

JASIF

กองทุนรวมโครงสร้างพื้นฐานบรอดแบนด์อินเทอร์เน็ต จำกัด

JASIF Presentation

As of June 2021

 **Bualuang Fund**
BBL Asset Management

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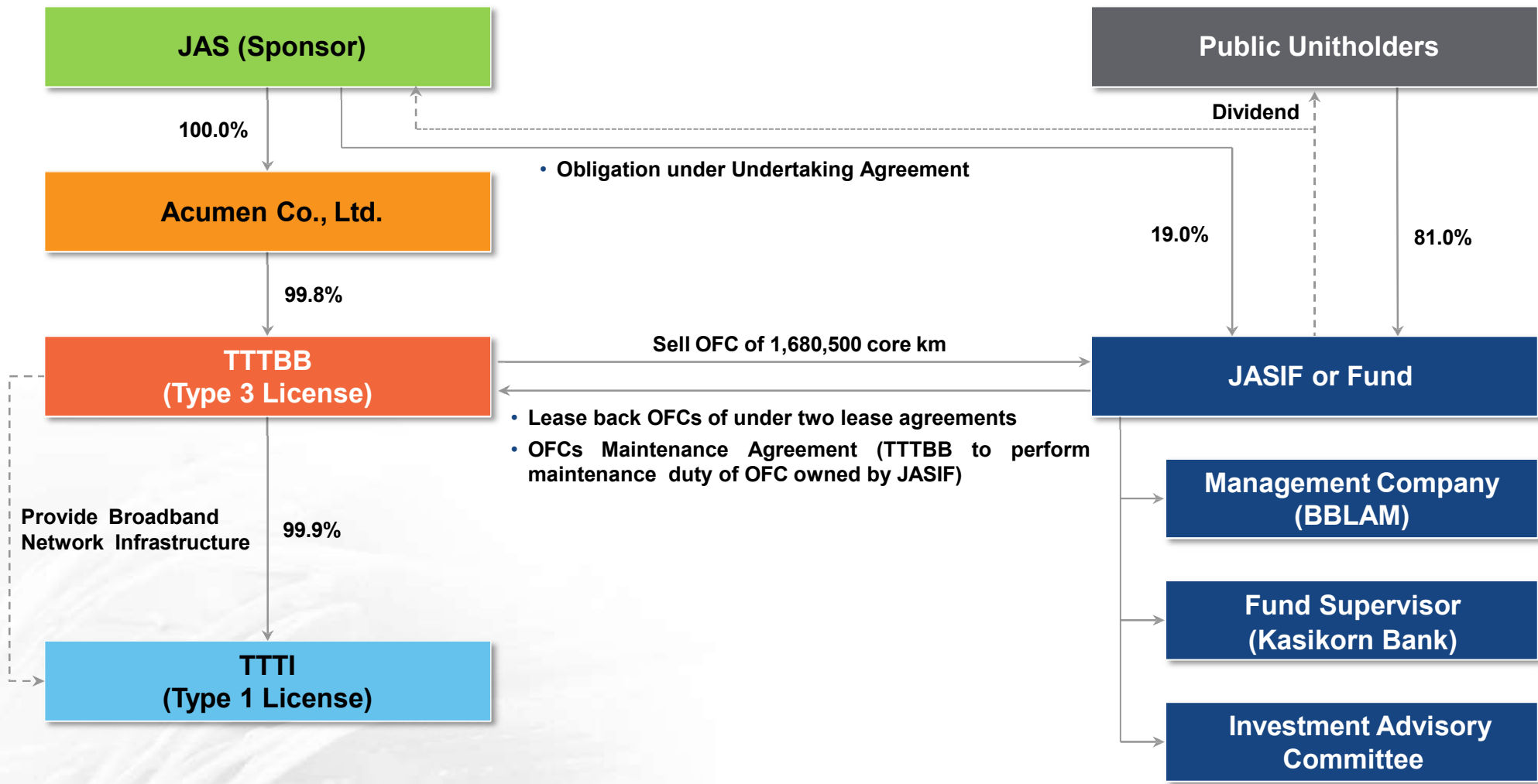
JASIF

Jasmine Broadband Internet Infrastructure Fund



Section 1 Overview of the Fund

① JASIF Structure



2 JASIF Timeline

Timeline

2015

JASIF 1
(IPO in Feb 2015)

- Investing in optical fiber cable (OFCs) of **980,500** core km with the total price of THB55 billion
- OFCs invested are mainly primary network connecting between **regions** and **provinces**
- Lease agreement divided into 2 agreements

2019

JASIF 2
(RO in Nov 2019)

- Investing in the additional optical fiber cable (OFCs) of **700,000** core km with the total price of THB38 billion
- OFCs invested are mainly secondary network connecting between **districts** and **sub-districts**
- Lease structure and Rental rate are the same as JASIF 1

