

**TRUE CORPORATION PUBLIC COMPANY LIMITED**

**CONSOLIDATED AND SEPARATE  
FINANCIAL STATEMENTS**

**31 DECEMBER 2022**

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## List of abbreviations

### Subsidiaries

### Abbreviation

AP&J Production Co., Ltd.	AP&J
Asia Wireless Communication Co., Ltd.	AWC
Bangkok Inter Teletech Public Company Limited	BITCO
BFKT (Thailand) Limited	BFKT
Cineplex Co., Ltd.	CNP
Seekone Holding company Limited	Seekone
Seekster Co., Ltd.	Seekster
Seekforce Co., Ltd.	Seekforce
Chiwiborirak Co., Ltd.	CHIIWII
Hutchison CAT Wireless MultiMedia Limited	HCAT
Hutchison MultiMedia Services (Thailand) Limited	HMSTL
Hutchison Telecommunications (Thailand) Company Limited	HTTCL
Hutchison Wireless MultiMedia Holdings Limited	HWMH
Internet Knowledge Service Center Co., Ltd.	IKSC
KSC Commercial Internet Co., Ltd.	KSC
MKSC World Dot Com Co., Ltd.	MKSC
Panther Entertainment Co., Ltd.	PTE
Samut Pakan Media Corporation Co., Ltd.	SPM
Satellite Service Co., Ltd.	SSV
SM True Co., Ltd.	SM True
Song Dao Co., Ltd.	SD
Tele Engineering and Services Co., Ltd.	TE
Telecom Asset Management Co., Ltd.	TAM
Telecom Holding Co., Ltd.	TH
Thai News Network (TNN) Co., Ltd.	TNN
True Digital Group Co., Ltd.	TDG
True Digital Park Co., Ltd.	TDPK
True Distribution and Sales Co., Ltd.	TDS
True4U Station Co., Ltd.	True4U
True E-Logistic Co., Ltd.	TEL
True Icontent Co., Ltd.	TICT
True Incube Co., Ltd.	TINC
True International Communication Co., Ltd.	TIC
True International Gateway Co., Ltd.	TIG
True Internet Corporation Co., Ltd.	TICC
True Life Plus Co., Ltd.	TLP
True Media Solutions Co., Ltd.	TSC
True Move Co., Ltd.	TMV
True Move H Universal Communication Co., Ltd.	TUC
True Multimedia Co., Ltd.	TM
True Music Co., Ltd.	TMS
True Music Radio Co., Ltd.	TMR
True Public Communication Co., Ltd.	TPC
True United Football Club Co., Ltd.	TUFC
True Visions Cable Public Company Limited	True Cable
True Visions Group Co., Ltd.	TVG
True Visions Public Company Limited	True Visions
True Vistas Co., Ltd.	TVT
True Voice Co., Ltd.	TV
K.I.N. (Thailand) Co., Ltd.	KINBVI

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**List of abbreviations(Cont'd)****Subsidiaries (Cont'd)****Abbreviation**

Crave Interactive Limited	CRAVE
Gold Palace Investments Limited	GPI
Golden Light Co., Ltd.	GDL
Goldsky Co., Ltd.	GSK
Golden Pearl Global Limited	GDP
Mediaload Pte. Ltd.	Mediaload
Mediaload (Cambodia) Co., Ltd.	MDC
Mediaload Myanmar Co., Ltd.	MDM
Etalent Promotion (Cambodia) Co., Ltd.	ETP
Ace Media Network SDN. BHD.	AMN
88Razzi SDN. BHD.	88RAZZI
Komaci Network SDN. BHD	KNW
Rosy Legend Limited	RL
Prospect Gain Limited	PG
PT True Digital Indonesia	PTTD
True Digital Philippines Inc.	TDPI
True Digital Vietnam Joint Stock Company	TD Vietnam
True Internet Technology (Shanghai) Company Limited	TIS
True Trademark Holdings Company Limited	TTH
Zapgroup Inc.	ZAP

**Associates**

Digital Telecommunications Infrastructure Fund	DIF
Genxas Whiz Co., Ltd.	Genxas
Queue Q (Thailand) Co., Ltd.	Queue Q
Techsauce Media Co., Ltd.	Teachsauce
True Axion Interactive Ltd.	TrueAxion
True GS Co., Ltd.	TGS
HG robotic	HG
Yi Tunnel (Beijing) Technology Co., Ltd.	YI Tunnel

**Joint ventures**

Asia Infonet Co., Ltd.	AI
Transformation Films Co., Ltd.	TFF
True CJ Creation Co., Ltd.	TCJ
True Touch Co., Ltd.	TT
True - Kona Cayman GP	True-Kona
LINE Games - True - Kona Global Limited Partnership	LINE games-TRUE

**Other organisations**

The National Telecommunication Commission	NTC
The National Telecommunication Commission of NBTC	NBTC
The National Broadcasting and Telecommunication Commission	NBTC
National Telecom Public Company Limited	NT
Mass Communication Organization of Thailand (currently MCOT Public Company Limited)	MCOT
Securities and Exchange Commission of Thailand	SEC
Thailand Federation of Accounting Professions	TFAC
TOT Public Company Limited (currently NT)*	TOT
CAT Telecom Public Company Limited (currently NT)*	CAT

\* On 7 January 2021, TOT and CAT has merged into a new company, National Telecom Public Company Limited ("NT").



## Independent Auditor's Report

To the shareholders and the Board of directors of True Corporation Public Company Limited

### My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of True Corporation Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial position of the Company as at 31 December 2022, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

### What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2022;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

### Basis for opinion

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

### Emphasis of matters

I draw attention to Note 40 to the financial statements discussing the uncertainties in respect of the outcome of the lawsuits against the Group. My opinion is not modified in respect of this matter.



