a shareholder with 40% shareholding in Benchachinda Holding Co., Ltd.

Principal Transactions	Total amount (THB million)		
	2018	2019	2020
1. Expenses and other payments			
• Information service fee	18.0	18.0	18.0
• Other payable	1.6	1.6	1.6

Rationale for the transactions

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

(12) Transactions with Y & Associate Co., Ltd.

While conducting the transactions, Mr. Boonchai Bencharongkul, Chair of the Board of Directors of the Company, was a director and a shareholder with 25% shareholding in Y & Associate Co., Ltd.

Principal Transactions	Total amount (THB million)		
	2018	2019	2020
1. Expenses and other payments			
• Service expense	1.4	-	-
• Trade payable	-	-	-

Rationale for the transactions

- The Company leased warehouse space and logistics management service from Y & Associate Co., Ltd. to store the Company's equipment. The transaction is considered as normal business or supporting normal business with general terms and conditions and the contract has already expired. Therefore, no transaction reports in the year 2019 and 2020.

(13) Transactions with entities within Benchachinda Holding Co., Ltd.

While conducting the transactions, Mr. Boonchai Bencharongkul, Chair of the Board of Directors of the Company, was a director and a shareholder with 40% shareholding in Benchachinda Holding Co., Ltd.

Principal Transactions	Total amount (THB million)		
	2018	2019	2020
1. Expenses and other payments			
• Rental and service expenses	0.3	0.2	0.2

Rationale for the transactions

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

(14) Transactions with BB Connect Co., Ltd.

United Information Highway Co., Ltd. ("UIH") holds 99% of shares in BB Connect Co., Ltd. UIH is a subsidiary of Benchachinda Holding Co., Ltd. While conducting the transactions, Mr. Boonchai Bencharongkul, Chair of the Board of Directors of the Company, was a director and a shareholder with 40% shareholding in Benchachinda Holding Co., Ltd.

Principal Transactions	Total amount (THB million)		
	2018	2019	2020
1. Revenue			
• Service revenue	8.3	0.8	-
• Trade receivable	1.2	-	-
2. Expenses and other payments			
• Service expenses	74.2	54.5	34.3
• Trade payable	10.0	7.3	6.9

Rationale for the transactions

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

(15) Transactions with YA Sales and Services Co., Ltd.

Benchachinda Holding Co., Ltd. holds 99% of shares in YA Sales and Services Co., Ltd. While conducting the transactions, Mr. Boonchai Bencharongkul, Chair of the Board of Directors of the Company, was a director and a shareholder with 40% shareholding in Benchachinda Holding Co., Ltd.

Principal Transactions	Total amount (THB million)		
	2018	2019	2020
1. Revenue			
• Revenue from sales of mobile phone set	0.2	0.2	0.7
• Trade receivable	-	-	0.1
2. Expenses and other payments			
• Purchase of Goods	-	-	20.8
• Storage and Delivery Service expenses	125.0	111.0	98.9
• Trade payable	36.0	21.0	-
• Other payable	11.0	13.7	33.0

Rationale for the transactions

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

(16) Transactions with Thai Art Museum Co., Ltd.

While conducting the transactions, Mr. Boonchai Bencharongkul, Chair of the Board of Directors of the Company, was the Chairman of the Board of Directors and the Chief Executive Officer of Thai Art Museum Co., Ltd.

Principal Transactions	Total amount (THB million)		
	2018	2019	2020
1. Expenses and other payments			
• Marketing expenses	0.1	-	-

Rationale for the transactions

- The Company purchased King Rama IX banknote books which were manufactured by Thai Art Museum Co., Ltd. To provide as souvenirs to the press and stakeholders on New Year festival at a rate comparable with the market rate. The transaction is considered as supporting normal business with general terms and conditions comparable to what the Company could agree with any third party.

(17) Transactions with TMB Bank Public Company Limited.

While conducting the transactions, Ms. Chananyarak Phetcharat, Independent Director of the Company, was also the Independent Director, Member of Audit Committee, and Member of IT Oversight Committee member of TMB Bank Public Company Limited.

Principal Transactions	Total amount (THB million)		
	2018	2019	2020
1. Expenses and other payments			
• Service expenses	-	-	7.9

Rationale for the transactions

- The Company used banking service for bill collection from TMB Bank Public Company Limited. These transactions are considered to support normal business with general terms and condition comparable to what the Company could agree with any third party.

(18) Transactions with Thanachart Bank Public Company Limited.

While conducting the transactions, Ms. Chananyarak Phetcharat, Independent Director of the Company, was also the Independent Director, Member of Audit Committee, and Member of IT Oversight Committee member of Thanachart Bank Public Company Limited.

Principal Transactions	Total amount (THB million)		
	2018	2019	2020
1. Expenses and other payments			
Service expenses	-	-	2.9

Rationale for the transactions

- The Company used banking service for bill collection from Thanachart Bank Public Company Limited. These transactions are considered to support normal business with general terms and condition comparable to what the Company could agree with any third party.
- The Company entered into contract with Thanachart Bank Public Company Limited to lease part of the building area to set up telecommunication equipment. The transaction is considered as normal business or supporting normal business with general terms and conditions comparable to what the Company could agree with any third party.

Other than the connected party transactions set out above, there was no material contract involving the interests of any of the Chief Executive Officer, Directors and controlling shareholders, still subsisting at the end of the financial year ending 31 December 2020.

Measure and Procedures for Approving Connected Party Transactions

The Company has set policy and procedures for entering into connected party transactions with transparency and for the best interest of the Company. The Company has internal guideline regarding connected party transactions between the Company or its subsidiaries and connected persons which is in accordance with relevant SEC and SET rules and regulations on connected party transactions.

In addition, the Board of Directors of the Company has approved-in-principle the entry into connected party transactions which are ordinary course of business or related supporting business. The key summary is as follows:

- (1) the sales and purchases of products, including, inter alia, the sales and purchases of telecommunication products (including phone kits, refill vouchers, SIM cards, SIM card packages and starter kits); and the sales of e-refill products;
- (2) the obtaining of services, including, inter alia,;
 - the obtaining of maintenance services (including installation services) of base stations and cell site equipment;
 - the obtaining of services for Content Provider Access;
 - the obtaining of international roaming services;
 - the obtaining of business service cost and management services;
 - the obtaining of point(s) of interconnection and cost sharing for International Telecommunication Services; and
 - the obtaining of Outsource Bill-Collection Service.
- (3) the rental of properties and circuits, including, inter alia,;
 - the rental of high speed leased circuit; and
 - the rental of land, office space or warehouses.
- (4) the payment of commission to Connected Persons for distribution services or other services rendered (e.g. the distribution of e-refill products of the Company);
- (5) the provision and maintenance of telecommunications services including, inter alia, point(s) of interconnection and cost sharing for International Telecommunication Services;
- (6) the procurement of products, services and/or contracts which are necessary and/or expedient to support the business operations of the Company (including, inter alia, insurance protection); and
- (7) the provision or the obtaining of such other products and/or services which are incidental to or in connection with the provision or obtaining of products and/or services in paragraphs (1) to (6) above.

The Company has also implemented the following procedures for approving connected party transaction which may occur during the year in accordance with scopes of transactions that have been approved by the Board of Directors:

- (1) where the value of a transaction is equal to or exceeds THB 500,000, but is less than THB 10 million the connected party transaction will be reviewed and approved by the senior Management of the Company;
- (2) where the value of a Transaction is equal to or exceeds THB 10 million, but is less than THB 100 million the transaction will be reviewed and approved by the senior Management of the Company. In addition, Internal Audit Department will verify that whether the pricing and other commercial terms of the transaction are on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders. Internal Audit Department will issue a report (the "Review Report") and will submit the report to the Audit Committee on a quarterly basis;
- (3) where the value of a transaction (either one transaction or several transactions entered into within 6 months with the same connected person) is equal to or exceeds THB 100 million, the transaction(s) will be reviewed and approved by the Audit Committee before the entry into of such contract or transaction. The Audit Committee will evaluate the terms of the transaction(s) in accordance with the prevailing industry norms.

Total Access Communication Public Company Limited and its subsidiaries

Report and consolidated financial statements

31 December 2020

Report of the Board of Directors' Responsibility for the Financial Reports

The Board of Directors is responsible for the financial statements of the Company and its subsidiaries and the financial information as presented in the annual report of the Company. The financial statements of the Company and its subsidiaries as of 31 December 2020 have been prepared with careful consideration, in conformity with generally accepted accounting principles in Thailand, and using appropriate accounting policies and best estimation. All material information has been sufficiently disclosed in the notes to financial statements. The financial statements have been duly audited by independent authorized auditors who have provided unqualified opinions. The financial statements therefore reflect the Company's financial condition and results of operation that is true, transparent and reasonable for the benefits of all shareholders and investors.

The Board of Directors has established and maintained an appropriate and efficient internal control system and internal audit system to ensure that all accounting records are accurate, complete and sufficient to safeguard the Company's assets and prevent corruptions and materially irregular practices.

The Board of Directors has appointed an Audit Committee, which consists of independent directors who are responsible for the accuracy and adequacy of the financial reports, the appropriateness and efficiency of the internal control system and internal audit system, and compliance with laws and regulations related to the Company's business. The opinion of the Audit Committee is provided in the Report of the Audit Committee as presented in this annual report.

The Board of Directors is of the opinion that the Company's overall internal control system is satisfactory and provides reasonable assurance to the credibility of the financial statements of the Company and its subsidiaries as of 31 December 2020.

On behalf of the Board of Directors
Total Access Communication Public Company Limited
29 January 2021



Mr. Boonchai Bencharongkul
Chair of the Board of Directors



Mr. Rakesh Jain
Director

Independent Auditor's Report

To the Shareholders of Total Access Communication Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Total Access Communication Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2020, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Total Access Communication Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Total Access Communication Public Company Limited and its subsidiaries and of Total Access Communication Public Company Limited as at 31 December 2020, their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

My opinion is not modified in respect of these matters.

I draw attention to the following Notes to the consolidated financial statements.

1. Significant litigations and commercial disputes

- a) As discussed in Note 35 to the consolidated financial statements, the Company is involved in court proceedings and commercial disputes with TOT Public Company Limited (“TOT”) (At present, TOT Public Company Limited and CAT Telecom Public Company Limited have been merged into the National Telecom Public Company Limited) in relation to the access charge payment. For the period from 18 November 2006 to 7 November 2007, the Company accrued the access charge in the financial statements at the interconnection charge rate payable amounting to Baht 1,973 million. On 8 November 2007, the Company sent TOT a notice to terminate the two Access Charge Agreements, and so as from 8 November 2007 the Company did not accrue the access charge in its financial statements because the Company’s management believed that its obligation to pay access charges under the Access Charge Agreements had ended. TOT filed suit with the Central Administrative Court demanding that CAT Telecom Public Company Limited (“CAT”) and the Company jointly pay damages arising from the access charge totaling Baht 245,638 million (calculated up to 10 July 2014). On 31 May 2019, the Central Administrative Court issued a verdict dismissing TOT’s claim and TOT did not submit its appeal within the stipulated timeframe and the case is thus final, as per the letter from the Central Administrative Court dated 19 July 2019. Currently, the Company is in process of discussing on the interconnection charge settlement in accordance with NTC’s Notification RE: Uses and Interconnections of Telecommunication Networks B.E. 2549 with TOT, which has not been finalised or clearly concluded, and related legal cases are under court proceedings. The outcome depends on the relevant legal execution, negotiation, and future court proceedings.
- b) As discussed in Note 36 to the consolidated financial statements, the Company is involved in litigations and commercial disputes, regarding additional revenue sharing payment (Excise Tax) under the Concession Agreement and regarding additional revenue sharing calculation in relation to Interconnection Charge revenue after the enforcement of the Interconnection Notification, with CAT (At present, TOT Public Company Limited and CAT Telecom Public Company Limited have been merged into the National Telecom Public Company Limited), as well as other legal cases. At present, these disputes and legal cases are under formal arbitration and court proceedings. The outcome cannot be determined and depends on future judicial proceedings.

2. Regulatory risks concerning the telecommunications business

As discussed in Note 37 to the consolidated financial statements, the Group is exposed to certain significant regulatory risks related to the telecommunications business, including those related to the management under the spectrum licenses at appropriate costs for use in the operation of the mobile telecommunication business, which is significant to the Group’s operation of its telecommunication business at present.

Key Audit Matters

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



I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond for each matter are described below.

Contingent liabilities arising from significant litigation and commercial disputes

As discussed in emphasis of matters regarding significant litigation and commercial disputes, and as described in Note 35 and 36 to the consolidated financial statements, the Company involved in legal cases and commercial disputes.

Currently, the commercial disputes are in legal processes, and litigation is the subject of court proceedings, which mean that their outcomes cannot be determined and depend on the results of future legal and judicial proceedings. In addition, the timing and amount of any impact is uncertain. The management needs to exercise significant judgement and take into account related laws and regulations to assess the outcomes of the litigation and commercial disputes in order to determine the corresponding liabilities. Due to the inherent uncertainty and complexity of these cases, this is a key audit matter.

I inquired with the management about the procedures relevant to the collation, monitoring and assessment of pending significant legal cases and commercial disputes, and assessed the judgement exercised by the management in evaluating the legal cases and commercial disputes. The audit procedures included, among others, the following:

- a) I enquired with the management and obtained related information from them in relation to these significant legal cases and commercial disputes.
- b) I reviewed the letters of confirmation relevant to the significant legal cases and commercial disputes received from the external legal counsels who have been retained by the Company, and evaluated their responses. I also discussed the matters with the internal legal counsels and enquired with management with respect to details and the progress of these cases and disputes, and the methods applied by the management in assessing and estimating the liabilities arising from these legal cases and commercial disputes. I have also reviewed the legal opinions provided by the external legal counsels of the Company that were used to support management's evaluations.
- c) I assessed the disclosure of information relating to significant legal cases and commercial disputes in the notes to the consolidated financial statements.

Impairment evaluation of equipment, including right-of-use assets - cost of spectrum licenses and other related right-of-use assets, for mobile telecommunication services operation

As discussed in Note 14 to the consolidated financial statements, in evaluating impairment for the equipment, including right-of-use assets - cost of spectrum licenses and other related right-of-use assets, for mobile telecommunication services operation of the Group, the management had to exercise judgement with respect to its projections of future operating performance, plans for management and use of those assets, future maintenance and investment, and determination of an appropriate discount rate and key assumptions. There is considerable uncertainty related to projections of future cash flows for the impairment loss assessment on that assets.

In order to assess the management's evaluation of impairment on equipment, including right-of-use assets – cost of spectrum licenses and other related right-of-use assets, for mobile telecommunication services operation, I evaluated the management's identification of the cash generating units and the selection of a financial model, by gaining an understanding of management's decision-making process and ascertaining whether it is consistent with how assets are expected to be utilised including to gain an understanding and assess the following:

- a) The assumptions applied in preparing cash flow projections for the Group, based on the understanding I gained of the process by which the estimated future cashflows were determined; comparison of the assumptions with external and internal sources of information where available, and management's approved forecasts and business plan, taking into account the accuracy of past cash flow projections in comparison to actual operating results.
- b) The discount rate, based on comparison of the average cost of capital of the Group to that of comparable organisations in the industry.
- c) The assumptions and approaches used by management in calculating the recoverable amount of assets.

In addition, I assessed the information disclosed by the Group's management with respect to impairment evaluation of equipment, including right-of-use assets – cost of spectrum licenses and other related right-of-use assets, for mobile telecommunication services operation.

Revenue recognition from provision of mobile telecommunication services

As described in Note 5.1 to the consolidated financial statements, accounting policies of revenue recognition, the Group have variety of mobile telephone service tariff structures, charging conditions offered in response to subscriber needs and the significant number of service transactions. In addition, there is more intense competition in the mobile telecommunication industry. I have therefore determined as a key audit matter by focusing on the amount and timing of the recognition of revenue from the provision of mobile telecommunication services.

The audit procedures included, among others, an assessment of the Group's accounting policies, an assessment of the effectiveness of the Group's general controls over their IT systems and their internal controls with respect to the processing and timing of recognition for mobile telecommunication service charge. On a sampling basis, I examined supporting documents for actual revenue transactions occurring during the year and near the end of accounting period. I also performed analytical review procedures on disaggregated revenue data and examined the related accounting entries made through journal vouchers.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

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

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

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

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

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

I am responsible for the audit resulting in this independent auditor's report.



[Ginkarn Atsawarangsalit](#)

Certified Public Accountant (Thailand) No. 4496

EY Office Limited

Bangkok: 29 January 2021

Total Access Communication Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Assets					
Current assets					
Cash and cash equivalents	7	6,647,041,895	8,528,384,697	2,879,784,466	4,573,891,195
Trade and other receivables	8	9,888,516,286	9,791,135,793	5,214,053,948	5,431,592,717
Lease receivable - current portion	22.3	1,212,942,915	382,096,000	-	-
Inventories	10	634,014,585	1,087,833,918	7,760,413	20,510,605
Other current financial assets	31.3	15,908,504	-	-	-
Other current assets	11	3,323,700,645	2,806,990,099	245,646,890	300,151,422
Total current assets		21,722,124,830	22,596,440,507	8,347,245,717	10,326,145,939
Non-current assets					
Restricted bank deposits	34.3	139,527	139,527	-	-
Lease receivable - net of current portion	22.3	5,591,220,680	6,102,075,282	-	-
Loans to subsidiary	9	-	-	15,000,000,000	10,500,000,000
Other non-current financial assets	31.3	1,829,719,685	-	1,800,000	-
Investment in associated company	12	233,299,337	250,149,029	50,000,000	50,000,000
Investments in subsidiaries	13	-	-	1,613,914,716	1,613,914,716
Other investments		-	43,224,286	-	1,800,000
Property, plant and equipment	14	51,346,994,125	53,894,383,048	1,707,381,352	1,988,255,912
Deposits and prepayment for purchase and installation of equipment		308,691,427	244,617,026	-	-
Prepaid expenses and deferred expenses		-	123,600,791	-	123,600,791
Right-of-use assets - cost of spectrum licenses	15	62,104,578,502	50,234,964,493	-	-
Right-of-use assets	22.1	21,456,769,243	23,663,543,275	922,699,446	803,490,865
Other intangible assets	16	1,772,369,071	1,664,471,637	212,053,203	291,258,949
Deferred tax assets	27	4,819,098,826	5,596,325,069	3,379,626,806	4,582,921,334
Other non-current assets	17	3,095,381,595	2,844,214,539	1,290,707,817	1,807,151,494
Total non-current assets		152,558,262,018	144,661,708,002	24,178,183,340	21,762,394,061
Total assets		174,280,386,848	167,258,148,509	32,525,429,057	32,088,540,000

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

Total Access Communication Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2020

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2020	2019	2020	2019
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	18	26,943,923,572	26,609,586,766	9,773,398,722	10,530,128,083
Long-term loans - current portion	19	3,984,805,477	11,970,767,122	-	-
Debentures - current portion	20	2,499,791,977	3,997,253,420	-	-
Unearned revenue from telephone service		1,915,241,153	1,856,229,515	523,391,703	658,338,123
Income tax payable		-	69,379	-	-
Accrued cost of spectrum licenses - current portion		7,607,527,890	10,526,950,000	-	-
Lease liabilities - current portion	22.2	4,663,356,325	4,534,293,088	320,680,319	446,364,947
Assets retirement obligation - current portion	21	122,484,910	61,966,163	62,724,232	3,556,218
Other current liabilities		688,377,207	591,741,698	256,813,827	173,887,843
Total current liabilities		48,425,508,511	60,148,857,151	10,937,008,803	11,812,275,214
Non-current liabilities					
Long-term loans - net of current portion	19	9,976,131,507	3,970,115,068	-	-
Debentures - net of current portion	20	37,665,303,732	28,981,196,750	-	-
Provision for long-term employee benefits	23	645,121,638	711,242,517	645,121,638	711,242,517
Accrued cost of spectrum licenses - net of current portion		33,486,652,237	25,487,908,841	-	-
Accrued cost of spectrum licenses - deferred		-	1,198,695,076	-	-
Lease liabilities - net of current portion	22.2	17,819,979,346	20,103,334,287	529,804,009	271,977,470
Assets retirement obligation - net of current portion	21	1,941,708,675	1,685,315,375	134,712,457	212,661,102
Other non-current liabilities		4,558,663	5,071,310	1,319,033	1,319,027
Total non-current liabilities		101,539,455,798	82,142,879,224	1,310,957,137	1,197,200,116
Total liabilities		149,964,964,309	142,291,736,375	12,247,965,940	13,009,475,330

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

Total Access Communication Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2020

Statement of financial position (continued)

As at 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Shareholders' equity					
Share capital					
Registered					
2,372,080,630 ordinary shares of Baht 2 each		4,744,161,260	4,744,161,260	4,744,161,260	4,744,161,260
Issued and fully paid					
2,367,811,000 ordinary shares of Baht 2 each		4,735,622,000	4,735,622,000	4,735,622,000	4,735,622,000
Premium on ordinary shares		6,541,658,660	6,541,658,660	6,541,658,660	6,541,658,660
Other surplus		1,647,137,361	1,647,137,361	1,647,137,361	1,647,137,361
Retained earnings					
Appropriated - statutory reserve	40	474,416,126	453,646,244	474,416,126	453,646,244
Unappropriated (deficits)		(6,733,542,563)	(6,061,783,086)	6,878,628,970	5,701,000,405
		(6,259,126,437)	(5,608,136,842)	7,353,045,096	6,154,646,649
Other components of shareholders' equity		17,650,130,955	17,650,130,955	-	-
Equity attributable to owners of the Company		24,315,422,539	24,966,412,134	20,277,463,117	19,079,064,670
Non-controlling interest of the subsidiaries		-	-	-	-
Total shareholders' equity		24,315,422,539	24,966,412,134	20,277,463,117	19,079,064,670
Total liabilities and shareholders' equity		174,280,386,848	167,258,148,509	32,525,429,057	32,088,540,000
		-	-	-	-

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

Total Access Communication Public Company Limited and its subsidiaries

Income statement

For the year ended 31 December 2020

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2020	2019	2020	2019
Revenues from sales and services					
Revenue from telephone services		59,993,267,510	63,332,725,238	4,429,380,837	4,332,197,275
Revenue from sales of telephone sets and starter kits		6,979,703,083	8,628,584,371	13,608,259	91,108,962
Other operating income		11,845,028,781	9,205,826,793	11,422,105,424	14,499,584,274
Total revenues from sales and services		78,817,999,374	81,167,136,402	15,865,094,520	18,922,890,511
Cost of sales and services					
Cost of telephone services		47,102,260,046	45,564,991,966	2,355,320,787	2,456,007,552
Cost of sales of telephone sets and starter kits		8,871,015,003	10,548,824,108	24,689,913	78,924,579
Total cost of sales and services		55,973,275,049	56,113,816,074	2,380,010,700	2,534,932,131
Gross profit		22,844,724,325	25,053,320,328	13,485,083,820	16,387,958,380
Interest income		26,054,747	57,838,760	118,174,352	169,000,486
Other income		39,344,798	3,224,922	2,205,972,301	3,052,857,841
Income before expenses		22,910,123,870	25,114,384,010	15,809,230,473	19,609,816,707
Selling, distribution and service expenses		(4,108,177,618)	(4,716,984,368)	(2,108,729,126)	(2,217,250,655)
Administrative expenses		(10,301,273,953)	(10,713,408,696)	(5,398,059,447)	(6,812,721,907)
Gain (loss) on foreign exchange		31,421,240	(15,140,069)	27,068,720	(1,208,879)
Total expenses		(14,378,030,331)	(15,445,533,133)	(7,479,719,853)	(9,031,181,441)
Profit from operating activities		8,532,093,539	9,668,850,877	8,329,510,620	10,578,635,266
Gain from fair value measurement of derivative instruments and net position of hedging		298,401,009	-	-	-
Finance cost	26	(2,858,995,000)	(3,269,350,258)	(37,479,859)	(43,262,341)
Share of loss from investment in associated company	12	(11,849,692)	(8,830,739)	-	-
Profit before income tax expenses		5,959,649,856	6,390,669,880	8,292,030,761	10,535,372,925
Income tax expenses	27	(852,531,160)	(968,871,154)	(1,206,941,252)	(1,470,200,349)
Profit for the year		5,107,118,696	5,421,798,726	7,085,089,509	9,065,172,576
Profit attributable to:					
Equity holders of the Company		5,107,118,696	5,421,893,006	7,085,089,509	9,065,172,576
Non-controlling interests of the subsidiaries		-	(94,280)	-	-
		5,107,118,696	5,421,798,726		
Earnings per share					
28					
Basic earnings per share					
Profit attributable to equity holders of the Company		2.16	2.29	2.99	3.83

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

Total Access Communication Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Profit for the year	5,107,118,696	5,421,798,726	7,085,089,509	9,065,172,576
Other comprehensive income				
<i>Other comprehensive income not to be reclassified to profit and loss in subsequent periods</i>				
Actuarial gains (loss)	(18,233,622)	90,646,827	(18,233,622)	90,646,827
Less: income tax effect	3,646,724	(17,743,911)	3,646,724	(17,743,911)
Other comprehensive income not to be reclassified to profit and loss in subsequent periods				
- net of income tax	(14,586,898)	72,902,916	(14,586,898)	72,902,916
Other comprehensive income for the year	(14,586,898)	72,902,916	(14,586,898)	72,902,916
Total comprehensive income for the year	5,092,531,798	5,494,701,642	7,070,502,611	9,138,075,492
Total comprehensive income attributable to:				
Equity holders of the Company	5,092,531,798	5,494,795,922	7,070,502,611	9,138,075,492
Non-controlling interests of the subsidiaries	-	(94,280)	-	-
	5,092,531,798	5,494,701,642		

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



Total Access Communication Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2020

(Unit: Baht)

Consolidated financial statements										
		Equity attributable to owners of the Company								
		Retained earnings					Other components of equity			
		Appropriated		Other surplus	Unappropriated		Adjustment resulting			
		- statutory	reserve	Capital surplus from	(deficits)	premium on ordinary	from reduction of			
		reserve		restructuring		share to offset	legal reserve and			
						the Company's	premium on ordinary			
						deficits	share to offset			
							the Company's			
							deficits			

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

Total Access Communication Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2020

Statement of changes in shareholders' equity (continued) For the year ended 31 December 2020

	Note	Separate financial statements					(Unit: Baht)
		Issued and paid-up share capital	Premium on ordinary shares	Other surplus	Retained earnings	Total	
				Capital surplus from restructuring	Appropriated - statutory reserve	Unappropriated (deficits)	shareholders' equity
Balance as at 1 January 2019		4,735,622,000	6,927,789,290	1,647,137,361	465,929,718	(852,060,346)	12,924,418,023
Profit for the year		-	-	-	-	9,065,172,576	9,065,172,576
Other comprehensive income for the year		-	-	-	-	72,902,916	72,902,916
Total comprehensive income for the year		-	-	-	-	9,138,075,492	9,138,075,492
Dividend paid	24	-	-	-	-	(2,983,428,845)	(2,983,428,845)
Reduction of legal reserve and premium on ordinary shares to offset the deficits	40	-	(386,130,630)	-	(465,929,718)	852,060,348	-
Transfer retained earnings to legal reserve	40	-	-	-	453,646,244	(453,646,244)	-
Balance as at 31 December 2019		4,735,622,000	6,541,658,660	1,647,137,361	453,646,244	5,701,000,405	19,079,064,670
Balance as at 1 January 2020		4,735,622,000	6,541,658,660	1,647,137,361	453,646,244	5,701,000,405	19,079,064,670
Profit for the year		-	-	-	-	7,085,089,509	7,085,089,509
Other comprehensive income for the year		-	-	-	-	(14,586,898)	(14,586,898)
Total comprehensive income for the year		-	-	-	-	7,070,502,611	7,070,502,611
Dividend paid	24	-	-	-	-	(5,872,104,164)	(5,872,104,164)
Transfer retained earnings to legal reserve	40	-	-	-	20,769,882	(20,769,882)	-
Balance as at 31 December 2020		4,735,622,000	6,541,658,660	1,647,137,361	474,416,126	6,878,628,970	20,277,463,117
		-	-	-	-	-	-
		-	-	-	0	(0)	-

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

Total Access Communication Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from operating activities				
Profit before income tax expenses	5,959,649,856	6,390,669,880	8,292,030,761	10,535,372,925
Adjustments to reconcile profit before tax to cash provided by (paid from) operating activities:				
Unrealised loss (gain) on foreign exchange	(54,105,316)	52,990,066	1,178,095	22,418,584
Share of loss from investment in associated company	11,849,692	8,830,739	-	-
Dividend received from associated company	-	-	(5,000,000)	(5,000,000)
Dividend received from subsidiaries	-	-	(2,168,186,686)	(2,984,295,080)
Dividend received from other investments	(150,000)	(375,000)	(150,000)	(375,000)
Allowance for inventory obsolescence (reversal)	(44,868,888)	12,354,632	(7,418)	(6,000,317)
Reversal of allowance for expected credit losses (2019: reversal of allowance for doubtful accounts - trade and other receivables)	(71,236,915)	(233,845,005)	(93,101,794)	(16,358,623)
Allowance for impairment on assets/investment in subsidiary	19,293,771	68,840,989	7,751,705	68,840,989
Allowance for impairment of investment in other investment	-	250,000	-	-
Depreciation and amortisation (Note 29)	20,951,247,200	19,996,687,879	899,322,661	1,057,369,495
Write-off of property, plant and equipment	17,463,917	43,034,300	4,825,412	12,874,549
Effect from adjustment of right-of-use assets	57,778,157	56,315,229	4,601,730	258,967
Loss from sales and lease back (Note 22.1)	173,989,696	-	-	-
Loss (gain) from disposal of equipment	367,870,738	39,112,645	(71,782,798)	(31,682,761)
Gain from disposal of other intangible assets	-	-	-	(2,501,311)
Provision for long-term employee benefits (reversal)	(80,168,312)	68,083,500	(80,168,312)	68,083,500
Amortisation on cost to obtain contracts	206,954,052	215,106,556	-	-
Gain from fair value measurement of derivative instruments and net position of hedging	(298,401,009)	-	-	-
Interest expenses	2,846,225,850	3,253,070,342	24,710,709	26,982,426
Profit from operating activities before changes in operating assets and liabilities	30,063,392,489	29,971,126,752	6,816,024,065	8,745,988,343
Decrease (increase) in operating assets				
Trade and other receivables	130,529,710	(1,610,841,182)	306,414,920	(2,223,067,495)
Lease receivable	129,557,807	-	-	-
Inventories	498,753,967	1,028,218,687	12,757,610	(11,497,029)
Other current assets	(542,103,090)	207,752,291	54,504,532	501,164,789
Prepaid expenses and deferred expenses	123,600,791	429,902,693	123,600,791	21,652,693
Other non-current assets	(202,609,966)	(206,150,222)	30,614,328	45,461,740
Increase (decrease) in operating liabilities				
Trade and other payables	235,130,964	(8,245,264,641)	(709,420,188)	(9,498,592,789)
Other current liabilities	216,165,894	(785,401,696)	7,147,578	413,273,804
Other non-current liabilities	(102,906,870)	(41,067,086)	(88,099,989)	(447,196)
Cash flows from (used in) operating activities	30,549,511,696	20,748,275,596	6,553,543,647	(2,006,063,140)
Cash paid for interest expenses	(4,273,991,093)	(2,331,815,358)	(21,821,048)	(23,817,391)
Cash paid for corporate income tax	(1,197,485,806)	(1,931,894,270)	(374,403,847)	(624,143,356)
Tax refund	863,493,943	1,050,316,443	860,233,196	1,050,316,443
Net cash flows from (used in) operating activities	25,941,528,740	17,534,882,411	7,017,551,948	(1,603,707,444)

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

Total Access Communication Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from investing activities				
Increase in other investments	-	(12,718,722)	-	-
Increase in other non-current financial assets	(1,997,710)	-	-	-
Cash paid for loan to subsidiary	-	-	(7,000,000,000)	(6,000,000,000)
Cash receipt from loan to subsidiary	-	-	2,500,000,000	5,500,000,000
Dividend received from subsidiaries	-	-	2,168,186,686	2,984,295,080
Dividend received from associated company	5,000,000	5,000,000	5,000,000	5,000,000
Dividend received from other investments	150,000	375,000	150,000	375,000
Cash receipt from subsidiary's liquidation	-	-	-	271,161,610
Cash paid to non-controlling interests				
from subsidiary's liquidation	-	(525,216)	-	-
Decrease in amounts due from related parties	-	-	-	217,366,362
Acquisition of building and equipment	(8,810,725,981)	(17,053,121,095)	(72,291,498)	(711,038,533)
Proceeds from sales of building and equipment	22,468,039	22,668,091	72,317,070	380,003,462
Decrease (increase) in deposits and prepayment				
for purchase and installation of equipment	(64,074,401)	254,008,272	-	1,237,365
Acquisition of right-of-use assets - cost of spectrum licenses	(10,917,205,035)	-	-	-
Acquisition of right-of-use assets	(124,832,994)	(18,630,000)	(5,555,787)	(4,860,375)
Acquisition of other intangible assets	(894,462,410)	(991,317,020)	(86,273,240)	(193,225,469)
Proceeds from sales of other intangible assets	-	-	-	9,538,990
Proceeds from sales of right-of-use assets	-	-	-	42,988,533
Net cash flows from (used in) investing activities	(20,785,680,492)	(17,794,260,690)	(2,418,466,769)	2,502,842,025
Cash flows from financing activities				
Cash received from long-term loan	37,000,000,000	38,000,000,000	-	-
Repayment of long-term loans	(39,000,000,000)	(39,500,000,000)	-	-
Cash received from debentures	10,000,000,000	5,000,000,000	-	-
Repayment of debentures	(4,000,000,000)	(1,500,000,000)	-	-
Cash paid for lease liabilities	(5,165,086,886)	(4,319,073,781)	(421,087,744)	(475,575,962)
Dividend paid	(5,872,104,164)	(2,983,428,845)	(5,872,104,164)	(2,983,428,845)
Net cash flows used in financing activities	(7,037,191,050)	(5,302,502,626)	(6,293,191,908)	(3,459,004,807)
Net decrease in cash and cash equivalents	(1,881,342,802)	(5,561,880,905)	(1,694,106,729)	(2,559,870,226)
Cash and cash equivalents at beginning of year	8,528,384,697	14,090,265,602	4,573,891,195	7,133,761,421
Cash and cash equivalents at end of year	6,647,041,895	8,528,384,697	2,879,784,466	4,573,891,195
	-	-	-	-
Supplemental cash flow information:				
Non cash transactions:				
Accounts payable for purchase of equipment	6,174,360,065	6,152,494,740	47,749,715	55,683,069
Accounts payable for purchase of other intangible assets	194,039,019	192,952,793	2,978,774	39,307,045
Accrued cost of spectrum licenses	41,094,180,127	36,014,858,841	-	-
Lease liabilities	22,483,335,671	24,637,627,375	850,484,328	718,342,417

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

Total Access Communication Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2020

1. General information

1.1 Corporate information

Total Access Communication Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The Company is listed on the Stock Exchange of Thailand in 2007.