3 JASIF Key Agreement

Lease Agreement

		22/02/2026	29/01/2032	28/01/2042
Main Lease Agreement (80% of OFC)	Initial OFCs	JASIF 1		+ Extended Option of 10 years ⁽¹⁾
	Additional OFCs	JASIF 2		
Rental Assurance Agreement (20% of OFC)	Initial OFCs	JASIF 1		
	Additional OFCs	JASIF 2		

Other Key Agreements

OFCs Maintenance

- Corrective and Preventive
- THB 238.81 per core km per year with 3% increase per annum

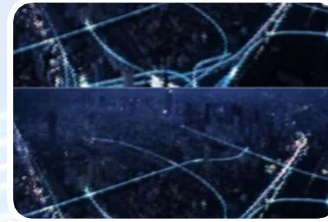
Undertaking

- Financial Covenants
- Non-competition
- Lock-up period
- Reserve requirement

Note: (1) The Fund will also be entitled to an option to extend the term of the Main Lease Agreement in relation to Initial Main Lease OFCs and Additional Main Lease OFCs for another 10 years from the expiry date (i.e. 29 January 2032), if TTTBB's service income from broadband internet (FTTX and xDSL) in 2030 is no less than THB 40,000,000,000 and all relevant licenses held by TTTBB are renewed and all approvals necessary for the extension of the lease term have been obtained. The rental fee for such extended 10-year period will start at THB 433.21 per core kilometer per month (VAT excluded) and will be reviewed once a year on 1 January according to the consumer price index (CPI) published by the Ministry of Commerce; however, the fee will increase by no more than 3% (but no less than 0%) per annum each year.

JASIF

Jasmine Broadband Internet Infrastructure Fund

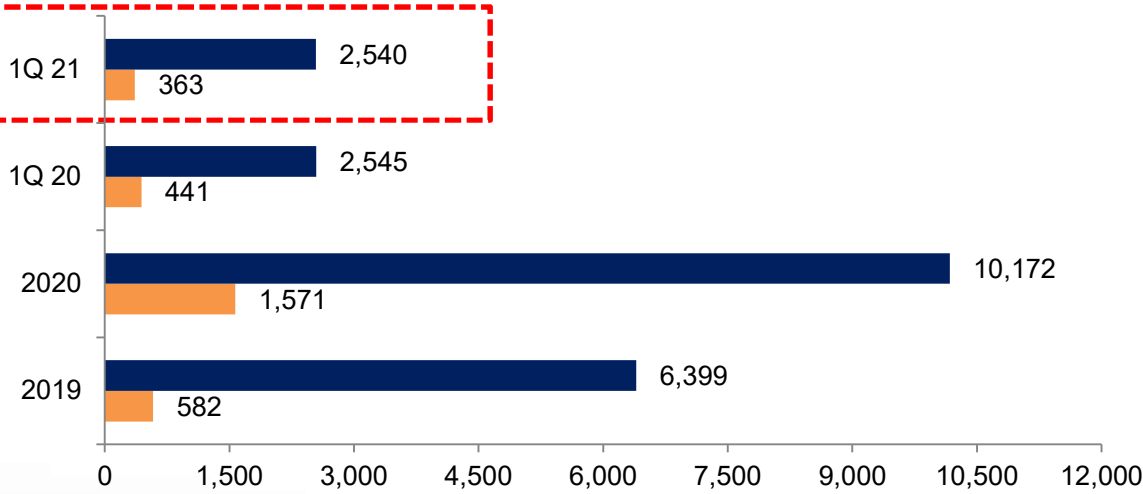


Section 2 JASIF Performance and Key Investment Highlight

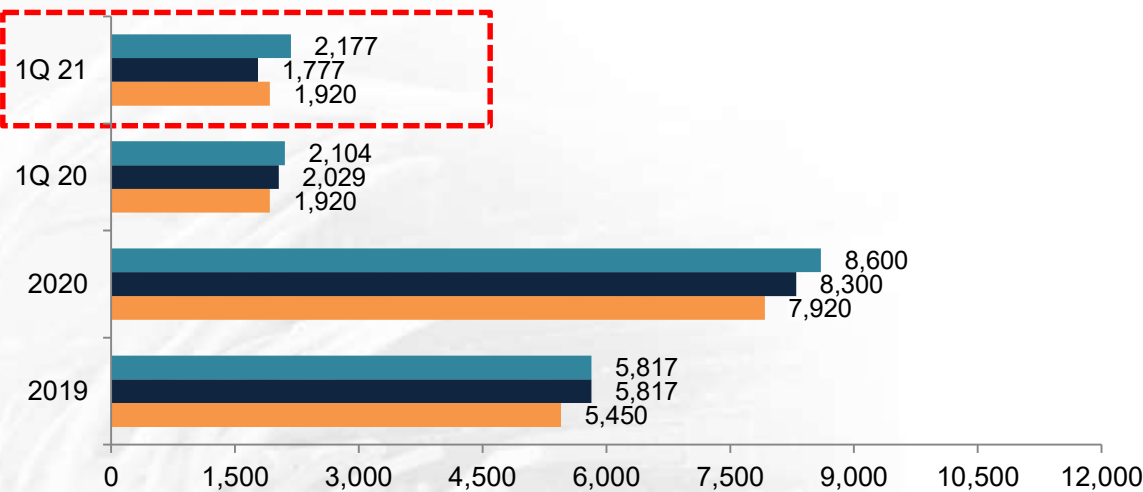
1 JASIF Financial Performance

Profit and Loss Statement (Unit : Million THB)