### Key audit matters

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

Key audit matter	How my audit addressed the key audit matter
<p><b>Revenue recognition</b></p> <p>Refer to Note 5.20 to the consolidated and separate financial statements on accounting policy for revenue recognition.</p> <p>Recording revenue is an inherent risk for the telecommunications industry because of the complexity of the billing systems, multiple performance obligation arrangements such as product and service bundled packages, and the impact on revenue recognition of changing price plans covering tariffs, structures and discounts throughout the year. These complexities may give rise to the risk that the revenue of each performance obligation may not be accurately recognised.</p> <p>I focused on revenue recognition because the balance and transaction volume of revenue are materially high. The total transaction price of the bundled contracts is allocated to each performance obligation based on their relative standalone selling prices. Each performance obligation is recognised as revenue on fulfillment of the obligation to the customer. In addition, the revenue recognition is complex and involves management's estimation on unbilled revenue at the close of the billing period. Due to multiple monthly billing cycles, billing periods may not necessarily close concurrently with the month-end close. This triggers a concern about whether revenue is recorded in the correct period.</p>	<p>My audit procedures included the following:</p> <ul style="list-style-type: none"><li>• evaluating and testing IT general controls over billing and other relevant support systems, including changes to system control procedures currently in place;</li><li>• evaluating and testing the internal controls in place over the authorisation of price rate changes, the implementation of new sales campaigns and entering the information into billing systems;</li><li>• testing that the allocation of fair value for each performance obligation for product and service bundled packages in sales campaigns launched during the year is in accordance with the transaction price allocation method under TFRS;</li><li>• testing end-to-end reconciliations from the billing systems to the general ledger, including examining material journal entries processed between the billing system and general ledger; and</li><li>• testing revenue estimations for month-end closing by checking actual revenue based on customer usage data in the subsequent period against estimated revenue for incomplete billing cycles recorded in the accounts.</li></ul> <p>Based on my procedures, I noted no significant issues.</p>



Key audit matter	How my audit addressed the key audit matter
<p data-bbox="261 450 671 477"><b>Impairment assessment of goodwill</b></p> <p data-bbox="261 499 842 584">Refer to Note 7.1 and Note 23 to the consolidated and separate financial statements on critical accounting estimates and judgements, and goodwill.</p> <p data-bbox="261 616 842 761">The Group's goodwill of Baht 7,167.47 million (net of impairment) is attributable to Pay TV cash generating unit (CGU). The Group is required to test goodwill for impairment at least annually in accordance with the requirements of Thai Financial Reporting Standards.</p> <p data-bbox="261 792 842 938">I focused on this area because the goodwill balance is material to the financial statements and its recoverable amount is based on management judgements of variables such as revenue, revenue growth, profit margin, capital expenditure and discount rates.</p> <p data-bbox="261 969 842 1032">For the year ended 31 December 2022, management assessed impairment of goodwill by:</p> <ol data-bbox="261 1048 842 1476" style="list-style-type: none"><li data-bbox="261 1048 842 1344">1. Determining the recoverable amount of goodwill from the fair value less costs of disposal for the CGU using the discounted cash flow (DCF) model. The forecasted cash flows (revenue, expenses and capital expenditure) generated from CGU for the next five years, were based on the budget, and a terminal zero growth rate was applied after the fifth year cash flows. These cash flows were then discounted to the net present value using the weighted average cost of capital (WACC), and</li><li data-bbox="261 1359 842 1476">2. comparing the resulting fair value less costs of disposal for the CGU and determining whether to record an impairment provision if the fair value less costs of disposal were less than the book values.</li></ol> <p data-bbox="261 1507 842 1675">Based on the annual impairment test for goodwill, the Group recognised loss on goodwill impairment of Baht 2,000.00 million under "Other expense" in the consolidated statement of comprehensive income. The management assessed that the loss on goodwill impairment was adequate and appropriate.</p>	<p data-bbox="876 499 1203 526">My audit procedures included:</p> <ul data-bbox="876 548 1473 1173" style="list-style-type: none"><li data-bbox="876 548 1473 633">● obtaining, understanding and evaluating management's cash flow forecasts and the process by which the forecasts were developed;</li><li data-bbox="876 663 1473 725">● agreeing the cash flow forecasts with the approved budgets set by the Group Chief Financial Officer;</li><li data-bbox="876 745 1473 949">● assessing management's key assumptions on sources of revenue, revenue growth, profit margin, capital expenditure and discount rates by comparing them against the economic and industry outlook and the previous year's assumptions, taking into account the sensitivity of the goodwill balance changes in these assumptions;</li><li data-bbox="876 976 1473 1061">● making inquiries with management related to the cost of disposal that may incur and assessing the reasonableness of management's estimation;</li><li data-bbox="876 1088 1473 1173">● engaging my firm's valuation experts to assess the reasonableness of the discount rate applied in the DCF model and testing accuracy of the calculation.</li></ul> <p data-bbox="876 1205 1473 1290">Based on my procedures, I found that the key assumptions used in the valuation model were supportable and appropriate in light of the current environment and circumstances.</p>



Key audit matter	How my audit addressed the key audit matter
<p data-bbox="261 450 847 506"><b><i>Impairment assessment of right-of-use assets and related property, plant and equipment</i></b></p> <p data-bbox="261 524 847 672">Refer to Note 5.12 the consolidated and separate financial statements on accounting policy for impairment of assets, Note 7.1 critical accounting estimates and judgements, and estimated impairment of assets and Note 22 on right-of-use assets.</p> <p data-bbox="261 712 847 947">At 31 December 2022, the Group has net book value of right-of-use assets and related property, plant and equipment attributable to the broadband internet cash generating unit (CGU) of Baht 96,648.85 million after deduction of the provision for impairment of Baht 25,002.83 million. The Group will assess the impairment whenever events of changes in circumstances indicate that the carrying amount may not be recoverable.</p> <p data-bbox="261 981 847 1335">As a result of the changes in trend of broadband internet revenue, management reassessed the CGU impairment. Management calculated the recoverable amount under the value in use approach. The recoverable amount reduced from the last year. However, The recoverable amount is greater than the carrying value of right-of-use assets and related property, plant and equipment (net of the depreciation and amortization during the year), so a reversal of impairment of right-of-use assets Baht 3,216.00 million was recognised in the consolidated statement of comprehensive income for the year ended 31 December 2022.</p> <p data-bbox="261 1368 847 1516">I focused on this area because the recoverable amount of right-of-use assets and related property, plant and equipment involve management's judgements in determining key assumptions, specifically, revenue, revenue growth rate, gross profit margin, and discount rate.</p> <p data-bbox="261 1550 847 1659">Based on the impairment test for right-of-use assets and related property, plant and equipment, management concluded that the impairment provision as of 31 December 2022 is reasonable.</p>	<p data-bbox="879 524 1206 551">My audit procedures included:</p> <ul data-bbox="879 577 1474 1111" style="list-style-type: none"><li data-bbox="879 577 1474 633">• understanding and evaluating management's methodologies of valuation computation;</li><li data-bbox="879 660 1474 745">• obtaining, understanding and evaluating management's cash flow forecasts and the process by which the forecasts were developed;</li><li data-bbox="879 772 1474 828">• agreeing the cashflow forecasts with the input data used by management to estimate value in use;</li><li data-bbox="879 855 1474 1003">• assessing the key assumptions used by management to evaluate sources of revenue, revenue growth, profit margin and discount rates by comparing them against the economic and industry outlook, and the previous year's assumptions; and</li><li data-bbox="879 1030 1474 1111">• engaging my firm's valuation experts to assess the reasonableness of the discount rate applied in the DCF model and testing accuracy of the calculation.</li></ul> <p data-bbox="879 1144 1474 1229">Based on my procedures, I found that the key assumptions used in the valuation model were supportable and appropriate in light of the current environment and circumstances.</p>



