

Details regarding the Additional Telecom Infrastructure Assets No.4

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The Fund will invest in the Additional Telecom Infrastructure Assets No.4. Such assets comprises of:

- (a) Ownership in approximately 788 telecommunications towers and other related passive telecommunications infrastructure from True Move H Universal Communication Company Limited (“**TUC**”);
- (b) Ownership in the core fibre optic cables (FOC, currently used for provision of mobile services in the provincial areas with approximate distance of 1,795 kilometres (or approximately 107,694 core kilometres) from TUC.
- (c) Ownership in the core fibre optic cables (FOC), under the FTTx system, currently used for internet and broadband services in the Bangkok Metropolitan and provincial areas with approximate distance of 315 kilometres (or approximately 40,823 core kilometres) and approximate distance of 617 kilometres (or approximately 37,505 core kilometres) respectively from Real Move Company Limited (“**RMV**”).
- (d) Ownership in the fibre optic cables (FOC), under the FTTx system, currently used for internet and broadband services in provincial areas with approximate distance of 2,797 kilometres (or approximately 109,704 core kilometres) from True Internet Corporation Company (“**TICC**”)

(collectively, “**the Additional Telecom Infrastructure Assets No.4**”)

TUC, RMV, and TICC are subsidiaries of True Corporation Public Company Limited (“**TRUE**”) in which, as of 31 December 2018, TRUE holds (either directly or indirectly) 100.00, 99.74 and 100.00 per cent of the total issued shares of the three companies respectively. TRUE and RMV are unitholders of the Fund, holding 25.79 and 4.21 per cent of the total issued investment units of the Fund as of 28 May 2019, respectively.

(1) Summary of information regarding telecommunications towers owned by TUC to be additionally invested by the Fund

(a) Background

The Fund will invest in the ownership of approximately 788 telecommunications towers and other related passive telecommunications infrastructure owned by TUC, from which the Fund will seek benefits in a manner as permitted by the laws, which includes leasing the assets to third parties, and also including leasing part of the towers to TUC, which is a subsidiary of TRUE, by entering into the master lease, operation, maintenance and management agreement with TUC (approximately not exceeding 14 years or until the end of the leased back contract with TUC on 15 September 2033). TUC is an anchor tenant and management service provider for the Fund and will use the telecommunications tower slots to provide mobile services. The telecommunications towers host the active telecommunications infrastructure, which currently is being used by TUC for mobile service provisions mainly on the 900, 1,800 and 2,100 MHz frequency bands.

(b) Description and coverage of telecommunications towers owned by TUC to be additionally invested by the Fund

The additional towers invested by the Fund from TUC comprises of approximately 749 ground-based towers and approximately 39 rooftop towers, totaling approximately 788 towers. The majority of the telecommunications towers have been constructed for a period of no more than 1 year. Generally the service life of the telecommunications towers are no less than 30 years and is capable of extending further (unlimited) with regular maintenance.

(c) Right to use land or properties as sites of telecommunications towers

Telecommunications towers of TUC to be additionally invested by the Fund are located on lands, properties, rooftops or other real estates that TUC has leased from a number of lessors.

(d) Operation and maintenance

TUC, as the anchor tenant and management service provider for the Fund, has duties relating to the operations and maintenances of TUC's telecommunications towers to be additionally invested by the Fund, addendum to the existing Leasing Agreement between the Fund and TUC.

(2) Summary of information regarding the FOC and FOC under the FTTx system, of TUC, RMV and TICC respectively (collectively called the "FOCs") to be additionally invested by the Fund