■ Revenue ■ Expenses



■ Net Investment Income ■ Adjusted Net Investment Income ■ Dividend



Rental Income

- 80% of OFC's capacity as per Amended and Restated Main Lease Agreement
- 20% of OFC's capacity as per Amended and Restated Rental Assurance Agreement

Operating Expenses

- Cost related to maintaining the OFCs as detailed in the Amended and Restated Asset Maintenance Agreement
- Cost related to "Right-of-Way" permission for laying fiber/copper cable over poles with MEA, PEA and other third parties
- Costs related to relocation expenses and sub-duct rental expenses (if any)
- Insurance expenses

Fund Management Expenses and Finance costs

- Cost related to on-going administration of JASIF such as management fee, trustee fee, registrar fee, professional fee, auditor fee and other fund expenses
- Interest expense

Note

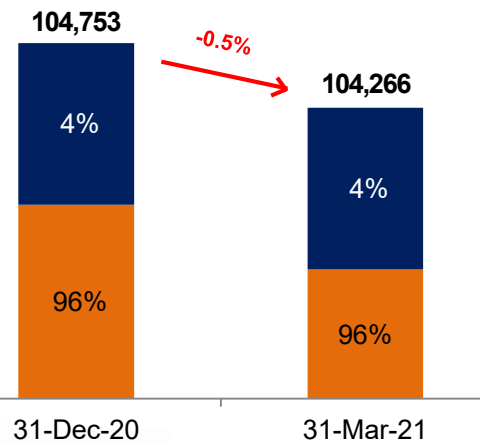
- Adjusted Net Investment Income is adjusted by unrealized loss from valuation and loan repayment.
- Payout ratio compared with Adjusted Net Investment Income was approx. 108.05% in 1Q21

JASIF Financial Position and Key Financial Ratio

Balance Sheet (Unit: Million THB)

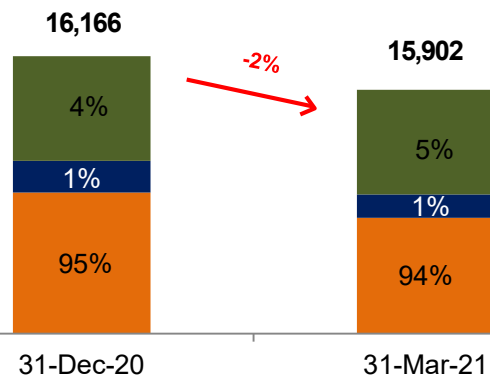
Asset

■ Cash and cash equivalents ■ Other assets



Liabilities

■ Advanced rent
■ Account payable & Accrued Exp.
■ Borrowing



Asset

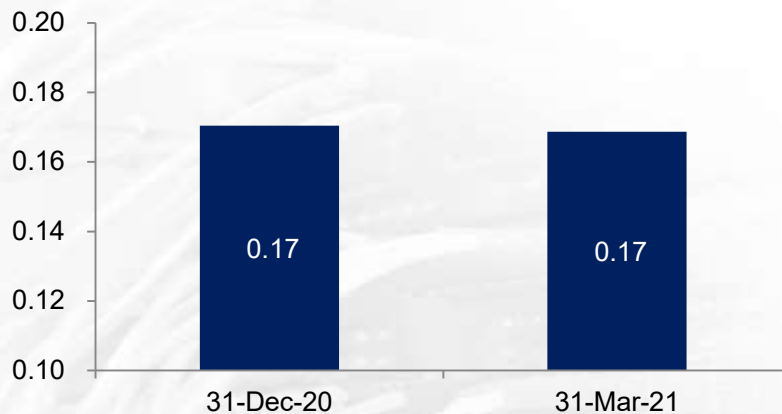
- Investment in OFCs quarterly estimated by independent valuers
- Investment in securities and Cash are mostly government bond
- Other asset (A/R VAT)