The Company has two major shareholders who are Telenor Asia Pte Ltd., a company incorporated in Singapore, and Thai Telco Holding Co., Ltd., a company incorporated in Thailand. The Company is principally engaged in the provision of wireless telecommunications services through its subsidiaries and the sale of handsets and accessories.

The Company's registered address is 319 Chamchuri Square Building, 41st Fl., Phayathai Road, Pathumwan, Bangkok.

The Company operated cellular telephone services in 800 MHz and 1800 MHz frequency bands under an concession agreement with CAT Telecom Public Company Limited ("CAT") (Concession agreement) from 16 September 1991 until 15 September 2018.

On 7 January 2021, CAT Telecom Public Company Limited ("CAT") has been merged with TOT Public Company Limited ("TOT") into National Telecom Public Company Limited ("NT").

The Company was awarded a type one telecommunication business license by the National Broadcasting and Telecommunications Commission ("NBTC") to provide retail WiFi internet services. The duration of the license is valid throughout the service period under the scope and conditions as specified in the NBTC's announcement Re: rules and procedures for Telecommunication Business, dated on 5 March 2020.

1.2 Corporate information of dtac TriNet Company Limited

dtac TriNet Company Limited ("dtac TriNet") is a subsidiary of the Company and is incorporated and domiciled in Thailand. dtac TriNet is principally engaged in the provision of wireless telecommunications services and the sale of handsets and accessories. dtac TriNet has the below licenses to provide its services. dtac TriNet is required to comply with the rules and pay the license fee and fee for Universal Basic Telecommunications and Social Services (USO) as specified by law throughout the service period, and the duration of type one and type two telecommunications business licenses are valid throughout the service period in accordance with the related specified scope and conditions.

- a) A type three telecommunication business license (for providing an international call services (International Direct Dialing)) by NTC for duration of 20 years (starting from 6 February 2007 and expiry on 5 February 2027). dtac TriNet started rendering international call services since 2 August 2007, and therefore committed to comply with conditions stipulated under the license.



- b) A type one telecommunication business license for Internet Service Provider by NTC.
- c) Spectrum Licensing and a type three telecommunication business license (authorisation to use the spectrum license) by NBTC valid for 15 years (starting from 7 December 2012 and expiring on 6 December 2027) for operating telecommunication business for International Mobile Telecommunication (IMT) in the frequency band 2.1GHz covered the range of 1920 – 1935 MHz paired with 2110 – 2125 MHz under the scope of the license throughout the Kingdom of Thailand.
- d) A type two telecommunication business license by NBTC for International Internet Gateway (ITG) service and National Internet Exchange (NIE) service.
- e) A type three telecommunication business license by NBTC for fixed line service for period of 12 years (starting from 2 September 2015 and expiry on 5 February 2027) which the operation has been commenced since March 2017.
- f) A type three telecommunication business license by NBTC for International Private Leased Circuit (IPLC) for a period of 11 years (starting from 12 July 2016 and expiring on 5 February 2027), the operation of which commenced in November 2016.
- g) A type one telecommunication business license for resale of Leased Circuit/Channel Service, the operation of which commenced in April 2017.
- h) Spectrum Licensing by NBTC for the validity period of 15 years (starting from 16 December 2018 and expiry on 15 December 2033) for operating telecommunication business for International Mobile Telecommunication in the frequency band 1800 MHz (“spectrum license”) for 2x5 MHz covered the range of 1745 – 1750 MHz paired with 1840 – 1845 MHz under the scope of the license throughout the Kingdom of Thailand.

dtac TriNet is required to make payment for the winning bid price of the authorization to use the spectrum license in the total amount of Baht 13,386.77 million (including VAT) under the following payment conditions:

First installment: To pay 50% of the winning bid price, equivalent to Baht 6,693.39 million and to submit a letter of guarantee from a commercial bank to guarantee the remaining payment for the winning bid price within 90 days of the receipt of the notice of the bidders on 23 August 2018 to NBTC (paid on 19 November 2018).

Second installment: To pay 25% of the winning bid price, equivalent to Baht 3,346.69 million and to submit a letter of guarantee from a commercial bank to guarantee the third installment within 15 days after the lapse of 2 years from the date of obtaining the license. NBTC will return the letter of guarantee that was firstly submitted within 15 days from the date the licensee pays the second installment (paid on 29 December 2020).

Third installment: To pay 25% of the winning bid price, equivalent to Baht 3,346.69 million within 15 days after the lapse of 3 years from the date of obtaining the license. NBTC will return the letter of guarantee that was secondly submitted within 15 days from the date the licensee pays the third installment.

- i) Spectrum Licensing by NBTC for the validity period of 15 years (starting from 16 December 2018 and expiry on 15 December 2033) for operating telecommunication business for International Mobile Telecommunication in the frequency band 900 MHz (“spectrum license”) for 2x5 MHz covered the range of 890 – 895 MHz paired with 935 – 940 MHz under the scope of the license throughout the Kingdom of Thailand.

dtac TriNet is required to make payment for the winning bid price of the authorization to use the spectrum license in the total amount of Baht 40,728.48 million (including VAT) under the payment conditions specified in the NBTC's announcement regarding rules and procedures for the Spectrum Licensing for Telecommunications Business in spectrum band of 890-895/935-940 MHz as follows:

First installment: To pay Baht 4,301.40 million and to submit a letter of guarantee from a commercial bank to guarantee the remaining payment for the winning bid price within 90 days of the receipt of the notice of the bidders on 1 November 2018 to NBTC (paid on 12 December 2018).

Second installment: To pay Baht 2,150.70 million and to submit a letter of guarantee from a commercial bank to guarantee the third and fourth installment within 15 days after the lapse of 2 years from the date of obtaining the license. NBTC will return the letter of guarantee that firstly submitted within 15 days from the date the spectrum licensee pays the second installment.

Third installment: To pay Baht 2,150.70 million and to submit a letter of guarantee from a commercial bank to guarantee the fourth installment within 15 days after the lapse of 3 years from the date of obtaining the license. NBTC will return the letter of guarantee that secondly submitted within 15 days from the date the spectrum licensee pays the third installment.

Fourth installment: To pay Baht 32,125.68 million within 15 days after the lapse of 4 years from the date of obtaining the license. NBTC will return the letter of guarantee that thirdly submitted within 15 days from the date the spectrum licensee pays the fourth installment.

On 10 May 2019, dtac TriNet sent a letter to the Office of NBTC requesting to divide the payment for 900 MHz spectrum in accordance with the Order of the Head of the National Council for Peace and Order No. 4/2562 dated 11 April 2019 Re: Measure of problem solving for television and telecommunications business operations ("NCPO Order No. 4/2562") which specified that NBTC is to consider dividing the total amount of auction payment which the licensee of 900 MHz spectrum is required to pay into ten installments, one installment payment per year, in equal amount. The request for the installment payment is under the condition that the licensee must be the applicant who has the right to receive a license to use the 700 MHz spectrum. Later, on 19 June 2019, dtac TriNet participated in the 700 MHz spectrum allocation and has been allocated one block of 700 MHz spectrum under the conditions as described in Note 1.2 k) to the consolidated financial statements. Subsequently, dtac TriNet received the letter from Office of NBTC confirming that dtac TriNet has complied with the conditions determined by NCPO Order No.4/2562. As a result, dtac TriNet is entitled to divide the payment for 900 MHz spectrum into ten installments, in equal amount, as specified by NCPO Order No.4/2562, by considering that the year in which dtac TriNet won the 900 MHz spectrum auction (December 2018) is regarded as the first installment and the details of remaining payment for 900 MHz spectrum (included VAT) are as follows:

Second and third installments: To pay Baht 7,917.14 million in 2020 (paid on 29 December 2020)

Fourth installment to tenth installment: To pay 10% of the cost of license spectrum or Baht 4,072.85 million in equal amount for each installment.

While paying the installment payment, dtac TriNet has obligations to submit bank guarantee to guarantee the remaining payment and to comply with regulations and conditions specified by NCPO Order No.4/2562.

Since, dtac TriNet received a confirmation letter from NBTC for the compliance with the requirements as specified in the NCPO Order No.4/2562, it has the right to divide the payment term of the 900 MHz spectrum license mentioned above. dtac TriNet's management considered the relevant information including the substance of transaction and reckoned that the receipt of the said payment conditions for 900 MHz spectrum directly related to the participation in 700 MHz spectrum application to the NBTC office, thus after that, dtac TriNet has been allocated the bandwidth. Therefore, "Accrued cost of spectrum license - deferred" (the difference between the present value of the bidding price of 900 MHz license that dtac TriNet must pay in accordance with the new payment terms and the original payment terms) was recorded as part of the cost of spectrum license of the 700 MHz spectrum when dtac TriNet obtained 700 MHz spectrum licensing in December 2020. The rules, Procedures and conditions of 700 MHz spectrum are described in Note 1.2 k) to the consolidated financial statements.

- j) Spectrum Licensing by NBTC for the validity period of 15 years (starting from 24 February 2020 and expiring on 23 February 2035) for operating telecommunication business for International Mobile Telecommunication in the frequency band 26 GHz ("Spectrum license") in the spectrum range of 26.8 - 27.0 GHz, with the total bandwidth of 200 MHz under the scope of the license throughout the Kingdom of Thailand.

Under NBTC announcement Re: rules and procedures for the Spectrum Licensing for Telecommunications Business in spectrum band of 700 MHz, 1800 MHz, 2600 MHz and 26 GHz, dtac TriNet made payment for the winning bid price of the authorization to use the spectrum license in the total amount of Baht 974.13 million (including VAT) on 21 February 2020.

- k) Spectrum Licensing by NBTC for the validity period of 15 years (starting from 24 December 2020 and expiring on 23 December 2035) for operating telecommunication business for International Mobile Telecommunication in the frequency band 700 MHz ("spectrum license") for 2x10 MHz covering the range of 713-723 MHz paired with 768-778 MHz under the scope of the license throughout the Kingdom of Thailand. For requesting of the 700 MHz frequency spectrum license dtac TriNet must be the licensee of the 890-915 MHz / 935-960 MHz spectrum, and must have the qualifications required by the NBTC announcement. Re: Permission to use spectrum for telecommunication businesses in the area 703-733 / 758-788 MHz, dated 4 June 2019 and its amendments ("NBTC announcement").

dtac TriNet is required to make payment for the authorisation to use the spectrum license in the total amount of Baht 18,815 million (including VAT). The payment conditions for the spectrum for obtaining a license are as follows:

First installment: To pay 10% of the cost of the spectrum or Baht 1,881.5 million (including VAT) and to submit a bank guarantee for the remaining payments (paid on 21 December 2020).

Second installment to tenth installment: To pay 10% of the cost of spectrum license in each of installment payment or Baht 1,881.5 million (including VAT) each and to submit bank guarantee for the remaining payments within 15 days from the date of the anniversary of the permission to use the spectrum each year.

1.3 Interconnection charge

In December 2013, the NBTC issued the Notification RE: Uses and Interconnections of Telecommunication Networks B.E. 2556 (2013) (the "Interconnection Notification 2556") to replace the NTC's Notification RE: Uses and Interconnections of Telecommunication Networks B.E. 2549 (the "Interconnection Notification 2549"). The Interconnection Notification 2556 determines that operators who have telecommunication networks are required to grant other operators effective access to their networks.

However, the right to operate telecommunication business under concession agreement has ended on 15 September 2018. The Company has sent a notice to other licensees who are the interconnection partners with the Company to acknowledge the termination of the concession agreement and the termination of the interconnection of the telecommunication network.

Pursuant to the Concession Agreement which ended on 15 September 2018, the Company shall pay revenue sharing to CAT (currently known as "NT") every year based on a percentage of revenues from services provided under the Concession Agreement but not less than a minimum annual revenue sharing payment as specified in it. However, the entry into the interconnection charge agreements has caused an uncertainty on the revenue share calculation payable to CAT under the Concession Agreement. Therefore, from the 17th concession year onward, the Company has decided to calculate revenue sharing payable to CAT on the basis of service revenue, excluding interconnection charges, until a conclusion can be reached with CAT. Nevertheless, CAT has challenged the Company's revenue share calculation in this matter by submitting a statement of claim requesting the Company to pay additional revenue share on interconnection charge (please refer to Note 36 (b) to the consolidated financial statements for more details).

For the interconnection arrangement of dtac TriNet, dtac TriNet has entered into the interconnection charge agreements with other operators, which are listed below:

Operators	Effective period
a) True Move Co., Ltd.	1 July 2013 onwards
b) True Move H Universal Communication Co., Ltd.	1 July 2013 onwards
c) True Universal Convergence Co., Ltd.	1 July 2013 onwards
d) Advance Info Service Plc.	1 July 2013 onwards
e) Advanced Wireless Network Co., Ltd.	1 July 2013 onwards
f) CAT Telecom Plc. (currently known as "NT")	1 July 2013 onwards
g) Triple T Broadband Plc.	1 July 2013 onwards
h) True International Communication Co., Ltd.	1 January 2014 onwards
i) Otaro World Corportion Co., Ltd.	20 August 2018 onwards
j) TOT Plc. (currently known as "NT")	18 December 2019 onwards

1.4 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is currently impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group's management continuously monitored the ongoing development and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Profession Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements. The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Total Access Communication Public Company Limited ("the Company") and the following subsidiary companies ("the subsidiaries"):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2020 Percent	2019 Percent
<u>Subsidiaries directly held by the Company</u>				
WorldPhone Shop Company Limited	Under liquidation process of payment to creditors	Thailand	100	100
TAC Property Company Limited	Asset management	Thailand	100	100
dtac TriNet Company Limited	Providing telecommunications services	Thailand	100	100
DTAC Broadband Company Limited	Under liquidation process	Thailand	100	100
Paysbuy Company Limited	Under liquidation process	Thailand	100	100
<u>Subsidiary held through TAC Property Company Limited</u>				
Eastern Beach Company Limited	Investment and support start-up companies to develop applications	Thailand	-	100
<u>Subsidiary held through dtac TriNet Company Limited</u>				
dtac Accelerate Company Limited	Investment and support start-up companies to develop applications	Thailand	100	100
dtac Digital Media Company Limited	Under liquidation process	Thailand	100	100
TeleAssets Company Limited	Lease of telecommunication equipment and device	Thailand	100	100

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
 - c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
 - d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
 - e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements. Book value of investments and shareholder's equity of its subsidiaries have also been eliminated from the consolidated financial statements.
 - f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- 2.3 The separate financial statements present investments in subsidiaries and associates presented under the cost method.

3. New financial reporting standards

(a) TFRS 16 Leases

During 2019, the Group has early adopted TFRS 16 Leases which are effective for fiscal periods beginning on or after 1 January 2020.

(b) Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements. However, the new standard involves changes to key principles, which are summarised below:

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
--------	-------------------------------------

Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments.

The effects of the adoption of these accounting standards are described below:

- Classification and measurement of investments in equity instruments of non-listed companies – The Group is to measure investments in equity instruments of non-listed companies at fair value and elect to classify the investments as financial assets at fair value through profit or loss. The Group's management assessed and considered that the cost of such investments has represented the fair value of the investments. Therefore, the fair value measurement of the investments in equity instruments of non-listed companies do not have any impact on the adjustment of retained earnings as at 1 January 2020.
- Recognition of credit losses – The Group is to recognise an allowance for expected credit losses on its financial assets, and they are no longer necessary for a credit – impaired event to have occurred. The Group apply simplified approach to consider impairment of trade receivables. The Group's management has considered that the recognition of credit losses does not have any significant impact on the adjustment of retained earnings as at 1 January 2020.
- Recognition of derivatives and hedge accounting – The Group is to initially recognise derivative at their fair value on the contract date and subsequently measure them at their fair value at the end of each reporting period. Changes in the fair value of derivatives are recognised in profit or loss. The Group apply hedge accounting for mostly derivatives. All of the Group's hedging relationships existing before TFRS 9 adoption, that are eligible under TFRS 9 requirements, remain eligible to be treated as hedging relationships. For the derivatives designed as hedging instruments under fair value hedge, the Group recognised changes in the fair value of these derivatives in profit or loss and changes in the fair value of hedged items as part of book value of hedged items. Gain and losses arising on fair value hedges are recognised in profit or loss.

Furthermore, the Group elected to early adopt the amendments to TFRS 9 and TFRS 7 relating to interest rate benchmark reform in 2020, which are effective for fiscal years beginning on or after 1 January 2021. These amendments provide reliefs which enable the Group's hedge accounting to continue during the period of uncertainty, before the replacement of an existing interest rate benchmark with an alternative risk-free interest rate. The relevant details are additionally disclosed in Note 31 to the consolidated financial statements.

The Group adopted these financial reporting standards which the cumulative effect of initially applying is recognised as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 4 to the consolidated financial statements.

(c) Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2021

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

Except the early adoption of the amendments to TFRS as per described in Note 3(b) to the consolidated financial statements, the management of the Group is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

4. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards

As described in Note 3 to the consolidated financial statements, during the current year, the Group have adopted financial reporting standards related to financial instruments. The cumulative effect of initially applying these financial reporting standards is recognised as an adjustment to retained earnings as at 1 January 2020. Therefore, the comparative information was not restated.

The impact of changes in accounting policies on the statements of financial position at the beginning of 2020 due to the adoption of these financial reporting standards are presented as follows.

(Unit: Thousand Baht)

Consolidated financial statement

	31 December 2019	The effect of TFRS 9	1 January 2020
Statement of financial position			
Assets			
Current assets			
Other current financial assets	-	12,440	12,440
Non-current assets			
Other non-current financial assets	-	1,257,906	1,257,906
Other investments	43,224	(43,224)	-
Deferred tax assets	5,596,325	(32,146)	5,564,179
Liabilities and shareholders' equity			
Current liabilities			
Debentures - current portion	3,997,253	48,293	4,045,546
Non-current liabilities			
Debentures - net of current portion	28,981,197	1,018,100	29,999,297
Shareholders' equity			
Deficits	(6,061,783)	128,583	(5,933,200)

(Unit: Thousand Baht)

Separate financial statement

	31 December 2019	The effect of TFRS 9	1 January 2020
Statement of financial position			
Assets			
Non-current assets			
Other non-current financial assets	-	1,800	1,800
Other investments	1,800	(1,800)	-

The detail of effect of the adoption of financial reporting standards related to financial instruments on the retained earnings as at 1 January 2020 is as follows:

	(Unit: Thousand Baht)
	Consolidated financial statement
Recognition of derivatives at fair value through profit or loss	1,227,122
Recognition debentures at fair value through profit or loss (only the interest portion applying fair value hedged accounting)	(1,066,393)
Related income tax expense	(32,146)
Impacts on retained earnings due to the adoption of financial reporting standards related to financial instruments (decrease in deficit)	128,583

As at 1 January 2020, the classifications and measurement of financial assets and financial liabilities required by TFRS 9, in comparison with classification and the carrying amount, are as follows

(Unit: Thousand Baht)

	Consolidated financial statements			
	The former carrying amount	Classification and measurement in accordance with TFRS 9		
		Fair value through profit or		
		loss	Amortised cost	Total
Financial assets as at 1 January 2020				
Cash and cash equivalents	8,528,385	-	8,528,385	8,528,385
Trade and other receivables	9,791,136	-	9,791,136	9,791,136
Lease receivable	6,484,171	-	6,484,171	6,484,171
Other current financial assets				
- Derivative assets designated as hedging instruments	-	12,440	-	12,440
Other non-current financial assets				
- Derivative assets not designated as hedging instruments	-	325,366	-	325,366
- Derivative assets designated as hedging instruments	-	889,316	-	889,316
- Investments in equity instruments of non-listed companies	43,224	43,224	-	43,224
Total financial assets	24,846,916	1,270,346	24,803,692	26,074,038
Financial liabilities as at 1 January 2020				
Trade and other payables	26,609,587	-	26,609,587	26,609,587
Long-term loans	15,940,882	-	15,940,882	15,940,882
Debentures	32,978,450	22,552,344	11,492,500	34,044,844
Accrued cost of spectrum licenses	36,014,859	-	36,014,859	36,014,859
Lease liabilities	24,637,627	-	24,637,627	24,637,627
Total financial liabilities	136,181,405	22,552,344	114,695,455	137,247,799

(Unit: Thousand Baht)

	Separate financial statements			
	The former carrying amount	Classification and measurement in accordance with TFRS 9		
		Fair value		
		through profit or loss	Amortised cost	Total
Financial assets as at 1 January 2020				
Cash and cash equivalents	4,573,891	-	4,573,891	4,573,891
Trade and other receivables	5,431,593	-	5,431,593	5,431,593
Loan to subsidiary	10,500,000	-	10,500,000	10,500,000
Other non-current financial assets				
- Investments in equity instruments of non-listed companies	1,800	1,800	-	1,800
Total financial assets	20,507,284	1,800	20,505,484	20,507,284
Financial liabilities as at 1 January 2020				
Trade and other payables	10,530,128	-	10,530,128	10,530,128
Lease liabilities	718,342	-	718,342	718,342
Total financial liabilities	11,248,470	-	11,248,470	11,248,470

5. Significant accounting policies

5.1 Revenue and expense recognition

Unearned revenue from telephone service of prepaid system (Prepaid)

Unearned revenue from telephone service of prepaid system represents the unused portion of the face value of prepaid phone cards. It is deferred and recognized based on the actual usage or the expiration of the usage as stated on cards, depending on which comes first.

Unearned revenue from postpaid service (Postpaid)

Unearned revenue from telephone service of postpaid system represents the unused portion of monthly airtime fee that subscribers can carry forward to the next period.

Revenue from telephone services

Revenue from voice services

Revenue from voice services, including domestic calls, international calls and roaming service calls, is recognised when the telephone services have been rendered.

Revenue from international data transit and internet service

Revenue from international data transit and internet service are recognised on an accrual basis over the service period and the rates agreed by counterparties.

Discounts are often provided in the form of cash discounts, free products or free services. Discounts are recorded systematically throughout the period the discounts are earned. Cash discounts and free products are recorded as revenue reductions.

As for discount schemes (such as loyalty programs, etc.), the accrued discounts must not be higher than estimated discounts, based on past liable discount estimation. The exact amount and income period of the discount are estimated with estimation techniques and reconciled in the period where there is an adjustment to estimation or the final outcome is known.

Cost to obtain a contract

The Group recognises commission paid to obtain a customer contract as an asset and amortised to expenses on a systematic basis according to the estimation of benefit period receive from the customer based on the Group's past experience in relating to customer retention, which is consistent with the pattern of revenue recognition. An impairment loss is recognised to the extent that the carrying amount of an asset recognised exceeds the remaining amount of consideration that the entity expects to receive less direct costs. Provided that the amortisation period of the asset that the Group otherwise would have used is one period or less, costs to obtain a contract are immediately recognised as expenses.

Interconnection charge revenues and costs

Interconnection charge revenues derived from the other licensed operators for incoming calls from these operators' networks is recognised on an accrual basis at the rates stipulated in the agreements.

Costs of interconnection charges paid to the other licensed operators for outgoing calls to these operators' networks are recognised on an accrual basis at the rates stipulated in the agreements.

Revenue from sales of telephone sets and starter kits

Sales of goods are recognised at the point in time when control of the asset is transferred to the customer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts.

Revenue arrangements with multiple deliverables are allocated between the element in proportion to the delivered products and the obligations to be performed in providing services that are included in the contract using the basis of standalone selling prices of different products or services as obligated in the contract.

The recognised revenue which is not yet due per the contracts has been presented under the caption of "Contract asset" in the statement of financial position. The amounts recognised as contract assets are reclassified to other receivables when the Company's and its subsidiaries' right to consideration is unconditional.

The obligation to provide to a customer for which the Group has received from the customer is presented under the caption of "Contract liability" in the statement of financial position. Contract liabilities are recognised as revenue when the Company and its subsidiaries perform under the contract.

Revenue from Reference Access Offer

Revenue from Reference Access Offer derived from other operators in compensation of the utilisation of the Group's network elements is recognised on an accrual basis at the rates stipulated in the agreements.

Revenue from Reference Infrastructure Sharing Offer

Revenue from Reference Infrastructure Sharing Offer derived from other mobile operators in compensation of the utilisation of the Group's telecommunication infrastructure is recognised on an accrual basis at the rates stipulated in the agreements.

Other operating income

Other operating income are recognised when the economic benefit flows to the entity and the earnings process is complete. Revenues are shown excluding of value added tax.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Dividends

Dividends are recognised when the right to receive the dividends is established.

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and are recognised on an accrual basis.

5.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

5.3 Inventories

Inventories are finished goods valued at the lower of cost (under the weighted average method) and net realisable value.

5.4 Investments in subsidiaries and associate

- a) Investment in associate is accounted for in the consolidated financial statements using the equity method.

- b) Investments in subsidiaries and associate are accounted for in the separate financial statements using the cost method net of allowance for impairment loss (if any).

5.5 Property, plant and equipment/depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any). The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. Expenditures for additions, improvements and renewals are capitalised, while expenditures for maintenance and repairs are charged to profit or loss.

Depreciation of buildings and equipment is calculated by reference to their costs on a straight-line basis over the following estimated useful lives:

Buildings and office improvements	5 - 20 years
Leasehold improvements	5 - 12 years
Equipment for mobile telecommunication services operation	3 - 15 years
Telephone transmission station improvements	20 years
Furniture, fixtures and office equipment	5 years
Machinery and equipment	3 years and 5 years
Advertising and communication equipment	2 - 5 years
Others	5 years

Depreciation is included in determining income.

No depreciation is provided for land, building in progress, work in progress and equipment under installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognised.

5.6 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

5.7 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group assesses the lease term for the non-cancellable period as stipulated in lease contract or the remaining period of active leases together with any period covered by an option to extend the lease if it is reasonably certain to be exercised or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercised by considering the effect of changes in technology and/or the other circumstance relating to the extension of the lease term.

5.7.1) *The Group as a lessee*

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use the underlying assets and lease liabilities based on lease payments.

(a) **Right-of-use assets**

Right-of-use assets are measured at cost, less any accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

The cost of right-of-use assets also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Depreciation of right-of-use assets are calculated by reference to their costs on a straight-line basis over the shorter of their estimated useful lives and the lease term, as follows:

Land for tower	3 years, plus renewal option reasonably certain to be exercised
Space on tower under agreement with CAT (currently known as "NT")	8 years
Office buildings	3 years
Customer service center	3 years, plus renewal option reasonably certain to be exercised
Vehicle	2 - 3 years
Space on towers under infrastructure sharing and access offer	3 years, plus renewal option reasonably certain to be exercised

(b) **Right-of-use assets - cost of spectrum licenses**

Right-of-use assets - cost of each spectrum license for International Mobile Telecommunication in the Frequency Band 700 MHz, 900 MHz, 1800 MHz, 2.1 GHz and 26.0 GHz was capitalised, with its value measured at the cash equivalent price based on the present value of the installments. The difference between the total payment to be made and the cash equivalent price is recognised as a finance cost over the license fee payment period.

Depreciation is calculated by reference to cost on a straight-line basis over the term of the license.

(c) Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate, which is determined by referring to the government bond yield adjusted with risk premium depending on the lease term, at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

(d) Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

(e) Sale and leaseback transactions

The Group measures the right-of-use asset arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right of use retained by the Group. Accordingly, the Group recognises only the amount of any gain or loss that relates to the rights transferred to the lessor.

If the fair value of the consideration for the sale of an asset lower than the fair value of the asset, the difference is accounted for as a prepayment of lease payments to measure the sale proceeds at fair value.

5.7.2) The Group as a lessor

Finance leases

A lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee is classified as finance leases. As at the commencement date, an asset held under a finance lease is recognised as a receivable at an amount equal to the net investment in the lease or the present value of the lease payments receivable and any unguaranteed residual value. Subsequently, finance income is recognised over the lease term to reflect a constant periodic rate of return on the net investment in the lease.

Operating leases

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

Sub lease

In sublease transactions for which an underlying asset is subleased by the Group to a third party, and the head lease between the head lessor and the Group remains in effect, the Group classifies the sublease as a finance lease or an operating lease with reference to the right-of-use asset arising from the head lease, rather than with reference to the underlying asset that is the subject of the lease.

If the Group enters into two or more contracts at or near the same time with the same counterparty, these contracts are leases and they are negotiated as a package with an overall commercial objective, the Group combines the contracts and accounts for them

as a single contract.

5.8 Intangible assets and amortisation

Intangible assets acquired through business combinations are initially recognised at their fair value on the date of business acquisition. Intangible assets acquired in other cases are recognised at cost.

Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

Amortisation is calculated by reference to cost on a straight-line basis over the expected future period of economic benefit of each type of intangible asset.

5.9 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

5.10 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets – cost of spectrum licenses, other related right-of-use assets and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

5.11 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

5.12 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Group and their employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.

Defined benefit plans

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefits plans are recognised immediately in other comprehensive income.

Past service costs are recognized in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Company recognizes restructuring-related costs.

5.13 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Group's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rates applying at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rates applying at the end of reporting period. Gains and losses on exchange are included in determining income.

5.14 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

5.15 Financial instruments

Accounting policies adopted since 1 January 2020

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Dividends on listed equity investments are recognised as other income in profit or loss.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

The Group may elect to measure financial liabilities at FVTPL if doing so eliminates, or significantly reduces a recognition inconsistency (sometimes referred to as an accounting mismatch).

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Impairment of financial assets

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Accounting policies adopt before 1 January 2020

Trade receivables

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experiences and analysis of debt aging.

Investments

Other long-term investments in non-marketable equity securities are stated at cost net of allowance for impairment loss (if any). The weighted average method is used for computation of the cost of investments.

5.16 Derivatives and hedge accounting

The Group uses interest rate swaps as a derivative to hedge its interest rate risks.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Hedge accounting

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of a hedging relationship, the Group formally designates and documents the hedging relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation, at the inception of the hedge and on an ongoing basis, includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements, including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined.

A hedging relationship qualifies for hedge accounting if it meets all of the following hedge effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

Fair value hedges

The change in the fair value of a hedging instrument is recognised in profit or loss. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in profit or loss.

Any adjustment to the carrying value of fair value hedges relating to items carried at amortised cost, is amortised through profit or loss over the remaining term of the hedge using the effective interest method. The amortisation may begin as soon as an adjustment exists or no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged. If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss.

5.17 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

6. Significant accounting judgments and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures and actual results could differ from these estimates. Significant judgments and estimates are as follow:

Revenue from contracts with customers

Identification of performance obligations

In identifying performance obligations, the management is required to use judgement regarding whether each promise to deliver goods or services is considered distinct, taking into consideration terms and conditions of the arrangement. In other words, if a good or service is separately identifiable from other promises in the contract and if the customer can benefit from it, it is accounted for separately.

Determination of timing of revenue recognition

In determining the timing of revenue recognition, the management is required to use judgement regarding whether performance obligations are satisfied over time or at a point in time, taking into consideration terms and conditions of the arrangement. The Group recognises revenue over time in the following circumstances:

- the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs
- the entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date

Where the above criteria are not met, revenue is recognised at a point in time. Where revenue is recognised at a point in time, the management is required to determine when the performance obligation under the contract is satisfied.

Costs to obtain contracts

The recognition of costs incurred to obtain a contract as an asset requires management to use judgement regarding whether such costs are the incremental costs of obtaining a contract with a customer as well as what amortisation method should be used.

Recognition and derecognition of assets and liabilities

In considering whether to recognise or to derecognise assets or liabilities, the management is required to make judgment on whether significant risk and rewards of those assets or liabilities have been transferred, based on their best knowledge of the current events and assessments.

Leases

Determining the lease term with extension and termination options – The Group as a lessee

In determining the lease term, the management is required to exercise judgment in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease, considering all relevant factors and circumstances that create an economic incentive for the Group to exercise either the extension or termination option. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

Lease classification – The Group as a lessor

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to exercise judgement as to whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Allowance for expected credit losses of trade receivables and contract assets

In determining an allowance for expected credit losses of trade receivables and contract assets, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

Depreciation of property, plant and equipment and right-of-use assets and amortisation of intangible assets

In determining depreciation of plant and equipment and right-of-use assets and amortisation of intangible assets, the management is required to make estimates of the useful lives and residual values (if any) and to review useful lives and residual values when there are any changes.

In addition, the property, plant and equipment, right-of-use assets and intangible assets are subject to impairment if there is an indication they may be impaired, and impairment losses are recorded in the period when it is determined that their recoverable amount is lower than the carrying amount.

Indications include significant falls in the market value of assets or the future economic benefits of assets, significant changes in the overall business strategy impacting to the future utilization of assets, significant negative industry or economic trends, significant loss of market share, and significant unfavourable regulatory and court decisions that impact the business.

The impairment analysis of property, plant and equipment, right-of-use assets and intangible assets requires management to make subjective judgments concerning estimates of cash flows to be generated by the assets or the cash generating units and to choose a suitable discount rate in order to determine the present value of those cash flows. The cash flow estimates are based on currently available information about the operations and require management to make judgments regarding future market conditions and future revenues and expenses relevant to the assets or the cash generating units subject to the review. Events and factors that may significantly affect the estimates include, among others, competitive forces, changes in revenue growth trends, cost structures, changes in discount rates and specific industry or market sector conditions.

Deferred tax assets

Deferred tax assets are recognised for temporary difference arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes as at the end of reporting period when it is highly probable that the Group will generate sufficient taxable profits from their future operations to utilise these deferred tax assets. If management need to estimate the amounts of the deferred tax assets that the Group should recognise, they take into account the amount of taxable profit expected in each future period.

Post-employment benefits under defined benefit plans

The obligation under defined benefit plan is determined based on actuarial valuations. Inherent within these calculations are assumptions as to discount rates, future salary incremental rate, mortality rates and other demographic factors. In determining the appropriate discount rate, management selects an interest rate that reflects the current economic situation. The mortality rate is based on publicly available mortality tables for the country. Actual post-retirement costs may ultimately differ from these estimates.

Assets retirement obligation

Provision for expenses to be incurred with respect to the retirement of networks located on lease area is set by using estimates of the present value of such expenses, based on the average of actual retirement expenses incurred in the past. Such provision is recorded as part of right-of-use assets and amortised over the estimated useful lives. However, the actual amounts incurred may differ from the estimated amounts.

Commercial disputes, litigation, conformity with rules/regulations in telecommunication industry and uncertainty in tax interpretation

The Group has contingent liabilities as a result of commercial disputes, litigations, claims arising from non-compliance with rules/regulations in the telecommunication industry, and uncertainty in tax interpretation.