### **Other information**

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

### **Responsibilities of the directors for the consolidated and separate financial statements**

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRS, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and the Company'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 the directors either intend to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities for overseeing the Group's and the Company's financial reporting process.

### **Auditor's responsibilities for the audit of the consolidated and separate financial statements**

My objectives are to obtain reasonable assurance about whether the consolidated and separate 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 TSAs 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 consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate 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 and the Company's internal control.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 and the Company'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 consolidated and separate 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 and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate 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 the audit committee 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 the audit committee 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 the audit committee, I determine those matters that were of most significance in the audit of the consolidated and separate 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.

PricewaterhouseCoopers ABAS Ltd.

A handwritten signature in blue ink, appearing to read 'P. Thangtanagul', is written over a faint blue grid background.

**Pisit Thangtanagul**  
Certified Public Accountant (Thailand) No. 4095  
Bangkok  
20 February 2023

**True Corporation Public Company Limited**  
**Statements of Financial Position**  
**As at 31 December 2022**

	Notes	Consolidated financial statements		Separate financial statements	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
		Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	14	27,010,541	21,963,481	2,997,402	12,667,231
Restricted cash at bank	15	9,366	43,843	9,350	43,827
Financial assets at fair value through profit or loss	9	490,737	625,532	-	-
Trade and other receivables	16	48,024,630	51,797,153	12,652,303	21,990,169
Short-term loans to related parties	41	2,000	2,000	7,184,892	4,605,984
Other financial assets at amortised cost		-	1,234	-	-
Inventories	18	1,205,753	1,373,735	13,700	43,262
Income tax deducted at source		8,241,880	10,032,390	670,094	414,668
Claimable value added tax		4,310,238	5,873,531	11,394	-
Other current assets	19	8,969,411	8,417,517	94,056	84,319
<b>Total current assets</b>		<b>98,264,556</b>	<b>100,130,416</b>	<b>23,633,191</b>	<b>39,849,460</b>
<b>Non-current assets</b>					
Restricted cash at bank	15	21,993	21,351	-	-
Long-term loans to related parties	41	-	10,000	140,600,000	92,100,000
Financial assets at fair value through profit or loss	9	4,777,172	4,113,419	10,256	-
Financial assets at fair value through other comprehensive income	9	260,579	260,870	1,000	1,000
Investment in subsidiaries	20	-	-	180,592,382	181,028,382
Investment in associates and interests in joint ventures	20	21,707,580	24,493,841	27,005,406	30,712,296
Investment property		1,613,041	1,139,242	-	-
Property, plant and equipment	21	253,016,344	245,337,133	310,995	422,181
Right-of-use assets	22	93,300,662	94,222,965	1,110,861	1,091,631
Intangible assets	24	119,845,502	128,325,129	258,535	281,128
Goodwill	23	8,466,585	10,159,916	-	-
Deferred tax assets	25	5,826,750	5,862,293	-	-
Other non-current assets	26	10,995,085	10,838,005	152,515	98,705
<b>Total non-current assets</b>		<b>519,831,293</b>	<b>524,784,164</b>	<b>350,041,950</b>	<b>305,735,323</b>
<b>Total assets</b>		<b>618,095,849</b>	<b>624,914,580</b>	<b>373,675,141</b>	<b>345,584,783</b>

The accompanying notes on pages 15 to 93 are an integral part of these financial statements.

**True Corporation Public Company Limited**  
**Statements of Financial Position (Cont'd)**  
**As at 31 December 2022**

	Notes	Consolidated financial statements		Separate financial statements	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
		Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Short-term borrowings	27	17,954,058	5,999,471	10,447,425	5,999,471
Financial liabilities at fair value through profit or loss	9	832,066	41,030	-	-
Financial liabilities at fair value through other comprehensive income	9	340,094	-	340,094	-
Trade and other payables	28	87,525,874	92,665,604	3,429,748	2,713,774
Current portion of lease liabilities	30	12,683,345	9,019,786	193,020	140,117
Current portion of long-term borrowings	27	64,875,509	59,312,548	39,109,159	40,776,072
Short-term loans from related parties	41	-	-	120,825	499,166
Income tax payable		127,839	133,403	-	-
Other current liabilities	29	3,938,602	6,775,864	416,126	534,766
<b>Total current liabilities</b>		<b>188,277,387</b>	<b>173,947,706</b>	<b>54,056,397</b>	<b>50,663,366</b>
<b>Non-current liabilities</b>					
Long-term borrowings	27	209,307,769	192,196,068	138,249,041	112,762,203
Financial liabilities at fair value through profit or loss	9	57,656	5,149	-	-
Deferred tax liabilities	25	5,630,425	5,497,790	193,361	138,764
Lease liabilities	30	96,958,830	105,149,061	698,206	403,048
Liabilities under agreements and licences for operation	31	38,837,815	47,297,899	-	-
Employee benefits obligations	32	3,181,900	3,495,225	1,326,566	1,513,817
Provisions	33	5,268,780	5,724,979	78,155	115,755
Other non-current liabilities	34	9,168,544	9,782,657	-	-
<b>Total non-current liabilities</b>		<b>368,411,719</b>	<b>369,148,828</b>	<b>140,545,329</b>	<b>114,933,587</b>
<b>Total liabilities</b>		<b>556,689,106</b>	<b>543,096,534</b>	<b>194,601,726</b>	<b>165,596,953</b>

The accompanying notes on pages 15 to 93 are an integral part of these financial statements.