Liabilities

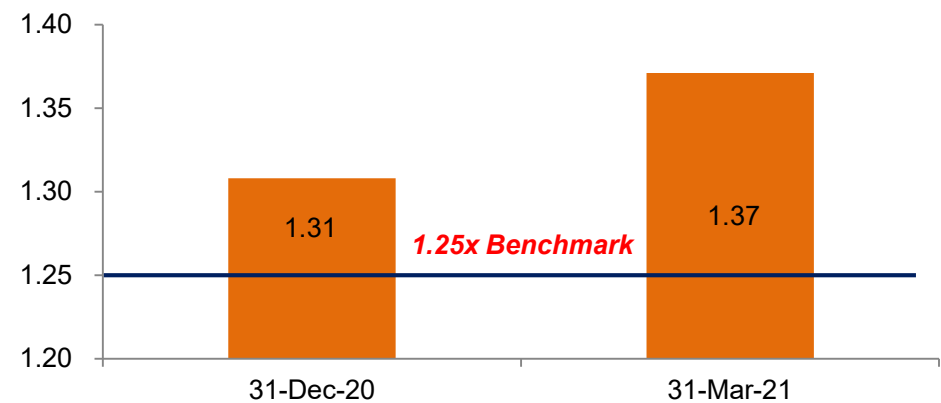
- Long term borrowing from an additional asset investment
- Account payable and accrued expenses such as right of way and operation expenses
- Advanced rental received in 2015