The management used judgment to assess the effect of these matters and this involves evaluating the degree of probability that a loss will be incurred and the management's ability to make a reasonable estimate of the amount of that loss. Changes in the factors used in management's evaluation and unanticipated events may result in actual results differing from the estimates. However, if management believes that no significant loss will result, no related provision are recorded as at the end of reporting period.

7. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash	5,311	5,509	5,311	5,509
Bank deposits	6,641,731	8,522,876	2,874,473	4,568,382
Total	6,647,042	8,528,385	2,879,784	4,573,891

As at 31 December 2020, bank deposits in saving accounts and fixed deposits carried interests between 0.05 percent per annum and 0.375 percent per annum (2019: between 0.05 percent per annum and 1.00 percent per annum).

8. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<u>Trade receivables - related parties</u> (Note 9)				
Trade receivables - related parties	296,875	440,541	1,880,503	1,756,492
Less: Allowance for expected credit losses				
(2019: Allowance for doubtful accounts)	-	(2,830)	-	(2,830)
Total trade receivables - related parties, net	296,875	437,711	1,880,503	1,753,662
<u>Trade receivables - unrelated parties</u>				
Trade receivables - telephone services	5,866,198	5,996,610	302	17,723
Trade receivables - international telephone roaming services	152,957	834,647	10,843	74,897
Trade receivables - sales of E-Refill telephone sets and starter kits	740,413	888,657	343,409	495,839
Trade receivables - others	3,746,968	2,749,876	11,293	7,670
Total	10,506,536	10,469,790	365,847	596,129
Less: Allowance for expected credit losses				
(2019: Allowance for doubtful accounts)	(1,387,263)	(1,442,481)	(94,504)	(171,588)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Total trade receivables - unrelated parties, net	9,119,273	9,027,309	271,343	424,541
Total trade receivables - net	9,416,148	9,465,020	2,151,846	2,178,203
<u>Other receivables</u>				
Other receivables - related parties (Note 9)	1,810	14,394	3,046,131	3,231,116
Others	470,558	324,910	16,077	35,462
Total	472,368	339,304	3,062,208	3,266,578
Less: Allowance for expected credit losses				
(2019: Allowance for doubtful accounts)	-	(13,188)	-	(13,188)
Total other receivables, net	472,368	326,116	3,062,208	3,253,390
Total trade and other receivables - net	9,888,516	9,791,136	5,214,054	5,431,593

Set out below is the movement in the allowance for expected credit losses of trade and other receivables:

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
As at 1 January 2020	1,458,499	187,606
Provision for expected credit losses	1,663,115	-
Amount written off	(1,628,972)	(36,595)
Amount recovered	(105,379)	(56,507)
As at 31 December 2020	1,387,263	94,504

The aging of the outstanding balances of trade receivables - related parties as at 31 December 2020 and 2019, based on due date, is as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements	Separate financial statements	2020	2019
	2020	2019	2020	2019
Aged on the basis of due dates				
Not yet due	293,523	390,283	1,332,305	1,693,067
Past due				
Up to 1 month	3,352	47,428	545,278	46,668
1 - 3 months	-	-	2,907	-
3 - 6 months	-	-	13	-
Over 6 months	-	2,830	-	16,757
Total	296,875	440,541	1,880,503	1,756,492
Less: Allowance for expected credit losses (2019: Allowance for doubtful account)	-	(2,830)	-	(2,830)
Total trade receivables - related parties, net	296,875	437,711	1,880,503	1,753,662

The aging of the outstanding balances of trade receivables - telephone services as at 31 December 2020 and 2019, based on due date, is as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements	Separate financial statements	2020	2019
	2020	2019	2020	2019
Aged on the basis of due dates				
Not yet due	3,423,051	3,618,602	-	-
Past due				
Up to 1 month	806,663	864,252	-	-
1 - 3 months	347,133	394,912	-	-
3 - 6 months	390,701	403,966	-	-
Over 6 months	898,650	714,878	302	17,723
Total	5,866,198	5,996,610	302	17,723
Less: Allowance for expected credit losses (2019: Allowance for doubtful account)	(1,283,943)	(1,246,827)	(114)	(17,719)
Trade receivables - telephone services, net	4,582,255	4,749,783	188	4

The aging of the outstanding balances of trade receivables - international telephone roaming services as at 31 December 2020 and 2019, based on due date, is as follows:

	Consolidated		(Unit: Thousand Baht)	
			Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Aged on the basis of due dates				
Not yet due	143,310	677,685	6,610	17,813
Past due				
Up to 1 month	1,032	13,050	-	-
1 - 3 months	229	20,119	-	-
3 - 6 months	174	16,446	-	-
Over 6 months	8,212	107,347	4,233	57,084
Total	152,957	834,647	10,843	74,897
Less: Allowance for expected credit losses (2019: Allowance for doubtful accounts)	(7,563)	(96,895)	(4,189)	(57,508)
Trade receivables - international telephone roaming services, net	<u>145,394</u>	<u>737,752</u>	<u>6,654</u>	<u>17,389</u>

The aging of the outstanding balances of trade receivables - sales of E-Refill, telephone sets and starter kits as at 31 December 2020 and 2019, based on due date, is as follows:

	Consolidated		(Unit: Thousand Baht)	
			Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Aged on the basis of due dates				
Not yet due	517,129	718,005	166,131	404,859
Past due				
Up to 1 month	121,131	60,883	88,836	-
1 - 3 months	6,580	13,170	-	-
3 - 6 months	3,840	3,911	-	-
Over 6 months	91,733	92,688	88,442	90,980
Total	740,413	888,657	343,409	495,839
Less: Allowance for expected credit losses (2019: Allowance for doubtful accounts)	(93,412)	(94,334)	(87,991)	(92,521)
Trade receivables - sales of E-Refill, telephone sets and starter kits, net	<u>647,001</u>	<u>794,323</u>	<u>255,418</u>	<u>403,318</u>

The aging of the outstanding balances of trade receivables - others as at 31 December 2020 and 2019, based on due date, is as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Aged on the basis of due dates				
Not yet due	3,479,244	2,716,669	8,857	3,269
Past due				
Up to 1 month	1,319	4,228	160	561
1 - 3 months	263,857	2,407	25	-
3 - 6 months	216	39	41	-
Over 6 months	2,332	26,533	2,210	3,840
Total	3,746,968	2,749,876	11,293	7,670
Less: Allowance for expected credit losses (2019: Allowance for doubtful accounts)	(2,345)	(4,425)	(2,210)	(3,840)
Trade receivables - others, net	<u>3,744,623</u>	<u>2,745,451</u>	<u>9,083</u>	<u>3,830</u>

9. Related party transactions

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of businesses and were concluded on commercial terms and agreed upon between the Company and those related parties.

Transactions with subsidiaries, associated company and related companies

(Unit: Million Baht)

	Consolidated		Separate		
	financial		financial		Transfer pricing policy
	statements		statements		
	2020	2019	2020	2019	
<u>Transactions with subsidiaries</u> (eliminated from the consolidated financial statements)					
Sales of goods and equipment	-	-	-	1	at agreed price
Service income	-	-	11,283	14,526	as per agreement
Service expenses	-	-	705	737	as per agreement
Interest income	-	-	109	150	as per agreement
Dividend income	-	-	2,168	2,984	as declared
Purchase of goods	-	-	11	70	as agreed price
Sales of assets	-	-	56	417	as agreed price
Purchase of assets	-	-	-	583	as agreed price
<u>Transactions with associated company: United Distribution Business Co., Ltd.</u>					
Sales of goods	1,326	2,013	1,304	1,172	selling price less a certain margin as per agreement
Dividend income	5	5	5	5	as declared
Service expense	73	134	73	88	as per agreement
<u>Transactions with other related companies</u>					
International roaming service income	25	59	(1)	-	as per agreement
Service income	136	154	9	11	as per agreement
Sale on right of online refill service	95	133	95	83	as per agreement
Sales of goods	1	-	-	-	as agreed price
Service expenses	2,331	2,662	951	1,083	as per agreement
Service fees for installation of					
cell site equipment	688	1,858	-	-	as per agreement
Purchase of goods	21	-	-	-	as agreed price

The Company entered into management services agreement with its subsidiaries. The subsidiaries have to pay the fees to the Company as stipulated in the agreement on an annual basis. The fees have already included in the disclosure of transaction with subsidiaries above.

As at 31 December 2020 and 2019, the balances of the accounts between the Company and those related companies are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<u>Trade and other receivables - related parties (Note 8)</u>				
<u>Trade receivables - related parties</u>				
Subsidiaries	-	-	1,625,481	1,388,667
Associated company (Note 9.1)	247,695	360,016	242,444	345,636
Related companies ⁽¹⁾	49,180	80,525	12,578	22,189
Total	296,875	440,541	1,880,503	1,756,492
Less: Allowance for expected credit loss				
(2019: Allowance for doubtful accounts)	-	(2,830)	-	(2,830)
Total trade receivables - related parties, net	296,875	437,711	1,880,503	1,753,662
<u>Other receivables - related parties</u>				
Subsidiaries	-	-	3,044,449	3,216,722
Related companies ^{(1), (2)}	1,810	14,394	1,682	14,394
Total	1,810	14,394	3,046,131	3,231,116
Less: Allowance for expected credit loss				
(2019: Allowance for doubtful accounts)	-	(13,188)	-	(13,188)
Total other receivables - related parties, net	1,810	1,206	3,046,131	3,217,928
Total trade and other receivables - related parties, net	298,685	438,917	4,926,634	4,971,590
<u>Loans to subsidiary</u>				
Subsidiary (Note 9.2)	-	-	15,000,000	10,500,000
Total loans to subsidiary	-	-	15,000,000	10,500,000
<u>Trade and other payables - related parties (Note 18)</u>				
<u>Trade payables - related parties</u>				
Subsidiaries	-	-	19,960	121,211
Associated company	10,368	15,630	10,243	15,245
Related companies ^{(1), (2)}	839,928	1,460,466	751	3,737
Total trade payables - related parties	850,296	1,476,096	30,954	140,193
<u>Other payables - related parties</u>				
Subsidiaries	-	-	655,654	1,017,127
Related companies ^{(1), (2)}	321,475	229,419	232,638	226,698
Total other payables - related parties	321,475	229,419	888,292	1,243,825
Total trade and other payables - related parties	1,171,771	1,705,515	919,246	1,384,018

Relationship with the related companies

⁽¹⁾ Common ultimate shareholder

⁽²⁾ Common directors

- 9.1 The aging of trade receivables - associated company as at 31 December 2020 and 2019 based on due date, is as follow:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Age of receivables				
Not yet due	246,243	316,885	242,444	303,264
Past due less than 1 month	1,452	43,131	-	42,372
Trade account receivable - associated company	<u>247,695</u>	<u>360,016</u>	<u>242,444</u>	<u>345,636</u>

- 9.2 The loans of Baht 15,000 million (2019: Baht 10,500 million) to dtac TriNet (subsidiary) are to be used in making application for spectrum license and using for operation under such license which carries interest at an average rate of fixed deposits plus certain margin. Payment of the loans is due at call. However, the Company has no plan to call the loans within one year, and therefore classified them as non-current assets in the financial statements.

As at 31 December 2020 and 2019, the balance of loans between the Group and the movement are as follows:

	(Unit: Thousand Baht)			
	Separate financial statements			
	Balance as at 31 December 2019	Increase during the year	Decrease during the year	Balance as at 31 December 2020
<u>Subsidiary</u>				
dtac TriNet Co., Ltd.	10,500,000	7,000,000	(2,500,000)	15,000,000
	<u>10,500,000</u>	<u>7,000,000</u>	<u>(2,500,000)</u>	<u>15,000,000</u>

9.3 Directors and management's benefits

9.3 Directors and management's benefits

During the years ended 31 December 2020 and 2019, the Group had employee benefit expenses of their directors and management as below.

	(Unit: Thousand Baht)	
	Consolidated / Separate	
	financial statements	
	<u>2020</u>	<u>2019</u>
Short-term employee benefits	106,446	95,077
Post-employment benefits and other long-terms benefits	4,889	2,347
Total	<u>111,335</u>	<u>97,424</u>

10. Inventories

(Unit: Thousand Baht)

Consolidated financial statements					
		Reduce cost to			
Cost		net realisable value		Inventories - net	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	
Finished goods	647,793	1,146,481	(13,778)	(58,647)	634,015 1,087,834
Total	647,793	1,146,481	(13,778)	(58,647)	634,015 1,087,834

(Unit: Thousand Baht)

Separate financial statements					
		Reduce cost to			
Cost		net realisable value		Inventories - net	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	
Finished goods	7,822	20,580	(62)	(69)	7,760 20,511
Total	7,822	20,580	(62)	(69)	7,760 20,511

During the current year, the Group reduced cost of inventories by Baht 90 million (2019: Baht 130 million) (The Company only: Nil, 2019: Nil), to reflect the net realisable value. This was presented as cost of sales. In addition, the Company reversed the write-down of cost of inventories by Baht 135 million (2019: Baht 117 million) (The Company only: Nil, 2019: Baht 6 million), and reduced the amount of inventories recognised as expenses during the year.

11. Other current assets

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Value added tax suspension	2,046,879	1,620,048	110,639	185,635
Prepaid expenses and deferred expenses	1,119,417	1,005,051	134,980	114,448
Cost to obtain contracts - current portion	155,572	180,964	-	-
Others	1,833	927	28	68
Total other current assets - net	3,323,701	2,806,990	245,647	300,151

12. Investment in associated company

12.1 Detail of associate:

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Consolidated financial statements			
					Cost		Carrying amounts based on equity method	
			2020	2019	2020	2019	2020	2019
			Percent	Percent				
United Distribution Business Co., Ltd.	Sale of simcards, voucher cards and supplementary equipment	Thailand	25	25	50,000	50,000	233,299	250,149

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Separate financial statements					
					Cost		Allowance for impairment of investments		Carrying amounts based on cost method - net	
			2020	2019	2020	2019	2020	2019	2020	2019
			Percent	Percent						
United Distribution Business Co., Ltd.	Sale of simcards, voucher cards and Supplementary equipment	Thailand	25	25	50,000	50,000	-	-	50,000	50,000

12.2 Share of loss and dividend received

During the year, the Company has recognised its share of loss from investment in associate company in the consolidated financial statements and dividend income in the separate financial statements as follows:

(Unit: Thousand Baht)

Company's name	Consolidated financial statements		Separate financial statements	
	Share of loss from investments in associate during the year		Dividend received during the year	
	2020	2019	2020	2019
United Distribution Business Co., Ltd.	(11,850)	(8,831)	5,000	5,000

12.3 Summarised financial information of associate

Financial information of the associated company is summarised below (2019 : Audited financial statements, 2020: Management's accounts).

(Unit: Million Baht)

Company's name	Paid-up capital as at 31 December		Total assets as at 31 December		Total liabilities as at 31 December		Total revenues for the years ended 31 December		Loss for the years ended 31 December	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
United Distribution Business Co., Ltd.	200	200	1,231	1,404	298	405	90	186	(47)	(39)

13. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

Separate financial statements											
Paid-up share capital		Percentage of shareholding		Investments at cost		Impairment loss on investments		Net		Dividend received for the year	
2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Million Baht	Million Baht	Percent	Percent	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Million Baht	Million Baht
Subsidiaries directly held by the Company											
WorldPhone Shop Co., Ltd.	450	450	100	100	450,000	450,000	(450,000)	(450,000)	-	-	-
TAC Property Co., Ltd.	1	1	100	100	1,000	1,000	-	-	1,000	1,000	173
dtac TriNet Co., Ltd.	1,160	1,160	100	100	1,270,000	1,270,000	-	-	1,270,000	1,270,000	1,995
DTAC Broadband Co., Ltd.	175	175	100	100	175,000	175,000	-	-	175,000	175,000	-
Paysbuy Co., Ltd.	200	200	100	100	236,756	236,756	(68,841)	(68,841)	167,915	167,915	-
Subsidiaries held through TAC Property Co., Ltd.											
Eastern Beach Co., Ltd.	-	80	-	100	-	-	-	-	-	-	-
Subsidiary held through dtac TriNet Co., Ltd.											
dtac Accelerate Co., Ltd.	15	15	100	100	-	-	-	-	-	-	-
dtac Digital Media Co., Ltd.	26	26	100	100	-	-	-	-	-	-	-
TeleAssets Co., Ltd.	75	75	100	100	-	-	-	-	-	-	-
Total investments in subsidiaries, net					<u>2,132,756</u>	<u>2,132,756</u>	<u>(518,841)</u>	<u>(518,841)</u>	<u>1,613,915</u>	<u>1,613,915</u>	<u>2,168</u>
											<u>2,985</u>

During the year 2019, the Extraordinary General Meeting of the shareholders of the subsidiaries passed a resolution to approve the dissolution of the companies and the subsidiaries registered their dissolution with the Ministry of Commerce as follows:

Company's name	Approved by	Dissolution registered date
Eastern Beach Co., Ltd.	Extraordinary General Meeting of shareholders on 25 January 2019	31 January 2019
dtac Digital Media Co., Ltd.	Extraordinary General Meeting of shareholders on 25 January 2019	31 January 2019
DTAC Broadband Co., Ltd.	Extraordinary General Meeting of shareholders on 25 February 2019	27 February 2019
Paysbuy Co., Ltd.	Extraordinary General Meeting of shareholders on 30 August 2019	3 September 2019

On 30 January 2020, Eastern Beach Company Limited returned its capital to TAC Property Company Limited at the rate of Baht 111.15 per share. Later, on 18 September 2020, Eastern Beach Company Limited was liquidated.

At present, dtac Digital Media Co., Ltd., DTAC Broadband Co., Ltd., and Paysbuy Co., Ltd. are in the process of liquidation.

14. Property, plant and equipment

[Consolidated financial statements](#)

(Unit: Thousand Baht)											
	Land	Buildings and building improvement	Leasehold improvement	Equipment for mobile telecommunication services	Telephone based station improvement	Furniture, fixtures and office equipment	Machinery and equipment	Advertising and communication equipment	Work in progress	Others	Total
Cost											
1 January 2019	989,556	1,650,870	1,273,679	76,220,676	213,011	714,381	7,140,789	140,043	2,206,251	265,422	90,814,678
Purchases	2,800	-	6,905	5,131,820	-	201	3,023	61,977	6,747,284	-	11,954,010
Disposals/written-off	(524)	(1)	(59,830)	(557,735)	-	(7,715)	(139,616)	(33,298)	(3,178)	(2,560)	(804,457)
Reclassification	-	-	-	(170,345)	-	170,345	-	-	-	-	-
Transferred in (out)	-	331	162,928	6,276,406	-	29,276	164,854	93	(6,633,893)	5	-
31 December 2019	991,832	1,651,200	1,383,682	86,900,822	213,011	906,488	7,169,050	168,815	2,316,464	262,867	101,964,231
Accumulated depreciation											
1 January 2019	-	1,376,705	781,362	28,098,624	201,355	654,185	6,606,085	71,996	-	176,573	37,966,885
Depreciation for the year	-	39,122	183,294	10,168,963	4,498	42,432	216,979	57,049	-	4,293	10,716,630
Depreciation - disposal/written-off	-	(1)	(36,147)	(482,295)	-	(7,699)	(138,614)	(32,326)	-	(2,560)	(699,642)
Transferred in (out)	-	-	-	(120,375)	-	120,375	-	-	-	-	-
31 December 2019	-	1,415,826	928,509	37,664,917	205,853	809,293	6,684,450	96,719	-	178,306	47,983,873
Allowance for impairment loss											
1 January 2019	3,000	-	-	-	-	-	-	-	-	82,975	85,975
31 December 2019	3,000	-	-	-	-	-	-	-	-	82,975	85,975
Net book value											
1 January 2019	986,556	274,165	492,317	48,122,052	11,656	60,196	534,704	68,047	2,206,251	5,874	52,761,818
31 December 2019	988,832	235,374	455,173	49,235,905	7,158	97,195	484,600	72,096	2,316,464	1,586	53,894,383
Depreciation included in the income statements for the years											
2018											9,418,310
2019											10,716,630



[Consolidated financial statements](#)

(Unit: Thousand Baht)											
	Land	Buildings and building improvement	Leasehold improvement	Equipment for mobile telecommunication services	Telephone based station improvement	Furniture, fixtures and office equipment	Machinery and equipment	Advertising and communication equipment	Work in progress	Others	Total
Cost											
1 January 2020	991,832	1,651,200	1,383,682	86,900,822	213,011	906,488	7,169,050	168,815	2,316,464	262,867	101,964,231
Purchases	-	-	-	1,949,309	-	8	3,559	61,425	6,818,225	-	8,832,526
Disposals/written-off	-	-	(19,641)	(2,137,766)	-	(2,048)	(368,680)	(37,609)	(2,060)	(64)	(2,568,868)
Transferred in (out)	-	1,798	20,171	3,371,020	-	12,280	142,910	267	(3,548,766)	320	-
31 December 2020	991,832	1,652,998	1,384,212	90,083,385	213,011	916,728	6,946,839	192,898	5,583,863	263,123	108,228,889
Accumulated depreciation											
1 January 2020	-	1,415,826	928,509	37,664,917	205,853	809,293	6,684,450	96,719	-	178,306	47,983,873
Depreciation for the year	-	37,571	173,478	10,362,086	4,114	41,023	212,742	62,723	-	1,136	10,894,873
Depreciation - disposal/written-off	-	-	(12,064)	(1,686,934)	-	(1,972)	(363,928)	(37,210)	-	(12)	(2,102,120)
31 December 2020	-	1,453,397	1,089,923	46,340,069	209,967	848,344	6,533,264	122,232	-	179,430	56,776,626
Allowance for impairment loss											
1 January 2020	3,000	-	-	-	-	-	-	-	-	82,975	85,975
Allowance for impairment loss for the year	-	-	-	-	-	-	-	-	19,294	-	19,294
31 December 2020	3,000	-	-	-	-	-	-	-	19,294	82,975	105,269
Net book value											
1 January 2020	988,832	235,374	455,173	49,235,905	7,158	97,195	484,600	72,096	2,316,464	1,586	53,894,383
31 December 2020	988,832	199,601	294,289	43,743,316	3,044	68,384	413,575	70,666	5,564,569	718	51,346,994
Depreciation included in the income statements for the years											
2019											10,716,630
2020											10,894,873

As at 31 December 2020, certain buildings and equipment items of the Group have been fully depreciated. The gross carrying amount (before deducting accumulated depreciation and allowance for impairment loss) of those assets amounted to Baht 20,596 million (2019: Baht 12,701 million).

[Separate financial statements](#)

	(Unit: Thousand Baht)										
	Land	Buildings and building improvement	Leasehold improvement	Equipment for mobile telecommunication services	Telephone based station improvement	Furniture, fixtures and office equipment	Machinery and equipment	Advertising and communication equipment	Work in progress	Others	Total
Cost											
1 January 2019	708,780	1,650,418	1,178,151	2,251,526	93,979	670,218	5,925,995	81,636	61,881	145,229	12,767,813
Purchases	373,974	-	2,976	176,295	-	4,363	2,675	4,264	82,165	-	646,712
Disposals/written-off	(524)	(1)	(552,560)	(193,020)	-	(145,437)	(167,128)	(45,501)	-	(2,560)	(1,106,731)
Reclassification	-	-	-	(170,345)	-	170,345	-	-	-	-	-
Transferred in (out)	-	331	18,568	19,875	-	13,181	17,967	12	(69,939)	5	-
31 December 2019	1,082,230	1,650,748	647,135	2,084,331	93,979	712,670	5,779,509	40,411	74,107	142,674	12,307,794
Accumulated depreciation											
1 January 2019	-	1,376,252	732,188	1,722,234	82,323	621,361	5,794,219	62,687	-	58,868	10,450,132
Depreciation for the year	-	39,122	91,271	280,752	4,498	19,915	77,293	13,480	-	2,636	528,967
Depreciation - disposals/ written-off	-	(1)	(279,357)	(193,019)	-	(74,034)	(156,075)	(40,490)	-	(2,560)	(745,536)
Reclassification	-	-	-	(120,375)	-	120,375	-	-	-	-	-
31 December 2019	-	1,415,373	544,102	1,689,592	86,821	687,617	5,715,437	35,677	-	58,944	10,233,563
Allowance for impairment loss											
1 January 2019	3,000	-	-	-	-	-	-	-	-	82,975	85,975
31 December 2019	3,000	-	-	-	-	-	-	-	-	82,975	85,975
Net book value											
1 January 2019	705,780	274,166	445,963	529,292	11,656	48,857	131,776	18,949	61,881	3,386	2,231,706
31 December 2019	1,079,230	235,375	103,033	394,739	7,158	25,053	64,072	4,734	74,107	755	1,988,256
Depreciation included in the income statements for the years											
2018											760,734
2019											528,967



Depreciation included in the income statements for the years

As at 31 December 2020, certain buildings and equipment items of the Company have been fully depreciated. The gross carrying amount (before deducting accumulated depreciation and allowance for impairment loss) of those assets amounted to Baht 8,698 million (2019: Baht 8,969 million).

The Group evaluated impairment of equipment, including right-of-use assets - cost of spectrum licenses as described in Note 15 to the consolidated financial statements and the other related right-of-use assets as described in Note 22.1 to the consolidated financial statements, for mobile telecommunication services of the Group by comparing the carrying amount of the cash generating unit to its recoverable amount. The recoverable amounts are the value in use which is determined by using cash flow projections approved by the management based on the assumptions by considering the scope of the spectrum licensing and telecommunication business license period of the subsidiary, and discounted to their present value using the pre-tax discount rate reflecting specific risks relating to the Group.

15. Right-of-use assets - cost of spectrum licenses

The net book value of right-of-use assets - cost of spectrum licenses as at 31 December 2020 and 2019 are presented below.

	(Unit: Thousand Baht) Consolidated financial statements
As at 31 December 2020:	
Cost	75,189,923
Less: Accumulated depreciation	(13,085,344)
Net book value	62,104,579
As at 31 December 2019:	
Cost	59,244,237
Less: Accumulated depreciation	(9,009,273)
Net book value	50,234,964

A reconciliation of the net book value of right-of-use assets - cost of spectrum licenses for the years 2020 and 2019 are presented below.

	(Unit: Thousand Baht) Consolidated financial statements
Net book value as at 1 January 2019	54,219,218
Depreciation	(3,984,254)
Net book value as at 31 December 2019	50,234,964
Increase during year	15,945,686
Depreciation	(4,076,071)
Net book value as at 31 December 2020	62,104,579

Right-of-use assets - cost of spectrum licenses are the cost in acquisition the licenses for operating telecommunication business for International Mobile Telecommunication (IMT) as described in Note 1.2 c), h), i), j) and k) to the consolidated financial statements.

16. Other intangible assets

The net book value of other intangible assets as at 31 December 2020 and 2019 are presented below.

	(Unit: Thousand Baht)					
	Consolidated financial statements			Separate financial statements		
	Computer software	Software under development	Total	Computer software	Software under development	Total
As at 31 December 2020:						
Cost	15,040,383	260,120	15,300,503	10,153,911	28,038	10,181,949
Less: Accumulated amortisation	(13,528,134)	-	(13,528,134)	(9,969,896)	-	(9,969,896)
Net book value	<u>1,512,249</u>	<u>260,120</u>	<u>1,772,369</u>	<u>184,015</u>	<u>28,038</u>	<u>212,053</u>
As at 31 December 2019:						
Cost	14,065,723	339,232	14,404,955	10,101,685	30,319	10,132,004
Less: Accumulated amortisation	(12,740,483)	-	(12,740,483)	(9,840,745)	-	(9,840,745)
Net book value	<u>1,325,240</u>	<u>339,232</u>	<u>1,664,472</u>	<u>260,940</u>	<u>30,319</u>	<u>291,259</u>

A reconciliation of the net book value of other intangible assets for the years 2020 and 2019 are presented below.

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Net book value at beginning of year	1,664,472	1,250,558	291,259	190,344
Acquisition of computer software	895,548	1,043,564	49,945	207,234
Amortisation	(787,651)	(629,650)	(129,151)	(106,262)
Loss from written-off of intangible assets	-	-	-	(57)
Net book value at end of year	<u>1,772,369</u>	<u>1,664,472</u>	<u>212,053</u>	<u>291,259</u>

17. Other non-current assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Deposits	553,010	534,037	291,898	322,622
Withholding tax deducted at source	2,352,722	2,122,603	998,093	1,483,922
Cost to obtain contracts - net of current portion	188,933	186,968	-	-
Others	717	607	717	607
Total other non-current assets	3,095,382	2,844,215	1,290,708	1,807,151

As at 31 December 2020, the Group were in the process of requesting the refund of withholding tax deducted at source amounting to Baht 1,266 million (The Company only: Baht 624 million) (2019: Baht 864 million (the Company only: Baht 860 million)) from the Revenue Department. The recoverability of the amount depended upon the results of a tax audit.

During the year 2020, the Company's subsidiary had addition cost to obtain contracts totaling Baht 184 million (2019: Baht 157 million) and amortised as expense totaling Baht 207 million. (2019: Baht 215 million)

18. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Trade payables for the purchase of equipment for providing telephone services,				
telephone sets and starter kits	7,140,667	6,263,346	40,355	47,933
Trade payables - related parties (Note 9)	850,296	1,476,096	30,954	140,193
Trade payable - CAT (currently known as "NT")	5,567,046	5,614,224	4,964,560	4,960,210
Trade payable - TOT (currently known as "NT")	5,118,960	4,839,355	1,249,387	1,249,318
Accrued license fees	2,013,691	2,210,633	137,582	132,270
Trade payables - interconnection charge	60,033	55,811	-	-
Trade payables - international telephone roaming services	141,777	390,491	23,007	113,158
Other trade payables	1,188,872	741,497	194,857	229,869
Other payables - related parties (Note 9)	321,475	229,419	888,292	1,243,825
Other payables	1,084,009	1,387,728	438,993	486,540
Accrued expenses	3,016,654	3,034,684	1,805,412	1,926,812
Interest payables	440,444	366,303	-	-
Total trade and other payables	26,943,924	26,609,587	9,773,399	10,530,128

19. Long-term loans

	(Unit: Million Baht)	
	Consolidated	
	financial statements	
	<u>2020</u>	<u>2019</u>
The subsidiary's loan facilities		
from local financial institutions	14,000	16,000
Less: Deferred financial fees	(39)	(59)
Long-term loans - net	13,961	15,941
Less: Current portion	(3,985)	(11,971)
Long-term loans - net of current portion	<u>9,976</u>	<u>3,970</u>

The movement of subsidiary's long-term loans are as follows:

	(Unit: Million Baht)			
	Consolidated financial statements			
	Balance as at 31 December 2019	Increase during the year	Decrease during the year	Balance as at 31 December 2020
The subsidiary's loan facilities				
from local financial institutions	16,000	37,000	(39,000)	14,000
Less: Deferred financial fees	(59)	-	20	(39)
	<u>15,941</u>	<u>37,000</u>	<u>(38,980)</u>	<u>13,961</u>

Subsidiary's long-term loans

- 1) In December 2018, the subsidiary entered into additional Facilities Agreements (revolving facilities) for 3 years availability period with financial institutions. The principal terms of these facilities are:

Facilities	: Baht 21,000 million
Interest rate	: BIBOR plus a margin (the margin depending on certain conditions as stipulated in each agreement)
Interest period	: One month, three months, or six months depending on certain conditions in the agreements
Principal repayment schedule	: The last day of each interest payment period
Right to renew the contract	: The subsidiary has a right to extend the availability period with the same conditions as considered by financial institution

- 2) In December 2019, the subsidiary entered into Facility Agreement with the financial institution. The principal terms of the facility are:

Facility	: Baht 15,000 million
Interest rate	: BIBOR plus a margin (the margin depending on certain conditions as stipulated in the agreement)
Interest period	: Every three months or every six months depending on conditions in the agreements
Principal repayment schedules	: As per conditions specified in the agreements

The above credit facilities agreements contain covenants relating to various matters, such as the maintenance of financial ratio, restrictions on creating or permitting the subsistence of security interest on property and assets, a prohibition on making loans or granting guarantees except under certain conditions.

As at 31 December 2020, the subsidiary has the credit facilities, which have not yet been drawn down, amounted to Baht 22,000 million (2019: Baht 26,000 million).

20. Debentures

	(Unit: Million Baht)	
	<u>Consolidated financial statements</u>	
	<u>2020</u>	<u>2019</u>
Thai Baht debentures	39,000	33,000
Less: Deferred financial fees	(24)	(22)
Add: Fair value of debentures (only the interest portion applying hedged accounting)	1,189	-
Thai Baht debentures - net	40,165	32,978
Less: Current portion	(2,500)	(3,997)
Thai Baht debentures - net of current portion	<u>37,665</u>	<u>28,981</u>

The movements of debentures for the year ended 31 December 2020 are as follows:

(Unit: Million Baht)						
			Balance as at 1 January 2020	Addition: debentures issued	Less: debentures repayment	Balance as at 31 December 2020
	Interest rate (per annum)	Tenor				
Subsidiary						
Debentures of Baht 4,000 million (issued on 29 July 2015)	2.92	5 years	4,000	-	(4,000)	-
Debentures of Baht 3,000 million (issued on 29 July 2015)	3.52	7 years	3,000	-	-	3,000
Debentures of Baht 6,000 million (issued on 29 July 2015)	3.98	10 years	6,000	-	-	6,000
Debentures of Baht 1,000 million (issued on 22 July 2016)	2.44	5 years	1,000	-	-	1,000
Debentures of Baht 1,500 million (issued on 22 July 2016)	3.01	7 years	1,500	-	-	1,500
Debentures of Baht 1,000 million (issued on 22 July 2016)	3.19	10 years	1,000	-	-	1,000
Debentures of Baht 500 million (issued on 28 April 2017)	3.65	7 years	500	-	-	500
Debentures of Baht 5,000 million (issued on 28 April 2017)	4.04	10 years	5,000	-	-	5,000
Debentures of Baht 1,500 million (issued on 21 September 2017)	2.25	3.5 years	1,500	-	-	1,500
Debentures of Baht 2,000 million (issued on 21 September 2017)	3.58	10 years	2,000	-	-	2,000
Debentures of Baht 2,500 million (issued on 21 September 2017)	3.78	12 years	2,500	-	-	2,500
Debentures of Baht 1,500 million (issued on 5 July 2019)	2.84	5 years	1,500	-	-	1,500
Debentures of Baht 500 million (issued on 5 July 2019)	3.13	7 years	500	-	-	500
Debentures of Baht 3,000 million (issued on 5 July 2019)	3.50	9 years	3,000	-	-	3,000
Debentures of Baht 4,500 million (issued on 24 September 2020)	2.02	3 years	-	4,500	-	4,500
Debentures of Baht 2,000 million (issued on 24 September 2020)	2.53	5 years	-	2,000	-	2,000
Debentures of Baht 1,000 million (issued on 24 September 2020)	2.98	7 years	-	1,000	-	1,000
Debentures of Baht 2,500 million (issued on 24 September 2020)	3.50	10 years	-	2,500	-	2,500
Total			33,000	10,000	(4,000)	39,000

The subsidiary's debentures, as provided above, are the registered, unsubordinated, and unsecured debentures with a debentureholders' representative, to institutional and/or high net worth investors.

