

January 26, 2021

Jasmine Broadband Internet Infrastructure Fund  
175 Sathorn City Tower,  
7<sup>th</sup>, 21<sup>st</sup> and 26<sup>th</sup> Floor,  
South Sathorn Road, Sathorn,  
Bangkok 10120

Attention: Fund Manager

Dear Sirs:

Re: AATL File No. 2021/126  
Letter of the Fair Value Update

We refer to our appraisal report dated May 9, 2018 (AATL File No. 2018/300). We updated our value conclusion based on the following information:

1. Cash flow projection and assumptions from 2019 to 2032 prepared by JASIF as of January 9, 2020 with the growth rate of revenue revised up from 1.05% to 1.08% per year.
2. Revised Weighted Average Cost of Capital from 6.70% to 6.68%.

Based on the updated information, we concluded that the fair value of the Assets from the perspective of JASIF is Baht 62,700,000,000 (Baht Sixty Two Thousand Seven Hundred Million), appraised as of December 31, 2020.

As requested, we have made a sensitivity analysis by varying the discount rate from present up to January 29, 2032 (6.18%, 6.68% and 7.18%) and the discount rate after January 29, 2032 (7.18%, 7.68% and 8.18%). The results of our sensitivity analysis are presented in the following table:

The table below shows sensitivity analysis.

Discount Rate after Jan 29, 2032	Discount Rate up to Jan 29, 2032		
	6.18%	6.68% (Base Case)	7.18%
7.18%	66,500	65,700	64,900
7.68% (Base Case)	63,500	62,700	61,900
8.18%	60,900	60,100	59,300

Remark: Assumed that the other variables are unchanged.

Yours faithfully,

**AMERICAN APPRAISAL (THAILAND) LTD.**



**Rodolfo L. Vergara**  
Managing Director

## Jasmine Broadband Internet Infrastructure Fund

### Calculation of Weighted Average Cost of Capital ("WACC") Valuation as of December 31, 2020

Guideline Company**	Published Levered Beta (a)	Book Value Interest-Bearing Debt (b) (Baht Millions*)	Liquidation Value Preferred Stock (b) (Baht Millions*)	Stock Price per Share (b) (Baht*)	Common Shares Outstanding (b) (Millions)	Market Value of Common Equity (c) (Baht Millions*)	Total Invested Capital ("TIC") (d) (Baht Millions*)	Debt to TIC (e)	Equity to TIC (f)
DIF	0.60	0.0	0.0	12.90	10,631.7	137,148.3	137,148.3	0%	100%
ADVANC	0.79	176,158.3	0.0	176.00	2,973.6	523,345.6	699,503.8	25%	75%
DTAC	1.12	109,358.8	0.0	33.25	2,367.8	78,729.7	188,088.6	58%	42%
JAS	1.14	28,580.2	0.0	3.18	8,592.8	27,325.2	55,905.3	51%	49%
DIF 40%, and the Rest 60%***	0.85	62,819.5	-	47.6	7,039.5	180,739.4	243,558.9	27%	73%
AVERAGE	0.91	78,524.3	-	56.3	6,141.5	191,637.2	270,161.5	34%	66%
MEDIAN	0.95	68,969.5	-	23.1	5,783.2	107,939.0	162,618.4	38%	62%

\* Data is presented in millions of Baht for all guideline publicly traded companies unless noted otherwise.

**Concluded Variables**  
Capital Structure for the Subject Company  
Percent Debt 0%  
Percent Equity 100%  
Tax Rate for the Subject Company 0.0% (g)  
Levered/Relevered Beta for the Subject Company 0.59

#### Computation of Unlevered Beta for Guideline Companies

$$BU = BL / [1 + (1 - T) \times (Wd / We)]$$

	BU	Tax Rate
DIF	0.60	0.0%
ADVANC	0.62	20.0%
DTAC	0.53	20.0%
JAS	0.62	20.0%
DIF 40%, and the Rest 60%***	0.59	
AVERAGE	0.59	
MEDIAN	0.61	

#### Computation of Relevered Beta for Subject Company

$$BL = BU \times [1 + (1 - T) \times (Wd / We)]$$

Concluded Unlevered Beta 0.59  
Relevered Beta for Subject Company 0.59

#### Definitions:

BU = Beta unlevered

BL = Beta levered

T = Income tax rate for the company

Wd = Percentage of debt capital in the capital structure; debt capital is comprised of interest-bearing debt and preferred stock