Key Financial Ratio

Interest Bearing Debt to Equity Ratio



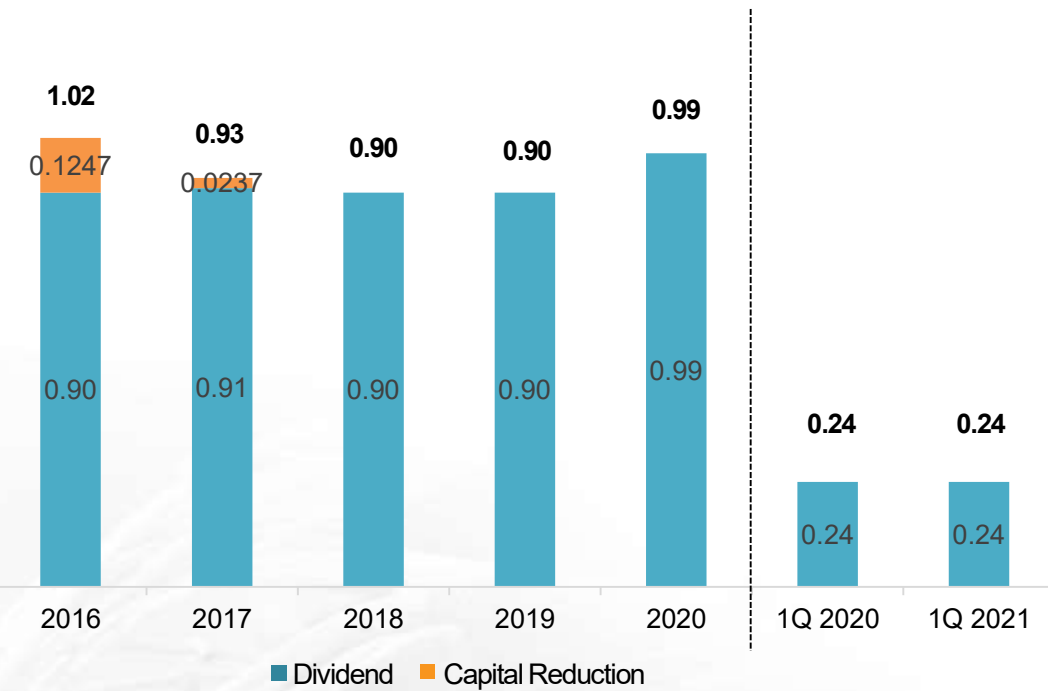
LTM EBITDAR to NTM Rental of TTTBB



JASIF Historical Distribution & Return Comparison

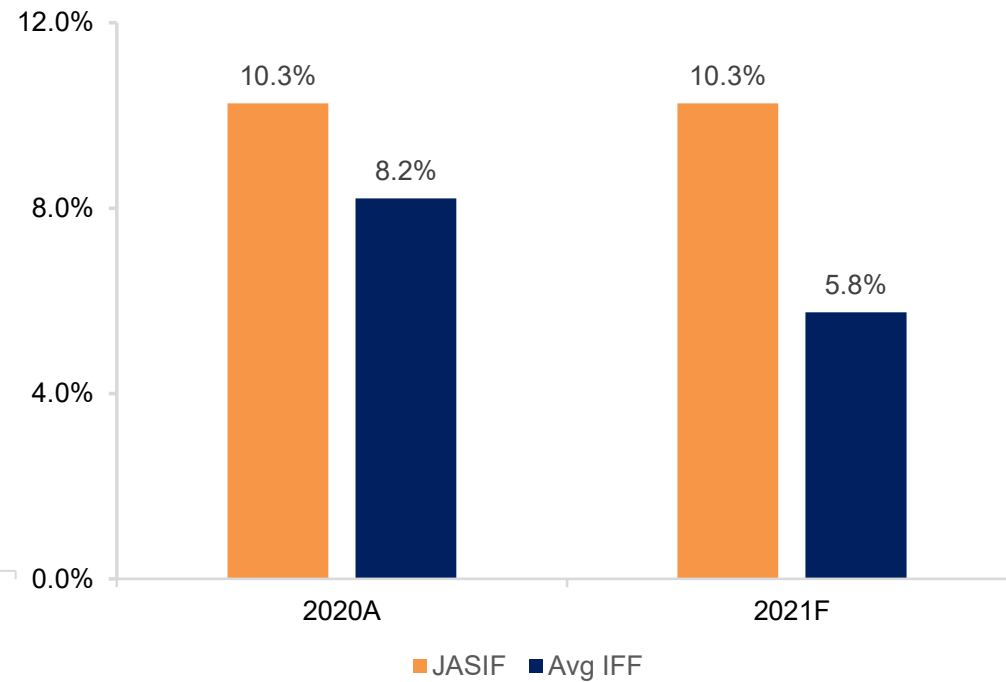
Historical Return

DPU (THB)



Dividend Yield of Infrastructure Fund in Thailand

Source: Bloomberg as of 31 May 2021



4 Key Investment Highlight



Tiny impact from Covid-19



Low interest rate situation



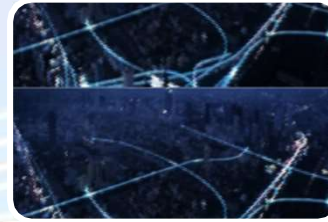
Higher inflation expectation



Higher principal repayment

JASIF

Jasmine Broadband Internet Infrastructure Fund

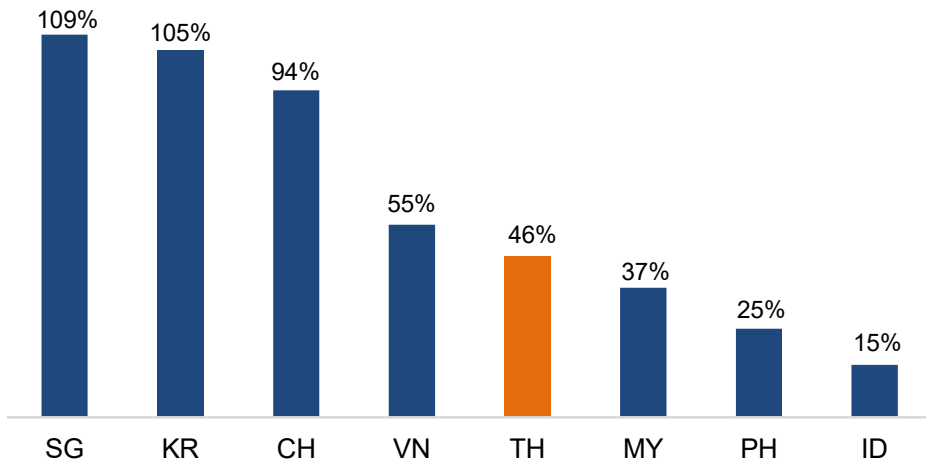


Section 3 Industry Overview and TTTBB Performance

1 Industry Overview

Fixed Broadband Penetration in Asia ...

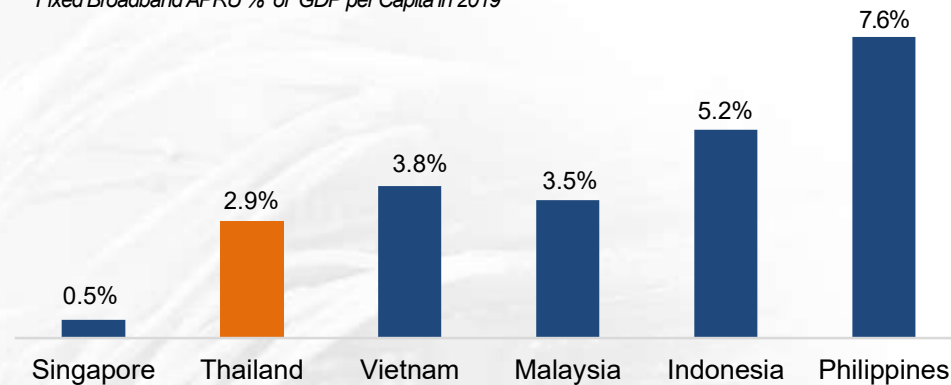
2019 Fixed Broadband Penetration per Household (%)