(a) Background

The Fund will invest in (1) ownership in FOC, currently used for provision of mobile services, in provincial areas for distances of approximately 1,795 kilometres (or approximately 107,694 core-kilometres) from TUC (2) ownership in the FOC under the FTTx system, currently used for internet and broadband services, in Bangkok Metropolitan and provincial areas for distances of approximately 315 kilometres (or approximately 40,823 core kilometres) and approximately 617 kilometres (or approximately 37,505 core kilometres) respectively from RMV (3) ownership in the FOC under the FTTx system, currently used for internet and broadband services, in Bangkok Metropolitan areas for distances of approximately 2,797 kilometres (or approximately 109,704 core kilometres) from TICC. Additionally, the Fund will seek benefits from the FOCs in a manner permitted by the laws, including leasing the FOCs to third parties and leasing of the FOC to TICC and TUC, which are subsidiaries of TRUE. The fund will enter into the master lease, operation, maintenance and management agreement with TUC and TICC, whom are anchor tenants and management service provider of the Fund. TUC and TICC will use the leased assets to provide mobile services and internet and broadband internet services respectively.

(b) Description and quality of FOCs

FOCs are glass fibres that transmit light along its wavelength. Fibre optics is widely used in transmission, which permit transmission over a longer distance and at higher bandwidths (data rates) than other forms of transmission. Moreover, transmission by FOCs is a method of transmitting information from one place to another by sending pulses of light through the optic fibres. The process of communicating using fibre optics involves the following fundamental steps, which are: creating the optical signal involving the use of a transmitter, relaying the signal, monitoring that the signal does not become too distorted or weak, receiving the optical signal, and converting the optical signal into an electrical signal.

The significant advantages of FOCs are exceptionally low loss of data and less susceptible to electromagnetic interference, allowing longer distance between amplifiers and repeaters. FOCs are therefore used instead of metal cables, where several thousands of electrical wires can be replaced by a single high-bandwidth fibre cable.

(c) Description and coverage of the FOCs to be additionally invested by the Fund

The FOCs to be invested by the Fund comprise 24-core to 216-core fibre optics cables, for a distance of approximately 5,524 kilometres (or approximately 295,726 core kilometres). Most of the FOCs, to be additionally invested by the Fund, were constructed and have been used for a period of approximately 2-3 years, whereby fibre optics experts have given a memorandum that well maintained FOCs have a service life of up to at least 50 years.

(d) Remaining Capacity of Dark fibre

TUC and TICC plans to utilize approximately 80% of the full capacity of FOCs invested this round. The rental income received, with respect to the additionally invested FOCs, will be from TUC and TICC. This is only until the fund initials an agreement with third-party tenants, telecom business operators and data and voice service providers to lease the remaining 20% of the dark fibres.

(e) Right of way

Documents in relation to the right of way with respect to the FOCs, that the Fund will invest in, are the right of way granted by way of juristic acts of, or contracts with, public utility agencies in the name of TUC (FOC) and TICC (in respect of FOC, under the FTTx system). Certain FOCs which the Fund will invest are under the process for the relevant public utility agencies to issue relevant documents in relation to the right of way which is standard in the FOC industry.

(f) Operation and maintenance

TUC and TICC, as tenants, will be responsible for operation and maintenance of the FOC to be additionally invested by the Fund. TUC and TICC will be required to meet certain standards specified in the master lease, operation, maintenance and management agreement, for which the Fund believes that the FOCs invested this round will be properly operated and maintained.

Overview of the existing telecommunications infrastructure business assets currently invested by the Fund after investment in the Additional Telecom Infrastructure Assets No.3 and the Additional Telecom Infrastructure Assets No.4 to be invested by the Fund

The comparative overview of the existing telecommunications infrastructure business assets currently invested by the Fund after investment in the Additional Telecom Infrastructure Assets No.3 and the Additional Telecom Infrastructure Assets No.4 to be invested by the Fund is as set out below:

Table 1: The telecommunications infrastructure business assets of the Fund after investment in the Additional Telecom Infrastructure Assets No. 3