True Corporation Public Company Limited  
 Statements of Financial Position (Cont'd)  
 As at 31 December 2022

	Notes	Consolidated financial statements		Separate financial statements	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
		Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
<b>Liabilities and equity (Cont'd)</b>					
<b>Equity</b>					
Share capital	35				
Authorised share capital					
Common shares, 33,368,195,301 shares of par Baht 4 each (2021: Common shares, 33,368,655,464 shares of par Baht 4 each)		133,472,781	133,474,622	133,472,781	133,474,622
Issued and fully paid-up share capital					
Common shares, 33,368,195,301 shares of paid-up Baht 4 each		133,472,781	133,472,781	133,472,781	133,472,781
Premium on share capital	35	26,384,073	26,384,073	26,384,073	26,384,073
Premium on treasury shares	35	51,060	-	51,060	-
Retained earnings					
Appropriated - legal reserve	36	1,655,003	1,592,180	1,655,003	1,592,180
Appropriated - treasury shares reserve		-	72,540	-	72,540
Retained earnings (deficits)		(98,387,186)	(77,979,443)	17,548,621	18,538,796
<u>Less</u> Treasury shares	35	-	(72,540)	-	(72,540)
Other components of equity		(2,193,581)	(2,107,672)	(38,123)	-
<b>Equity attributable to owners of the parent</b>		<b>60,982,150</b>	<b>81,361,919</b>	<b>179,073,415</b>	<b>179,987,830</b>
Non-controlling interests	20	424,593	456,127	-	-
<b>Total equity</b>		<b>61,406,743</b>	<b>81,818,046</b>	<b>179,073,415</b>	<b>179,987,830</b>
<b>Total liabilities and equity</b>		<b>618,095,849</b>	<b>624,914,580</b>	<b>373,675,141</b>	<b>345,584,783</b>

The accompanying notes on pages 15 to 93 are an integral part of these financial statements.

**True Corporation Public Company Limited**  
**Statements of Comprehensive Income**  
**For the year ended 31 December 2022**

	Notes	Consolidated financial statements		Separate financial statements	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
		Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
<b>Revenues</b>					
Revenues from telephone and other services		113,952,325	120,370,289	7,457,931	9,884,320
Revenues from product sales		21,123,180	23,284,982	84,280	42,812
<b>Total revenues</b>		<b>135,075,505</b>	<b>143,655,271</b>	<b>7,542,211</b>	<b>9,927,132</b>
<b>Costs</b>					
Cost of providing services		82,501,609	81,633,641	2,146,927	2,409,947
Cost of sales		20,983,273	23,839,933	77,973	40,680
<b>Total costs</b>		<b>103,484,882</b>	<b>105,473,574</b>	<b>2,224,900</b>	<b>2,450,627</b>
<b>Gross profit</b>		<b>31,590,623</b>	<b>38,181,697</b>	<b>5,317,311</b>	<b>7,476,505</b>
Other income		3,079,209	3,552,796	7,923,340	7,064,241
Selling expenses		(14,831,528)	(11,635,859)	(1,905,999)	(1,626,192)
Administrative expenses		(14,542,954)	(14,132,581)	(2,846,078)	(2,620,755)
Other expenses	23	(5,595,840)	(1,666,634)	(235,830)	(74,713)
Share of results	20	2,432,177	3,677,122	-	-
Finance costs	11	(20,110,837)	(19,343,202)	(6,961,093)	(5,448,162)
<b>Profit (loss) before income tax</b>		<b>(17,979,150)</b>	<b>(1,366,661)</b>	<b>1,291,651</b>	<b>4,770,924</b>
Income tax	12	(415,238)	(154,861)	(35,184)	132,662
<b>Profit (loss) for the year</b>		<b>(18,394,388)</b>	<b>(1,521,522)</b>	<b>1,256,467</b>	<b>4,903,586</b>
<b>Other comprehensive income:</b>					
Item that will not be reclassified to profit or loss:					
Remeasurements of post - employment benefit obligation, net of tax		196,529	102,432	77,654	(20,643)
Measurement of equity instruments at fair value through other comprehensive income, net of tax		(292)	(92,687)	-	-
Item that will be reclassified subsequently to profit or loss:					
Cash flow hedges		(38,123)	-	(38,123)	-
Exchange differences on translation		(25,199)	25,406	-	-
<b>Total comprehensive income for the year</b>		<b>(18,261,473)</b>	<b>(1,486,371)</b>	<b>1,295,998</b>	<b>4,882,943</b>
<b>Profit (loss) for the year attributable to:</b>					
Owners of the parent		(18,285,199)	(1,428,409)	1,256,467	4,903,586
Non-controlling interests		(109,189)	(93,113)	-	-
<b>Profit (loss) for the year</b>		<b>(18,394,388)</b>	<b>(1,521,522)</b>	<b>1,256,467</b>	<b>4,903,586</b>
<b>Total comprehensive income (expense) for the year attributable to:</b>					
Owners of the parent		(18,153,187)	(1,393,258)	1,295,998	4,882,943
Non-controlling interests		(108,286)	(93,113)	-	-
<b>Total comprehensive income (expense) for the year</b>		<b>(18,261,473)</b>	<b>(1,486,371)</b>	<b>1,295,998</b>	<b>4,882,943</b>
<b>Basic (loss) earnings per share attributable to owners of the parent</b>					
	13				
- Basic (Baht per share)		(0.55)	(0.04)	0.04	0.15

The accompanying notes on pages 15 to 93 are an integral part of these financial statements.