Source: BBLAM Estimates

Affordability of Fixed Broadband Services in Southeast Asia Countries

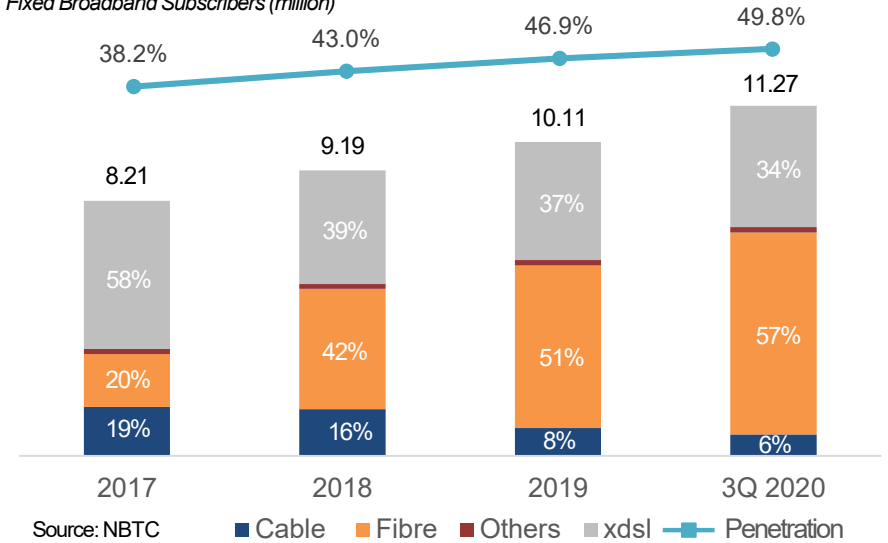
Fixed Broadband ARPU % of GDP per Capita in 2019



Source: BBLAM Estimates

Historical Fixed Broadband Penetration in Thailand⁽¹⁾ ...

Fixed Broadband Subscribers (million)

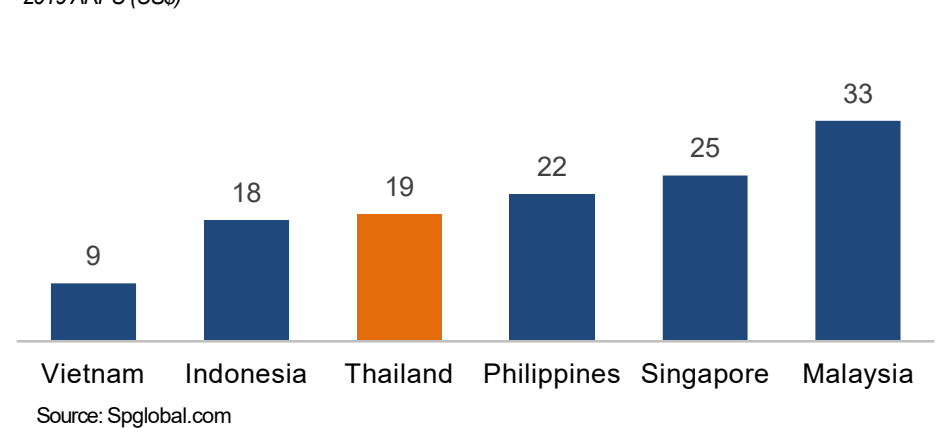


Source: NBTC

Legend: Cable, Fibre, Others, xDSL, Penetration

ARPU of Fixed Broadband Services in Southeast Asia Countries⁽²⁾

2019 ARPU (US\$)



Source: Spglobal.com

Note:

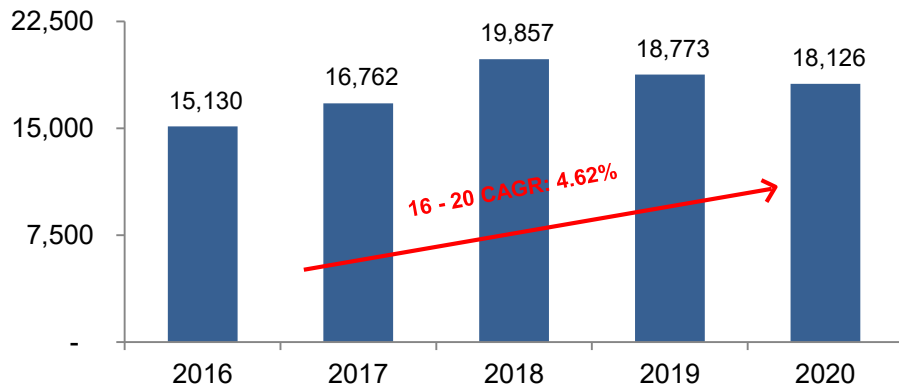
(1) Number of broadband subscribers at the end of relevant period as a percentage of total households in Thailand

(2) ARPU is average rate per user per month

2 Industry Overview and TTTBB Performance

TTTBB Revenue Over the Past Few Years ...