We = Percentage of equity capital in the capital structure; equity capital is comprised of the market value of common equity

#### Notes:

- Five-year beta, if available, from Bloomberg
- Data are based on information from Settrade
- Market Value of Common Equity = Stock Price per Share x Common Shares Outstanding
- Total Invested Capital ("TIC") = Book Value Interest-Bearing Debt + Liquidation Value Preferred Stock + Market Value of Common Equity
- (Book Value Interest-Bearing Debt + Liquidation Value Preferred Stock) / TIC
- Market Value of Common Equity / TIC
- This is the estimated effective tax rate for the subject company.

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The guideline public companies selected for analysis compete in the same industry as the subject company. The publicly traded companies in information & communication technology industry in Thailand are selected guideline companies which are companies with similar underlying characteristics such as markets serviced, growth, risks or other relevant factors.

## Jasmine Broadband Internet Infrastructure Fund

### Calculation of Country Specific Weighted Average Cost of Capital ("WACC") Valuation as of December 31, 2020

International Discount Rate Model  
Subject Country: **Thailand**

	Cost of Capital	% in Capital Structure	Weighted Cost
Debt	3.28%	0.00%	0.00%
Equity	6.68%	100.00%	6.68%
Weighted Average Cost of Capital			6.68%
<b>Concluded WACC</b>			<b>6.68%</b>

#### Cost of Equity

Risk-Free Rate of Return	1.38%	Yield on 11-year Thai government bonds as of December 30, 2020
Plus Equity Risk Premium:		
Thailand Equity Risk Premium	8.93%	Professor Damodaran's estimate ( <a href="http://pages.stern.nyu.edu/~adamodar/New_Home_Page/datafile/cryprem.html">http://pages.stern.nyu.edu/~adamodar/New_Home_Page/datafile/cryprem.html</a> )
Levered/Relevered Beta for the Subject Company	0.59	Relevered 5-year beta from Bloomberg for guideline publicly traded companies
Concluded Equity Risk Premium	5.30%	Thailand Equity Risk Premium x Levered/Relevered Beta for the Subject Company
Specific Company Risk Adjustment	0.00%	
Indicated Cost of Equity	6.68%	
<b>Concluded Cost of Equity</b>	<b>6.68%</b>	

#### Cost of Debt

Concluded Pretax Cost of Debt	3.3%	Average long-term Thai AA-rated corporate bond rate from Thai Bond Market Association
Tax Rate for the Subject Company	0.00%	Estimated effective tax rate
<b>Concluded After-Tax Cost of Debt</b>	<b>3.28%</b>	

Jasmine Broadband Internet Infrastructure Fund  
Cash Flow Projection  
As of December 31, 2020