The subsidiary entered into interest rate swap agreements with financial institutions to partially swap interest of the above debentures. As at 31 December 2020, the subsidiary entered into interest rate swap agreements with financial institutions, to swap interest of the debentures issued, totaling in notional amount of Baht 29,000 million (31 December 2019: Baht 28,500 million) to swap fixed Baht interest rates for floating Baht interest rates plus margins as specified in agreements. The purpose of the certain interest rate swap agreements is to hedge the fair value of debentures (only the interest portion), which the Group elected to apply hedge accounting for these transactions as per described in Note 31.1 to the consolidated financial statements.

Such debentures contain covenants relating to various matters such as restrictions on creating or permitting the creation of security interest on property and assets, and a prohibition on making loans or granting guarantees except under certain conditions.

21. Assets retirement obligation

	Consolidated		(Unit: Thousand Baht)	
			Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Assets retirement obligation				
at beginning of year	1,747,282	1,214,628	216,217	163,814
Decrease from payment	(13,001)	(38,188)	(58)	(2,813)
Increase(decrease) during the year	<u>329,913</u>	<u>570,842</u>	<u>(18,722)</u>	<u>55,216</u>
Assets retirement obligation				
at end of year	2,064,194	1,747,282	197,437	216,217

Assets retirement obligation is substantially the provision for expenses to be incurred with respect to the retirement of network located on leased areas.

22. Leases

The Group has lease contracts related to office building, vehicle, land for tower, space on tower, equipment for mobile telecommunication services and others.

22.1 Right-of-use assets

The net book value of right-of-use assets related to land, building, leasehold and equipment lease contracts and the movement for the year 2020 and 2019 are presented below.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Land for tower	Buildings and building improvement	Equipment for mobile telecommunication services	Leasehold	Other	Total
Cost						
1 January 2019	7,240,263	1,361,218	17,757,289	104,840	91,936	26,555,546
Addition	1,743,263	330,581	280,965	18,630	30,056	2,403,495
Change in conditions/written-off	(150,668)	(98,819)	(487,234)	-	(16,081)	(752,802)
31 December 2019	8,832,858	1,592,980	17,551,020	123,470	105,911	28,206,239
Addition	1,364,282	834,645	1,170,673	-	47,346	3,416,946
Change in conditions/written-off	(580,813)	(221,067)	(761,248)	-	(62,348)	(1,625,476)
31 December 2020	9,616,327	2,206,558	17,960,445	123,470	90,909	29,997,709
Accumulated depreciation						
1 January 2019	33,882	32,996	-	50,436	-	117,314
Depreciation for the year	1,349,224	641,025	2,587,801	24,409	63,695	4,666,154
Depreciation - change in conditions/written-off	(94,302)	(69,849)	(61,499)	-	(15,122)	(240,772)
31 December 2019	1,288,804	604,172	2,526,302	74,845	48,573	4,542,696
Depreciation for the year	1,465,007	679,849	2,980,570	22,375	44,851	5,192,652
Depreciation - change in conditions/written-off	(278,485)	(216,209)	(640,650)	-	(59,064)	(1,194,408)
31 December 2020	2,475,326	1,067,812	4,866,222	97,220	34,360	8,540,940
Net book value						
31 December 2019	7,544,054	988,808	15,024,718	48,625	57,338	23,663,543
31 December 2020	7,141,001	1,138,746	13,094,223	26,250	56,549	21,456,769

(Unit: Thousand Baht)

	Separate financial statements				
	Buildings and building				
	Land for tower	improvement	Leasehold	Others	Total
Cost					
1 January 2019	207,400	807,349	102,383	52,102	1,169,234
Addition	41,220	148,128	4,860	28,454	222,662
Change in conditions/written-off	(17,121)	(41,841)	(80,530)	(15,936)	(155,428)
31 December 2019	231,499	913,636	26,713	64,620	1,236,468
Addition	35,420	530,776	-	26,335	592,531
Change in conditions/written-off	(66,169)	(30,762)	-	(22,007)	(118,938)
31 December 2020	200,750	1,413,650	26,713	68,948	1,710,061
Accumulated depreciation					
1 January 2019	-	32,996	49,202	-	82,198
Depreciation for the year	66,747	310,770	7,042	37,582	422,141
Depreciation - change in conditions/written-off	(12,644)	(13,180)	(30,560)	(14,978)	(71,362)
31 December 2019	54,103	330,586	25,684	22,604	432,977
Depreciation for the year	49,597	359,270	561	28,623	438,051
Depreciation - change in conditions/written-off	(35,433)	(29,510)	-	(18,723)	(83,666)
31 December 2020	68,267	660,346	26,245	32,504	787,362
Net book value					
31 December 2019	177,396	583,050	1,029	42,016	803,491
31 December 2020	132,483	753,304	468	36,444	922,699

On 18 December 2020, the subsidiary entered into the Telecommunications Towers Ownership Transfer and Services Agreement with CAT (currently known as "NT") as described in note 34.6 (f) to the consolidated financial statements. The subsidiary recognised this transaction as sales and leaseback transaction with related impact in profit or loss.

22.2 Lease liabilities

The carrying amounts of lease liabilities and the movement for the year 2020 and 2019 are presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
As at 1 January	24,637,627	27,624,630	718,342	1,051,914
Addition	3,458,197	1,894,691	583,900	147,180
Accretion of interest	828,555	903,519	21,821	23,817
Payments	(5,993,643)	(5,285,093)	(442,909)	(499,392)
Decrease from contract cancellation	(447,401)	(500,120)	(30,670)	(5,177)
As at 31 December	22,483,335	24,637,627	850,484	718,342
Less: current portion	(4,663,356)	(4,534,293)	(320,680)	(446,365)
Lease liabilities - net of current portion	<u>17,819,979</u>	<u>20,103,334</u>	<u>529,804</u>	<u>271,977</u>

The following are the amounts for the year ended 31 December 2020 and 2019 recognised in profit or loss:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Depreciation of right-of-use assets	9,268,723	8,650,408	438,051	422,141
Interest expense on lease liabilities	828,555	903,519	21,821	23,817
Expense relating to short-term lease	41,534	83,712	1,070	73,620
Leases of low - value assets	97,026	146,618	19,112	164,947
Total	<u>10,235,838</u>	<u>9,784,257</u>	<u>480,054</u>	<u>684,525</u>

The Group had total cash outflows for leases of Baht 6,133 million (2019: Baht 5,515 million) (the Company only: Baht 463 million 2019: Baht 738 million) and also had non-cash additions to right-of-use assets and lease liabilities of Baht 3,458 million (2019: Baht 1,895 million) (the Company only: Baht 584 million 2019: Baht 147 million).

22.3 Lease receivable

During the year 2018, the Company and dtac TriNet entered into the Disputes Settlement and Tower Service Agreement with CAT (currently known as “NT”). Under the agreement, the Company transferred to CAT for the disputed towers that the Company has procured under the agreement to operate and to provide cellular telephone services between CAT and the Company. In light of this, CAT agreed to settle disputes related to ownership of all towers and allowed the Company and dtac TriNet to use the towers to operate business based on an 8-year period. dtac TriNet itself shall procure the land for tower and provide maintenance service to the towers and shall receive the compensation in accordance with the terms and conditions as stipulated in the agreements.

The net book value of lease receivables as at 31 December 2020 and 2019 are presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	<u>2020</u>	<u>2019</u>
Receivables under lease agreement	7,544,581	7,414,660
Less: Deferred interest income	(740,417)	(930,489)
Total	6,804,164	6,484,171
Less: Portion due within one year	(1,212,943)	(382,096)
Lease receivables - net of current portion	<u>5,591,221</u>	<u>6,102,075</u>

As at 31 December 2020 and 2019, the subsidiary has future minimum lease payment to be received under leases contract as follows:

	Consolidated financial statement	
	<u>2020</u>	<u>2019</u>
Within 1 year	1,213	382
Over 1 year and up to 5 years	5,227	4,843
Over 5 years	1,105	2,189
Receivables under lease agreement	<u>7,545</u>	<u>7,414</u>

23. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, is as follows:

	(Unit: Thousand Baht)	
	Consolidated/Separate	
	financial statements	
	<u>2020</u>	<u>2019</u>
Provision for long-term employee benefits at beginning of year	711,243	734,606
Included in profit or loss:		
Current service cost	59,556	51,047
Previous service cost	-	757
Curtailment	(152,493)	-
Interest cost	12,769	16,280
Included in other comprehensive income:		
Actuarial (gains) losses arising from		
Financial assumptions changes	14,782	(29,195)
Demographic assumptions changes	(21,498)	(50,995)
Experience adjustments	24,949	(10,457)
Benefits paid during the year	(4,186)	(800)
Provision for long-term employee benefits at end of year	<u>645,122</u>	<u>711,243</u>

Line items in profit or loss under which long-term employee benefit expenses are recognised entirely in administrative expenses.

As at 31 December 2020, the Company expect to pay Baht 11 million of long-term employee benefits during the next year (Separate financial statements: Baht 11 million) (2019: Baht 4 million, separate financial statements: Baht 4 million). As at 31 December 2020, the weighted average duration of the liabilities for long-term employee benefit is 12 years (Separate financial statements: 12 years) (2019: 13 years, separate financial statements: 13 years).

Significant actuarial assumptions are summarised below:

	(Unit: percent per annum)	
	Consolidated/	
	Separate financial statements	
	<u>2020</u>	<u>2019</u>
Discount rate	1.6	1.8
Salary increase rate	4	4
Turnover rate	0 - 17.5	0 - 15

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2020 and 2019 are summarised below:

	(Unit: Million Baht)			
	Consolidated/Separate financial statements			
	2020		2019	
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
Discount rate	(36)	39	(43)	47
Salary increase rate	38	(35)	46	(43)
	Increase 10%	Decrease 10%	Increase 10%	Decrease 10%
Voluntary turnover rate of employees	(33)	37	(40)	44

24. Dividends

Dividends	Approved by	Total dividend (Million Baht)	Dividend per share (Baht)
Interim dividend announced from retained earnings as at 31 December 2019	Board of Directors' Meeting on 24 March 2020 ⁽¹⁾	3,812	1.61
Interim dividend announced from operating result for the period as from 1 January 2020 to 30 June 2020	Board of Directors' Meeting on 15 July 2020	2,060	0.87
		<u>5,872</u>	
Interim dividend announced from operating result for the period as from 1 January 2019 to 30 June 2019	Board of Directors' Meeting on 15 July 2019	2,983	1.26
		<u>2,983</u>	

⁽¹⁾Proposed for acknowledgement to the Annual General Meeting of Shareholders on 31 August 2020.

25. Expenses by nature

Significant expenses by nature are as follows:

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Salaries and wages and other employee benefits	3,760,701	4,736,088	3,724,895	4,711,514
Depreciation	10,894,873	10,716,630	332,121	528,967
Amortisation	787,651	629,650	129,151	106,262
Depreciation right-of-use assets	9,268,723	8,650,408	438,051	422,141
Rental expenses from operating lease agreements	161,995	459,081	37,390	337,141
Purchases in inventories	8,403,165	9,491,913	10,438	94,958
Changes in inventories of finished goods	498,688	1,028,219	12,758	(11,497)

26. Finance cost

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Interest expense on financial liabilities	2,223,365	2,541,266	15,659	19,445
Interest expense on lease liabilities	828,555	903,519	21,821	23,817
Less: Interest income on lease receivables	(272,671)	(219,202)	-	-
Net interest expense - lease liabilities	555,884	684,317	21,821	23,817
Amortisation on deferred financial cost	27,955	16,462	-	-
Other finance cost	51,791	27,305	-	-
Total finance cost	<u>2,858,995</u>	<u>3,269,350</u>	<u>37,480</u>	<u>43,262</u>

27. Income tax

Income tax expenses for the years ended 31 December 2020 and 2019 are made up as follows:

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Current income tax:				
Current income tax charge	106,516	105,335	-	-
Adjustment in respect of income tax of previous year	(2,712)	8,788	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	748,727	854,748	1,206,941	1,470,200
Income tax expense reported in the income statement	<u>852,531</u>	<u>968,871</u>	<u>1,206,941</u>	<u>1,470,200</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2020 and 2019 are as follows:

	(Unit: Thousand Baht) Consolidated / Separate financial statements	
	<u>2020</u>	<u>2019</u>
Deferred tax relating to the actuarial gains or losses	(3,647)	17,744

The reconciliation between accounting profit and income tax expense is shown below.

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Accounting profit before tax	5,959,650	6,390,670	8,292,031	10,535,373
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	1,191,930	1,278,134	1,658,406	2,107,074
Adjustment in respect of current income tax of previous year	(2,712)	8,788	-	-
Effects of:				
Tax exempted revenue	(30)	(75)	(434,667)	(597,934)
Non-deductible expenses	82,974	59,754	18,113	18,817
Additional capital expenditure deductions allowed	(411,349)	(357,305)	(34,781)	(33,865)
Effects of adjustment deferred tax	(12,730)	(23,892)	(130)	(23,892)
Others	4,448	3,467	-	-
Income tax expenses reported in the income statement	<u>852,531</u>	<u>968,871</u>	<u>1,206,941</u>	<u>1,470,200</u>

The components of deferred tax assets are as follows:

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Deferred tax assets				
Allowance for expected credit losses (2019: allowance for doubtful accounts - trade receivables)	277,453	289,945	18,901	35,766
Allowance for diminution in value of investment/loss on the subsidiary	34,855	31,855	31,463	31,463
Allowance for diminution in value of inventories	2,755	11,729	12	14
Accrued expenses	55,525	78,308	55,525	78,308
Amortisation of intangible assets	354,448	187,502	-	-
Sales of prepaid voucher cards	222,331	196,632	204	204
Fair value of debentures applying hedge accounting	237,749	-	-	-
Lease agreement	199,015	115,545	3,128	19,473
Tax losses carried forward	3,752,924	4,691,191	3,203,532	4,359,582
Others	177,792	174,008	68,280	81,513
Total	<u>5,314,847</u>	<u>5,776,715</u>	<u>3,381,045</u>	<u>4,606,323</u>
Deferred tax liabilities				
Unrealised gain on derivative instruments for debentures	-	(14,842)	-	-
Fair value of derivative instruments	(360,081)	-	-	-
Contract assets	(37,364)	(35,070)	-	-
Cost to obtain contracts	(68,901)	(73,586)	-	-
Others	(29,402)	(56,892)	(1,418)	(23,402)
Total	<u>(495,748)</u>	<u>(180,390)</u>	<u>(1,418)</u>	<u>(23,402)</u>
Deferred tax assets - net	<u>4,819,099</u>	<u>5,596,325</u>	<u>3,379,627</u>	<u>4,582,921</u>

Details of expiry date of the above tax losses carried forward are summarised as below:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
31 December 2021	-	4,614,973	-	4,614,973
31 December 2022	6,384,584	6,555,113	6,384,584	6,555,113
31 December 2023	7,755,794	7,756,167	7,755,794	7,756,167
31 December 2024	3,502,038	3,533,147	1,877,283	1,875,104
31 December 2025	1,122,206	-	-	-
	<u>18,764,622</u>	<u>22,459,400</u>	<u>16,017,661</u>	<u>20,801,357</u>

As at 31 December 2020 the Company has deductible temporary differences of Baht 1,425 million (2019: Baht 1,425 million) on which deferred tax assets have not been recognised because the Company considers that it might be uncertain to amortised these temporary differences in the future.

28. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Profit attributable to equity holders of the				
Company (Thousand Baht)	5,107,119	5,421,893	7,085,090	9,065,173
Weighted average number of ordinary				
shares (Thousand shares)	2,367,811	2,367,811	2,367,811	2,367,811
Basic earnings per share (Baht/share)	2.16	2.29	2.99	3.83

29. Depreciation and amortisation

Depreciation and amortisation for the years ended 31 December 2020 and 2019 comprised

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
	<u>2020</u>	<u>2019</u>
Depreciation		
Building and equipment	10,894,873	10,716,630
Right-of-use-cost of spectrum licenses	4,076,071	3,984,254
Right-of-use assets	5,192,652	4,666,154
Amortisation		
Other intangible assets	787,651	629,650
Total depreciation and amortisation	<u>20,951,247</u>	<u>19,996,688</u>

30. Operating income before interest, taxes, depreciation, amortisation, other incomes and other expenses (EBITDA before other incomes and other expenses)

(Unit: Thousand Baht)			
Consolidated financial statements			
	<u>Note</u>	<u>2020</u>	<u>2019</u>
Profit for the year		5,107,119	5,421,799
Add : Finance cost	26	2,858,995	3,269,350
: Income tax expenses	27	852,531	968,871
: Depreciation expense	29	10,894,873	10,716,630
: Amortisation expense	29	787,651	629,650
: Depreciation - right-of-use assets	29	9,268,723	8,650,408
EBITDA		29,769,892	29,656,708
Add (less) : Interest income		(26,055)	(57,839)
: (Gain) loss on foreign exchange		(31,421)	15,140
: Other expenses related to employees		133,756	548,457
: Penalty from contract cancellation		-	40,000
: Share of loss from investment in associated company		11,850	8,831
: Dividend received from other investments		(150)	(375)
: Loss from sales of other investments		-	1,542
: Allowance for impairment and loss from disposal/write-off of equipment and other intangible assets		636,396	207,303
: Allowance for diminution in value of other investments		-	250
: Gain from fair value measurement of derivative instruments and net position of hedging		(298,401)	-
: Other incomes		(2,630)	(2,850)
Operating income before interest, taxes, depreciation, amortisation, other incomes and other expenses (EBITDA before other incomes and other expenses)		<u>30,193,237</u>	<u>30,417,167</u>

31. Financial instruments

31.1 Derivatives and hedge accounting

(Unit: Thousand Baht)

	Consolidated financial statements	
	2020	2019
Derivative assets		
Derivative assets not designated as hedging instruments	494,736	-
Derivative assets designated as hedging instruments	1,305,671	-
Total derivative assets	1,800,407	-

Derivatives designated as hedging instruments

As at 31 December 2020, the Group had the interest rate swap agreements designated as hedging instruments with a notional amount of Baht 22,000 million (2019: Baht 21,500 million) whereby the Group receives a fixed rate of interest as per disclosed in Note 20 to the consolidated financial statements and pays interest at a variable rate equal to THBFX plus margin.

There is an economic relationship between the hedged item and the hedging instrument as the terms of the interest rate swap match the terms of the fixed rate debentures (i.e., notional amount, maturity, payment and reset dates). The Group tested the hedge effectiveness by comparing the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

Hedge ineffectiveness can arise from:

- Differences in the interest rate curves applied to discount the hedged item and hedging instrument
- Differences in the timing of cash flows of the hedged item and hedging instrument
- The impact of the hedging instruments on the statement of financial position as at 31 December 2020 is, as follows:

	Notional amount	Carrying amount	Line item in the statement of financial position	(Unit: Thousand Baht) Change in fair value used for measuring ineffectiveness
Interest rate swap	22,000,000	1,305,671	Other non-current financial assets	286,990

The impact of the hedged items on the statement of financial position as at 31 December 2020 is, as follows:

				(Unit: Thousand Baht)
	Carrying amount	Accumulated fair value adjustments	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness
Fixed-rate debentures	23,176,514	1,188,746	Debentures	122,352

The effect of ineffectiveness of the fair value hedged recognised in profit or loss for the year ended 31 December 2020 in gain from fair value measurement of derivative instruments and net position of hedging amounting to Baht 165 million.

Effect from interest rate benchmark reform

The Group has exposures to benchmark InterBank Offered Rates (IBORs) on its financial instruments that will be replaced or reformed. The Group anticipates that IBOR reform will impact its risk management and hedge accounting. The Group elects to early adopt the amendments to TFRS 9 and TFRS 7 to those hedging relationships directly affected by IBOR reform.

Hedging relationships impacted by IBOR reform may experience ineffectiveness attributable to market participant's expectations of when the shift from the existing IBOR benchmark rate to an alternative benchmark interest will occur. The Group is monitoring and managing the Group's transition to alternative benchmark rates whether such contracts will need to be amended as a result of IBOR reform and how to manage communication about IBOR reform with counterparties.

31.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade and other receivables, lease receivable, other financial assets, trade and other payables, long-term loans, debentures, accrued cost of spectrum licenses and lease liabilities. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade and other receivables, deposits with banks and other financial instruments. Except for derivative financial instruments, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

Trade and other receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored and any shipments to major customers are covered by credit insurance obtained from the banks. In addition, the Group does not have high concentrations of credit risk since it has a large customer base.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision for expected credit losses rates are based on days past due for groupings of various customer segments with similar credit risks. The calculation reflects the reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade and other receivables are written-off in accordance with the Group's policy.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed in accordance with the Group's policy. Investments are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate risk through a counterparty's potential failure to make payments.

Market risk

Foreign currency risk

The Group's exposure to foreign currency risk arises mainly from trade receivables / trade payables - international roaming telephone services and accounts payable from purchasing of equipment transactions that are denominated in foreign currencies.

As at 31 December 2020 and 2019 the Group had the following assets and liabilities denominated in foreign currencies:

	Consolidated financial statements			Exchange rate	
	as at 31 December			as at 31 December	
	2020	2019	Foreign currency	2020	2019
	(Million)	(Million)		(Baht per foreign currency)	
<u>Assets</u>					
Deposits at banks	2.28	4.65	USD	29.7749	29.8855
Trade receivables - other companies	3.52	20.77	SDRs	43.5076	41.6521
	0.37	1.02	USD	29.7749	29.8855
	-	0.01	EUR	36.3751	33.2713
	0.08	-	MYR	7.2911	7.1708
Trade receivables - related companies	0.39	0.85	SDRs	43.5076	41.6521
	0.61	0.59	USD	29.7749	29.8855
	0.04	-	SGD	22.2924	21.9756

	Consolidated financial statements			Exchange rate	
	as at 31 December			as at 31 December	
	2020	2019	Foreign currency	2020	2019
	(Million)	(Million)		(Baht per foreign currency)	
<u>Liabilities</u>					
Trade payables	2.99	4.51	USD	30.2068	30.3313
	0.08	0.20	EUR	37.2578	34.0846
	1.23	12.54	NOK	3.5388	3.4637
	0.01	0.16	GBP	41.0771	39.9523
	0.36	0.07	SGD	22.9540	22.5935
	-	0.13	SEK	3.7088	3.2711
	2.55	8.78	SDRs	43.5076	41.6521
Related parties payables	47.96	46.58	NOK	3.5388	3.4637
	1.09	0.75	SDRs	43.5076	41.6521
	0.01	-	EUR	37.2578	34.0846
	-	0.06	SGD	22.9540	22.5935
	1.56	2.70	USD	30.2068	30.3313
Total net assets (liabilities)	(1.29)	(0.95)	USD		
	(0.09)	(0.19)	EUR		
	(0.01)	(0.16)	GBP		
	0.27	12.09	SDRs		
	(49.19)	(59.12)	NOK		
	-	(0.13)	SEK		
	(0.32)	(0.13)	SGD		
	0.08	-	MYR		

Foreign currency sensitivity analysis

There is no significant impact on the Group's profit before tax arising from the change in the fair value of monetary assets and liabilities due to the possible change in exchange rates of assets and liabilities that are denominated in foreign currencies.

Interest rate risk

The Group's exposure to interest rate risk relate primarily to their deposits at bank, lease receivables, other financial assets, long-term loans, debentures, accrued cost of spectrum licenses and lease liabilities. Most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2020 and 2019, significant financial assets and liabilities (part of these are under derivative instruments as described in Note 20 to the consolidated financial statements) classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2020						
Items	Note	Floating interest rate	Fixed interest rate	Zero interest rate	Total	Interest rate
<u>Financial assets</u>						
Cash and cash equivalents	7	1,842	4,764	41	6,647	0.05% - 0.38%
Trade and other receivables	8	-	-	9,889	9,889	-
Lease receivables	22.3	-	6,804	-	6,804	3.64%
Other financial assets		1,800	-	45	1,845	-
<u>Financial liabilities</u>						
Trade and other payables	18	-	-	26,944	26,944	-
Long-term loans	19	13,961	-	-	13,961	-
Debentures	20	-	40,165	-	40,165	2.02% - 4.04%
Accrued cost of spectrum licenses		-	41,094	-	41,094	1.79% - 3.13%
Lease liabilities	22.2	-	22,483	-	22,483	1.06% - 3.84%

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2019						
Items	Note	Floating interest rate	Fixed interest rate	Zero interest rate	Total	Interest rate
<u>Financial assets</u>						
Cash and cash equivalents	7	2,985	5,508	35	8,528	0.05% - 1.00%
Trade and other receivables	8	-	-	9,791	9,791	-
Lease receivables	22.3	-	6,484	-	6,484	3.64%
<u>Financial liabilities</u>						
Trade and other payables	18	-	-	26,610	26,610	-
Long-term loans	19	15,941	-	-	15,941	-
Debentures	20	-	32,978	-	32,978	2.25% - 4.04%
Accrued cost of spectrum licenses		-	36,015	-	36,015	2.86% - 3.13%
Lease liabilities	22.2	-	24,638	-	24,638	2.08% - 3.84%

Interest rate sensitivity analysis

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in interest rates on that portion of floating rate financial assets and long-term loans affected as at 31 December 2020, with all other variables held constant.

Currency	Increase/decrease (%)	Effect on profit before tax (Thousand Baht)
Baht	+0.25	17,601
	-0.25	(19,627)

Liquidity risk

As of 31 December 2020, the Group has 16% of the liabilities, which will mature within one year, based on the carrying value of borrowings reflected in the financial statements (2019: 28%). The Group has assessed the concentration of risk with respect to refinancing its debt and concluded the risk is low. Furthermore, the Group has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities as at 31 December 2020 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

		Consolidated financial statements				
	Note	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
Non-derivatives						
Trade and other payables	18	12,698,465	14,245,459	-	-	26,943,924
Long-term loans	19	-	4,000,000	10,000,000	-	14,000,000
Debentures	20	-	2,500,000	19,000,000	17,500,000	39,000,000
Accrued cost of spectrum licenses		-	8,692,550	22,259,200	14,646,400	45,598,150
Lease liabilities	22.2	-	5,199,586	16,383,080	3,079,674	24,662,340
Total non-derivatives		<u>12,698,465</u>	<u>34,637,595</u>	<u>67,642,280</u>	<u>35,226,074</u>	<u>150,204,414</u>

(Unit: Thousand Baht)

		Separate financial statements				
	Note	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
Non-derivatives						
Trade and other payables	18	8,609,369	1,164,030	-	-	9,773,399
Lease liabilities	22.2	-	332,519	533,133	15,352	881,004
Total non-derivatives		<u>8,609,369</u>	<u>1,496,549</u>	<u>533,133</u>	<u>15,352</u>	<u>10,654,403</u>

31.3 Fair value of financial instruments

Given that part of financial assets and financial liabilities are short-term or bearing interest rate closely to market rate, and loans denominated in Thai Baht bearing the market interest rates, the Company's management believes that the fair value of those financial assets and financial liabilities does not materially differ from their carrying value.

The carrying value and fair value of financial assets and financial liabilities as at 31 December 2020 and 1 January 2020 are presented below.

(Unit: Thousand Baht)

Consolidated financial statements as at 31 December 2020				
	Carrying value			Fair value
	Fair value through profit or loss	Amortised cost	Total	
Financial assets				
Cash and cash equivalents	-	6,647,042	6,647,042	6,647,042
Trade and other receivables	-	9,888,516	9,888,516	9,888,516
Lease receivable	-	6,804,164	6,804,164	6,804,164
Other current financial assets				
- Derivative assets not designated as hedging instruments	15,909	-	15,909	15,909
Other non-current financial assets				
- Derivative assets not designated as hedging instruments	478,827	-	478,827	478,827
- Derivative assets designated as hedging instruments	1,305,671	-	1,305,671	1,305,671
- Investments in equity instruments of non-listed companies	45,222	-	45,222	45,222
Total financial assets	1,845,629	23,339,722	25,185,351	25,185,351
Financial liabilities				
Trade and other payables	-	26,943,924	26,943,924	26,943,924
Long-term loans	-	13,960,937	13,960,937	13,960,937
Debentures	23,176,514	16,988,582	40,165,096	44,021,550
Accrued cost of spectrum licenses	-	41,094,180	41,094,180	41,094,180
Lease liabilities	-	22,483,336	22,483,336	22,483,336
Total financial liabilities	23,176,514	121,470,959	144,647,473	148,503,927

(Unit: Thousand Baht)

Consolidated financial statements as at 1 January 2020				
	Carrying value			Fair value
	Fair value through profit or loss	Amortised cost	Total	
Financial assets				
Cash and cash equivalents	-	8,528,385	8,528,385	8,528,385
Trade and other receivables	-	9,791,136	9,791,136	9,791,136
Lease receivable	-	6,484,171	6,484,171	6,484,171
Other current financial assets				
- Derivative assets designated as hedging instruments	12,440	-	12,440	12,440

(Unit: Thousand Baht)

Consolidated financial statements as at 1 January 2020

	Carrying value			Fair value
	Fair value through profit or loss	Amortised cost	Total	
Other non-current financial assets				
- Derivative assets not designated as hedging instruments	325,366	-	325,366	325,366
- Derivative assets designated as hedging instruments	889,316	-	889,316	889,316
- Investments in equity instruments of non-listed companies	43,224	-	43,224	43,224
Total financial assets	1,270,346	24,803,692	26,074,038	26,074,038
Financial liabilities				
Trade and other payables	-	26,609,587	26,609,587	26,609,587
Long-term loans	-	15,940,882	15,940,882	15,940,882
Debentures	22,552,344	11,492,500	34,044,844	36,774,233
Accrued cost of spectrum licenses	-	36,014,859	36,014,859	36,014,859
Lease liabilities	-	24,637,627	24,637,627	24,637,627
Total financial liabilities	22,552,344	114,695,455	137,247,799	139,977,188

(Unit: Thousand Baht)

Separate financial statements as at 31 December 2020

	Carrying value			Fair value
	Fair value through profit or loss	Amortised cost	Total	
Financial assets				
Cash and cash equivalents	-	2,879,784	2,879,784	2,879,784
Trade and other receivables	-	5,214,054	5,214,054	5,214,054
Loan to subsidiary	-	15,000,000	15,000,000	15,000,000
Other non-current financial assets				
- Investments in equity instruments of non-listed companies	1,800	-	1,800	1,800
Total financial assets	1,800	23,093,838	23,095,638	23,095,638
Financial liabilities				
Trade and other payables	-	9,773,399	9,773,399	9,773,399
Lease liabilities	-	850,484	850,484	850,484
Total financial liabilities	-	10,623,883	10,623,883	10,623,883

(Unit: Thousand Baht)

Separate financial statements as at 1 January 2020				
	Carrying value			Fair value
	Fair value through profit or loss	Amortised cost	Total	
Financial assets				
Cash and cash equivalents	-	4,573,891	4,573,891	4,573,891
Trade and other receivables	-	5,431,593	5,431,593	5,431,593
Loan to subsidiary	-	10,500,000	10,500,000	10,500,000
Other non-current financial assets				
- Investments in equity instruments of non-listed companies	1,800	-	1,800	1,800
Total financial assets	1,800	20,505,484	20,507,284	20,507,284
Financial liabilities				
Trade and other payables	-	10,530,128	10,530,128	10,530,128
Lease liabilities	-	718,342	718,342	718,342
Total financial liabilities	-	11,248,470	11,248,470	11,248,470

The fair value of financial instruments is estimated on the following criteria.

- The fair value of derivative instruments has been calculated by using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as interest rate yield curves, a subsidiary has considered to counter party credit risk when determining the fair value of derivatives.
- The fair value of investment in equity instruments of non-listed companies has been determined by analysis and considering change in the invested companies' financial position and operating performance, including other several factors, and concluded that the cost of those investments has appropriately represented the fair value of the investments.
- The fair value of debentures has been determined based on discounted cash flow analysis, by using discount rates equal to the prevailing rates of return as of the end of reporting period for financial instruments having substantially the same terms and characteristics.

During the current year, there was no transfer within the fair value hierarchy.

32. Fair value hierarchy

As at 31 December 2020 and 2019, the Group had the assets that were measured at fair value and liabilities for which fair value were disclosed using different levels of inputs as follows:

(Unit: Million Baht)

Consolidated Financial Statements as at 31 December 2020				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
- Investments in equity instruments of non-listed companies	-	-	45	45
Derivatives				
- Interest rate swap agreement	-	1,800	-	1,800
Liabilities for which fair value are disclosed				
Debentures	-	44,022	-	44,022

(Unit: Million Baht)

Consolidated Financial Statements as at 31 December 2019				
	Level 1	Level 2	Level 3	Total
Liabilities for which fair value are disclosed				
Debentures	-	36,796	-	36,796
Interest rate swaps (favourable)	-	1,227	-	1,227

33. Capital management

The primary objective of the Group's capital management is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern.

The Group manages their capital position with reference to Net Interest-Bearing Debt to EBITDA before other incomes and other expenses ratio in order to comply with a condition in long-term loan agreements with financial institutions. As at 31 December 2020, the aforementioned ratio in the consolidated financial statements is 1.92:1 (2019: 1.58:1).

The Group's capital structure consists of debts that includes long-term loans and debentures disclosed in Note 19 and 20 to the consolidated financial statements, cash and cash equivalents disclosed in Note 7 to the consolidated financial statements and equity attributable to the shareholders as presented in the consolidated statement of changes in shareholders' equity.

No changes were made in the objectives, policies or processes during the years end 31 December 2020 and 2019.

34. Commitments and contingent liabilities

34.1 Operating lease commitments

The Group has entered into several lease agreements for land and building for installation of cell sites and office building spaces. The terms of the agreements are generally between 1 year.

As at 31 December 2020 and 2019, future minimum lease payments under these operating leases contracts were as follows.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Payable within:				
In up to 1 year	8	21	-	4

As discussed in Note 22.2 to the consolidated financial statements, during the year 2020, the Group recognised rental expenses in the statement of income of Baht 139 million (the Company only: Baht 20 million) (2019: Baht 230 million (the Company only: Baht 238 million)).