True Corporation Public Company Limited  
 Statements of Changes in Equity  
 For the year ended 31 December 2022

Consolidated financial statements															Baht Thousand	
Attributable to owners of the parent																
	Notes	Issued and fully paid-up		Treasury shares				Measurement of equity investment at fair value	Cash flow hedges	Translating financial statements	Changes in non-controlling interest	Total other components of equity	Total owners of the parent	Non-controlling interests	Total	
		common shares	Premium on shares	Premium on treasury shares	Treasury shares	Legal reserve	Deficits									
<b>Opening balance at 1 January 2021</b>		133,472,781	26,384,073	-	(72,540)	1,347,000	72,540	(74,074,383)	(220,330)	-	3,539	(1,823,582)	(2,040,373)	85,089,098	528,035	85,617,133
Non-controlling interests from business combination	20	-	-	-	-	-	-	-	-	-	-	-	-	-	21,210	21,210
Addition investment in subsidiary by purchasing shares from non-controlling interests		-	-	-	-	-	-	-	-	-	-	-	-	-	(23)	(23)
Dilution due to increase in non-controlling interests		-	-	-	-	-	-	-	-	-	(18)	(18)	(18)	(18)	18	-
Appropriation of legal reserve	36	-	-	-	-	245,180	-	(245,180)	-	-	-	-	-	-	-	-
Dividends paid	42	-	-	-	-	-	-	(2,333,903)	-	-	-	-	-	(2,333,903)	-	(2,333,903)
Total comprehensive income (expense) for the year		-	-	-	-	-	-	(1,325,977)	(92,687)	-	25,406	-	(67,281)	(1,393,258)	(93,113)	(1,486,371)
<b>Closing balance at 31 December 2021</b>		<b>133,472,781</b>	<b>26,384,073</b>	<b>-</b>	<b>(72,540)</b>	<b>1,592,180</b>	<b>72,540</b>	<b>(77,979,443)</b>	<b>(313,017)</b>	<b>-</b>	<b>28,945</b>	<b>(1,823,600)</b>	<b>(2,107,672)</b>	<b>81,361,919</b>	<b>456,127</b>	<b>81,818,046</b>
<b>Opening balance at 1 January 2022</b>		133,472,781	26,384,073	-	(72,540)	1,592,180	72,540	(77,979,443)	(313,017)	-	28,945	(1,823,600)	(2,107,672)	81,361,919	456,127	81,818,046
Non-controlling interests from business combination	20	-	-	-	-	-	-	-	-	-	-	-	-	-	60,606	60,606
Sale of treasury shares	35	-	-	51,060	72,540	-	(72,540)	72,540	-	-	-	-	-	123,600	-	123,600
Addition investment in subsidiary by purchasing shares from non-controlling interests		-	-	-	-	-	-	-	-	-	-	-	-	-	(23)	(23)
Dilution due to increase in non-controlling interests		-	-	-	-	-	-	-	-	-	(16,169)	(16,169)	(16,169)	(16,169)	16,169	-
Appropriation of legal reserve	36	-	-	-	-	62,823	-	(62,823)	-	-	-	-	-	-	-	-
Dividends paid	42	-	-	-	-	-	-	(2,334,013)	-	-	-	-	-	(2,334,013)	-	(2,334,013)
Liquidation of subsidiaries		-	-	-	-	-	-	5,224	-	-	(5,224)	(5,224)	(5,224)	-	-	-
Total comprehensive income (expense) for the year		-	-	-	-	-	-	(18,088,671)	(292)	(38,123)	(26,101)	-	(64,516)	(18,153,187)	(108,286)	(18,261,473)
<b>Closing balance at 31 December 2022</b>		<b>133,472,781</b>	<b>26,384,073</b>	<b>51,060</b>	<b>-</b>	<b>1,655,003</b>	<b>-</b>	<b>(98,387,186)</b>	<b>(313,309)</b>	<b>(38,123)</b>	<b>2,844</b>	<b>(1,844,993)</b>	<b>(2,193,581)</b>	<b>60,982,150</b>	<b>424,593</b>	<b>61,406,743</b>

The accompanying notes on pages 15 to 93 are an integral part of these financial statements.

True Corporation Public Company Limited  
 Statements of Changes in Equity (Cont'd)  
 For the year ended 31 December 2022

Separate financial statements								Baht Thousand	
Notes	Issued and fully paid-up common shares	Premium on shares	Premium on treasury shares	Treasury shares	Legal reserve	Treasury shares reserve	Retained earnings	Other comprehensive income	
								Cash flow hedges	Total
<b>Opening balance at 1 January 2021</b>	133,472,781	26,384,073	-	(72,540)	1,347,000	72,540	16,234,936	-	177,438,790
Appropriation of legal reserve	36	-	-	-	245,180	-	(245,180)	-	-
Dividends paid	42	-	-	-	-	-	(2,333,903)	-	(2,333,903)
Total comprehensive income for the year		-	-	-	-	-	4,882,943	-	4,882,943
<b>Closing balance at 31 December 2021</b>	<u>133,472,781</u>	<u>26,384,073</u>	<u>-</u>	<u>(72,540)</u>	<u>1,592,180</u>	<u>72,540</u>	<u>18,538,796</u>	<u>-</u>	<u>179,987,830</u>
<b>Opening balance at 1 January 2022</b>	133,472,781	26,384,073	-	(72,540)	1,592,180	72,540	18,538,796	-	179,987,830
Sale of treasury shares	35	-	51,060	72,540	-	(72,540)	72,540	-	123,600
Appropriation of legal reserve	36	-	-	-	62,823	-	(62,823)	-	-
Dividends paid	42	-	-	-	-	-	(2,334,013)	-	(2,334,013)
Total comprehensive income for the year		-	-	-	-	-	1,334,121	(38,123)	1,295,998
<b>Closing balance at 31 December 2022</b>	<u>133,472,781</u>	<u>26,384,073</u>	<u>51,060</u>	<u>-</u>	<u>1,655,003</u>	<u>-</u>	<u>17,548,621</u>	<u>(38,123)</u>	<u>179,073,415</u>

The accompanying notes on pages 15 to 93 are an integral part of these financial statements.