Unit: Million Baht	Actual		2020F	2021F	2022F	2023F	2024F	2025F	2026F	Forecast		2027F	2028F	2029F	2030F	2031F	2032F	2032F	2033F
	2018	2019								2026F	2026F								
<b>Revenue</b>																			
Rental for OFC - 80%	4,035	4,078	4,107	4,107	4,148	4,193	4,238	4,284	4,330	629	3,701	4,377	4,424	4,472	4,520	4,569	367	4,252	4,618
Rental for OFC - 20%	1,780	1,799	1,812	1,812	1,830	1,850	1,870	1,890	277	277	-	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>5,814</b>	<b>5,877</b>	<b>5,918</b>	<b>5,918</b>	<b>5,978</b>	<b>6,042</b>	<b>6,107</b>	<b>6,173</b>	<b>4,607</b>	<b>906</b>	<b>3,701</b>	<b>4,377</b>	<b>4,424</b>	<b>4,472</b>	<b>4,520</b>	<b>4,569</b>	<b>367</b>	<b>4,252</b>	<b>4,618</b>
<b>Expenses of Rental for OFC - 80%</b>																			
Repair & Maintenance	171	177	182	187	193	199	205	211	217	32	186	224	230	237	244	252	21	239	259
Right of Way	104	104	104	104	104	104	104	104	104	15	89	104	104	104	104	104	8	96	104
Insurance	4	5	5	5	5	5	5	5	5	1	4	5	5	5	5	5	0.4	5	5
Reparing Expense	29	31	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenses of Rental for OFC - 80%</b>	<b>309</b>	<b>317</b>	<b>291</b>	<b>297</b>	<b>302</b>	<b>308</b>	<b>314</b>	<b>320</b>	<b>326</b>	<b>47</b>	<b>279</b>	<b>333</b>	<b>340</b>	<b>347</b>	<b>354</b>	<b>361</b>	<b>29</b>	<b>339</b>	<b>369</b>
<b>Expenses of Rental for OFC - 20%</b>																			
Repair & Maintenance	43	44	45	47	48	50	51	53	54	8	46	56	58	59	61	63	5	60	65
Right of Way	26	26	26	26	26	26	26	26	26	4	22	26	26	26	26	26	2	24	26
Insurance	1	1	1	1	1	1	1	1	1	0.2	1	1	1	1	1	1	0.1	1	1
Reparing Expense	7	8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenses of Rental for OFC - 20%</b>	<b>77</b>	<b>79</b>	<b>73</b>	<b>74</b>	<b>76</b>	<b>77</b>	<b>78</b>	<b>80</b>	<b>82</b>	<b>12</b>	<b>70</b>	<b>83</b>	<b>85</b>	<b>87</b>	<b>88</b>	<b>90</b>	<b>7</b>	<b>85</b>	<b>92</b>
<b>Total Expenses</b>	<b>386</b>	<b>396</b>	<b>364</b>	<b>371</b>	<b>378</b>	<b>385</b>	<b>392</b>	<b>400</b>	<b>408</b>	<b>59</b>	<b>349</b>	<b>416</b>	<b>425</b>	<b>433</b>	<b>442</b>	<b>451</b>	<b>37</b>	<b>424</b>	<b>461</b>
<b>EBITDA</b>	<b>5,429</b>	<b>5,480</b>	<b>5,555</b>	<b>5,548</b>	<b>5,600</b>	<b>5,657</b>	<b>5,715</b>	<b>5,773</b>	<b>4,199</b>	<b>847</b>	<b>3,352</b>	<b>3,960</b>	<b>3,999</b>	<b>4,039</b>	<b>4,078</b>	<b>4,118</b>	<b>330</b>	<b>3,828</b>	<b>4,157</b>
Less: Capital Expenditure	77	79	78	80	83	85	88	90	76	11	65	63	63	63	63	63	5	58	63
<b>Free Cash Flow</b>	<b>5,351</b>	<b>5,401</b>	<b>5,477</b>	<b>5,468</b>	<b>5,517</b>	<b>5,572</b>	<b>5,627</b>	<b>5,683</b>	<b>4,123</b>	<b>836</b>	<b>3,287</b>	<b>3,897</b>	<b>3,936</b>	<b>3,975</b>	<b>4,015</b>	<b>4,054</b>	<b>325</b>	<b>3,770</b>	<b>4,094</b>
Adjustment Factor for the Year				1.0	1.0	1.0	1.0	1.0	1.0			1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Adjusted Free Cash Flow				5,468	5,517	5,572	5,627	5,683	4,123			3,897	3,936	3,975	4,015	4,054	325	3,770	4,094
Terminal Value																			53,311
Discount Period				0.50	1.50	2.50	3.50	4.50	5.50			6.50	7.50	8.50	9.50	10.50	11.04	11.54	12.50
Discount Factor				0.968	0.908	0.851	0.797	0.748	0.701			0.657	0.616	0.577	0.541	0.507	0.490	0.426	0.397
<b>Present Value as at 31/12/2020</b>				<b>5,294</b>	<b>5,007</b>	<b>4,740</b>	<b>4,488</b>	<b>4,248</b>	<b>2,889</b>			<b>2,560</b>	<b>2,424</b>	<b>2,294</b>	<b>2,172</b>	<b>2,056</b>	<b>159</b>	<b>1,605</b>	<b>22,764</b>

Discount Rate	6.68%
Discount Rate beyond 2032	7.68%
Long-term Growth Rate	0.00%
NPV from 2020 - 2032	39,937
NPV in 2033	1,624
Terminal Value	21,141
NPV in 2033 and Terminal Value	22,764
NPV + Terminal Value (Million Baht)	62,701
Round to	62,700