34.2 Capital commitments

As at 31 December 2020, the Group had capital commitments of Baht 2,407 million and USD 1 million (2019: Baht 1,054 million and USD 2 million) mainly in respect of the purchase of tools and equipment for providing telecommunication services and Baht 376 million and USD 1 million (2019: Baht 146 million and USD 3 million) relating to the rental office building renovation and acquisition of software for the Group's operations.

34.3 Restricted bank deposit

As at 31 December 2020, deposit at bank of a subsidiary amounting to Baht 0.1 million (2019: Baht 0.1 million) is pledged with the bank to secure facilities granted by the bank.

34.4 Bank guarantees

As at 31 December 2020, there were outstanding bank guarantees of Baht 51,480 million (2019: Baht 46,638 million) issued by banks on behalf of the Group in respect of certain performance bonds required in the normal course of business of the Group. Bank guarantees are primarily issued to NBTC to guarantee the payment for the winning bid price of the spectrum licenses, and issued to TOT (currently known as "NT") and CAT (currently known as "NT") to guarantee the compliance with the agreements as discussed in Note 34.6 (c), (d) and (e) to the consolidated financial statements.

34.5 Agreement to install cell site equipment and maintain transmission networks

As at 31 December 2020, the Group had a commitment to BB Technology Co., Ltd., a related company, relating to the installation of cell site equipment and maintenance of transmission networks. This related company will provide transmission engineering network design and configuration, installation and maintenance services for transmission networks. The Group is committed to pay service fees at the rate specified in the agreement.

34.6 Long-term agreement commitment

- (a) The Group entered into a purchase and resale agreement with a company that granted the right to distribute products, equipment and support services in Thailand related to that company's mobile phones and tablet computer. The Group is committed to terms indicated in the agreement and to future minimum purchase orders and minimum merchandising and marketing spend stipulated under the agreement.
- (b) The Group entered into frame contracts for supply network infrastructure and services for the telecommunication network of the Group. Goods and service prices are set in accordance with the terms and conditions stipulated in the agreements.
- (c) On 23 April 2018, the Board of Directors' Meeting of the Company passed a resolution to approve dtac TriNet Company Limited ("dtac TriNet"), a subsidiary of the Company, to enter into the Domestic Roaming Agreement with TOT Public Company Limited ("TOT") (currently known as "NT") to utilize the domestic data roaming on TOT's 2300 MHz network, who has been granted a license from the National Broadcasting and Telecommunications Commission, to provide the domestic roaming on TOT's 2300 MHz Spectrum to its customers. In this regard, dtac TriNet shall pay monthly roaming charges to TOT in accordance with details and conditions as specified in the Domestic Roaming Agreement dated on 23 April 2018. The agreement period is until 3 August 2025. dtac TriNet provided a bank guarantee of Baht 886 million to guarantee the performance of such agreement.
- (d) The Board of Directors' Meeting of the Company passed a resolution to approve TeleAssets Co., Ltd. ("TeleAssets"), a subsidiary of the Company, to enter into the Telecommunications Equipment Lease Agreement with TOT (currently known as "NT"). TeleAssets agrees to procure, install, and maintain the Telecommunications Equipment (the "Telecommunications Equipment") and agrees to lease such Telecommunications Equipment to TOT, so that TOT is entitled to utilise such Telecommunications Equipment in the provision of the telecommunications services of the 2300 MHz Spectrum. TeleAssets will receive rental and service fees from TOT in accordance with the details and conditions specified in the Telecommunications Equipment Lease Agreement dated on 23 April 2018. The agreement period is until 3 August 2025. TeleAssets provided a bank guarantee of Baht 636 million to guarantee the performance of such agreement.

- (e) On 14 September 2018, the Board of Directors' Meeting of the Company passed a resolution to approve the Company and dtac TriNet to enter into the Tower Dispute Settlement Agreement and Tower Service Agreement with CAT (currently known as "NT"). Under the agreements, the Company transferred to CAT for the disputed towers that the Company has procured under the agreement to operate and to provide cellular system radio communications services between CAT and the Company. In light of this, CAT agreed to settle disputes related to ownership of all towers and allowed the Company and dtac TriNet to use the towers to operate business based on an 8 year lock-up period which dtac TriNet provided the compensation in accordance with the terms and conditions as stipulated in the agreement, and has the right to renew the agreement period up to 3 years with no limitation. dtac TriNet itself shall procure the land and provide maintenance to the towers. dtac TriNet provided bank guarantees totalling of Baht 516 million to guarantee the performance of Tower Service Agreement.

dtac TriNet also leases telecommunication equipment from CAT under Fiber and other Facilities Service Agreement. The duration of each device varies from one year to three years depending on the type and nature of the device. dtac TriNet has the right to renew the agreement period up to 1 year at a time. dtac TriNet provided a bank guarantee of Baht 241 million to guarantee the performance of Fiber and other Facilities Service Agreement.

- (f) The Board of Directors' Meeting of the Company passed a resolution to approve dtac TriNet to enter into the Telecommunications Towers Ownership Transfer and Services Agreement with CAT (currently known as "NT") dated 18 December 2020. Under the agreement, dtac TriNet agreed to sell and transfer the ownership of the telecommunications towers to CAT to maximize and improve service quality of telecommunications towers located in areas as specified in the agreement. In light of this, CAT agreed to provide the telecommunications tower services to dtac TriNet for 15 years with option for dtac TriNet to renew the term. dtac TriNet agreed to pay the fees for telecommunications tower services and site management service, including maintenance fee and other fee as per specified in the agreement.

34.7 Secretary General of NBTC requesting dtac Trinet to pay an administrative fine for non-compliance of MNP

In 2015, Secretary General of NBTC imposed an administrative fine for dtac TriNet non-compliance with NBTC notification Re: Mobile Number Portability and MNP Porting Process Manual during 18 September 2015 to 4 October 2015, in the amount of Baht 21.1 million. dtac TriNet filed a lawsuit requesting the Central Administrative Court to revoke such order. The case is under the consideration of Central Administrative Court.

Later, on 25 February 2020, dtac TriNet received the Secretary General of NBTC's order informing that dtac TriNet's MNP non-compliance has been continued during 18 September 2015 to 18 September 2017 and requiring dtac TriNet to pay an administrative fine for such period. On 11 March 2020, dtac TriNet sent an appeal letter requesting NBTC and Secretary General of NBTC to reconsider such fine order. On 10 June 2020, dtac Trinet then received NBTC letter informing that NBTC agreed to adjust the end date of administrative fine and requested dtac Trinet to pay an administrative fine from 18 September 2015 to 20 November 2015, in total amount of Baht 79 million. However, on 7 August 2020, dtac TriNet filed a lawsuit with Central Administrative Court requesting to revoke such administrative fine order.

Based on external legal counsel opinion of dtac TriNet, dtac TriNet believes that it has no liability to pay such administrative fine to NBTC. However, dtac Trinet has made provision since 2015, under the conservatism assumption, for such administrative fine, in an amount that dtac TriNet deems appropriate.

34.8 Secretary General of NBTC requesting the Company to pay an administrative fine for breach of the Notification regarding maximum rate of service tariff for domestic mobile voice service B.E.2555 (2012)

In 2014, Secretary General of NBTC imposed an administrative fine for the Company non-compliance with Clause 5 of NBTC notification Re: maximum rate of service tariff for domestic mobile voice service from 16 May 2014 onwards. On 6 August 2014, the Company sent an appeal letter requesting NBTC and Secretary General of NBTC to reconsider and revoke such fine order. Later, on 30 September 2020, the Company received NBTC letter informing that NBTC had rejected the Company's appeal and confirmed the fine order of Secretary General of NBTC and requested the Company to pay an administrative fine from 16 May 2014 to 25 August 2015, in total amount of Baht 73 million. On 28 December 2020, the Company filed a lawsuit with Central Administrative Court requesting to revoke such administrative fine order.

Based on external legal counsel opinion of the Company, the Company believes that it has no liability to pay such administrative fine to NBTC. However, the Company has made provision, under the conservatism assumption, for such administrative fine, in an amount that the Company deems appropriate.

35. Court proceedings and commercial dispute between the Company and TOT Plc. (TOT) in relation to the access charge payment (currently, TOT has been merged with CAT Telecom Plc. (CAT) into National Telecom Plc. ("NT") as described in Note 1.1 to the consolidated financial statements.)

The NTC (currently known as "NBTC") issued the Interconnection Notification requiring all licensees (who have their own telecommunication networks) (licensees) to allow interconnection by other licensees upon request, in order to ensure good cross-network connections, and the licensees who provide the interconnection is entitled to collect an interconnection charge that reflect its costs. As TOT refused to enter into an interconnection agreement with the Company, on 8 November 2007, the Company sent TOT a notice regarding the interconnection charges informing TOT that it would like to cancel its previous offer in which it agreed to pay TOT the interconnection charges at a rate to be agreed between the parties in good faith and its offer to pay TOT the interconnection charges at a rate specified in TOT's Reference of Interconnect Offer (RIO) which had already been approved by NTC together with the notice to cancel the both Access Charge Agreements. The Company therefore accrued in its financial statements the access charge at the interconnection charge rate for the period from 18 November 2006 to 7 November 2007, amounting to Baht 1,973 million. The Company stopped accruing the access charge from 8 November 2007 in its financial statements based on the view that the obligation to pay the Access Charge was ended. Later, in 2011, TOT filed a claim (black case no. 1097/2554) with the Central Administrative Court demanding CAT and the Company to jointly pay for damages for breach of the signed Access Charge agreements in the total amount of Baht 245,638 million (calculated to 10 July 2014). Nevertheless, on 31 May 2019, the Central Administrative Court issued a verdict dismissing TOT's claim on access charges against the Company in its entirety. The Central Administrative Court ruled that the method for calculation by using the access charge rates is no longer valid and against with the related NTC's Notification. The operators are required to calculate the interconnection charge rates in accordance with the said NTC Notification. As TOT did not submit its appeal within the timeframe, the case is final as confirmed by the Administrative Court's letter dated 19 July 2019.

Currently, the Company and TOT are in the process of discussion about the interconnection charge settlement which have not been finalised or clearly concluded. However, the Company has made provision, under the conservatism assumption, for expenses that may arise from this issue, in an amount that the Company deems appropriate.

However, before the verdict issued by the Court as said above, the Company has filed 3 lawsuits before the Central Administrative Court requesting TOT to pay Interconnection charges to the Company for the period between 18 November 2006 and 31 July 2013. The Central Administrative Court issued its verdicts in all 3 cases ordering TOT to pay Interconnection charges to the Company in the amount totaling of Baht 1,220 million. In such 3 cases, there included one case where the Company claimed True Corporation Public Company Limited (as the second defendant) to pay Interconnection charges to the Company for the period between 18 November 2006 and 31 December 2010 and the Central Administrative Court issued its verdict ordering that company to pay Interconnection charges to the Company in the amount of Baht 1,832 million. Currently such case is under the consideration of Supreme Administrative Court.

In addition, in reference to the Award No. 1/2550 rendered by NTC on the Dispute on Interconnection of Telecommunications Networks, NTC ordered TOT to negotiate an interconnection charge agreement with the Company and imposed an administrative fine, and TOT filed lawsuits requesting the Central Administrative Court to revoke NTC's order. However, the Central Administrative dismissed TOT's claims. On 9 July 2020, the Supreme Administrative Court rendered its decision confirming the decision of Central Administrative Court. The case is final.

36. Litigation and commercial disputes in relation to the revenue sharing according to the agreement to operate cellular telephone services (Concession Agreement) between CAT (currently known as "NT") and the Company, and other legal cases

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

In 2008, CAT submitted a dispute to the Arbitration Institute requesting the Company to make additional revenue sharing payments in the 12th – 16th concession years in the aggregate amount of Baht 16,887 million, together with value added taxes and penalties, or an approximate total claim amount of Baht 23,164 million. The statement of claim made by CAT did not mention the reason why the Company did not make the payments in full (the Company expects that such claim amount would be the amount which the Company had paid to the Excise Department and had deducted from its revenue payable to CAT in accordance with the cabinet resolution and CAT's letters).

In 2012, the Arbitral Tribunal has rendered an award in favor of the Company and dismissed CAT's claim. Later, CAT filed a motion with the Central Administrative Court in order to revoke the arbitration award. On 29 January 2016, the Central Administrative Court issued the verdict in favor of the Company and dismissed CAT's petition. However, CAT appealed the Central administrative Court's decision with the Supreme Administrative Court. Currently, the case is under the consideration of Supreme Administrative Court.

In 2017, the Company received a notice from CAT informing that the Company had to pay VAT on the reduction of revenue sharing from the deduction of excise tax amounting to Baht 2,756 million with interest. CAT claimed that the Company has liability for any taxes and/or fees under laws which are incurred by Concession.

Based on the Company's legal counsel opinion, the Company's management believes that the Company does not have any duty under tax law or Concession to pay such additional revenue sharing and VAT to CAT. Therefore, as at 31 December 2020, the Company has not accrued the said additional revenue sharing and VAT in its financial statements.

- (b) Dispute between the Company and CAT regarding revenue share calculation in relation to Interconnection Charge (“IC”) revenue after the enforcement of the Interconnection Notification

In 2011, CAT submitted several statements of claim to the Arbitration Institution requesting for the revenue share payment shortfall in respect of the 16th concession year (16 September 2006 – 15 September 2007), in the approximate amount of Baht 4,026 million for all cases, together with interest at the rate of 1.25 percent per month. The reason is that the Company calculated the revenue share payable to CAT by offsetting the IC expenses it paid to other operators against IC income it received from other operators. However, CAT claimed that the Company had to pay CAT the revenue sharing on the IC income the Company received from other operators, without deduction of the IC expenses it paid to other operators. On 25 December 2019, the Company received the award of arbitral tribunal, dismissing CAT’s claim for additional revenue sharing on IC for the 16th concession year. CAT submitted its petition to the Central Administrative Court requesting to revoke such arbitral award. The case is under the consideration of Central Administrative Court.

In 2012 – 2015, CAT also filed a statement of claim to the Arbitration Institution requesting for additional revenue sharing for the 17th – 20th concession year in the amount of Baht 3,860 million, Baht 3,340 million, Baht 3,667 million and Baht 3,914 million together with penalty of each concession year, respectively. In addition, in 2019, CAT also filed a statement of claim to the Arbitration Institution on the same matter for the 21st – 27th concession year in the amount of Baht 15,879 million together with penalty.

On 26 and 27 December 2019, the Company received the awards of arbitral tribunal, deciding that the Company has to pay for additional revenue sharing for the 18th concession year Baht 3,438 million with interest at 7.5 percent per annum and for the 17th concession year Baht 3,957 million with interest at 7.5 percent per annum. Furthermore, on 6 February 2020, the Company received the awards of arbitral tribunal, deciding that the Company has to pay for additional revenue sharing for the 20th concession year Baht 4,346 million with interest at 7.5 percent per annum. CAT has recently submitted a petition to the Central Administrative Court requesting enforcement of the arbitral award for the 17th concession year, and the Company submitted petitions requesting the Central Administrative Court to revoke arbitral award for the 17th, 18th and 20th concession years.

Those aforementioned awards of arbitral tribunal have solely legal effect for specific cases. They do not have any legal and binding effect on the other cases in dispute with CAT.

As at 31 December 2020, the Company has not accrued the said additional revenue sharing requested by CAT because, based on the Company’s legal counsel opinion, the Company’s management believes that the Arbitration awards for revenue sharing on IC are inconsistent with the principles of Administrative Law and the relevant regulations of NBTC. The Company has no duty to pay such amounts of revenue sharing requested by CAT. Presently, these cases are under the consideration of Central Administrative Court and the arbitration proceedings.

(c) NBTC letter requesting the Company to pay an additional payment for Remedy period

On 10 April 2019, the Company made a minimum rate payment during the remedy period amounting of Baht 603 million to NBTC in accordance with NBTC notification Re: Remedial Measure in case of Concession Expiration, B.E. 2556 (2013). However, NBTC issued an order requesting the Company to make an additional payment amounting of Baht 264 million (with interest) because NBTC not allowing the Company to deduct some costs and expenses from the Company's revenue. The Company did not agree with such NBTC order, therefore, in 2020, the Company has filed a lawsuit with the Central Administrative Court requesting to revoke such NBTC order.

On 14 April 2020, the Company received a letter from the NBTC informing the Company that the NBTC revoked its previous decision due to the difference on calculation of the expenses. Therefore, NBTC revised its additional payment request to Baht 134 million (with interest). However, the Company still did not agree with such NBTC order and submitted its statement informing the Central Administrative Court on such difference on calculation and requesting the Court to include this issue in the previous statement of claim. Currently, the case is under the consideration of Central Administrative Court

As at 31 December 2020, the Company has not accrued such addition payment claimed by NBTC in the financial statements. Based on the Company's external legal counsel opinion, the Company believes that it has no liability to pay such additional payment to NBTC.

(d) Other legal cases

- The Company and dtac TriNet are subjects to the class action lawsuit claiming the practice of charging for calls per minute (rounded up) instead of per second and the plaintiffs has requested the claims for damages on the calls incurred during June 2016 to July 2018. Currently, the case is under the consideration of the Civil Court. Based on the Company's external legal counsel opinion, the Company's management is of the view that the Company and dtac TriNet comply with relevant laws and regulations and have no liability to pay the claimed damages.
- The Company and dtac TriNet have several cases regarding the employment and other commercial agreements total amount of Baht 159 million. The cases are currently under the consideration of Court. The Company's management believes that the outcomes of the disputes and legal cases as referred above will have no significant impact to the Company's financial position.

37. Regulatory risks concerning the telecommunication business

37.1 Reform of telecommunication regulatory regime

The National Broadcasting and Telecommunications Commission (hereinafter referred to as the "NBTC") is an authority to regulate the radio and television broadcasting and telecommunications business including to allocate and administer the use of spectrum by the Act on the Organisation for Allocation of Frequency and Regulation of Radio and Television Broadcasting Business and Telecommunications Business, B.E. 2553 (2010).

NBTC has authority to issue relevant regulations in accordance with telecommunications business operation, for instance, regulations on service fee and service standard, for consumer protections etc. Such regulations would have impact to the Group in several aspects, both in implementing its business strategies and adjustment to any changes in market conditions including the management under spectrum licenses at appropriate costs in order to operate in the mobile telecommunication business and will impact their business strategy including the amount of additional investment required to enable them to derive maximise benefit from their utilisation of existing spectrums.

37.2 The 3rd Amendment to the Concession Agreement

The Company Concession was amended 3 times and such amendments were challenged based on non-compliance with the Act on Private Sector Undertaking of State Businesses, B.E. 2535 (1992) ("PUS Act"). In May 2007, the Council of State opined that the amendments did not comply with PUS Act. Later, the issue was then considered by the Section 22 Committee under the PUS Act ("Section 22 Committee") which has already given its preliminary opinion to the Ministry of Information and Communication Technology ("MICT"), disapproved the 3rd amendment with respect to the reduction of revenue sharing. In 2011, the issue was raised to the Cabinet for a decision.

Currently, the PUS Act was repealed and was replaced by Public Private Partnership Act B.E. 2556 (2013) ("PPP Act"). However, at the present time, there is no updating progress of this matter and it is unknown to the Company to what extent the PPP Act would affect this matter. Further, the final conclusion or the discretion of the Cabinet would exercise on this matter is still unknown to the Company. The Company is not, therefore, in a position to evaluate the potential impacts from this matter.

Nevertheless, as a result of the Disputes Settlement Agreement between CAT (currently known as "NT"), the Company and dtac TriNet, the risk from being requested by CAT for the revision of the revenue sharing in relation to the 3rd Concession Amendment is eliminated.

37.3 Risk from legal or contractual restrictions on foreign ownership

The Company's business is subject to the foreign shareholding restrictions pursuant to the Foreign Business Act, B.E. 2542 (1999) (the "FBA").

Violation of foreign shareholding structure would cause the Company and/or its subsidiary companies to be revoked their telecommunications business licenses or could not operate telecommunications businesses.

However, Section 4 of the FBA provides to the effect that a company is considered a Thai company if less than 50 percent of its shares are held by non-Thai nationals.

From the register of shareholders of the Company, less than 50 percent of the total issued shares of the Company are held by non-Thai nationals. The Company is therefore considered a Thai company and the Company obtained a written confirmation from the Ministry of Commerce, in charge of the FBA in September 2012, confirming that the Company is a Thai company under Section 4 of the FBA.

Nevertheless, the Company views that there is not a clear policy in the interpretation and enforcement of the FBA in respect of the foreign investment shareholdings. The Company might face a risk to its business operation as the FBA has been enforced for more than 20 years but there has been no Supreme Court precedent or clear guideline issued by the Ministry of Commerce relating to nominees under Section 36 of the FBA so that the Company can apply to evaluate or assess the impact of the enforcement or interpretation of such provisions of the FBA that may have on the Group.

As a result of the unclear in interpretation and enforcement of the FBA, on 14 June 2011, a company submitted a criminal allegation to the Royal Thai Police against the Company (including directors and some shareholders of the Company and directors of the said shareholders) claiming that the Company operated telecommunication business in violation of the FBA, which is under process by the Royal Thai Police. On 22 September 2011, one of the Company's minority shareholders (holding 100 shares) filed a complaint against state agency, including NBTC, with the Central Administrative Court citing that the Company is a "foreigner" under the FBA.

On 26 November 2015, the Central Administrative Court ruled that it cannot revoke the Company's right to operate. However, the court has ordered NBTC to perform its duty by investigating whether the Company is in breach of the Foreign Dominance Notification and whether such task shall be accomplished within 90 days from the date the verdict of this Court becomes final. The NBTC and the Company have filed an appeal to the Supreme Administrative Court. Currently, these two cases are under proceedings of the Royal Thai Police and the Supreme Administrative Court.

Based on the Company's external legal counsel opinion, the Company's management believes that the Company is not in breach of the NBTC Notification on Foreign Dominance B.E. 2554 that could lead to revocation of the right to operate the telecommunications business of the Group.

The Company believes that the Company is not a "foreigner" and has fully complied with the FBA. However, if, finally, the Company is ordered (by the Supreme Court's judgment) not being a Thai entity under the FBA and the Telecommunications Business Act, and such event is not remedied, it would cause NBTC to revoke the Group's right to operate its telecommunications business.

37.4 The NBTC Notification on Foreign Dominance, B.E. 2555 (2012)

NBTC has issued the NBTC Notification on Foreign Dominance, B.E. 2555 (2012) ("FD Notification") which became effective on 24 July 2012. Under the FD notification, the term "foreign dominance" is defined as "foreigners having controlling power or influential power, either directly or indirectly, by foreigner in policy making, management, operations, appointment of directors, or appointment of senior executives, that may affect the management or the business operation of a holder of a license or an applicant for a license by way of (a) holding shares with voting rights a half or more of the total voting rights, (b) having the authority to control the majority votes at a shareholders' meeting or (c) the appointment or removal of a half or more of the total directors".

The Company is of the view that:

- (a) at the date NBTC issued the FD Notification, it would not be applicable to the Company who has rights to operate mobile services under the Concession Agreement and the Company's rights are protected by Section 305 (1) of the Constitution of the Kingdom of Thailand B.E. 2550 (2007) and the first paragraph of Section 80 of the TBA; the Company's legal advisor also has the opinion in line with the Company's view, however, the Company therefore has already submitted a certificate of compliance with the FD Notification to NBTC as required by the FD Notification until the end of the Company's Concession Agreement in 2018 and currently, the Company is holding type one telecommunication business license from NBTC only, as the result, the Company is not subject to the FD Notification.
- (b) In case of the Company's subsidiary (namely dtac TriNet), since dtac TriNet is an IMT 700MHz, 900 MHz, 1800 MHz, 2.1GHz and 26GHz spectrum licensee and type three telecommunications business licensee, it has already submitted a certificate of compliance with the FD Notification to NBTC as required by the FD Notification.

Nevertheless, NBTC may not agree with the Company's view mentioned above. However, based on NBTC's explanation during the public hearing of the FD Notification, in particular, on the definition of "foreign dominance" in 2012, the Company is of the view that the Company and dtac TriNet are not considered foreign dominant companies. However, this still has a risk on uncertainty of the enforcement of the FD Notification and could cause adverse impact to the business of the Group.

38. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The Group has two reportable segments as follows:

- (1) Mobile telephone service and related services, and
- (2) Sales of handsets and starter kits.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is considered on the group operating profit or loss and total assets, on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

Below is the revenue, gross profit (loss) and total assets of the Group's segments for the years ended 31 December 2020 and 2019 by segments.

(Unit: Thousand Baht)

For the year ended 31 December 2020

	Mobile telephone service and related services			Sales of handsets and starter kits	Consolidated
	Mobile telephone service	Other	Total		
Revenues					
External customers	59,993,267	11,845,029	71,838,296	6,979,703	78,817,999
Total revenue	<u>59,993,267</u>	<u>11,845,029</u>	<u>71,838,296</u>	<u>6,979,703</u>	<u>78,817,999</u>
Operating result					
Gross profit (loss) of segments			24,736,036	(1,891,312)	22,844,724
Other incomes					65,400
Selling, distribution and service expenses					(4,108,178)
Administrative expenses					(10,281,702)
Gain from fair value measurement of derivative instruments and net position of hedging					298,401
Finance cost					(2,858,995)
Profit before income tax expenses					5,959,650
Income tax expenses					(852,531)
Profit for the year					5,107,119
Segment total assets					
Additions to non-current assets other than financial instruments, deferred tax assets, and other non-current assets			29,089,620	-	29,089,620

(Unit: Thousand Baht)

For the year ended 31 December 2019				
	Mobile telephone service and related services			Consolidated
	Mobile telephone service	Other	Total	
Revenues				
External customers	63,332,725	9,205,827	72,538,552	81,167,136
Total revenue	63,332,725	9,205,827	72,538,552	81,167,136
Operating result				
Gross profit (loss) of segments			26,973,560	(1,920,240)
Other incomes				61,064
Selling, distribution and service expenses				(4,716,984)
Administrative expenses				(10,737,380)
Finance cost				(3,269,350)
Profit before income tax expenses				6,390,670
Income tax expenses				(968,871)
Profit for the year				5,421,799
Segment total assets				
Additions to non-current assets other than financial instruments, deferred tax assets, and other non-current assets			15,348,822	-
				15,348,822

The following table presents segment assets of the Group's operating segments as at 31 December 2020 and 2019:

(Unit: Thousand Baht)

Segment assets	Mobile telephone service and related services	Sales of handsets and starter kits	Total segments	Unallocated assets	Consolidated
At 31 December 2020	150,273,023	1,129,969	151,402,992	22,877,395	174,280,387
At 31 December 2019	142,642,317	1,484,708	144,127,025	23,131,123	167,258,148

Geographic information

The Group is operated in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain to the aforementioned geographical reportable.

Major customers' information

For the year 2020 and 2019, the Group has no major customer with revenue of 10 percent or more of an entity's revenues.

39. Provident fund

The Company and its employees have jointly registered a provident fund scheme under the Provident Fund Act B.E. 2530. The fund is contributed to the employees at a rate of 2 - 15 percent and the Company at a rate of 5 percent of their employees' salaries. The accumulated contributions of the employee and the Company and the fund earnings from the contributions will be paid to the employees upon termination in accordance with the rules of the fund. The fund is managed by TMB Asset Management Company Limited. For the year ended 31 December 2020, Baht 99 million (2019: Baht 108 million) has been contributed to the fund by the Company.

40. Statutory reserve

40.1 Reduction of statutory reserve and premium on ordinary shares to offset the deficits

On 28 January 2019, the Company's Board of Directors' Meeting passed a resolution to propose for the Annual General Shareholders' Meeting of 2019 for approval the reduction of statutory reserve amounting to Baht 466 million and premium on ordinary shares amounting to Baht 386 million so as to reduce the deficits in the Company's separate financial statements which, subsequently, on 4 April 2019, the Annual General Shareholders' Meeting passed a resolution for the aforementioned reduction of statutory reserve and premium on ordinary shares.

40.2 Appropriation of statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve of at least 5 percent of its net income after deducting accumulated deficits brought forward (if any), until the reserve reaches 10 percent of the registered share capital. The statutory reserve is not available for dividend distribution.

41. Event after the reporting period

At the Company's Board of Directors' Meeting, held on 29 January 2021, the Board passed a resolution proposing to the Annual General Shareholders' Meeting a dividend payment with respect to operating results for the year 2020 at Baht 2.12 per share. The Company has paid an interim dividend with respect to operating results for the year 2020 at Baht 0.87 per share. The annual dividend payment is subject to approval by the Annual General Meeting.

42. Approval of financial statements




These financial statements were authorised for issue by the Company's Board of Directors on 29 January 2021.

Confirmation of Information Accuracy

The Company having carefully, reviewed the information contained in this Annual Registration Statement, hereby certify that the said information is accurate, complete and true, is not misleading and does not omit any material information which is required to be disclosed and false or that:

- (1) The financial statements and financial information forming a part hereof contain accurate and complete material information in respect of the financial condition, results of operations and cash flows of the Company and its subsidiaries;
- (2) The Company is responsible for arranging for an effective disclosure system to assure that the Company properly and completely discloses the material information of the Company and its subsidiaries, and shall be responsible for monitoring to ensure compliance with such system;
- (3) The Company is responsible for arranging for an effective internal controls and monitoring them to ensure compliance with such system, and the Company has reported the information as of 29 January 2021 relating to the internal control, including the deficiency and material change of the internal control that may affect preparation of financial reports of the Company and its subsidiaries, to the auditor and Audit Committee.

As evidence that all documents are the same set of documents that the Company has reviewed, The Company assigned Miss Napat Tanyakulsajja to initial all pages hereof. If any pages do not have the initials of Miss Napat Tanyakulsajja indicated, it shall be deemed that the Company has not reviewed the aforesaid information.

	Name	Position	Signature
	Mr. Boonchai Bencharongkul	Chair of the Board of Directors	
	Mr. Rakesh Jain	Director	
Proxy	Miss Napat Tanyakulsajja	Company Secretary	

Attachment 1

Details of Directors,
Executives,
Controlling Persons,
the person taking
the highest responsibility
in finance and accounting
and the person supervising
accounting and Company
Secretary

Directors, Executives, Controlling Persons (if any), the person taking the highest responsibility in finance and accounting and the person supervising accounting, and Company Secretary

1. Details of Directors, Executives, Controlling Persons (if any), the person taking the highest responsibility in finance and accounting and the person supervising accounting, and Company Secretary (as of 31 December 2020)

Mr. Boonchai Bencharongkul

Chair of the Board of Directors (Authorized Director)

Date of Appointment: 29 October 1990

Age: 66 years

Total Year of Directorship: 30 Years 2 Months

Number and proportion of share held: 10 shares (0.00%)

Number of shares held by spouse and minor children: None (0.00%)

Familial relationship between director and executive: None



Academic Background

- Honorary Doctoral Degree in Economic Science, Ramkhamhaeng University, Thailand
- B.Sc. in Management, Northern Illinois University, USA

Training Program

Role of the Chairman Program (11/2005) by Thai Institute of Directors Association (IOD)

Position in Listed Company in SET

1990 – Present Chair of the Board of Directors, Total Access Communication PLC.

Position in Other Company or Organization

1998 – Present Chairman, Ruam Duay Chuay Kan Sam Nuek Rak Ban Kerd Foundation
1990 – Present Chairman of the Board of Directors, Benchachinda Holding Co., Ltd.
1989 – Present Chairman of the Board of Directors, Private Property Co., Ltd.

Past Experience

2002 – 2015 Director, United Distribution Business Co., Ltd.
2001 – 2006 Chairman, Hornbill Research Foundation
2002 – 2005 Chief Executive Officer and President, United Communication Industry PLC.
2001 – 2002 Chief Executive Officer, Total Access Communication PLC.
2000 – 2001 Managing Director, Total Access Communication PLC.
1984 – 1999 Chairman of the Executive Committee, United Communication Industry PLC.

Royal Decoration

2015 The Knight Grand Cordon (Special Class) of the Most Noble Order of the Crown of Thailand
2003 The Grand Cross (Third Class, Higher Grade) of the Most Illustrious Order of Chula Chom Klao
1997 The Knight Grand Cross (First Class) of the Admirable Order of the Direkgunabhorn
1994 The Knight Grand Cross (First Class) of the Most Noble Order of the Crown of Thailand

Mr. Joergen Christian Arentz Rostrup

Vice Chair of the Board of Directors

Date of First Appointment: 24 April 2020

Age: 54 years

Total Year of Directorship: 0 Year 7 Months

Number and proportion of share held: None (0.00 %)

Number of shares held by spouse and minor children: None (0.00%)

Familial relationship between director and executive: None



Academic Background

Master's Degree in Economics and Business Administration, the Norwegian School of Economics (NHH)

Position in Listed Company in SET

2020 – Present Vice Chair of the Board of Directors, Total Access Communication PLC.

Position in Other Company or Organization

2020 – Present Executive Vice President and Head of Telenor Asia

Past Experience

2016 – 2020	Corporate Management Board, Chief Financial Officer, Telenor ASA
2015 – 2016	CEO/President Yara North America Inc., Yara International ASA
2013 – 2015	Managing Director Yara Ghana Ltd., Yara International ASA
2009 – 2013	Corporate Management Board; Chief Financial Officer, Norsk Hydro ASA
2007 – 2009	Corporate Management Board, Executive Vice President Energy/Power, Norsk Hydro ASA
2006 – 2007	Oil and Energy Area, Senior Vice President and Sector President, Markets (oil, gas and power sales, power production, gas distribution, new renewables), Norsk Hydro ASA
2005 – 2005	Hydro Oil and Energy Area, SVP and head of business unit Marketing and Trading (oil and gas sales), Norsk Hydro ASA
2002 – 2005	Hydro Oil and Energy Area, VP and head of business unit New Renewable Energy and Managing Director Norsk Hydro Technology Ventures, Norsk Hydro ASA
1999 – 2002	Exploration and Production Norway, Vice President, Finance and Procurement, Norsk Hydro ASA
1998 – 1999	Exploration and Production International, Vice President, Finance and IS, Norsk Hydro ASA
1996 – 1998	President, Hydro's US Holding Co., Norsk Hydro USA, New York
1995 – 1996	Business Dev. Petrochemicals, Norsk Hydro Asia, Singapore
1994 – 1995	Manager Investor Relations Europe, Norsk Hydro
1991 – 1994	Corporate Financial Control, Norsk Hydro

Mr. Stephen Woodruff Fordham

Independent Director, Chair of the Nomination Committee, Member of the Audit Committee, and Member of the Corporate Governance Committee

Date of First Appointment: 17 November 2006

Age: 69 years

Total Year of Directorship: 14 Years 1 Month



Number and proportion of share held: 10,000 shares and 6,000 NVDRs (0.00%)

Number of shares held by spouse and minor children: None (0.00%)

Familial relationship between director and executive: None

Academic Background

MA Jurisprudence, Oxford University, UK

Training Program

Director Certification Program (DCP) (203/2015) by Thai Institute of Directors Association (IOD)

Position in Listed Company in SET

2017 – Present	Member of the Corporate Governance Committee, Total Access Communication PLC.
2012 – Present	Chair of the Nomination Committee, Total Access Communication PLC.
2006 – Present	Independent Director and Member of the Audit Committee, Total Access Communication PLC.