True Corporation Public Company Limited

Statements of Cash Flows

For the year ended 31 December 2022

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
		Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
<b>Cash flow from operating activities</b>					
<b>(Loss) profit before income tax</b>		(17,979,150)	(1,366,661)	1,291,651	4,770,924
Adjustments for:					
Depreciation and amortisation		53,407,063	48,198,468	702,870	690,317
Expected credit loss	16	2,433,405	3,125,351	-	-
Reversal of loss on obsolete inventories	18	(337,631)	(410,785)	-	-
Gain on fair value of interest held before the date on which the Group obtained control		(75,407)	-	-	-
Loss (gain) on disposals of property, plant and equipment		3,030,783	(39,244)	7,032	(589)
Loss on termination of right-of-use assets		(184,477)	(366,495)	(88,395)	(20,787)
Gain from sales of investment in associate	20.2	(1,192,600)	-	(247,489)	-
Loss (gain) from liquidation of subsidiaries	20.1	1,382	(1,587)	-	(1,587)
Gain from revaluation of financial assets at fair value through profit or loss		(1,209,136)	(724,838)	-	-
Reversal of impairment assets		(1,233,292)	(1,135,347)	-	-
Impairment on investment in subsidiaries	20.1	-	-	109,000	-
Increase in employee benefits obligations	32	339,922	368,700	117,366	132,711
Unrealised loss on foreign exchange		1,942,378	583,573	61	299
Share of results	20.2	(2,469,227)	(3,715,344)	-	-
Employee benefit obligation-benefit paid	32	(422,052)	(812,022)	(207,551)	(334,761)
Interest income		(140,063)	(147,475)	(4,958,439)	(3,038,195)
Interest expense	11	16,617,149	16,100,292	6,688,109	5,212,939
Finance costs related to licences	11	2,114,360	2,402,935	-	-
Dividends received	41	(3,069)	(6,790)	(2,547,010)	(3,995,263)
Changes in operating asset and liabilities					
- Trade and other receivables		1,371,259	(9,992,028)	9,746,383	(2,556,932)
- Inventories		534,116	3,817,002	29,021	17,927
- Other current assets		(4,595,677)	(3,816,837)	(27,904)	89,122
- Film and program rights		(1,943,084)	(2,634,391)	-	-
- Other non-current assets		436,341	(220,158)	(10,341)	33,870
- Trade and other payables		2,620,416	2,449,026	632,970	(918,668)
- Other current liabilities		(2,837,291)	(121,913)	(118,638)	(152,760)
- Other non-current liabilities		543	(117,377)	-	(11,560)
Cash generated from (used in) operations		50,226,961	51,416,055	11,118,696	(82,993)
<u>Add</u> Interest received		138,607	148,026	4,816,280	2,818,813
Income tax received		4,189,183	2,184,254	139,286	-
<u>Less</u> Interest paid		(16,643,618)	(16,099,732)	(6,917,665)	(4,751,128)
Income tax paid		(2,688,717)	(2,590,535)	(394,709)	(405,917)
Net cash received from (used in) operating activities		35,222,416	35,058,068	8,761,888	(2,421,225)

The accompanying notes on pages 15 to 93 are an integral part of these financial statements.

True Corporation Public Company Limited

Statements of Cash Flows (Cont'd)

For the year ended 31 December 2022

	Notes	Consolidated financial statements		Separate financial statements	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
		Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
<b>Cash flows from investing activities</b>					
Decrease (increase) in restricted cash at bank		33,836	1,728	34,478	(368)
Loans made to related parties	41	(708,227)	(330,749)	(86,194,776)	(87,088,703)
Repayment received from loan to related parties	41	708,227	360,444	35,115,868	36,611,395
Acquisition of property, plant and equipment		(39,193,270)	(40,821,005)	(85,112)	(90,564)
Acquisition of intangible assets		(16,913,089)	(17,731,555)	(31,528)	(81,466)
Acquisition of right-of-use assets		-	(302,000)	-	(302,000)
Acquisition of investment property		(615,625)	(49,747)	-	-
Acquisition of subsidiaries, net of cash acquired		(72,648)	(107,785)	-	-
Acquisition of investment in associates and joint ventures	20.2	(37,336)	(160,139)	-	-
Acquisition of financial assets at fair value through profit or loss		(178,230)	(460,995)	-	-
Acquisition of other financial assets at amortised cost		1,234	-	-	-
Proceeds from disposals of equipment and intangible assets		280,633	185,248	103,169	592
Proceeds from reduction of registered capital in subsidiary		-	-	327,000	-
Proceeds from disposal of investment in associate	20.2	3,954,379	-	3,954,379	-
Proceeds from liquidation of investment in subsidiary		-	1,587	-	1,587
Proceeds from lease receivable		-	-	1,823	-
Dividends received	41	2,434,539	2,601,717	2,547,010	3,995,263
Net cash used in investing activities		(50,305,577)	(56,813,251)	(44,227,689)	(46,954,264)
<b>Cash flows from financing activities</b>					
Investment in subsidiary by purchasing shares from non-controlling interests		(23)	(23)	-	-
Proceeds from loans from related parties	41	15,706	565,795	14,134	35,892
Proceeds from short-term borrowings		18,998,144	7,900,000	11,477,741	7,897,202
Proceeds from borrowings		81,894,967	93,011,911	64,670,623	78,666,007
Proceeds from sale of treasury shares	35	123,600	-	123,600	-
Repayments to loans from related parties	41	(15,706)	(565,795)	(392,476)	(542,574)
Repayments to short-term borrowings		(6,700,000)	(5,402,003)	(6,700,000)	(5,400,000)
Repayments to long-term borrowings	27	(59,505,752)	(61,061,368)	(40,873,900)	(29,316,600)
Repayments to lease liabilities		(12,412,518)	(12,740,267)	(189,737)	(294,732)
Dividends paid	42	(2,334,013)	(2,333,903)	(2,334,013)	(2,333,903)
Net cash received from financing activities		20,064,405	19,374,347	25,795,972	48,711,292
<b>Net increase (decrease) in cash and cash equivalents</b>		4,981,244	(2,380,836)	(9,669,829)	(664,197)
Opening balance		21,963,481	24,330,348	12,667,231	13,331,428
Effects of exchange rate changes		65,816	13,969	-	-
Closing balance		27,010,541	21,963,481	2,997,402	12,667,231

**Non-cash transactions**

	Consolidated financial statements		Separate financial statements	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	Baht Million	Baht Million	Baht Million	Baht Million
Acquisition of property, plant and equipment and intangible assets, not yet paid	90,652.41	107,850.54	19.21	24.81
Acquisition of right-of-use assets	8,547.05	1,459.84	800.98	585.41
Disposals of right-of-use assets which has not been received	-	-	236.31	-
Additions of lease receivables	-	-	44.72	-

The accompanying notes on pages 15 to 93 are an integral part of these financial statements.

## 1 General information

True Corporation Public Company Limited (“the Company”) is a public limited company which is incorporated and resident in Thailand. The address of its registered office is 18 True Tower, Ratchadaphisek Road, Huai Khwang, Bangkok, Thailand. The Company is listed on the Stock Exchange of Thailand.

The Company and its subsidiaries (together “True Group”, or “the Group”) are principally engaged in the telecommunications and diversified communications industries. The Group’s core business is providing telecommunications services and various value-added services, which include, among others, mobile services, broadband internet, WIFI, television and digital platforms.

The Group’s activities include those carried out agreements and licences for operation as set out in Note 2.