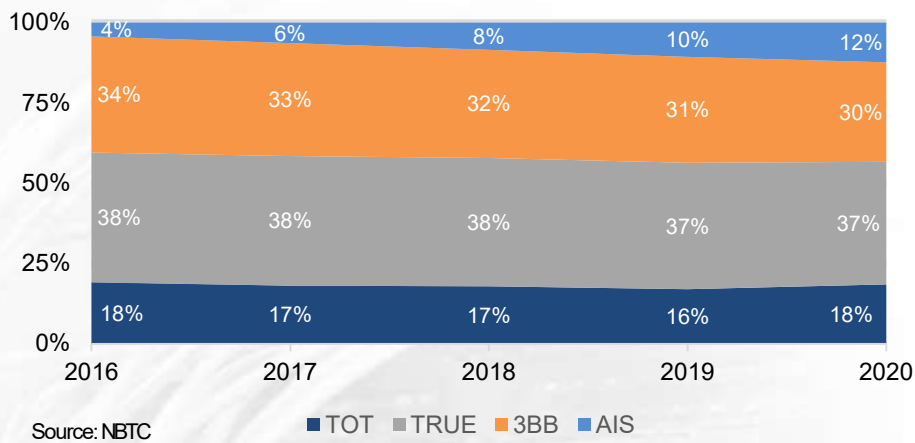
TTTBB Consolidated Total Revenue⁽¹⁾, THB MM



Source: TTTBB Financial Statement

Market Share of Fixed Broadband (Only Main Operators) ...

Fixed Broadband Market Evolution, 2016 – 2020



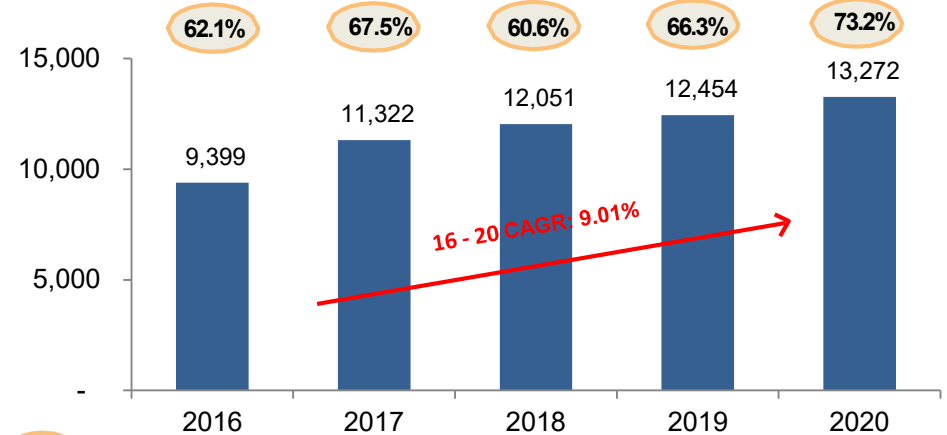
Source: NBTC

Notes:

- (1) Excluding gain from sales of assets and FX
- (2) Excluding impact from TFRS16 and gain from sales of assets and FX

TTTBB EBITDA Before Rental to JASIF Over the Past Few Years

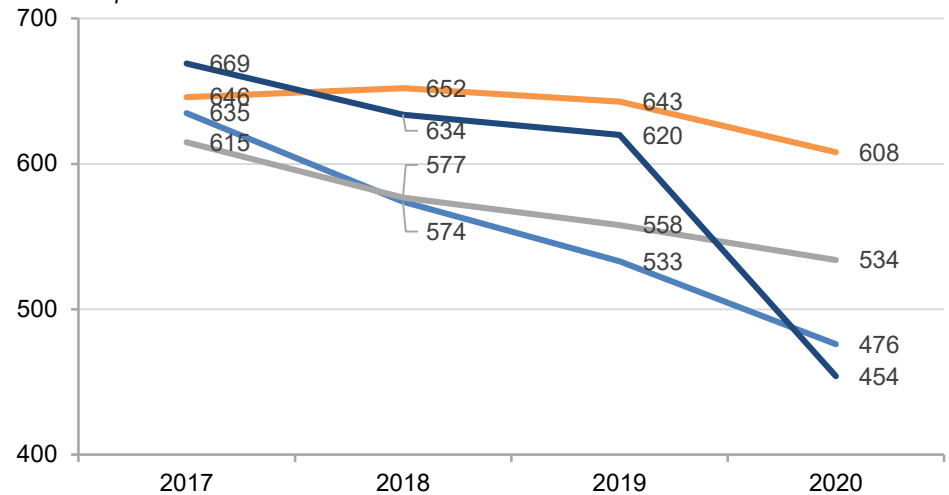
TTTBB EBITDAR⁽²⁾, THB MM



EBITDAR margin Source: TTTBB Financial Statement

ARPU of Fixed Broadband (Only Main Operators) ...