Position in Other Company or Organization

2019 – Present	Director, Stockbridge Holding Pte Ltd
2018 – Present	Director, Awilco Rig 2 Pte Ltd
2018 – Present	Director Awilco Rig 1 Pte Ltd
2017 – Present	Director, High Arctic Energy Services (Singapore) Pte Ltd
2011 – Present	Director, Ceona Pte. Ltd.
2008 – Present	Chairman, Gram Car Carriers Holdings Pte. Ltd.
2006 – Present	Director, Klaveness Asia Pte. Ltd.
1998 – Present	Director, Stockbridge Pte. Ltd.

Past Experience

2006 – 2017	Chair of the Remuneration Committee, Total Access Communication PLC.
2007 – 2012	Independent Director and Chairman of the Nomination and Remuneration Committee, Thoresen Thai Agencies PLC.

Mrs. Chananyarak Phetcharat

Independent Director, Chair of the Corporate Governance Committee, Member of the Nomination Committee, and Chair of the Remuneration Committee (Authorized Director)

Date of First Appointment: 5 September 2011

Age: 57 years

Total Year of Directorship: 9 Years 3 Months



Number and proportion of share held: None (0.00%)

Number of shares held by spouse and minor children: None (0.00%)

Familial relationship between director and executive: None

Academic Background

- Master Degree in MIS, West Virginia University, USA
- Certificate, Berkeley Executive Coaching Leadership
- Certificate, Special Management Program, Marshall University, USA
- Bachelor Degree in Accounting, Ramkhamhaeng University

Training Program

- Director Accreditation Program (DAP) (162/2019) by Thai Institute of Directors Association (IOD)
- CMA - Capital Market Alumni 14
- Director Certification Program (DCP) (49/2004) by Thai Institute of Directors Association (IOD)
- Enhancing Strategic Competitiveness by IMD Switzerland

Position in Listed Company in SET

2020 – Present	Independent Director, Member of the Audit Committee, and Member of the IT Oversight Committee, TMB Bank Public Company Limited/Thanachart Bank Public Company Limited
2020 – Present	Chair of the Remuneration Committee, Total Access Communication PLC
2019 – Present	Director and Chief Executive Officer, Mc Group Public Company Limited
2017 – Present	Member of the Nomination Committee, Total Access Communication PLC
2013 – Present	Chair of the Corporate Governance Committee, Total Access Communication PLC.
2011 – Present	Independent Director, Total Access Communication PLC.

Position in Other Company or Organization

2015 – Present	Director, TLCA Thai Listed Companies Association
2014 – Present	Director, dtac TriNet Co., Ltd.

Past Experience

2008 – 2019	Managing Director, DHL Express International (Thailand) Ltd.
2004 – 2008	Managing Director, Mobile Devices Sector, Motorola (Thailand) Ltd.
1998 – 2002	General Manager, Oracle Cooperation (Thailand)

Mrs. Kamonwan Wipulakorn

Independent Director, Chair of the Audit Committee, Member of the Remuneration Committee, and Member of the Corporate Governance Committee

Date of First Appointment: 8 December 2014

Age: 58 years

Total Year of Directorship: 6 Years 1 Month



Number and proportion of share held: None (0.00%)

Number of shares held by spouse and minor children: None (0.00%)

Familial relationship between director and executive: None

Academic Background

- Master of Business Administration (Finance), Western Illinois University, USA
- Bachelor of Arts in International Relations, Faculty of Political Sciences, Chulalongkorn University
- Certificate Harvard Executive Program, Harvard Business School, Harvard University, USA
- Certificate Stanford Executive Program, Stanford Center for Professional Development, Stanford University, USA

Training Program

- Board that Make a Difference (BMD) (8/2018) by Thai Institute of Directors Association (IOD)
- Advanced Audit Committee Program (AACP) (29/2018) by Thai Institute of Directors Association (IOD)
- Strategic Board Master Class Retreat (SBM) (2/2017) by Thai Institute of Directors Association (IOD)
- CMA-Capital Market Academy Alumni 19
- Director Certification Program (DCP) (122/2009) by Thai Institute of Directors Association (IOD)
- Diploma Examination (Exam) (26/2009) by Thai Institute of Directors Association (IOD)

Position in Listed Company in SET

2019 – Present	Independent Director and Chair of the Audit Committee, Star Petroleum Refining Public Company Limited
2017 – Present	Chair of the Audit Committee, Total Access Communication PLC.
2014 – Present	Member of the Corporate Governance Committee and Member of the Remuneration Committee, Total Access Communication PLC.
2014 – 2017	Member of the Audit Committee and Member of the Nomination Committee, Total Access Communication PLC.
2014 – Present	Independent Director, Total Access Communication PLC.

Position in Other Company or Organization

2020 – Present	Chair of the Board of Directors, dtac TriNet Co., Ltd.
----------------	--

Past Experience

2018 – 2019	Director, Origin Property PLC.
2011 – 2017	Director and President, The Erawan Group PLC.
2009 – 2010	Chief Financial Officer, The Erawan Group PLC.

Mrs. Tone Ripel

Director, Member of Corporate Governance Committee, Member of the Nomination Committee, and Member of the Remuneration Committee

Date of First Appointment: 30 March 2016

Age: 50 years

Total Year of Directorship: 4 Years 8 Months



Number and proportion of share held: None (0.00%)

Number of shares held by spouse and minor children: None (0.00%)

Familial relationship between director and executive: None

Academic Background

Master of Law, University of Oslo, Norway

Training Program

The Mandatory Accreditation Programme (MAP) by Bursa Malaysia Securities Berhad

Position in Listed Company in SET

2020 – Present Member of Corporate Governance Committee, Member of the Nomination Committee, and Member of the Remuneration Committee, Total Access Communication PLC.

2016 – Present Director, Total Access Communication PLC.

Position in Other Company or Organization

2020 – Present Director, Grameenphone Ltd.

2013 – Present Attorney at Law, Telenor ASA

Past Experience

2018 – 2019 Director, DiGi.com Berhad and DiGi Telecommunications Sdn Bhd

2017 – 2019 Director, Telenor Norge AS

2015 – 2019 Director, Telenor Networks Holding AS

2015 – 2016 Director, Telenor Business Partner Invest AS

1999 – 2012 Associated attorney and senior attorney, Wiersholm Lawfirm

1996 – 1999 Higher executive officer, advisor and senior advisor, Norwegian Competition Authority

Mr. Rakesh Jain

Director, Member of Corporate Governance Committee, Member of the Nomination Committee, and Member of the Remuneration Committee (Authorized Director)

Date of First Appointment: 9 December 2019

Age: 46 years

Total Year of Directorship: 1 Year 1 Month



Number and proportion of share held: None (0.00%)

Number of shares held by spouse and minor children: None (0.00%)

Familial relationship between director and executive: None

Academic Background

B.Tech Electronics & Communications, R.E.C Kurukshetra, Kurukshetra University, Haryana

Position in Listed Company in SET

2019 - Present Director, Member of Corporate Governance Committee, Member of the Nomination Committee, and Member of the Remuneration Committee, Total Access Communication PLC.

Position in Other Company or Organization

2018 - Present Senior Vice President, Global Network, Telenor ASA

Past Experience

2014 - 2018 Senior Vice President, Network Asia, Telenor ASA
2013 - 2014 Chief Technology Officer/ Network Head, Uninor, India
2012 - 2013 Planning Head, Uninor, India
2008 - 2012 Head of Radio Frequency Planning, Uninor, India
2007 - 2008 T-Mobile USA 3G Network Design for IL State, USA., CellCite Inc, USA

Mrs. Pratana Mongkolkul

Independent Director, Member of Audit Committee, Member of the Nomination Committee, and Member of the Remuneration Committee

Date of First Appointment: 28 January 2020

Age: 56 years

Total Year of Directorship: 0 Year 9 Months



Number and proportion of share held: None (0.00%)

Number of shares held by spouse and minor children: None (0.00%)

Familial relationship between director and executive: None

Academic Background

- Master Degree in Business Administration, Thammasat University
- Bachelor Degree in Accounting, Thammasat University
- Certificate Advanced Management Program, Harvard Business School, Harvard University, USA

Training Program

- Director Certification Program (DCP) (34/2003) by Thai Institute of Directors Association (IOD)
- Director Accreditation Program (DAP) (2/2003) by Thai Institute of Directors Association (IOD)
- Advanced Audit Committee Program (AACP) (22/2016) by Thai Institute of Directors Association (IOD)
- Risk Management Program for Corporate Leaders (RCL) (8/2017) by Thai Institute of Directors Association (IOD)
- Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives Rationale (20/2016) by King Prajadhipok's Institute
- Public Director Certification Program (13/2015) by King Prajadhipok's Institute
- CMA - Capital Market Academy Alumni 6

Position in Listed Company in SET

2020 - Present	Independent Director, Member of Audit Committee, Member of the Nomination Committee, and Member of the Remuneration Committee, Total Access Communication PLC.
2019 - Present	Independent Director and Member of the Audit Committee, TBSP PLC.
2019 - Present	Independent Director and Chairman of the Audit Committee, Central Retail Corporation PLC.
2017 - Present	Independent Director and Chairman of the Audit Committee, Rojukiss International PLC.
2015 - Present	Independent Director, Chairman of the Risk Management Committee, Member of the Nomination and Remuneration Committee and Member of the Good Corporate Governance Committee, FN Factory Outlet PLC.

Position in Other Company or Organization

2014 - Present	Director, Boutique Property Management Ltd.
----------------	---

Past Experience

2018 – 2019	Board of Trustees and Chairman of the Audit Committee & Risk Management, Dhurakij Bundit University
2017 – 2020	Director, Member of Executive Board Committee, Thai Airways International PLC.
2015 – 2019	Director, Chairman of the Audit Committee, Thailand Post Company Limited
2015 – 2017	Director, Member of the Executive Committee, Government Saving Bank
2013 – 2019	Independent Director and Member of the Audit Committee, T.K.S. Technologies PLC.
2014 – 2018	Member of Board Commissioners, Chairman of the Audit Committee, Port Authority of Thailand
2014 – 2017	Independent Director and Member of the Executive Committee, Dusit Thani PLC.
2012 – 2015	Director and Chairman of Executive Committee, MC Group PLC.
2007 – 2011	Independent Director, Chairman of Audit Committee, Thoresen Thai Agencies Public Company Limited
2007 – 2011	Director, S&P Syndicate Public Company Limited
1998 – 2011	Director and Group Chief Financial Officer,, Minor International Public Company Limited
1992 – 1998	Senior Vice President of Finance and Accounting Department, Central Pattana Public Company Limited

Mr. Haakon Bruaset Kjoel

Director (Authorized Director)

Date of First Appointment: 5 September 2011

Age: 48 years

Total Year of Directorship: 9 Years 3 Months



Number and proportion of share held: None (0.00%)

Number of shares held by spouse and minor children: None (0.00%)

Familial relationship between director and executive: None

Academic Background

- Master of Business Administration (Executive), BI Norwegian Business School
- Public Relations, BI Norwegian Business School (Norges Markeds Hoyskole)

Training Program

- Director Certification Program (DCP) (284/2019) by Thai Institute of Directors Association (IOD)
- Director Course in 2018: INSEAD - Leading from the Chair Programme, Fontainebleau, France
- Director Accreditation Program in 2010: Mandatory Accreditation Program for Directors of Public Listed Companies, Busatra Sdn. Bhd. (formerly known as Bursa Malaysia Trading Sdn. Bhd.), Malaysia

Position in Listed Company in SET

2020 - Present	Director, Total Access Communication PLC.
2019 - 2020	Chief Strategy and Transformation Officer, Total Access Communication PLC.
2017 - 2019	Member of the Corporate Governance Committee, Total Access Communication PLC.
2014 - 2019	Director, Member of the Remuneration Committee and Member of the Nomination Committee, Total Access Communication PLC.
2011 - 2013	Director, Total Access Communication PLC.

Position in Other Company or Organization

2020 - Present	Senior Vice President, Head of External Relations Asia, Telenor Group
2020 - Present	Non-Executive Director of Snohetta AS
2017 - Present	Chair of the Board of Directors, DiGi Telecommunications Sdn Bhd
2017 - Present	Chair of the Board of Directors, Member of Nomination Committee, Chair of Remuneration Committee, DiGi.Com Berhad
2016 - Present	Director, Telenor Myanmar Ltd.
2016 - Present	Director, Telenor Asia (IHQ) Ltd.
2012 - Present	Director, Telenor South Asia Investment Pte Ltd.
2012 - Present	Director, Telenor South East Asia Investment Pte Ltd.
2011 - Present	Director and member of the Nomination and Remuneration Committee, Grameenphone Ltd.
2011 - Present	Director, Telenor Asia Pte. Ltd.

Past Experience

2019 – 2019	Director, Telenor Health AS
2018 – 2019	Senior Vice President, Partner and External Relations Asia, Telenor Group
2018 – 2018	Acting Executive Vice President and Chief Corporate Affairs Officer, Telenor Group
2016 – 2020	Director and Member of the Audit Committee, Telenor Pakistan Ltd.
2016 – 2018	Senior Vice President, Head of Group Public and Regulatory Affairs, Telenor Group
2016 – 2016	Senior Vice President, Corporate Affairs Asia, Telenor Group
2015 – 2016	Senior Vice President, Head of President & CEO's Office, Telenor Group
2014 – 2019	Director, Telenor GO Pte Ltd.
2008 – 2015	Senior Vice President, Corporate Affairs Asia, Telenor Group

Mr. Thomas Alexander Thyholdt

Director

Date of First Appointment: 16 October 2020

Age: 45 years

Total Year of Directorship: 0 Year 2 Months



Number and proportion of share held: None (0.00%)

Number of shares held by spouse and minor children: None (0.00%)

Familial relationship between director and executive: None

Academic Background

Master of economics and business administration (major in Finance, Strategy and Macro Economic)

Position in Listed Company in SET

2020 – Present Director, Total Access Communication PLC.

Position in Other Company or Organization

2020 – Present Senior Vice President – Head of Business Performance Asia, Telenor Group

Past Experience

2017 – 2020 Senior Vice President – Group Finance, Cost Office, Telenor Group

2013 – 2017 Vice President – Head of Group HR Strategy & Analytics, Telenor Group

Mr. Sharad Chandra Mehrotra

Chief Executive Officer (Management under definition of SEC)

Date of Appointment: 1 February 2020

Age: 53 years



Number and proportion of share held: None (0.00%)

Number of shares held by spouse and minor children: None (0.00%)

Familial relationship between director and executive: None

Academic Background

- MBA, Marketing, Indira Gandhi National Open University
- Bachelor of Engineering, University of Pune

Past Experience

2020 – Present	Chief Executive Officer, Total Access Communication PLC.
2020 – Present	Chief Executive Officer, dtac TriNet Co., Ltd.
2018 – 2020	Chief Executive Officer, Telenor Myanmar
2015 – 2018	Chief Executive Officer, Telenor India
2013 – 2015	Chief Marketing Officer, Telenor Myanmar

Mr. Prathet Tankuranun

Chief Technology Officer (Management under definition of SEC)

Date of Appointment: 1 July 2015

Age: 52 years



Number and proportion of share held: 10,000 shares (0.00%)

Number of shares held by spouse and minor children: 9,400 shares (0.00%)

Familial relationship between director and executive: None

Academic Background

- Master of Electrical Engineering, Massachusetts Institute of Technology
- Master of Business Administration (Executive Program), Sasin Graduate Institute of Business Administration of Chulalongkorn University

Past Experience

2015 - Present	Chief Technology Officer, Total Access Communication PLC.
2015 - Present	Director, dtac TriNet Co., Ltd.
2013 - 2014	Chief Technology Officer, Telenor Myanmar Limited
2011 - 2013	Senior Vice President, Network Operations Division, Total Access Communication PLC.
2010 - 2011	Senior Vice President, Engineering Division, Total Access Communication PLC.
2009 - 2010	Vice President, Network Design and System Infrastructure Department, Total Access Communication PLC.
2005 - 2009	Vice President, Transmission Department, Total Access Communication PLC.
2001 - 2005	Head of Engineering, Satellite Engineer, Pacific Century Matrix (Hong Kong)
1996 - 2000	Satellite Engineer, L-Star Program, Asia Broadcasting and Communication Network/Teles at Canada

Miss Nardrerdee Arj-Harnwongse

Chief People Officer (Management under definition of SEC)

Date of Appointment: 1 August 2015

Age: 53 years



Number and proportion of share held: None (0.00%)

Number of shares held by spouse and minor children: None (0.00%)

Familial relationship between director and executive: None

Academic Background

- Master of Arts in Human Resources Development, Webster University, Missouri, USA
- Bachelor of Arts majoring in English, Chulalongkorn University

Past Experience

2015 - Present	Chief People Officer, Total Access Communication PLC.
2009 - 2015	Vice President, Human Resources Thailand, Myanmar, Cambodia & Laos, Unilever Thai Holdings Limited
2007 - 2009	Head of Human Resources, Sub-Region Asia North (Thailand, Bangladesh, Vietnam, Cambodia and Korea), Nokia Siemens Networks (Thailand) Ltd.
2004 - 2007	Human Resources Manager for Indochina (Thailand, Vietnam, Cambodia & Laos), Nokia (Thailand) Ltd.
2000 - 2004	Assistant Vice President, Human Resources, Retail Operations, Ek-Chai Distribution System Co. Ltd.
1996 - 2000	Regional Personnel Manager, Ek-Chai Distribution System Co. Ltd.
1995 - 1996	Recruitment Manager, Ek-Chai Distribution System Co. Ltd.
1993 - 1995	Training Manager, Ek-Chai Distribution System Co. Ltd.

Miss Tipayarat Kaewsringarm

Chief Sales Officer (Management under definition of SEC)

Date of Appointment: 1 February 2019

Age: 52 years



Number and proportion of share held: None (0.00%)

Number of shares held by spouse and minor children: None (0.00%)

Familial relationship between director and executive: None

Academic Background

Master's Degree in Business Administration, Saint Louis University, USA

Past Experience

2019 - Present	Chief Sales Officer, Total Access Communication PLC.
2017 - 2019	Deputy Chief Executive Officer, Metro Wholesale Myanmar Ltd.
2015 - 2016	CEO Advisor, Total Access Communication PLC.
2013 - 2015	Chief People Officer, Telenor Myanmar
2011 - 2013	Chief People Officer, Total Access Communication PLC.
2008 - 2011	Chief Customer Officer, Total Access Communication PLC.

Mr. How Lih Ren

Chief Marketing Officer (Management under definition of SEC)

Date of Appointment: 1 April 2019

Age: 44 years



Number and proportion of share held: None (0.00%)

Number of shares held by spouse and minor children: None (0.00%)

Familial relationship between director and executive: None

Academic Background

- Senior Executive Programme at the London Business School
- Bachelor of Science (Honours) in Computer Science from Coventry University, UK

Past Experience

2019 – Present	Chief Marketing Officer, Total Access Communication PLC.
2016 – 2019	Head of iTelco, Digi Telecommunications Sdn Bhd.
2015 – 2016	Head of Consumer Sales, Digi Telecommunications Sdn Bhd.
2013 – 2015	Head of Product and Organisational Excellence, Digi Telecommunications Sdn Bhd.
2011 – 2013	Head of Corporate Strategy & Program Director, Digi Telecommunications Sdn Bhd.
2002 – 2011	Senior Manager, Strategy and Operations, Deloitte Consulting

Mr. Rajiv Bawa

Chief Business Officer (Management under definition of SEC)

Date of Appointment: 2 September 2019

Age: 50 years



Number and proportion of share held: None (0.00%)

Number of shares held by spouse and minor children: None (0.00%)

Familial relationship between director and executive: None

Academic Background

- Master in Computer Science, University of Maryland, USA
- Bachelor of Technology, Computer Engineering, Manipal Institute of Technology, India
- Certificate in Management, Wharton School of Business, University of Pennsylvania, USA

Past Experience

2019 – Present	Chief Business Officer, Total Access Communication PLC.
2018 – 2019	Acting Chief Sales Officer, Total Access Communication PLC.
2017 – 2019	Chief Corporate Affairs Officer, Total Access Communication PLC.
2016 – 2017	Head of Public & Regulatory Affairs, Telenor Group, Asia
2015 – 2016	Acting Chief Corporate Affairs Officer, Total Access Communication PLC.
2011 – 2015	Chief Representative Officer, Telenor Group, India
2008 – 2011	Chief Corporate Affairs Officer, Unitech Wireless Pvt Ltd, India
2009-2011	Chief Corporate Affairs Officer, Uninor (Telenor Group India)
2002-2008	Business Development Executive, IBM Corporation NY
2000-2001	Director Business Development, ExpertCommerce NY
1994-2000	Senior Engagement Manager, IBM Consulting Group, Philadelphia

Mr. Lars Marcus Adaktusson

Chief Corporate Affairs Officer (Management under definition of SEC)

Date of Appointment: 2 September 2019

Age: 40 years



Number and proportion of share held: None (0.00%)

Number of shares held by spouse and minor children: None (0.00%)

Familial relationship between director and executive: None

Academic Background

Master of Science (M.Sc.), Stockholm School of Economics (SSE) Stockholm, Sweden

Past Experience

2019 – Present	Chief Corporate Affairs Officer, Total Access Communication PLC.
2017 – 2019	Vice President Public & Regulatory Affairs and Corporate Communication, Region Asia, Telenor Group (Singapore)
2015 – 2017	Vice President Communications, Region Asia, Telenor Group (Singapore)
2013 – 2015	Director Communications, Grameenphone Ltd. (Bangladesh)
2010 – 2013	Director Communications, Telenor Sweden AB (Sweden)
2008 – 2010	Press officer & Communications Strategist, Telenor Sweden AB (Sweden)
2005 – 2007	Communications Consultant, Diplomat Communications AB (Sweden)

Mr. Sirawit Klabdee

Interim Chief Financial Officer (The person assigned to the highest responsibility in Accounting and Finance)

Date of Appointment: 1 November 2020

Age: 44 years



Number and proportion of share held: 300 shares (0.00%)

Number of shares held by spouse and minor children: None (0.00%)

Familial relationship between director and executive: None

Academic Background

- Master of Business Administration, major in Finance and Marketing (honors), Sasin Graduate Institute of Business Administration, Chulalongkorn University
- Bachelor of Business Administration, major in Banking and Finance (second class honors), Chulalongkorn University

Training Program

- Company Reporting Program (CRP 26/2020) by Thai Institute of Directors Association (IOD)
- CFO's Orientation Course (English version) by Thailand Securities Institute (TSI) of the Stock Exchange of Thailand (13 hours 33 minutes)

In 2020, completed the orientation course in accounting and finance and number of hours for attending training course is in accordance with SEC requirement

Past Experience

2020 – Present	Director, TeleAssets Co., Ltd.
2020 – Present	Interim Chief Financial Officer, Total Access Communication PLC.
2020 – Present	Senior Vice President, Head of Business Finance Division, Total Access Communication PLC.
2019 – 2020	Company Secretary and Investor Relations, Senior Vice President, Head of Investor Relations Division, Total Access Communication PLC.
2017 – 2019	Senior Vice President, Head of Corporate Development Division, Total Access Communication PLC.
2017 – 2017	Senior Vice President, Head of Corporate Finance Division, Total Access Communication PLC.
2016 – 2016	Senior Vice President, Head of Strategic Finance Department, Total Access Communication PLC.
2013 – 2016	Head of Financial Planning & Analysis Department, Telenor Myanmar Limited
2012 – 2013	Senior Vice President, Head of Financial Planning & Controlling Department, Total Access Communication PLC.
2011 – 2012	Senior Vice President, Head of Business Planning & Analysis Division, Total Access Communication PLC.
2011 – 2011	Senior Vice President, Investment Banking Division, Wholesale Banking Group, The Siam Commercial Bank PLC.
2009 – 2011	Vice President, Corporate Finance Division, Wholesale Banking Group, The Siam Commercial Bank PLC.
2008 – 2009	Deputy Vice President, Corporate Finance Department, SCB Securities Co., Ltd.

Miss Peeraya Rodkorn

Head of Financial Accounting and Reporting Department

(the person assigned to the direct responsibility of supervising accounting preparation and be a professional accountant charged with accounting duties with qualifications and conditions prescribed by the Notification of the Department of Business Development)

Date of Appointment: 15 January 2019

Age: 47 years

Number and proportion of share held: None (0.00%)

Number of shares held by spouse and minor children: None (0.00%)

Familial relationship between director and executive: None

Academic Background

- Master of Accountancy, Chulalongkorn University
- Bachelor of Accountancy, Thammasat University

Training Program

- Cash Flows (7 hours)
- TFRS16 – Financial Lease (7 hours)

In 2020, completed a continuing development course in accounting knowledge for not less than six hours per calendar year and number of hour for attending training course is in accordance with SEC requirement

Past Experience

2019 – Present	Vice President, Head of Financial Accounting and Reporting Department, Total Access Communication PLC.
2017 – 2018	Chief Financial Officer, Singer Thailand PLC.
2001 – 2017	Vice President, Head of Financial Accounting and Reporting Department, Total Access Communication PLC.

Miss Napat Tanyakulsajja

Company Secretary

Date of Appointment: 15 July 2020

Age: 39 years

Number and proportion of share held: None (0.00%)

Number of shares held by spouse and minor children: None (0.00%)

Familial relationship between director and executive: None

Academic Background

- Master's degree in Law, Major in Private and Business Law, Chulalongkorn University
- Bachelor's Degree in Law, Thammasat University
- Thai barrister-at-law, The Thai bar Association

Training Program

- Company Secretary Program (CSP) (56/2014) by Thai Institute of Directors Association (IOD)
- Effective Minutes Taking Program (EMT) (28/2014) by Thai Institute of Directors Association (IOD)
- Company Reporting Program (CRP) (8/2014) by Thai Institute of Directors Association (IOD)
- Advances for Corporate Secretaries (1/2560), Thai Listed Companies Associations
- ASEAN Business and Investment Law Training by Chulalongkorn University and The Law and Development Research Center, 2016

Past Experience

2020 - Present	Vice President, Head of Company Secretary Department, Total Access Communication PLC.
2013 - 2020	Legal Counsel and Company Secretary, Thailand & Vietnam, Goodyear (Thailand) Public Company Limited
2010 - 2013	Legal Officer, PTT Exploration and Production Public Company Limited (PTTEP)
2004 - 2007	Legal Officer, Berli Jucker Public Company Limited

2. Duties and responsibilities of the Company Secretary

The duties and responsibilities of the Company Secretary are set out in accordance with the Public Limited Company Act, the Securities and Exchange Act, and the Principles of Good Corporate Governance for Listed Companies 2017 of the SEC. The duties and responsibilities of the Company Secretary are as follows:

- (1) Providing legal and regulatory advice pertaining to the duties and responsibilities of the Board of Directors and the business operation of the Company;
- (2) Preparing documentations and supporting information for the Board of Directors' and shareholders' meetings;
- (3) Coordinating and following-up on the implementation of the Board of Directors' and shareholders' resolutions;
- (4) Preparing and safe-keeping the director register, notices and minutes of the Board of Directors' meetings, annual reports, notices and minutes of the shareholders' meetings;
- (5) Safe-keeping the reports of interests of directors and management;
- (6) Preparing information and arranging information sessions on the business of the Company, including other information relevant to the business operation of the Company for new directors; and
- (7) Responsible for the Board of Directors' and shareholders' activities.

Attachment 2

Details of directors of subsidiaries

Details of directors, management, controlling person of subsidiaries, associated, and related companies ⁽¹⁾

name - surname	dtac	subsidiaries									associated companies		related companies															
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27
Mr. Boonchai Bencharongkul	X												X		/				X	/	/	/			X			X
Mr. Joergen Christian Arentz Rostrup	/																											
Mr. Stephen Woodruff Fordham	/																											
Mrs. Kamonwan Wipulakorn	/				X																							
Mrs. Chananyarak Phetcharat	/																											
Mrs. Tone Ripel	/																											
Mr. Rakesh Jain	/																											
Mrs. Pratana Mongkolkul	/																											
Mr. Haakon Bruaset Kjoel	/																											
Mr. Thomas Alexander Thyholdt	/																											
Mr. Sharad Mehrotra	///				///																							
Mr. Prathet Tankuranun	///				///																							
Miss Nardrerdee Arj-Harnwongse	///				///																							
Miss Tipayarat Kaewsringarm	///				///																							
Mr. How Lih Ren	///				///																							
Mr. Rajiv Bawa	///				///																							
Mr. Lars Marcus Adaktusson	///				///																							
Mr. Sirawit Klabdee	///				///				///																			

Remarks X Chair / Director // Executive Director /// Executive

- 1 WorldPhone Shop Co., Ltd. ⁽²⁾
- 2 TAC Property Co., Ltd.
- 3 dtac Digital Media Co., Ltd. ⁽²⁾
- 4 dtac TriNet Co., Ltd.
- 5 DTAC Broadband co., Ltd. ⁽²⁾
- 6 United Communication Industry PLC. ⁽²⁾
- 7 PaySbuy Co., Ltd. ⁽²⁾
- 8 dtac Accelerate Co., Ltd.
- 9 TeleAssets Co., Ltd.

- 10 United Distribution Business Co., Ltd.
- 11 Clearing House for Number Portability Co., Ltd.
- 12 Rakbankerd Co., Ltd.
- 13 United Information Highway Co., Ltd.
- 14 International Cold Storage and Agricultural Co., Ltd.
- 15 BB Technology Co., Ltd.
- 16 Telenor Global Services AS.
- 17 Telenor Asia (IHQ) Co., Ltd.,
- 18 Benchachinda Holding Co., Ltd.

- 19 Bang-san Townhouse Co., Ltd.
- 20 Private Property Co., Ltd.
- 21 I.N.N. Group
- 22 Top Up 4U Co., Ltd.
- 23 BB Content & Multimedia Co., Ltd.
- 24 Y & Associate Co., Ltd.
- 25 BB Connect Co., Ltd.
- 26 YA Sales and Services Co., Ltd.
- 27 Thai Art Museum Co., Ltd.

(1) As of 31 December 2020

(2) Under liquidation process

Details of directors of subsidiaries ⁽¹⁾

List of subsidiaries/ List of Directors	1	2	3	4	5	6	7	8	9
Mrs. Kamonwan Wipulakorn				X					
Mrs. Chananyarak Phetcharat				/					
Mr. Sharad Mehrotra				//					
Mr. Prathet Tankuranun				//					
Mr. Sirawit Klabdee				///					/
Mr. Narupon Rattanasamaharn									/
Mr. Thibaut Loup Simon Girard								/	
Mr. Pipat Srimattayakul								/	
Mr. Virat Jaruchoktaweechai			/						
Mr. Katanyu Suwankam			/						
Mr. Ekachai Ruttanasoonthon			/						

Remarks  Chair  Director  Executive Director  Executive

- 1** WorldPhone Shop Co., Ltd. ⁽²⁾
- 2** TAC Property Co., Ltd.
- 3** dtac Digital Media Co., Ltd. ⁽²⁾
- 4** dtac TriNet Co., Ltd.
- 5** DTAC Broadband co., Ltd. (2)
- 6** United Communication Industry PLC. ⁽²⁾
- 7** PaySbuy Co., Ltd. ⁽²⁾
- 8** dtac Accelerate Co., Ltd.
- 9** TeleAssets Co., Ltd.

(1) As of 31 December 2020

(2) Under liquidation process

Attachment 3

Head of Internal Audit and Head of Compliance

1. Head of Internal Audit

Mr. Kiti Wichitsawangwong

Vice President, Head of Internal Audit, and Secretary of the Audit Committee

Date of Appointment: 26 September 2018

Age: 38 years

Number and proportion of share held: 300 shares (0.00%)

Number of shares held by spouse and minor children: None (0.00%)

Familial relationship between director and executive: None

Academic Background

- Master of Business Administration – Young Executive, Faculty of Commerce and Accountancy, Chulalongkorn University
- Bachelor of Accounting, Major in Accounting Information Systems, Faculty of Commerce and Accountancy, Chulalongkorn University

Training Program

- Diploma of Certified Internal Auditor (CIA) by The Institute of Internal Auditors (IIA), 2018
- Diploma in Internal Audit (Internal Audit Certificate Program: IACP) – Round 7 by the Federation of Accounting Professions (FAP), 2012
- Diploma in Anti-Corruption in Organization – Round 8 by the Federation of Accounting Professions, 2014
- Certificate in IT Audit for Non-IT Auditor Masterclass and IT Audit for Non-IT Auditor Workshop by the Information Systems Audit and Control Association (ISACA) – Bangkok Chapter, 2014
- Certificate in Business System Development (BSD) – Round 2 by the Federation of Accounting Professions (FAP) and Faculty of Commerce and Accountancy, Thammasat University, 2013
- Certificate in Business Law for Individuals – Round 16 by the Faculty of Law, Thammasat University, 2015
- Smart Disclosure Program (SDP) Round 5/2014 by the Stock Exchange of Thailand (SET).

Past Experience

Sep 2018 – Present Vice President – Internal Audit Department, and Secretary of the Audit Committee, Total Access Communication PLC.

2015 – Aug 2018 Assistant Vice President – Internal Audit Department, and Secretary of the Audit Committee, Thai Reinsurance PLC.

2014, 2016 – 2017 Acting Head of Department – Compliance Department, Thai Reinsurance PLC.

2014 – 2015 Department Manager – Internal Audit Department, Thai Reinsurance PLC.

2012 – 2013 Deputy Manager – Internal Audit Department, Thai Reinsurance PLC.

2011 – 2012 Department Manager – Accounting and Finance, Plan B Media PLC.

2007 – 2011 Senior Analyst – Organization and Process Development Department, Benchachinda Holding Co., Ltd.

2004 – 2007 Senior Auditor Assistant, KPMG Phoomchai Audit Co., Ltd.

