

**NO DELAY IN REBUTTAL**

An executive at True Corporation says a board reshuffle at the telecom regulator is no reason to pause its merger with DTAC. **B3**

# True hits back at calls for merger delay

Source says pact with DTAC abides by laws

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True Corporation, the country's second largest mobile operator by subscriber base, has insisted its planned merger with industry peer Total Access Communication (DTAC) cannot be delayed from its timeline that targets completion by mid-June, despite a reshuffle of the telecom regulator's board.

An executive at True who requested anonymity said the merger process was following standard procedures and complying with the law, as the two companies submitted a joint report of the amalgamation plan to the National Broadcasting and Telecommunications Commission (NBTC) on Jan 25.

Various mergers and acquisitions (M&As) have taken place since the amended Telecom Business Act came into effect in 2018, the source said.

At least four M&A deals in the



Logos of True Corporation and DTAC are seen at a department store. REUTERS

telecom industry have been executed since the amended act was enforced, comprising ALT Telecom and International Gateway in 2019, ALT Telecom and Smart Infranet in 2020, TOT and CAT Telecom in 2021, and Triple T

Internet and Triple T Broadband in 2021.

Before the amended act was enforced, SET-listed Symphony Communication (SYMC) entered into a merger deal with Malaysia-based



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TRUE EXECUTIVE

TIME dotCom Berhad in 2017.

According to the True source, Section 21 of the amended act stipulates that telecom licensees are prohibited from creating a monopoly or reducing or limiting competition.

The NBTC has the authority only to impose measures to prevent telecom licensees from creating a monopoly or reducing or restricting competition in service, said the source.

"The merger deal was announced late last year and it proceeded in line with related regulations and procedures required by the office of the NBTC," the source said.

Despite criticism by academics and consumer advocates, who say a merger of the two major telecom players would affect industry competition, leaving consumers to pay the price, the source argued that the law must be applied to all companies fairly and equally.

"The regulation must not be used to discriminate against any specific private companies with bias or assumption about the future," the source said.

The source said both companies' notification of their amalgamation plan to the NBTC was in line with the regulator's rule requiring telecom licensees seeking to merge to report to it at least 90 days before executing the deal.

The deal is expected to be fully completed, with the regulator's governing measures issued by mid-June.

The five new members of the NBTC board were royally endorsed on April 13, with their names published in the *Royal Gazette* a day later.

The source stressed the reshuffle should not be a reason to delay the merger, especially for measures set to be issued by the NBTC.

"The merger proceedings are in line with normal practices for companies in terms of contact, based on relevant regulations," the source said.

A change in NBTC board members is not a reason to delay the merger, the source said.

The source was responding to a House of Representatives committee that submitted a letter to the cabinet last week suggesting the process be delayed to give more time for the new NBTC board to study and review the planned merger.

The committee also indicated the deal is shrouded by legal ambiguities and questions about the regulator's powers.