Unit: THB per Month

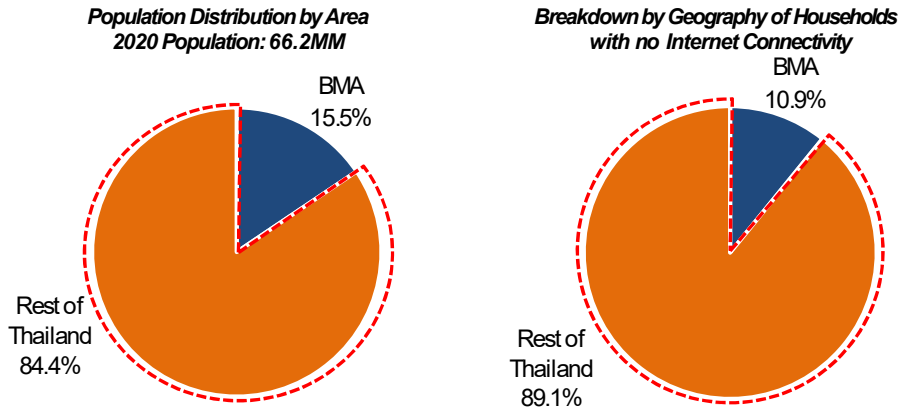


Source: NBTC

3BB AIS TRUE TOT

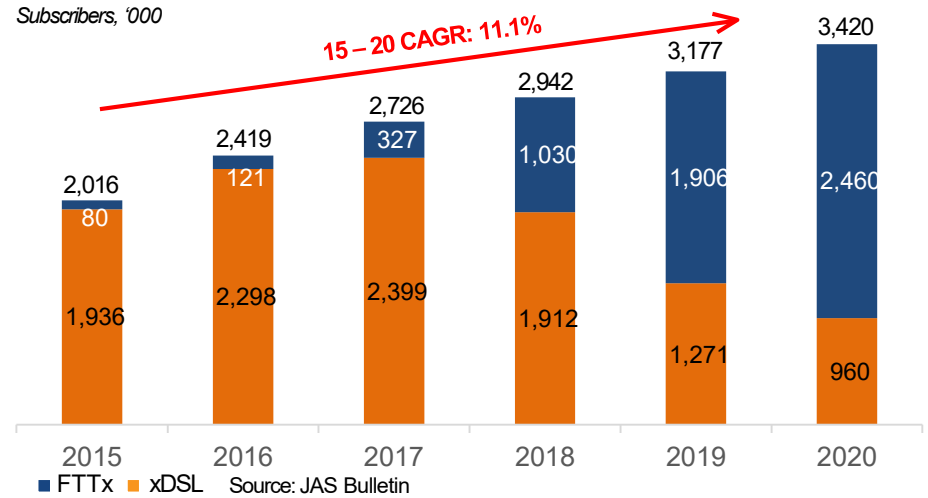
3 Industry Overview and TTTBB Performance

Large Addressable Market Outside BMA⁽¹⁾ for TTTBB



Source: Thailand National Statistics Office Survey 2020

TTTBB Subscriber Growth in the Last Few Years ...



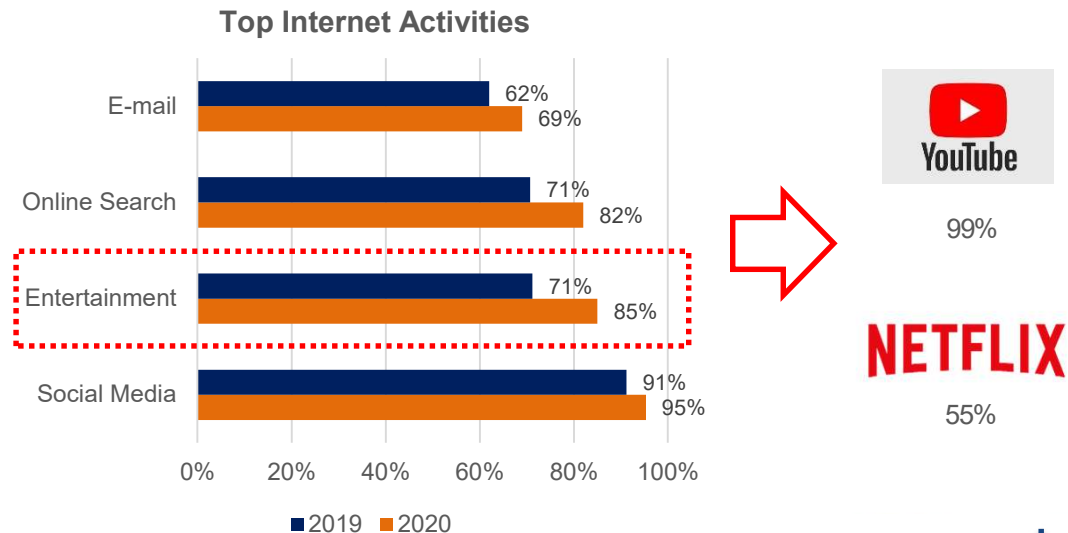
Daily Time Spent Using the Internet ...



Source: Thailand Internet User Behavior 2020 Report

Notes:
(1) BMA is Bangkok Metropolitan Area

Top Internet Activities ...



Source: Thailand Internet User Behavior 2020 Report

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Q&A