2. Head of Ethics and Compliance Officer

Mr. Thanatt Louhalertdecha

Position: Ethics and Compliance Officer

Date of Appointment: 2 January 2020

Age: 47 years

Number and proportion of share held:	None (0.00%)
Number of shares held by spouse and minor children:	None (0.00%)
Familial relationship between director and executive:	None

Academic Background

- Master of Business Administration (Finance), Ramkhamhaeng University
- Bachelor of Business Administration (Finance), University of the Thai Chamber of Commerce

Training Program

- Ethical Leadership Program by Thai Institute of Directors Association (IOD) in 2020

Past Experience

2020 – Present	Head of Ethics and Compliance Department, Total Access Communication PLC.
2013 – 2019	Controls, Compliance and Ethics Director, Diageo Moet Hennessy (Thailand)
2012 – 2013	Vice President, Anti-Fraud Management, TMB Bank PLC.
2009 – 2012	Vice President, Operational Risk and Control Review, TMB Bank PLC.
2007 – 2009	Senior Consultant, ABeam Consulting
2003 – 2007	Internal Audit Manager, AIG Finance PLC.
1999 – 2003	Senior Internal Auditor, GE Capital (Thailand)
1996 – 1999	Internal Auditor, Charoen Pokphand Food (CPF)

Attachment 4

Assets for Business Operations and Details of Assets Assessment

Operating Assets

1. The assets of the Company used in the business operations are identify in main 4 categories as follow:

Type of assets	Book Value as of 31 Dec 2019 (Million Baht)	Book Value as of 31 Dec 2020 (Million Baht)
Property, plant and equipment	53,894.4	51,347.0
Right of use assets – cost of spectrum licenses	50,235.0	62,104.6
Right of use assets	23,663.5	21,456.8
Other intangible assets	1,664.5	1,772.4
Total	129,457.4	136,680.8

1.1) Property, plant and equipment

Fixed assets of the Company and subsidiaries are as the following

Type of assets	Book Value as of 31 Dec 2019 (Million Baht)	Book Value as of 31 Dec 2020 (Million Baht)
Land	988.8	988.8
Buildings and building improvement	235.4	199.6
Leasehold improvement	455.2	294.3
Equipment for mobile telecommunication services	49,235.9	43,743.3
Telephone based station improvement	7.2	3.0
Furniture, fixtures and office equipment	97.2	68.4
Machinery and equipment	484.6	413.6
Other Assets	2,390.1	5,636.0
Total	53,894.4	51,347.0

The current total value of land, building, and improvement building that mainly used for base telecommunication stations are 1,188.4 million (As at 31 December 2020).

Approximately useful life of the assets are as the following

- Buildings and office improvements 5 - 20 years
- Leasehold improvements 5 - 12 years
- Equipment for mobile telecommunication services operation 3 - 15 years
- Telephone transmission station improvement 20 years
- Furniture, fixtures and office equipment 5 years
- Machinery and equipment 3 years and 5 years
- Advertising and communication equipment 2 - 5 years
- Others 5 years

1.2) Right of use assets – cost of spectrum licenses

dtac TriNet Company Limited is a subsidiary of the Company and is incorporated and domiciled in Thailand. dtac TriNet is principally engaged in the provision of wireless telecommunications services and has the licenses to provide its services as the following

- a) Spectrum Licensing and a type three telecommunication business license by NBTC valid for 15 years (starting from 7 December 2012 and expiring on 6 December 2027) for operating telecommunication business for International Mobile Telecommunication (IMT) in the frequency band 2100 MHz. dtac TriNet made payment for the winning bid price of the authorization to use the spectrum license in the total amount of Baht 14,445 million (including VAT)
- b) Spectrum Licensing by NBTC for the validity period of 15 years (starting from 16 December 2018 and expiry on 15 December 2033) for operating telecommunication business for International Mobile Telecommunication (IMT) in the frequency band 1800 MHz. dtac TriNet is required to make payment for the winning bid price of the authorization to use the spectrum license in the total amount of Baht 13,386.77 million (including VAT), which already made payment in the amount of Baht 10,040.08 million.
- c) Spectrum Licensing by NBTC for the validity period of 15 years (starting from 16 December 2018 and expiry on 15 December 2033) for operating telecommunication business for International Mobile Telecommunication (IMT) in the frequency band 900 MHz. dtac TriNet is required to make payment for the winning bid price of the authorization to use the spectrum license in the total amount of Baht 40,728.48 million (including VAT), which already made payment in the amount of Baht 12,218.54 million.
- d) Spectrum Licensing by NBTC for the validity period of 15 years (starting from 24 February 2020 and expiring on 23 February 2035) for operating telecommunication business for International Mobile Telecommunication (IMT) in the frequency band 26000 MHz. dtac TriNet made payment for the winning bid price of the authorization to use the spectrum license in the total amount of Baht 974.13 million (including VAT)
- e) Spectrum Licensing by NBTC for the validity period of 15 years (starting from 24 December 2020 and expiring on 23 December 2035) for operating telecommunication business for International Mobile Telecommunication (IMT) in the frequency band 700 MHz. dtac TriNet is required to make payment for the winning bid price of the authorization to use the spectrum license in the total amount of Baht 18,815 million (including VAT), which already made payment in the amount of Baht 1,881.5 million.

As at 31 December 2020, the cost of spectrum license in the total amount of Baht 62,104.6 million

1.3) Right-of-use assets

The total value of right of use asset in land, building, equipment leases are as the following

Type of assets	Book Value as of 31 Dec 2019 (Million Baht)	Book Value as of 31 Dec 2020 (Million Baht)
Land for tower	7,544.1	7,141.0
Buildings and building improvement	988.8	1,138.8
Equipment for mobile telecommunication services	15,024.7	13,094.2
Leasehold	48.6	26.3
Other	57.3	56.5
Total	23,663.5	21,456.8

Depreciation of right-of-use assets are calculated by reference to their costs on a straight-line basis over the shorter of their estimated useful lives and the lease term, as the following

- Land for tower 3 years, plus renewal option reasonably certain to be exercised
- Space on tower under agreement with CAT (currently known as "NT") 8 years
- Office buildings 3 years
- Customer service center 3 years, plus renewal option reasonably certain to be exercised
- Vehicle 2 - 3 years
- Space on towers under infrastructure sharing and access offer 3 years, plus renewal option reasonably certain to be exercised

1.4) Other intangible assets

Other intangible assets of the company are software computer and software under development, which has the total book value amount of Baht 1,772.4 million (As of 31st December 2020)

Type of assets	Book Value as of 31 Dec 2019 (Million Baht)	Book Value as of 31 Dec 2020 (Million Baht)
Computer software	1,325.2	1,512.3
Software Under Development	339.2	260.1
Total	1,664.5	1,772.4

2. Policy to invest in subsidiaries and associate companies

The Company currently focuses on telecom service business. The Company thereby invest in subsidiaries and other companies for the purpose of supporting our main business or operating other related services which is beneficial to our business. The Company has appointed directors and executives as our representative in those companies for the purpose as follows:

- (1) To perform duties in order to serve shareholder's benefit and value maximization
- (2) To review financial performance of the company scheduled to convene at least on quarterly basis
- (3) To schedule the board of directors and the shareholder's meeting on annual basis

Attachment 5

Policy and Guideline for Corporate Governance and Code of Conduct of the Company

Corporate Governance Guideline

Total Access Communication Public Company Limited (“Company”) has committed to comply with relevant laws, the objectives, the Articles of Association, and the resolutions of shareholders’ meetings, as well as the principles of good corporate governance pursuant to the Corporate Governance Code for listed companies 2017 of The Securities and Exchange Commission, the criteria under the Corporate Governance Report of Thai Listed Companies (CGR) of the Thai Institute of Directors (IOD), and the Principles of Good Corporate Governance for Listed Companies 2012 of the Stock Exchange of Thailand. The Company has implemented the good corporate governance principle for the Company’s corporate governance since the Corporate Governance Committees’ Meeting No.1/2013 held on 29 October 2013 by adopting the Principles of Good Corporate Governance issued by the Stock Exchange of Thailand which reflects the corporate governance principles in the following 5 sections:

- Section 1** Rights of Shareholders
- Section 2** Equitable Treatment of Shareholders
- Section 3** Roles of Stakeholders
- Section 4** Disclosure of Information and Transparency
- Section 5** Board roles and responsibilities

The Board of Directors Meeting No. 5/2017 dated 18 October 2017 approved the Company’s governing principles set out the key governing bodies in the Company including the Annual Shareholders’ meeting, the Board of Directors and its subcommittees, the CEO and the Management Committee and the governance process in respect of governing documents, risk management, strategy, financial reporting and internal control.

Furthermore, the Board of Directors of the Company has established a Code of Conduct “dtac Code of Conduct”, which applies to its Directors, Management, employees and other persons acting on its behalf. The Company’s code of conduct has been in effect since 2006 and has been regularly updated to cover various subjects, such as, privacy, human rights, labor, occupational health, safety, security, environment, conflicts of interests, use of inside information, internal control, disclosure of information, anti-corruption, etc. in accordance with the international standard.

The corporate governance guideline and the Code of Conduct are published on the Company’s website at www.dtac.co.th.

Audit Committee Charter

Amended on 16 October 2020 Limited,

1. Purpose

Total Access Communication Public Company Limited (the “**Company**”)’s shares are listed on the Stock Exchange of Thailand (the “**SET**”).

The SET requires that the Company’s Board of Directors (the “**Board**”) establish an Audit Committee as a sub-committee to assist the Board with the oversight duties and responsibilities for ensuring effective financial reporting and internal control procedures. In addition, to enhance good corporate governance to the benefit of all stakeholders, the Board has established the Audit Committee that shall have the duties and responsibilities as stipulated in this Charter and under applicable law and regulation.

2. Duties and Responsibilities

The duties and responsibilities of the Audit Committee as delegated by the Board are as follows: -

- 2.1 to review the adequacy of the Company’s financial reporting system and the disclosure of information in its financial statements in accordance with the legally defined Accounting Standards and Financial Reporting Standards;
- 2.2 to review the Company’s internal control system and internal audit system to ensure that they are suitable and sufficient;
- 2.3 to determine the internal audit department’s independence, as well as to approve the appointment, transfer and dismissal of the head of the internal audit department or any other unit in charge of internal audit matters, as well as to attend a non-management meeting with the head of the internal audit department at least once a year;
- 2.4 to review the Company’s compliance with the Securities and Exchange Act (the “SEC Act”), the SET’s regulations and the laws relating to the Company’s business;
- 2.5 to consider, select and nominate an independent person to be the Company’s external auditor, and to propose such person’s remuneration and terms of engagement (including to propose to terminate the auditor who is not qualified), as well as to attend a non-management meeting with the external auditor at least once a year;
- 2.6 to review Connected Party Transactions or transactions which may lead to conflicts of interests to ensure that they comply with laws, the SEC’s rules and SET’s regulations and that they are reasonable and are entered into for the best interest of the Company;

2.7 to prepare and disclose in the Company's annual report, an Audit Committee's report which must be signed by the Chair of the Audit Committee and consist of at least the following information:

- 2.7.1 an opinion on the accuracy, completeness, and reliability of the Company's financial reports in accordance with the legally defined Accounting Standards and Financial Reporting Standards,
- 2.7.2 an opinion on the adequacy of the Company's internal control system,
- 2.7.3 an opinion on compliance with the SEC Act, the SET's regulations and the laws relating to the Company's business,
- 2.7.4 an opinion on the suitability of an auditor,
- 2.7.5 an opinion on the transactions that may lead to conflicts of interests,
- 2.7.6 the number of the Audit Committee meetings, and the attendance of such meetings by each committee member,
- 2.7.7 an opinion or overview remark of the Audit Committee on its performance of duties in accordance with this Charter,
- 2.7.8 other transactions which, according to the Audit Committee's opinion, should be known to the shareholders and general investors, subject to the scope of the duties and responsibilities of the Audit Committee as assigned by the Board; and

2.8 to perform any other activities as assigned by the Board, with the approval of the Audit Committee.

In discharging the Audit Committee's duties in accordance with the foregoing paragraphs, the Audit Committee shall comply with the relevant procedures (if any), as approved by the Board, and is directly responsible and accountable to the Board. The Board is responsible and accountable in respect of the operations of the Company towards third parties.

3. Authority

The Audit Committee shall have the power to conduct or authorize investigations into any matters within its scope of responsibilities. The Audit Committee is empowered to retain independent counsel, accountants, or other persons who have special competence as necessary to assist the Audit Committee in fulfilling its responsibilities.

4. Composition and Qualifications

The Audit Committee shall comprise at least 3 (three) members.

If the committee has fewer members than required, the companies shall increase the number of members up to the level required within three months of the shortfall.

Each member is required to possess the following qualifications: -

- 4.1 being appointed by a meeting of the Board or shareholders meeting;
- 4.2 being an independent director;
- 4.3 not being a director delegated by the Board to make decisions on the business operations of the Company, its parent company, subsidiary, associated company, subsidiary of the same level, major shareholder, or controlling person;

- 4.4 not holding the position of a director of a parent company, subsidiary, or subsidiary of the same level, which are listed companies; and
- 4.5 possessing sufficient knowledge and experience for the performance of the duties as an Audit Committee member. In this regard, at least 1 (one) Audit Committee member shall possess sufficient knowledge and experience for the performance of duties in reviewing the reliability of the financial statements.

5. Organization

5.1 *Term*

Like a director, each member of the Audit Committee shall hold an office for the same term as its director's term. However, members can be re-appointed to such an office.

5.2 *The Chair of the Audit Committee*

The Chair of the Audit Committee shall be selected by the Board or the Audit Committee members.

5.3 *Secretary to the Audit Committee*

The head of the internal audit department shall be appointed as the Secretary to the Audit Committee to assist the Audit Committee in handling general administrative activities such as scheduling meetings, arranging agenda items, gathering documents for meetings, recording minutes of meetings, etc. The Secretary has no role in discussing or opining on the issue and has no voting rights.

5.4 *Internal Audit Department*

The Internal Audit Department shall directly report to the Audit Committee. The Audit Committee shall approve the Internal Audit Charter and its amendment.

6. Meetings

6.1 *Audit Committee Meeting frequency*

The Audit Committee shall meet at least once every quarter to fulfill their responsibilities as stipulated in this Charter.

6.2 *Quorum*

A quorum for each Audit Committee meeting is a simple majority of the total number of the Audit Committee members.

6.3 *Presenter*

The Audit Committee may invite any senior management or employees of the Company to present the matter under his / her responsibilities to the Audit Committee.

7. Reporting

7.1 *Reporting to the Board of Directors*

The Audit Committee shall report on its operations and the duties assigned to it by the Board and any other major issues of which the Audit Committee believes the Board shall be notified.

7.2 *Reporting to relevant authorities*

If the Audit Committee finds or suspects that there is a transaction or an occurrence of any following acts which may materially affect the Company's financial condition and operating results, it shall report to the Board for rectification within a period that the Audit Committee thinks fit:

- 7.2.1 a transaction which causes a conflict of interest;
- 7.2.2 any fraud, irregularity, or material defect in an internal control system; or
- 7.2.3 an infringement of the law on securities and exchange, including without limitation the SEC Act, the SET's regulations and the laws relating to the Company's business.

If the Board or Management fails to rectify within the aforementioned period, any Audit Committee member may report such transaction or act to the Office of the SEC or the SET.

8. Disclosure on changes of the Audit Committee's duties and its members

- 8.1 In the case that the Audit Committee's duties are changed, the Company shall disclose a resolution to change its duties and name list of members and scope of work of the Audit Committee in the form as prescribed by the SET, within 3 (three) business days from the date on which the change is made.
- 8.2 The Company shall submit the representation letters and curriculum vitae of the Audit Committee members to the SET within 3 (three) business days from the date on which its Board of directors meeting or shareholders meeting passes a resolution to appoint those committee members.
- 8.4 The Company shall disclose a resolution to appoint an Audit Committee and name list of members and scope of work of the Audit Committee in the form prescribed by the SET.
- 8.6 If a member of the Audit Committee vacates the office prior to the expiration of his term, the Company shall disclose such vacation and the reason thereof to the SET without delay.

Remuneration Committee Charter

*Valid from 24 May 2012
Approved by Board of Directors*

1. Introduction

1.1 Overview

The Board of Directors maintains remuneration policies which are aimed at attracting and retaining a motivated workforce. The intention is to align the reward system with the performance of the Company, and ultimately the value received by the shareholders.

To facilitate its objectives, the Board has set up a Remuneration Committee as a standing committee of the Board to provide support to the Board on matters relating to remuneration of directors and the Chief Executive Officer of the Company.

In light of the above, the Remuneration Committee shall conduct its activities in accordance with the principles and rules set forth in this Remuneration Committee Charter as has been adopted by the Board and amended from time to time.

1.2 Objectives

The Remuneration Committee shall assist the Board in establishing remuneration policies and practices which:

- (a) enable the Company to attract, retain and motivate directors (executive and non-executive) and the Chief Executive Officer who will create sustainable value for its stakeholders;
- (b) fairly and responsibly reward directors and the Chief Executive Officer, having regard to the performance of the Company, the performance of the executive management, the pay and employment conditions within the industry and in comparable companies, and the economic environment; and
- (c) comply with relevant laws and regulations applicable to the Company and the Articles of Association of the Company.

2. Composition

2.1 Members

The Remuneration Committee shall comprise at least three members, the majority of whom, including the Chairman, shall be independent directors.

At least one member (independent or non-executive) shall have knowledge in the field of executive compensation, failing which the Remuneration Committee shall have access to expert advice inside and/or outside the Company.

Executive directors shall not be members of the Remuneration Committee. However, all directors shall have the right to attend all meetings of the Remuneration Committee at their own election.

2.2 Secretary

One or more persons shall be appointed as a secretary of the Remuneration Committee. The secretary may be the same person as the Company's secretary.

The secretary shall be responsible for assisting the Remuneration Committee in arranging the meetings, preparing agenda and relevant documents, and recording minutes of the meetings.

The secretary has no voting rights in any decision made by the Remuneration Committee.

3. Appointment and Retirement of Members

3.1 Appointment

The Board shall appoint the Chairman and members of the Remuneration Committee.

In selecting a candidate for such appointment, the Board shall take into consideration all qualification and expertise suitable for the entrusted tasks.

3.2 Retirement

A member shall cease to be a member of the Remuneration Committee upon such member's retirement, resignation or dismissal from the Board.

In the event of any resignation of a member from the Remuneration Committee, the member should give a proper notice and reasons therefor to the Board at least one month in advance in order to give the Board adequate time to fill in the vacancy.

4. Meetings

The Remuneration Committee shall meet at least once a year, with authority to convene additional meetings, as circumstances require. All members are expected to attend each meeting.

Any three members of the Remuneration Committee present at a meeting shall constitute a quorum.

Meeting agenda, together with appropriate briefing materials, shall be provided to the Remuneration Committee in advance of the meeting.

Decisions at the Remuneration Committee's meetings shall be made by a simple majority vote. Each member is entitled to one vote. In the event of a tie vote, the Chairman of the meeting shall have a casting vote.

5. Duties and Responsibilities

The Remuneration Committee has no independent decision-making authority in carrying out its duties and responsibilities, except where expressly granted by the Board. The duties and responsibilities of the Remuneration Committee are as follows:

- (a) to review and recommend to the Board a framework of remuneration and the specific remuneration packages for each director for further shareholder approval;
- (b) to review and approve the remuneration of the Chief Executive Officer;
- (c) to review the on-going appropriateness and relevance of the remuneration policy;
- (d) to ensure that all relevant legal requirements regarding disclosure of remuneration, in all forms, are complied with;
- (e) to report to the Board regarding the remuneration of the Chief Executive Officer (including base pay, incentive payments, equity awards and retirement or severance rights), having regard to the remuneration policy and whether in respect of any elements of remuneration, any shareholder approval is required;
- (f) to review the contractual rights of the Chief Executive Officer on termination, and any payments made or proposed, to determine whether they are reasonable in the circumstances;
- (g) to report to the Board at its next meeting regarding all material matters relevant to the Remuneration Committee's duties and responsibilities with appropriate recommendations, and to provide a summary of the Remuneration Committee's activities to the Board at least once a year;
- (h) to review and update the Remuneration Committee Charter to reflect any changes in the relevant laws and regulations for approval by the Board; and
- (i) to perform such other functions as may be assigned to it by the Board.

In carrying out its duties and responsibilities, the Remuneration Committee may invite the Chief Executive Officer, Chief Financial Officer or other members of the management of the Company to attend any meeting and provide pertinent information, as necessary. In addition, the Remuneration Committee may obtain, at the Company's expense, any independent legal or other professional advice (including the advice of independent remuneration consultants), secure the attendance of external advisors at any of its meeting, and obtain reliable and up-to-date information about remuneration in other companies. Furthermore, the Remuneration Committee shall have full authority to commission, at the Company's expense, any reports or surveys which it deems necessary to help it fulfill its duties.

6. Independence

The Remuneration Committee shall exercise its judgment and fulfill its duties and responsibilities independently. A member of the Remuneration Committee would be considered to have failed to fulfill his or her duties and responsibilities appropriately, if he or she was unduly influenced by any directors, executives or officers of the Company. Lack of independence would be assumed when any member:

- (a) accepts proposals or is involved in any improper actions that could affect the interests of the Company and/or its shareholders;
- (b) neglects to fulfill his or her duties and responsibilities; or
- (c) does not exercise independent judgment.

Rules of Procedure for The Nomination Committee

of Total Access Communication Public Company Limited

*(as adopted by the Board of Directors on 19 October 2012
and as amended by the Board of Directors No. 7/2016
on 20 October 2016)*

1. Purpose

The Board of Directors (the “**Board**”) of Total Access Communication Public Company Limited (the “**Company**”) has adopted these rules of procedure (the “**Rules**”) to be used as (a) the working procedures of the Nomination Committee of the Company (the “**Committee**”), (b) the general instructions regarding the allocation of work between the Board and the Committee and (c) the general guidelines on the scope of duties and responsibilities of the Committee.

In addition to these Rules, the Committee shall observe and comply with any additional requirements as may be instructed by the Board from time to time and any applicable laws and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand.

2. Composition, election and retirement

The Committee shall comprise at least three (3) members, the majority of whom, including the Chairman, shall be independent directors.

Members of the Committee are elected by the Board.

Members of the Company’s management are not eligible for election.

A member shall cease to be a member of the Committee upon such member’s retirement, resignation or dismissal from the Board.

If any member wishes to resign from the Committee, he/she shall give a notice to the Board at least one month in advance.

3. Notice of meetings

By November each year, the Secretary of the Committee shall, after consultation with the Chairman of the Committee (the “**Chairman**”), provide a proposal for a meeting plan including the main items on the agenda for the meetings for the next calendar year.

A meeting of the Committee shall be called by the Chairman, or someone appointed by him/her.

If a member is unable to attend a meeting, he/she shall inform the Chairman or the Secretary of the Committee without delay.

A meeting shall be called with a minimum of seven (7) day's prior written notice, or shorter if the Chairman deems it appropriate.

4. Prior processing

The Chairman and the Secretary shall be responsible for preparing necessary documents for consideration by the Committee.

The documents shall contain sufficient information to provide members with an adequate basis to deliberate, and reach a decision on, the issue in question.

5. Meetings

A majority of the members of the Committee attending the meeting in person shall constitute a quorum.

However, if the Chairman finds that a meeting can be adequately deliberated without a physical meeting, and this is within the limits of applicable law, he/she can decide that attendance may take place via video or telephone conference, or that the issues can be submitted in writing or be dealt with in another manner.

The Chairman, or someone appointed by him/her, shall be responsible for presenting each individual agenda to a meeting.

6. Decisions

A decision by the Committee requires the majority of the votes cast by the members attending the meeting (in person, via video, telephone conference or in writing as determined by the Chairman in accordance with Section 5 above).

The Chairman shall not have a casting vote.

7. Minutes

Minutes of meetings shall be recorded (by the Secretary of the Committee).

As a minimum, the minutes shall specify the date, time and place, the participants, a summary of the issues discussed and the resolutions.

The minutes shall also specify whether a decision was unanimous or who voted for and against the proposal, and those who vote against a proposal are entitled to have their comments recorded in the minutes.

The minutes shall be prepared in English and sent to the Committee for approval as soon as possible after the meeting took place.

The minutes shall be signed by the Chairman and the Secretary.

8. Issues to be dealt with by the Committee

The Committee shall be responsible for making recommendations to the Board on the following matters: -

- i. the Committee shall make recommendations on qualified candidates for election as directors of the Company and all subsidiaries. The appointment of Board members in all subsidiaries shall be approved by dtac's Board at majority votes upon recommendation by Nomination Committee;
- ii. the Committee shall make recommendations on qualified candidates for election as Chief Executive Officer and Chief Financial Officer of the Company and its subsidiaries;
- iii. the Committee shall review the structure, size and composition of the Board taking into account the current requirements and future development of the Company, and make recommendations to the Board with regard to any adjustments as deemed necessary. The composition of the Board should ensure that the Board can attend to the interests of all shareholders and meets the Company's need for expertise, capacity and diversity;
- iv. the Committee should pay attention to the Board self-assessment evaluation and recommends any improvement as it deems necessary;
- v. the Committee shall monitor that steps be taken to ensure that shareholders have the opportunity to propose candidates for the Board;
- vi. the Committee shall, when assessing candidates, always take into consideration if the candidates have the necessary experience, qualifications and capacity;
- vii. the Committee shall consider if a rotation of the members of the Board is necessary;
- viii. the Committee must be able to justify its recommendations and thus any dissenting votes must be stated in the recommendation;
- ix. the Committee shall ensure the Company's compliance with relevant laws and regulations regarding nomination and qualifications of directors;
- x. the Committee shall satisfy itself with regard to succession planning for the Board and key management appointments;
- xi. the Committee shall ensure appropriate disclosure of information on its activities; and
- xii. the Committee shall carry out an evaluation once a year of its work, functions, performance. The Chairman is responsible for the execution of the evaluation.

9. Division of work between the Board and the Committee

The Committee shall adhere to the guidelines and instructions provided by the Board, including these Rules.

The Committee shall ensure that these Rules are in accordance with applicable laws, rules and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand, and where necessary, makes proposal for changes to the Board from time to time.

At least once a year or as often as the Board deems it necessary, the Committee shall, either in writing or in a meeting, report to the Board on its work, functions and performance, as well as any other matters as determined by the Board.

10. Disqualification

Members are not permitted to take part in the decision making process if they have interest on the matter or if the candidates are closely related to them such that they must be regarded as having a distinct personal or financial interest in the issue.

11. Confidentiality

All information and documentation received by the Committee shall be treated as confidential.

All members are responsible for ensuring that any material received is properly protected and remains confidential.

If any information shall be provided to third parties, this shall be provided by the Chairman of the Board or the Chairman of the Committee if so agreed with the Chairman of the Board.

The confidentiality obligation shall continue to apply after the member ceases to be a member of the Committee.

Rules Of Procedure For The Governance Committee

of Total Access Communication Public Company Limited

*(as adopted by the Board of Directors
on 19 October 2012)*

Revision track	Adopted by the Board of Directors
Revision 1: added Clause 8 (X) (review the dtac Group Authority Matrix – BoD Level)	15 July 2020 (BoD No. 7/2020)
Revision 2: added Clause 8 (XI) (review the Governing Documents prior to submit to the Board approval)	16 October 2020 (BoD No. 9/2020)

1. Purpose

The Board of Directors (the “**Board**”) of Total Access Communication Public Company Limited (the “**Company**”) has adopted these rules of procedure (the “**Rules**”) to be used as (a) the working procedures of the Governance Committee of the Company (the “**Committee**”), (b) the general instructions regarding the allocation of work between the Board and the Committee and (c) the general guidelines on the scope of duties and responsibilities of the Committee.

In addition to these Rules, the Committee shall observe and comply with any additional requirements as may be instructed by the Board from time to time and any applicable laws and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand.

2. Composition, election and retirement

The Committee shall comprise at least (3) three members, the majority of whom, including the Chairman, shall be independent directors.

Members of the Committee are elected by the Board.

Members of the Company’s management are not eligible for election.

A member shall cease to be a member of the Committee upon such member’s retirement, resignation or dismissal from the Board.

If any member wishes to resign from the Committee, he/she shall give a notice to the Board at least one month in advance.

3. Notice of meetings

By November each year, the Secretary of the Committee shall, after consultation with the Chairman of the Committee (the “**Chairman**”), provide a proposal for a meeting plan including the main items on the agenda for the meetings for the next calendar year.

A meeting of the Committee shall be called by the Chairman, or someone appointed by him/her.

If a member is unable to attend a meeting, he/she shall inform the Chairman or the Secretary of the Committee without delay.

A meeting shall be called with a minimum of seven (7) day’s prior written notice, or shorter if the Chairman deems it appropriate.

4. Prior processing

The Chairman and the Secretary shall be responsible for preparing necessary documents for consideration by the Committee.

The documents shall contain sufficient information to provide members with an adequate basis to deliberate, and reach a decision on, the issue in question.

5. Meetings

A majority of the members of the Committee attending the meeting in person shall constitute a quorum.

However, if the Chairman finds that a meeting can be adequately deliberated without a physical meeting, and this is within the limits of applicable law, he/she can decide that attendance may take place via video or telephone conference, or that the issues can be submitted in writing or be dealt with in another manner.

The Chairman, or someone appointed by him/her, shall be responsible for presenting each individual agenda to a meeting.

6. Decisions

A decision by the Committee requires the majority of the votes cast by the members attending the meeting (in person, via video, telephone conference or in writing as determined by the Chairman in accordance with Section 5 above).

The Chairman shall not have a casting vote.

7. Minutes

Minutes of meetings shall be recorded (by the Secretary of the Committee).

As a minimum, the minutes shall specify the date, time and place, the participants, a summary of the issues discussed and the resolutions.

The minutes shall also specify whether a decision was unanimous or who voted for and against the proposal, and those who vote against a proposal are entitled to have their comments recorded in the minutes.

The minutes shall be prepared in English and sent to the Committee for approval as soon as possible after the meeting took place.

The minutes shall be signed by the Chairman and the Secretary.

8. Issues to be dealt with by the Committee

The Committee shall be responsible for making recommendations to the Board on the following matters: -

- i. the Committee shall oversee that the Company adheres to generally accepted principles for governance and effective control of the Company's activities ("**corporate governance**") and maintain a corporate culture that encourages good corporate governance practices;
- ii. the Committee shall establish and maintain an appropriate corporate governance policy and procedures;
- iii. the Committee shall ensure the implementation of the governing documents as adopted by the Board and the policy and procedures to secure adequate corporate governance in the Company and in all subsidiaries controlled directly and indirectly by the Company (the "**Governing Documents**");
- iv. the Committee shall ensure that the CEO at least annually perform an assessment of the implementation of the Governing Documents and the level of compliance, and report to the Board;
- v. the Committee shall review and report to the Board on material matters, findings and recommendations pertaining to corporate governance;
- vi. the Committee must be able to justify its recommendations and thus any dissenting votes must be stated in the recommendation;
- vii. the Committee shall ensure the Company's compliance with relevant laws and regulations regarding good corporate governance;
- viii. the Committee shall ensure appropriate disclosure of information on its activities and the Company's corporate governance practices; and
- ix. the Committee shall carry out an evaluation once a year of its work, functions, performance. The Chairman is responsible for the execution of the evaluation.
- x. the Committee shall review the dtac Group Authority Matrix – BoD Level (CAI) and its subsequent amendment to ensure it is compliant with corporate law, SEC regulations, the Company governing principles and other relevant laws and regulations and make a recommendation to the Board prior to the matter being sent to the Board for consideration and approval.
- xi. the Committee shall review the Governing Documents and make the recommendations to the Board, focusing primarily on the governance aspects, before proposing such Governing Documents to the Board for consideration and approval.

9. Division of work between the Board and the Committee

The Committee shall adhere to the guidelines and instructions provided by the Board, including these Rules.

The Committee shall ensure that these Rules are in accordance with applicable laws, rules and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand, and where necessary, makes proposal for changes to the Board from time to time.

At least once a year or as often as the Board deems it necessary, the Committee shall, either in writing or in a meeting, report to the Board on its work, functions and performance, as well as any other matters as determined by the Board.

10. Disqualification

Members are not permitted to take part in the decision making process if they or any related parties have interest on the matter .

11. Confidentiality

All information and documentation received by the Committee shall be treated as confidential.

All members are responsible for ensuring that any material received is properly protected and remains confidential.

If any information shall be provided to third parties, this shall be provided by the Chairman of the Board or the Chairman of the Committee if so agreed with the Chairman of the Board.

The confidentiality obligation shall continue to apply after the member ceases to be a member of the Committee.

dtac

Code of Conduct

*Approved by the Board of Directors
on August 27, 2020*

1. Message from the CEO

Our Code – the foundation we stand on when empowering societies

Connecting you to what matters most. Empowering societies.

This is dtac's purpose. Building upon more than 30 years of experience within telecommunications and a history of both successes and mistakes, we've evolved our practices and our culture to run an ever more sustainable and responsible business. Striving to raise standards wherever we operate isn't something we do to be nice or to satisfy stakeholders – we do it because we believe it is right, and because we know it is good business.

Always Explore, Create Together, Keep Promises, Be Respectful.

Our behaviours summarize what the dtac culture is and what we want it to be. They are both aspirational and descriptive, because our everyday business is a balancing act. We need to explore, innovate and find new solutions, but we also need to deliver with precision, efficiency and reliability. Delivering on both aspects is the key challenge – and the key to continued success – for dtac today.

Our Code of Conduct – a baseline and foundation.

The Code is also about how we do things in dtac. But where our behaviours outline attitudes we strive for, the Code is prescriptive – it's what we expect and require from each and every one of us, regardless of our designation, role or location. Our Code guides us through day-to-day dilemmas. It is the basis for how we behave as guardians of dtac's integrity.

The four Code Principles are designed to set clear expectations regarding our business conduct and to help us deal with challenges we may face in the course of our work. The Code provides clear rules and guidance, with further reference to relevant policy areas. But it cannot cover all possible events; it is a tool to help us make the right decision.

My expectation to you is simple: keep coming back to these reflections regularly and take time to go through the dilemmas you may face. We are all required to renew our commitment to the Code every year, and with continuous reflection, we can all succeed in being true guardians of our company's integrity.

Sharad Mehrotra

2. Why we have a Code of Conduct

Being a high-performing company is not only about performance, goals and achievement. It is also about how we behave towards each other and the world around us. We want to be a trusted partner – to our customers, shareholders and colleagues, and to our Business Partners and the communities where we operate. Our business depends on this trust and we are committed to conducting our business in a responsible, ethical and lawful manner. The Code of Conduct is the foundation of our corporate culture and sets out high standards of integrity on **how we do business. Everyone in dtac must follow these standards.** We make decisions every day that can influence our reputation. An uninformed decision, even made with best intentions, can damage our reputation.

The Code Principles set out the core requirements for our conduct in dtac. The Code Sections include specific requirements and guidance for critical risk areas. The Code of Conduct helps us all make informed decisions and explains where to go for more information and guidance.

3. Code Principles

The Code Principles form the foundation of our ethical culture and define the core of our business conduct.