Form of investment	Right to receive net revenue and ownership in the assets upon fulfillment of conditions		Ownership				Long-term leasehold and call option upon fulfillment of conditions		Total amount of the assets
	AWC	BFKT	TRUE	TICC	TUC	TMV	AWC	TICC	
Entities entered to the transaction with the Fund									
Telecommunications towers	4,847 towers	1,485 towers	6,000 towers	-	2939 towers			-	15,271 towers
Fibre optic cables (FOC) and transmission system equipment	-	9,169 links and FOC of 47,250 kilometres (680,400 core kilometres)	-	FOC of 5,112 kilometres (122,974 core kilometres)	FOC of 9,130 kilometres (or approx. 314,600 core kilometres)	Core FOC of 1,088 kilometres (or approx. 235,018 core kilometres) and FOC (FTTx) of 5,933 kilometres (or approx. 220,428 core kilometres)	FOC of 7,981 kilometres (or 303,453 core kilometres)	FOC for FTTx of 13,542 kilometres (or approx. 700,000 core kilometres)	9,169 links and FOC of 90,036 kilometres (or approx. 2,576,873 core kilometres)

Form of investment	Right to receive net revenue and ownership in the assets upon fulfillment of conditions		Ownership				Long-term leasehold and call option upon fulfillment of conditions		Total amount of the assets
Upcountry broadband system (UBB)	-	-	-	1.2 million ports and FOC of 6,114 kilometres (198,085 core kilometres)					1.2 million ports and FOC of 6,114 kilometres (198,085 core kilometres)

Table 2: The telecommunications infrastructure business assets of the Fund after investment in the Additional Telecom Infrastructure Assets No. 4

Form of investment	Right to receive net revenue and ownership in the assets upon fulfillment of conditions		Ownership					Long-term leasehold and call option upon fulfillment of conditions		Total amount of the assets
	AWC	BFKT	TRUE	TICC	TUC	TMV	RMV	AWC	TICC	
Entities entered to the transaction with the Fund										
Telecommunication towers	4,847 towers	1,485 towers	6,000 towers	-	2,939 towers and approx. 788 towers/ ¹				-	Approx. 16,059 towers
Fibre optic cables (FOC) and transmission system equipment	-	9,169 links and FOC of 47,250 kilometres (680,400 core kilometres)	-	FOC of 5,112 kilometres (122,974 core kilometres) and FOC (FTTx) of approx. 2,797 kilometres (or approx 109,704 core kilometres)/ ⁴	FOC of 9,130 kilometres (or approx. 314,600 core kilometres) and FOC of approx. 1,795 kilometres (or approx. 107,694 core kilometres)/ ²	Core FOC of 1,088 kilometres (or approx. 235,018 core kilometres) and FOC (FTTx) of 5,933 kilometres (or approx. 220,428 core kilometres)	FOC (FTTx) of approx 932 kilometres (or approx. 78,328 core kilometres) ³	FOC of 7,981 kilometres (or 303,453 core kilometres)	FOC for FTTx of 13,542 kilometres (or approx. 700,000 core kilometres)	9,169 links and FOC of approx. 95,560 kilometres (or approx. 2,872,599 core kilometres)
Upcountry broadband system (UBB)	-	-	-	1.2 million ports and FOC of approx. 6,114 kilometres (or approx. 198,085 core kilometres)						1.2 million ports and FOC of approx. 6,114 kilometres (or approx. 198,085 core kilometres)

Remark: With respect to the investment in the Additional Telecom Infrastructure Assets No. 4;

1. The Fund will consider investing in the ownership in approximately 788 telecommunications towers and other related passive telecommunications infrastructure from TUC.
2. The Fund will consider investing in the ownership in FOC, currently used for provision of mobile services in provincial areas with approximate distance of 1,795 kilometres (or approximately 107,694 core kilometres) from TUC
3. The Fund will consider investing in the ownership in FOC for FTTx, currently used for internet and broadband services in Bangkok Metropolitan and provincial areas with approximate distance of 315 kilometres (or approximately 40,823 core kilometres) and approximate distance of 617 kilometres (or approximately 37,505 core kilometres) respectively from RMV
4. The Fund will consider investing in the ownership in FOC for FTTx, currently used for internet and broadband services in provincial areas with approximate distance of 2,797 kilometres (or approximately 109,704 core kilometres) from TICC