The consolidated and separate financial statements were authorised for issue by the Board of Directors on 20 February 2023.

## 2 Agreements and licences for operation

### Telephone services

On 8 December 2006, a subsidiary, TICC was granted a Type III licence by NTC for fixed line services. TICC is entitled to maintain rights and obligations according to The Telecommunication Act B.E. 2544 under the terms and conditions as stipulated in the licence. The licence will be expired on 7 December 2026.

### Telecommunication services

On 11 November 2009, a subsidiary, KSC was granted a Type I, renewal licence by NBTC for telecommunication. KSC is entitled to maintain rights and obligations according to The Telecommunication Act B.E. 2544 under the terms and conditions as stipulated in the licence. The licence will be replaced on 22 June 2025.

On 25 September 2017, a subsidiary, TICC was granted a Type II, license by NBTC for telecommunication. TICC is entitled to maintain rights and obligations according to The Telecommunication Act B.E. 2544 under the terms and conditions as stipulated in the licence. The licence will be replaced on 15 June 2025.

On 26 August 2019, a subsidiary, TICC was granted a Type I, license by NBTC for telecommunication. TICC is entitled to maintain rights and obligations according to The Telecommunication Act B.E. 2544 under the terms and conditions as stipulated in the licence. The licence will be replaced on 22 June 2025.

### Mobile Phone services

On 27 January 2011, a subsidiary, BFKT entered into an agreement with CAT to lease telecommunication equipment under HSPA technologies for the term of 14.5 years. Under the terms and conditions of HSPA agreement, BFKT has certain commitments including acquiring, installing, managing and maintaining all equipment necessary to provide mobile phone service using HSPA technology according to the capacity stipulated in the agreement and including the amended agreement for the period of 14.5 years. As consideration of providing such services, BFKT entitles to receive a revenue as stipulated in the agreement.

On 27 January 2011, a subsidiary, RMV entered into a re-sales and wholesales agreement with CAT (“the Agreement”). Under the terms and conditions of the Agreement, RMV provides mobile phone services using HSPA technology wholesale from CAT for the period of 14.5 years. On 16 December 2015, RMV was granted renewal Type I licences by NBTC for resale mobile services and internet services. RMV is entitled to maintain rights and obligations according to The Telecommunication Act B.E. 2544 under the terms and conditions as stipulated in the licences. The licences will be expired on 15 December 2020. On 1 September 2019, RMV has entered into the business transfer agreement to transfer entire business to TUC. As a result, the agreement with CAT was transferred to TUC. TUC must comply with the terms and conditions as stipulated in the agreement.

The Group have placed letters of guarantee issued by certain local banks in favour of CAT totalling Baht 200.00 million to guarantee the Group’s compliance with the terms of the agreements.

On 7 December 2012, a subsidiary, TUC was granted the 2.1 IMT GHz Bandwidth licence by NBTC. The licence awarded three spectrums bandwidth licence and authorized TUC to provide mobile service under those spectrums bandwidth for 15 years. The expiry date of licence is on 6 December 2027. TUC must comply with the terms and conditions stipulated in the licence.

On 4 December 2015, a subsidiary, TUC was granted the 1800 MHz Bandwidth licence by NBTC. The licence covered with two spectrums bandwidth licence and authorised TUC to provide mobile service under those spectrums bandwidth for 18 years. The expiry date of licence is on 15 September 2033. TUC must comply with the terms and conditions and pay the licence fee as stipulated in the licence.

On 16 March 2016, a subsidiary, TUC was granted with the 900 MHz Bandwidth licence by NBTC. The licence authorised TUC to provide mobile service for 15 years. The expiry date of licence is on 30 June 2031. TUC must comply with the terms and conditions and pay the licence fee as stipulated in the licence. TUC has placed letter of guarantee issued by local banks in favour of NBTC totaling Baht 24,491.66 million (including value added tax) for the unpaid licence fee.

On 16 March 2020, a subsidiary, TUC was granted with the 2600 MHz Bandwidth licence by NBTC. The licence authorised TUC to provide mobile service for 15 years. The expiry date of licence is on 15 March 2035. TUC must comply with the terms and conditions and pay the licence fee as stipulated in the licence. TUC has placed letter of guarantee issued by local banks in favour of NBTC totaling Baht 17,211.59 million (including value added tax) for the unpaid licence fee.

On 27 December 2020, a subsidiary, TUC was granted with the 700 MHz Bandwidth licence by NBTC. The licence authorised TUC to provide mobile service for 15 years. The expiry date of licence is on 26 December 2035. TUC must comply with the terms and conditions and pay the licence fee as stipulated in the licence. TUC has placed letter of guarantee issued by local banks in favour of NBTC and cash deposit to NBTC totaling Baht 15,051.90 million (including value added tax) for the unpaid licence fee.

On 17 February 2021, a subsidiary, TUC was granted with 26 GHz Bandwidth licence issued by NBTC. The licence authorised TUC to provide mobile service for 15 years. The expiry date of licence is on 16 February 2036.

#### Pay-TV services

A subsidiary, TVG was granted with broadcasting network license for non - frequency business at national level over the period of 15 years which will expire on 20 January 2028. TVG and its subsidiary, CNP were granted with several licences for the operation of television broadcasting service, which were awarded by the NBTC. Under the terms and conditions of the service licence the subsidiaries are committed to pay annual fee to NBTC and revenue contribution at a certain percentage stipulated in the licence.

On 25 April 2014, NBTC granted the licence for the spectrum of television broadcasting service via digital system to True4U and TNN, subsidiaries of the Group. The licence awarded the right to utilise spectrum bandwidth to operate Standard Variety channel for True4U and to operate News Channel for TNN over the period of 15 years. The subsidiaries must comply with the terms and conditions as stipulated in the licence. The expiry date of licences for True4U and TNN are on 24 April 2029.

### **3 Basis of preparation**

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards ("TFRS") and the financial reporting requirements issued under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies.

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 7.

An English version of the consolidated and separate financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

## 4 New and amended financial reporting standards

### 4.1 New and amended financial reporting standards that are effective for accounting period beginning or after 1 January 2022

The Group's management has assessed that the new and amended financial reporting standard does not have impact to the Group.

### 4.2 Amended financial reporting standards that are effective for accounting period beginning or after 1 January 2023 and related to the Group

Certain amended TFRSs have been issued that are not mandatory for the current reporting period and have not been early adopted by the Group.