We play by the rules

We follow laws, regulations and our policies and, if in conflict, we uphold the highest standard

We are accountable for our actions

We actively seek information, understand our responsibilities, and recognize our wider impact on the societies in which we operate

We are transparent and honest

We are open and truthful about our challenges

We speak up

We ask questions when in doubt and raise concerns without concern of retaliation

4. Who has to follow the Code

The Code of Conduct applies to all employees and everyone acting on behalf of dtac, including the Board of Directors. We expect our vendors, suppliers, contractors and other Business Partners to commit and uphold the same high ethical standards that we follow ourselves.

5. How to use the Code

The four Code Principles and specific requirements contained in the Code Sections form our basic obligations. Additional requirements in our Policies and Manuals must also be understood and followed. At the end of each Section of the Code you will find links to applicable Policies and Manuals as well as links to available guidelines, practical tools, training materials and other helpful resources.

The Code sets clear requirements to manage our day-to-day operations and to guide us when we are confronted with challenges and ethical dilemmas. You may always contact your line manager or the Compliance Function when you have questions or concerns. You may also seek advice using the Integrity Hotline, anonymously if you would like.

The Code cannot cover every dilemma or situation we will face in our business. There will continue to be business challenges and uncertain legal and regulatory developments. In such cases, we are not relieved from the obligation to uphold the highest ethical standard, but we should seek guidance to help us make the right decision. Further to setting out our own ethical standards, the Code Principles require us to comply with applicable laws and regulations. You should always familiarize yourself with the laws where you operate and seek guidance from the Legal Function if you have questions.

6. What is expected from us as employee

As an employee of dtac, you are expected to:

- always act with high integrity
- read, understand and follow the Code, Policies and Manuals
- raise issues of concern as described under the section “How to Speak Up”
- seek to attend training in a timely manner
- know when and how to seek further guidance
- cooperate fully and transparently in all compliance investigations
- avoid any practices that may be unlawful, unethical or harm dtac’s reputation.

7. What is expected from our leaders

Leaders in dtac are not only expected to follow the requirements above, but are also expected to:

- live the “Tone from the Top” and communicate regularly on the importance of compliance
- identify and anticipate business compliance risk areas that affect your teams’ operations
- proactively identify actions that will mitigate compliance risks
- ensure that teams are sufficiently trained and prepared to deal with relevant dilemmas and provide guidance where necessary
- foster an environment of open reporting to ensure that all team members are comfortable raising concerns without concern of retaliation
- use high standards of integrity as a criterion in recruitment and promotion processes
- take an active part in the compliance process and governance in dtac.

CODE SECTIONS

8. Anti-Corruption

dtac has zero tolerance for corruption.

What we need to know

- dtac does not tolerate bribery or improper payments or advantages of any kind
- We are committed to conducting our business in an open and transparent manner
- Bribery is illegal and exposes those involved and dtac to reputational and legal risk
- Bribery may take many forms including facilitation payments, kick-back schemes and the use of shell companies or hidden owners
- Public Officials are often subject to strict anti-corruption rules and so should be treated with extra caution
- Corruption in our supply chain may create significant risk for dtac even if we are not directly involved
- Gifts and hospitality may be considered bribery or providing an improper advantage in certain situations
- Even charitable donations or sponsorships can be seen as bribes if undertaken to secure a commercial advantage.

What is expected of us

- We never engage in bribery or trading in influence
- We never offer or accept an improper payment or advantage
- We never request someone else to engage in conduct that we are not allowed to engage in ourselves
- We carefully select our Business Partners and monitor their commitment to ethical and lawful conduct
- We maintain our books and records to accurately and fairly reflect our business
- We exercise appropriate caution when interacting with Public Officials
- We assess the risks we may encounter and seek appropriate training and guidance to effectively manage them

What to look out for

- We become aware of unusual or inflated payment terms that appear to have no clear business purpose
- We suspect that a Business Partner is not complying with dtac's standards for business conduct
- We become aware that a supplier is interacting with Public Officials to secure a license or permit on our behalf
- Requests are made to donate to charities or sponsor organizations that may be affiliated with a Public Official
- We are offered or requested to provide gifts, travel, donations or lavish entertainment or to make cash payments for any reason.

9. Business Partners

We expect our Business Partners to meet our standards and respect our values.

What we need to know

- The actions of our Business Partners can damage our reputation and expose us legally
- Business Partners include individuals and entities such as suppliers, agents, distributors, franchisees, and joint venture partners, as well as sponsorship and donation recipients.

What is expected of us

- We aim to work with Business Partners that demonstrate standards of responsible business conduct and ethical values consistent with our own
- We exercise caution when selecting Business Partners, following dtac's risk-screening and sourcing procedures
- We expect our Business Partners to abide by all applicable laws and expect them to meet dtac's standards for responsible business conduct
- We expect our Business Partners to take responsibility to protect and manage the risks while designing, delivering and operating our assets
- We carefully evaluate business opportunities in countries that are subject to economic sanctions or trade embargoes
- We comply with applicable trade controls including sanctions regimes and import-export requirements
- We monitor and support our Business Partners to conduct their activities in accordance with dtac's standards for responsible business conduct
- We treat all Business Partners with respect and in a fair and transparent manner.

What to look out for

- We encounter a Business Partner which will not fully commit to following our standards including, where applicable, dtac's Supplier Conduct Principles
- We seek to engage a Business Partner who will operate as a lobbyist, agent or other party which will act on behalf of dtac
- We become aware that a Business Partner conducts business in a way that could reflect negatively on dtac
- Any Business Partner that has not been properly screened according to dtac's requirements
- We become aware of other behaviour or circumstances that make us question the conduct or ethics of a Business Partner.

10. Competition

We compete fairly.

What we need to know

- Fair competition is important to society and creates long lasting business opportunities for dtac, both domestically and abroad
- Creating or benefiting from an unfair advantage will harm our reputation with our customers, Business Partners and the public
- Anti-competitive agreements or practices are not only against our principles, they are against the law.

What is expected of us

- We make our own pricing and business strategy and compete on the merits of our offerings
- We limit communications with our actual or potential competitors and do not share commercially sensitive information
- We do not, formally or informally, enter into agreements or practices with actual or potential competitors to share markets, fix prices or limit input or sales
- We obtain approval according to our internal requirements before joining a Trade Association or Industry Forum

- We remove ourselves immediately from the discussion and report the conversation to our Legal Function and/or integrity hotline should a conversation with an actual or potential competitor turn to an inappropriate, anti-competitive subject
- We have an obligation to promptly report suspected violations of competition laws to the Legal Function.

What to look out for

- We are approached by actual or potential competitors, customers or Business Partners with information about their pricing, strategies, business tactics or similar
- We suspect formal or informal agreements exist, or otherwise are to be entered into, that limit our actual or potential competitors' access to customers or related markets
- We plan to attend informal or social meetings with actual or potential competitors
- We plan to interact with actual or potential competitors where there are indications that the objective is to exchange competitive sensitive information
- We plan to establish pricing strategies or other market strategies that could be viewed as abuse of dominant position, for instance: below cost, margin squeeze or refusing to enter into agreements with customer.

11. Confidentiality and Information Handling

We treat information as a valuable asset.

What we need to know

- As employees of the company, we sometimes come into possession of valuable information regarding dtac, customers or Business Partners
- Most information is digital and can easily be accessed, modified, shared and replicated
- Records are information with high corporate value. They are important to dtac and must be identified and protected
- Confidentiality is critical for dtac's reputation, for protecting dtac's interests in competitive and regulatory processes, and for securing the integrity of our assets.

What is expected of us

- We only share confidential information when we are formally authorized to do so and there is a legitimate reason for doing so
- We ensure that all information from dtac is reliable and correct, and complies with high professional and ethical standards
- We treat information from third parties with the same level of confidentiality and care as our own information
- We promote a knowledge-sharing culture, but take precautions when processing confidential and inside information
- We do not discuss sensitive topics in public places
- We classify and handle information and store records in accordance with dtac's Policies
- We stay updated about how we can protect confidential information from unauthorized access.

What to look out for

- We overhear a dtac's employee speaking about non-public information in public
- A Business Partner requests us to sign a confidentiality or non-disclosure agreement
- You are handling information that are company records which should be protected
- Someone attempts to engage us in discussions that lead into details of dtac's business
- ou receive an email classified as Confidential.

12. Conflict of Interest

We always act in dtac's best interests.

What we need to know

- A conflict of interest exists when our personal interest conflicts, or could be perceived to conflict, with dtac's interests
- Personal interests include our financial interests, business opportunities, outside employment or the interests of people close to us, such as close family members, personal friends or business associates
- Even the perception that we may not be acting in dtac's best interests can call into question our integrity and adversely affect our reputation
- All decisions that are made on behalf of dtac must be based on an objective and fair assessment of the company's interest without being impacted by our personal interest
- Openness and transparency are essential to manage actual, potential, or perceived conflicts of interest
- A conflict of interest can still exist even if the company benefits in some way.

What is expected of us

- We avoid conflict of interest and other situations which could impact our judgment
- We recuse ourselves from situations and decisions where we have a potential or perceived conflict of interest
- We promptly disclose actual, potential, and perceived conflicts of interest to our manager
- We work with our manager to resolve conflicts of interest and document our decisions and actions
- We always involve the Compliance Function if a conflict of interest cannot be avoided
- We do not hold external duties or positions that could affect, or be perceived to affect, our responsibility to act in dtac's best interests
- We obtain written approval from our manager before accepting external directorships or other material assignments, and we keep records in accordance with company procedures.

What to look out for

- We have a financial or other interest in an existing or potential Business Partner of dtac
- We hold outside employment or positions which could interfere with our ability to perform our duties for the company
- We are recruiting, hiring, or directly supervising a family member, friend, or individual with whom we have a close personal relationship
- We are offered anything of value in our personal capacity from existing or potential Business Partners including gifts, discounts or other benefits
- A Business Partner of dtac is or will provide services to us in our private capacity.

13. Climate & Environment

We are committed to protecting the environment and contributing to the prevention of climate change.

What we need to know

- We comply with local laws and internationally recognized environmental standards
- We are committed to minimizing our use of resources including energy, water and raw materials.

What is expected of us

- We seek to make reasonable efforts to minimize greenhouse gas emissions from our operations

- We consider climate and environmental impact when purchasing products and services, and evaluate our suppliers on responsible business criteria
- We support sustainable waste management including making reasonable efforts to minimize our waste
- We are transparent and report on how our activities impact the climate and environment
- We report incidents we see which are harming climate and environment.

What to look out for

- We become aware of dtac's operations and suppliers that fail to meet our climate & environmental standards
- We become aware that applicable environmental regulations or company guidelines are breached
- We are unsure if dtac has relevant environmental permits and licenses.

14. Financial Integrity and Fraud

We maintain accurate financial records and comply with all disclosure standards.

What we need to know

- Financial integrity is key to maintaining the trust of our shareholders, customers, Business Partners and employees
- Meeting International Financial Reporting Standards is not only required, it enables us to best manage our business.

What is expected of us

- We follow dtac's Accounting Principles (TAP) and abide by internal controls implemented by dtac
- We register all transactions correctly in accordance with legal obligations and good accounting practices
- We report accurately, reliably, transparently, consistently and in a timely manner
- We ensure that expenses are reasonable and recorded properly when we spend the company's money
- We make decisions in accordance with applicable dtac Authority Matrix and ensure segregation of duties where applicable
- We verify facts and completeness of information and underlying business rationale before approving a transaction or signing a document
- We do not create fraudulent records, falsify documents or otherwise misrepresent facts, transactions or financial data.

What to look out for

- We see financial or accounting irregularities
- We become aware that a colleague or Business Partner has falsified any documentation
- We are unsure if we have recorded a transaction correctly
- We become concerned that any employee is misreporting financial information, including sales results or forecasts
- We become concerned that dtac's resources are not being spent or recorded as consistent with our policies.

15. Gifts, Hospitality and Travel

We cover our own expenses and use good judgment when offering business courtesies.

What we need to know

- Business courtesies such as gifts, hospitality and travel may create a conflict of interest or be considered bribery in certain circumstances
- Gifts are something given without the expectation of anything in return, including goodwill
- Hospitality takes many forms, including meals and beverages, seminars, receptions, social events and entertainment
- Travel would include the costs of transportation including taxis, busses, trains, flights, accommodation and hotels, and other incidental travel costs
- Business Partners, including Public Officials, may need to comply with strict rules on what they may give or receive.

What is expected of us

- We never offer or accept business courtesies which could, or could be perceived to, improperly influence a business decision
- We never offer or accept cash or cash equivalents, or expensive and extravagant gifts
- We do not offer or accept gifts except promotional items, of minimal value, and only when it would be customary to do so
- We may offer or accept hospitality when the business purpose is clear and legitimate, the costs are reasonable, and the context is open and transparent, but we prefer to cover our own costs
- We always pay our own costs for travel, accommodation and related expenses. Likewise, we do not pay for travel, accommodation and related expenses for others
- We do not allow business courtesies to be extended to family or close friends
- We always discuss offering or accepting business courtesies with our immediate supervisor
- We seek exceptions only in special circumstances subject to a review by the Compliance Function and prior written approval by the Business Unit CEO.

What to look out for

- Business courtesies are offered during sensitive situations such as ongoing negotiations or procurement processes
- We are considering sponsorships, donations or social investments
- We become aware of business courtesies that are not offered or accepted in an open and transparent manner
- We believe that offering or accepting business courtesies could lead others to question our independence, objectivity or integrity
- We become aware of repeated offers to or from the same or a related Business Partner.

16. Health, Safety and People Security (HS&S)

We provide a safe and secure workplace for all employees and our suppliers.

What we need to know

- We all have a responsibility to provide a safe, healthy and secure working environment for our employees, suppliers and visitors

- We recognize a shared responsibility to encourage a healthy work culture that promotes the wellbeing of our employees
- We promote a culture of HS&S and comply with international and local HS&S standards, and align our behavior with the highest standards within this area
- We adhere to internationally recognized guidelines for electromagnetic fields when planning and running our network operations.

What is expected of us

- We are conscious of our work environment, act responsibly and are accountable for our own actions and use “Right to Stop” authority when we observe any hazardous activity
- We make ourselves aware of potential risks in our workplace and continuously work to minimize HS&S risks
- We adhere to HS&S legislation and our own HS&S policies and requirements
- We ensure that incidents and near misses are reported regardless of their severity
- We focus on continuous improvement and actions to remedy hazardous situations.

What to look out for

- Unsafe acts and conditions that might put ourselves, our colleagues and suppliers at HS&S risk
- Situations that may become dangerous or have a potential of HS&S risk
- We see signs of elevated stress, inappropriate behavior or poor wellbeing of our co-workers and suppliers
- We have any concerns for the HS&S of any employee or supplier
- We believe that our policies and requirements are not followed or do not meet HS&S legislation.

17. Human Rights and Labour Rights

We respect human rights and labour rights.

What we need to know

- We are all entitled to human rights without discrimination as set out in international conventions and local laws
- Respect for human rights is integral to dtac’s business and how we operate. Labour Rights are a vital part of human rights and grant every employee and everyone working with dtac the right to e.g. fair pay, benefits and freedom of association
- We work proactively to respect and support children’s rights.

What is expected of us

- We respect the human rights and labour rights of our colleagues, the employees of our Business Partners, our customers and the people in the countries where we operate
- We respect these rights by not violating the rights of others, nor being complicit in violations by others
- We do business in a fair and non-discriminating way where respecting human rights is an integral part of our relations with Business Partners and other stakeholders
- We seek to make a positive impact on societal challenges related to individual human rights including child rights in our business
- We avoid doing business with Business Partners that are known for violating human rights laws
- We do not retaliate against anyone who makes a good faith report of violations of human rights or labour rights laws related to our operations.

What to look out for

- We experience, witness or become aware of any violation of human rights of our colleagues, employees of Business Partners or people.
- We, or one of our colleagues, are prevented from joining legitimate employee engagement forums, e.g. labour unions
- Anyone, including Public Officials, asks for personal data on dtac's employees, customers or Business Partners without the right authorization and without following due process
- We become concerned that any existing or prospective Business Partner may be violating human rights or labour rights
- A contract we are negotiating has such a low price or short delivery period that it will lead to low wages or excessive working hours for supplier employees.

18. Insider Trading

We do not share or act on insider information.

What we need to know

- Inside information is any non-public information that would impact the stock price of a company if it was known to the investors, such as financial results not yet disclosed publicly, potential mergers and acquisitions, senior management changes and significant legal matters.
- Trading on inside information violates our ethical standards and is a personal criminal violation under any jurisdiction's laws, and may lead to severe consequences for you personally and for dtac as a company
- Sharing inside information with others who then trade on that information is considered tipping and is a violation of both our governing documents and the law.

What is expected of us

- We do not trade, engage in tipping or suggest that others should trade in any securities when in possession of inside information about dtac or any other company
- We treat all inside information that is not generally available to the investing public as proprietary and confidential
- We do not discuss sensitive topics in public places.

What to look out for

- We become aware of a business or legal issue that may have positive or negative consequences for the price of dtac's stock or that of a customer or Business Partner
- Someone suggests that we buy or sell a security based on material non-public information
- You are notified that you are on an insider list
- You are part of a Merger & Acquisition or key strategic project
- Your company is publicly listed (stock exchange).

19. Money Laundering

dtac is firmly opposed to all forms of money laundering.

What we need to know

- dtac seeks to engage Business Partners involved in legitimate business activities with funds derived from lawful sources
- Money laundering is the process of hiding or disguising the proceeds of a crime
- The proceeds of a crime can be anything of value including money, goods, assets and real estate
- Money laundering may take many forms and can occur in all kinds of deals and transactions, including banking, investments, invoicing, property and real estate
- Trusts and shell companies may disguise the true owners of money and increase the risk of money laundering
- Money laundering also includes the use of legitimate funds to support criminal activity or terrorism.

What is expected of us

- We avoid money laundering by screening and monitoring our Business Partners in accordance with dtac's procedures
- We question unusual payments or banking arrangements and report unusual requests
- We always consult the Legal and/or Tax Function if we are in doubt about the origin or destination of money and property
- We promptly report suspicious transactions or incidents of money laundering
- We refuse to make payments that could support terror-financing or similar activities
- We are attentive to potential under or over-valuing of invoices or assets.

What to look out for

- Payments are performed by or through someone who is not a party to the contract
- Payments are requested or performed in a different manner than what is agreed to in the contract
- Payments received in cash that are not customarily paid in this way
- Payments come from offshore bank accounts
- Payments come from unusual accounts not typically used by the party in question.

20. Privacy

We earn trust by protecting personal data.

What we need to know

- We hold significant personal data on all of our customers and employees and we have an obligation to protect it and only use it for legitimate business purposes
- Personal data includes employee, customer and Business Partner information such as phone numbers, e-mails, addresses, locations, call and payment history, salaries and health information
- All personal data is to be considered confidential
- Responsible use of personal data is instrumental in maintaining our customers' trust.

What is expected of us

- We do not share personal data with anyone who does not have a specific business purpose, unless sharing the data has been authorized or is legally required
- We only access personal data for a specific business purpose, and we do not look up data about someone we know

- We are open and honest with our customers and employees about how we use their data
- We ensure that data is processed with proper access control, security and data protection
- We are aware of our responsibilities related to privacy when we lead projects or initiatives that involve personal data processing
- We follow established privacy procedures and processes.

What to look out for

- We become aware of unauthorized access to personal data, including sharing of data with third parties without appropriate privacy safeguards in place
- We realize that we are collecting data about our employees or customers which they would not reasonably expect us to collect or use in this way
- We become aware that the personal data of our employees or customers is being used in a way that may be considered intrusive
- A government official requests information about an employee or a customer, including business records without following proper procedure
- We observe anything that leads us to believe that any personal data has been or may be compromised.

21. News and Social Media

We always act responsibly in our external communications.

What we need to know

- dtac's employees are encouraged to share non-confidential news, milestones, achievements related to dtac on their social media account(s)
- However, only mandated individuals are allowed to speak on behalf of dtac, including on social media or other digital platforms
- dtac does not take political positions or associate with political movements, though we may participate in public debates which are of importance to our strategy and business performance
- dtac does not support political parties, neither in the form of direct financial support nor paid time.

What is expected of us

- We do not engage in external discussions, including on social media, on behalf of dtac unless we have been previously authorized to do so
- We do not discuss sensitive or confidential information that we have learned from our employment in public or social media
- We use social media to reflect our personal views and not those of the company
- We are mindful that social media posts can spread rapidly and are difficult to retract, and so exercise caution before we post
- We refer external questions about dtac from journalists/media to the Communication Function and appropriate spokes persons
- We may participate in political activity provided it is lawful, conducted on our own time, with our own resources, and not linked to our employment in dtac.

What to look out for

- We become aware of public discussions on blogs or social media with a potential reputational risk to dtac
- When we plan to speak at external events or other forums where we represent dtac
- We are concerned that our communications with outside sources could reflect negatively on the company
- We promote our company and receive backlash from an external audience on social media.

22. Public Officials

We follow high ethical standards when interacting with Public Officials.

What we need to know

- Public Officials execute governance functions that are vital to the societies in which we operate and our license to operate there
- dtac interacts with Public Officials at various levels and for many different purposes
- Information shared with Public Officials may become public due to laws regulating public access to government held information
- Public Officials include all individuals employed by or acting on behalf of a government including anyone holding a legislative, administrative, executive or military office.

What is expected of us

- We do not engage in conduct which could, or could be perceived to, improperly influence a Public Official
- We always provide truthful and accurate information to Public Officials
- We exercise appropriate caution toward Public Officials when dtac is engaging in a commercial or approval process
- We are always compliant with local laws or rules that apply to Public Officials, including those on business courtesies
- We understand that individuals employed by state-owned companies may be considered Public Officials
- We do not offer gifts to Public Officials except promotional items of minimal value, and only when it would be customary to do so
- We do not pay travel, accommodation or related expenses for Public Officials
- We offer only modest hospitality to Public Officials when there is a clear and legitimate business purpose, the costs are reasonable, and the context is open and transparent
- We always discuss offering business courtesies to Public Officials with our manager and seek guidance from the Compliance Function as needed
- We do not make facilitation payments to Public Officials and we report requests for such payments to the Compliance Function
- We only use lobbyists to advocate on our behalf in special circumstances with full transparency and with prior written approval by the Business Unit CEO
- We do not engage in external discussions with Public Officials on behalf of dtac unless we have been previously authorized to do so
- We seek exceptions only in special circumstances subject to a review by the Compliance Function and prior written approval by the Business Unit CEO.

What to look out for

- A Business Partner directly or indirectly interacts with Public Officials on our behalf
- A Public Official asks for the personal data of dtac's employees, customers or any other individual
- A Public Official requests dtac to send information or messages to our subscribers
- A Public Official owns, manages or is affiliated with a Business Partner
- A Public Official, or a close family member or business associate of the Public Official, applies for a position within dtac.

23. Safeguarding our Assets

Risk-based security is embedded in everything we do.

What we need to know

- Company assets are everything that our company owns or uses to conduct business including equipment, facilities, systems and information
- Protecting company assets is a core responsibility for all of us
- Intellectual property such as trademarks, copyrighted works, inventions, trade secrets and know-how, are often valuable and may be important to dtac's success in the market
- Security threats can affect our assets and have significant financial, operational and reputational impact.

What is expected of us

- We always assess the security risks and follow security policies and requirements when we perform business decisions
- We report any security incidents immediately and in accordance with local procedures, laws and regulations
- We protect company assets as if they were our own, and protect them from loss, damage, theft, waste and improper use
- We limit employee and third-party access to company assets to what is necessary to accomplish assigned work
- We always follow proper protocols for granting access and do not share our access credentials, including PIN codes and passwords
- We only use dtac's approved systems for information sharing and storage
- We protect dtac's intellectual property as appropriate and respect the intellectual property rights of others
- We educate ourselves through internal courses to understand more about cyber security risks and how to counter them.

What to look out for

- We observe people on our premises or trying to enter our premises without authorisation or properly displayed credentials
- Our cell phone, laptop or computer is lost, stolen or suddenly behaves differently
- We receive emails or messages that are suspicious or may be designed to infect our infrastructure or trick us to disclose information or transfer money
- We detect vulnerabilities in our systems, processes or facilities or otherwise not properly protected
- Our systems are abused for fraudulent or other malicious purposes.

24. Workplace Environment

We treat each other with respect and dignity.

What we need to know

- All employees deserve a workplace environment that is free from harassment, intimidation, discrimination or threats of violence for any reason, including actions based on gender, sexual orientation or identity, race, disability, national origin, religious beliefs or citizenship
- We view employee diversity as a competitive advantage, as it broadens our perspectives and allows us to better understand our customers' needs
- dtac does its utmost to actively promote equality in all employment practices
- We foster a working environment where people are treated honestly and professionally and are valued for their unique ideas and differences.

What is expected of us

- We show respect for our coworkers and treat them as we would like to be treated ourselves
- We do not retaliate against any employee, Business Partner or customer for raising a good faith concern
- We do not engage in conversations or send communications of any kind that contain offensive name-calling, jokes, slurs, stereotyping or threats, nor do we display or share offensive pictures, cartoons, drawings or gestures
- We actively listen to different points of view and consider those perspectives exclusively on the merits of those thoughts
- We confront any incidents of harassment or inappropriate behavior and proactively protect our work environment
- We do not use alcohol or illegal drugs in the workplace, or abuse prescription medication, and we never purchase sexual services on business trips or other assignments including long-term expatriation.

What to look out for

- We experience, witness or hear of any form of bullying, mocking, or harassment of any kind
- We experience or become aware of incidents of harassment, sexual harassment or racism of any kind and involving anyone
- Our managers and supervisors are repeatedly identifying one colleague or a specific dtac of colleagues for criticism or special treatment based on characteristics unrelated to their work
- We suspect that certain colleagues are not receiving fair consideration for promotions or project assignments
- We are concerned that certain individuals or groups of colleagues are being excluded from participating in discussions.

25. How to Speak Up

One of the Code Principles is that we “speak up.” We ask our managers and the Compliance Function when we have questions about whether activities are ethical or compliant with our Code, and we always challenge and report activities that we believe may breach our Code or applicable law. Through reporting we enable dtac to keep its promise to operate legally and ethically and we help the company to protect its good reputation. It is a responsibility that we share as dtac’s employees.

It sometimes takes courage to come forward and share your concerns. If you are not comfortable discussing or reporting an issue to your manager or the Compliance Function, you may use the Integrity Hotline which is available to all employees, Business Partners and stakeholders. The Integrity Hotline is designed to protect the privacy of individuals who report a concern, and individuals who are the subject of a reported concern, through a reporting channel that is operated by an independent company. All reports are treated as confidential and a very restricted number of people are allowed access to them. The channel is always open and is available in most local languages. **You may choose to remain anonymous.** Your identity is kept confidential unless you agree otherwise.

All reported concerns are taken seriously and given fair and objective follow-up. The reports are first received and reviewed by dtac’s Investigation Department. In cases which present serious allegations or concerns the Investigation Department will undertake an independent investigation to clarify relevant facts. Other cases are transferred to the Business Unit and managed by an appointed independent function. All functions are required to maintain information in the strictest confidence in order to ensure the integrity of the process.

An important part of our compliance program is taking effective corrective action and, where appropriate, employee discipline. In all cases, the Compliance Function supports management in resolving the investigated concerns to determine whether disciplinary or corrective actions are required. Anyone who violates the law, the Code, or a dtac’s Policy or Manual may be subject to disciplinary action, up to and including termination of employment. Such violations may damage dtac’s reputation and result in commercial loss, and violations of the law may expose dtac, and even the individual violator, to fines, penalties, damages and, in some cases, imprisonment.

It is important to remember that we can all report suspected unethical or illegal behaviour without fear of retaliation. dtac does not tolerate retaliation of any kind against those who speak up in good faith.

Attachment 6

Audit Committee Report and other Subcommittees' Reports

Audit Committee Report

Dear Shareholders of Total Access Communication Public Company Limited,

The Company's Audit Committee comprises 3 independent directors who have knowledge and experience in finance, accounting, law, and business administration. All Audit Committee members have complete qualifications stipulated in the Audit Committee Charter according to the rules and guidance of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). Two members have sufficient knowledge and experience to perform the task of reviewing the financial statements' reliability.

The Audit Committee Charter approved by the Board of Directors requires an Audit Committee meeting at least once a quarter. In 2020, the Company held a total of 13 Audit Committee meetings. All 3 Audit Committee members attended all those meetings. The Company's auditor, Chief Financial Officer, Head of Internal Audit, Head of Risk Management and Internal Control, Head of Compliance, and Senior Management presented relevant reports in the meetings and obtained the Audit Committee's recommendations for good corporate governance. The Audit Committee reported its performance to the Board of Directors every quarter.

The Audit Committee performed its duties following the Audit Committee Charter, which can be summarised as follows:

- Considered, selected and proposed the appointment of the Company's auditor, including the proposal of annual remuneration. The Audit Committee had considered the auditors' qualifications, independence, experience, and performance in the past, and had the opinion that EY Office Limited, an internationally recognized auditing firm, and its auditors were suitable. The Audit Committee proposed to the Board of Directors to recommend to the Annual General Meeting of Shareholders to appoint and fix the remuneration of EY Office Limited's auditors as the Company's auditor for the year 2020.
- Reviewed management reports on the appropriateness of the financial reporting process and the disclosure of information in the Company's financial statements. Considered the annual financial statements for the year 2019 and financial statements for the quarter 1 to 3 of the year 2020 that the auditor had audited and reviewed. The Audit Committee had a non-management meeting with the auditor to ensure that the auditor was independent and was not impeded to the performance of duties. The Audit Committee had reasonable assurance that the financial statements were accurate, complete, and reliable according to generally accepted accounting standards and financial reporting standards, and made a recommendation to the Board of Directors for their approval.
- Reviewed management reports on the adequacy and effectiveness of the internal control system, the risk management system, and the compliance management system. The Audit Committee was of the opinion that the Company had sufficient system of supervision and was in compliance with the Securities and Exchange Act, the SET's regulations, and laws relating to the Company's business.
- Reviewed management reports on connected transactions or transactions that may lead to conflicts of interest with the Company. The Audit Committee was of the opinion that such transactions were subject to general commercial conditions. They were reasonable for the Company's best interest, and complied with the SEC's rules and the SET's regulations.
- Reviewed the Head of Internal Audit's reports, approved an annual internal audit plan developed using a risk-based approach, and acknowledged the internal audit reports. The Audit Committee was of the opinion that the Company arranged for the Internal Audit Department to be independent. There was an appropriate and adequate internal audit system.
- Reviewed the result of the Audit Committee self-assessment. The Audit Committee was of the opinion that it performed all duties in accordance with the Audit Committee Charter and good corporate governance guidelines.



Mrs. Kamonwan Wipulakorn

Chair of the Audit Committee

January 28, 2021

Remuneration Committee Report

Dear Shareholders of Total Access Communication Public Company Limited,

The Company's Remuneration Committee consists of five members appointed by the Board of Directors, three of whom are independent directors. The Remuneration Committee has responsibilities of reviewing and recommending the remuneration of directors, as well as reviewing and recommending the annual compensation for the Chief Executive Officer of the Company.

In 2020, the Remuneration Committee held 2 meetings to consider various issues, including (i) reviewing and making the recommendation on the remuneration of the Audit Committee, (ii) reviewing and making the recommendation on the remuneration of directors for 2020, (iii) making the recommendation to the Board on the CEO's short-term incentives for 2019 and (iv) making the recommendation to the Board on CEO's short-term incentives scheme for 2020.

The Remuneration Committee undertook a review of its performance in the previous year and found that the Committee was working effectively in assisting and advising the Board on matters relating to the remuneration of the Board and senior managements.



Mrs. Chananyarak Phetcharat
Chair of the Remuneration Committee

Nomination Committee Report

Dear Shareholders of Total Access Communication Public Company Limited,

The Nomination Committee currently consists of five members appointed by the Board of Directors, three of whom, including the Chair, are independent directors. The Nomination Committee has key responsibilities for considering and making recommendations to the Board for nominating persons with proper qualifications and experiences to serve as directors of the Company and its subsidiaries as well as evaluating their performance.

In 2020, the Nomination Committee held nine meetings. The significant duties performed by the Committee included (i) recommendations to the Board of Directors on the composition of the Subcommittees and the appointment of new Chair of Remuneration Committee, (ii) recommendations to the Board of Directors on the appointment of the new CEO and Directors of the Company and subsidiaries, (iii) recommendations to the Board of Directors on the results of the annual self-assessment of both individual and Board performance, (iv) recommendations on the re-election of directors of the Company and subsidiaries, (v) recommendations to the Board of Directors on the appointment of the new interim CFO of the Company and subsidiaries, (vi) recommendations to the Board of Directors on the appointment of the CFO of the Company and subsidiaries and (vii) recommendations on the talent development and succession plan for senior management positions.

The Nomination Committee undertook a review of its own performance in the previous year and found it continued to be effective.



Mr. Stephen Woodruff Fordham
Chair of the Nomination Committee

Corporate Governance Committee Report

Dear Shareholders of Total Access Communication Public Company Limited,

The Company is committed to the principles of good corporate governance pursuant to the Principles of Good Corporate Governance for Listed Companies of the Stock Exchange of Thailand (SET), The Securities and Exchange Commission (SEC), and the Thai Institute of Directors Association (IOD) with a view to sustain and maximize the long-term value to shareholders.

The Board of Directors has always valued business conduct with integrity, transparency, accountability and with the highest ethical standard. To this end, the Corporate Governance Committee has reviewed and monitored, as well as given advice on the corporate governance practices of the Company in 2020 to ensure conformance to CG principles, SET's CG principles, SEC's CG Code, and the international principle of the Organisation for Economic Cooperation and Development (OECD), together with the ASEAN CG Scorecard.

The Committee held three meetings this year in order to raise the level of monitoring and compliance of all corporate governance policies and Code of Conduct by directors, employees, and other relevant stakeholders. On 19 November 2020, the Company received the "Excellent CG Scoring" award of Five Stars for the sixth consecutive years by the Thai Institute of Directors Association. The CGR findings covered 692 listed companies in Thailand. This award genuinely reflects the Company's consistent effort to strive for better corporate governance and sustainable development.

The Corporate Governance Committee remains committed to improving the Company's good corporate governance practices based on the values of integrity, transparency and social responsibility for the best interests of all stakeholders as well as for better acceptance and recognition at the international level.



Mrs. Chananyarak Phetcharat

Chair of the Corporate Governance Committee



Total Access Communication Public Company Limited

319 Chamchuri Square Building, 41st Floor,
Phayathai Road, Pathumwan, Bangkok 10330

Tel. (66 2) 202 8000

Fax (662) 202 8296

www.dtac.co.th