Jasmine Broadband Internet Infrastructure Fund  
Key Assumptions

	Unit	Actual		Forecast																	
		2018 Jan - Dec	2019 Jan - Dec	2020F	2021F	2022F	2023F	2024F	2025F	2026F	2026F Jan 1-Feb 22	2026F Feb 23 - Dec 31	2027F	2028F	2029F	2030F	2031F	2032F Jan - Dec	2032F Jan 1-Jan 29	2032F Jan 30 - Dec 31	2033F Jan - Dec
<b>Fund assumptions</b>																					
<b>Revenue assumptions:</b>																					
OFC	Core-km	980,500	980,500	980,500	980,500	980,500	980,500	980,500	980,500	980,500	980,500	980,500	980,500	980,500	980,500	980,500	980,500	980,500	980,500	980,500	980,500
1. For OFC 80%																					
Capacity	Core-km	784,400	784,400	784,400	784,400	784,400	784,400	784,400	784,400	784,400	784,400	784,400	784,400	784,400	784,400	784,400	784,400	784,400	784,400	784,400	784,400
Capacity Change	Core-km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent	THB/Core-km/year	5,143	5,199	5,235	5,235	5,288	5,345	5,403	5,461	5,520	5,520	5,520	5,580	5,640	5,701	5,762	5,824.53	5,887	5,887	5,887.43	5,887
Growth Rate		0.66%	1.07%	0.71%	0.00%	1.00%	1.08%	1.08%	1.08%	1.08%			1.08%	1.08%	1.08%	1.08%	1.08%	1.08%			
Sub-total Rent FOC	Million Baht	4,035	4,078	4,107	4,107	4,148	4,193	4,238	4,284	4,330	629	3,701	4,377	4,424	4,472	4,520	4,569	4,618	367	4,252	4,618
2. For OFC 20%																					
3 <sup>rd</sup> Party Lease Capacity	Core-km	196,100	196,100	196,100	196,100	196,100	196,100	196,100	196,100	196,100	196,100	196,100	196,100	196,100	196,100	196,100	196,100	196,100	196,100	196,100	196,100
Capacity Change	Core-km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilization Rate		100%	100%	100%	100%	100%	100%	100%	100%	15%	100%	-	-	-	-	-	-	-	-	-	-
Lease Capacity	Core-km	196,100	196,100	196,100	196,100	196,100	196,100	196,100	196,100	28,475	196,100	-	-	-	-	-	-	-	-	-	-
Rent	THB/Core-km/year	9,077	9,174	9,239	9,239	9,331	9,432	9,534	9,637	9,741	9,741	-	9,741	9,741	9,741	9,741	9,741	-	9,741	5,887	5,887
Growth Rate		0.66%	1.07%	0.71%	-	1.00%	1.08%	1.08%	1.08%		1.08%										
3 <sup>rd</sup> Party (TTTBB) Lease Payment	Million Baht	1,780	1,799	1,812	1,812	1,830	1,850	1,870	1,890	277	277	-	-	-	-	-	-	-	-	-	-
<b>Expenses assumptions:</b>																					
Repair & Maintenance Rate	THB/Core-km/year	219	225	232	239	246	253	261	269	277	277	277	285	294	303	312	321	331	331	331	331
Growth Rate		3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%			3.0%	3.0%	3.0%	3.0%	3.0%	3.0%			
Repair & Maintenance	Million Baht	214	221	227	234	241	248	256	264	271	39	232	280	288	297	306	315	324	26	298	324
Right of Way	Million Baht	130	130	130	130	130	130	130	130	130	19	111	130	130	130	130	130	130	10	120	130
Growth Rate		-	-	-	-	-	-	-	-	-											
Insurance	Million Baht	5	6	6	6	6	6	6	6	6	1	5	6	6	6	6	6	6	0.5	6	6
Growth Rate		-	-	-	-	-	-	-	-	-											
Reparing Expense	Million Baht	36	39	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Growth Rate		-	-	-	-	-	-	-	-	-											
Underground Relocation	Million Baht	77	79	78	80	83	85	88	90	76	11	65	63	63	63	63	63	63	5	58	63
Growth Rate		3.0%	3.0%	-2.0%	3.0%	3.0%	3.0%	3.0%	3.0%	-15.5%			-17.2%	-	-	-	-	-			