- a) **Amendment to TAS 16 - Property, plant and equipment** clarified to prohibit entities from deducting from the cost of an item of PP&E any proceeds received from selling any items produced while the entity is preparing that asset for its intended use.
- b) **Amendment to TAS 37 - Provisions, contingent liabilities and contingent assets** clarified that, in considering whether a contract is onerous, the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling the contract. Before recognising a separate provision for an onerous contract, the entity must recognise any impairment losses that have occurred on the assets used in fulfilling the contract.
- c) **Amendment to TFRS 3 - Business combinations** clarified some minor amendments to update its references to the Conceptual Framework for Financial Reporting and added a consideration for the recognition of liabilities and contingent liabilities acquired from business combinations. The amendments also confirmed that contingent assets shouldn't be recognised at the acquisition date.
- d) **Amendment to TFRS 9 - Financial Instruments** clarified which fees should be included in the 10% test for the derecognition of financial liabilities. It should only include fees between the borrower and lender.

## 5 Accounting policies

### 5.1 Principles of consolidation

#### a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost method.

#### b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting.

In the separate financial statements, investments in associates are accounted for using cost method.

#### c) Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangements.

##### Joint ventures

A joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement. Interests in joint ventures are accounted for using the equity method.

**d) Equity method**

The investment is initially recognised at cost which is consideration paid and directly attributable costs.

The Group's subsequently recognises shares of its associates and joint ventures' profits or losses and other comprehensive income in the profit or loss and other comprehensive income, respectively. The subsequent cumulative movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in associates and joint ventures equals or exceeds its interest in the associates and joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates and joint ventures.

**e) Changes in ownership interests**

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received is recognised within equity.

If the ownership interest in associates and joint ventures is reduced but significant influence and joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate. Profit or loss from reduce of the ownership interest in associates and joint ventures is recognise in profit or loss.

When the Group losses control, joint control or significant influence over investments, any retained interest in the investment is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount of the retained interest which is reclassified to investment in an associate, or a joint venture or a financial asset accordingly.

**f) Intercompany transactions on consolidation**

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

**g) Investment in associate investing in the infrastructure Fund**

The Federation of Accounting Professions revoked Thai Accounting Standard No. 106 "Accounting for Investment Companies" (TAS 106) as it was superseded by Thai Financial Reporting Standards No. 9 "Financial instruments" for the period beginning on or after 1 January 2020. For the purpose of the preparation of the financial statements for the Property Fund, Real Estate Investment Trust, Infrastructure Fund and Infrastructure Trust ("the Fund/ the Trust") will be in the same direction. The Capital Market Supervisory Board and the Office of the Securities and Exchange Commission have revised the announcement relating to preparation of the financial statements of the Fund/the Trust by applying the new accounting guidelines for the Property Fund, Real Estate Investment Trust, Infrastructure Fund and Infrastructure Trust established by the Association of Investment Management Companies and endorsed by the Securities and Exchange Commission, Thailand ("AIMC's Accounting Guidelines"). Therefore, Digital Telecommunications Infrastructure Fund, an associate applies the AIMC's Accounting Guidelines. The Group consulted with the Securities and Exchange Commission for applying the AIMC's Accounting Guidelines. It is the accounting practice under TAS 106, which has applied since the establishment of the Digital Telecommunications Infrastructure Fund. The Securities and Exchange Commission has no further comment on the consultation. Accordingly, the Group applies the AIMC's Accounting Guidelines for investment in associate investing in Digital Telecommunications Infrastructure Fund by analogy. As a result, the Group's accounting policy of investment in associate investing in Digital Telecommunications Infrastructure Fund is consistent with the accounting policy of Digital Telecommunications Infrastructure Fund. Consequently, the Group does not have to make adjustment on the fund's financial statements to take share of result on the investment in the associate.

## **5.2 Business combination**

The Group applies the acquisition method to account for business combinations with an exception on business combination under common control. The consideration transferred for the acquisition of a subsidiary comprises.

- fair value of the assets transferred,
- liabilities incurred to the former owners of the acquiree
- equity interests issued by the Group.

Identifiable assets and liabilities acquired and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group initially recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest recognised and the acquisition-date fair value of any previous equity interest in the acquiree (for business combination achieved in stages) over the fair value of the identifiable net assets acquired is recorded as goodwill. In the case of a bargain purchase, the difference is recognised directly in profit or loss.

### **Acquisition-related cost**

Acquisition-related cost are recognised as expenses in consolidated financial statements.

### **Step-up acquisition**

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measured are recognised in profit or loss.

### **Changes in fair value of contingent consideration paid/received**

Subsequent changes to the fair value of the contingent consideration that is an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured.

### **Business combination under common control**

The Group accounts for business combination under common control by measuring acquired assets and liabilities of the acquiree at their carrying values presented in the highest level of the consolidation. The Group retrospectively adjusted the business combination under common control transactions as if the combination had occurred on the later of the beginning of the preceding comparative period and the date the acquiree has become under common control.

Consideration of business combination under common control are the aggregated amount of fair value of assets transferred, liabilities incurred, and equity instruments issued by the acquirer at the date of which the exchange in control occurs.

The difference between consideration under business combination under common control and the acquirer's interests in the carrying value of the acquiree is presented as "surplus arising from business combination under common control" in equity and is derecognised when the investment is disposed of by transferred to retained earnings.

## **5.3 Foreign currency translation**

### **a) Functional and presentation currency**

The financial statements are presented in Thai Baht, which is the Company's and the Group's functional and presentation currency.

### **b) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Any exchange component of gains and losses on a non-monetary item that recognised in profit or loss, or other comprehensive income is recognised following the recognition of a gain or loss on the non-monetary item.

**c) Group companies**

The operational results and financial position of the Group's entities (none of which has the currency of a hyper-inflationary economy) that have a different functional currency from the Group's presentation currency are translated into the presentation currency as follows.

- Assets and liabilities are translated at the closing rate at the date of respective statement of financial position;
- Income and expenses for statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised in other comprehensive income.

**5.4 Cash and cash equivalents**

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call, short-term highly liquid investments with maturities of three months or less from acquisition date and bank overdrafts.

In the statements of financial position, bank overdrafts are shown in current liabilities.

**5.5 Trade accounts receivables**

Trade receivables are amounts due from customers for goods sold or service performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The impairment of trade receivables are disclosed in Note 16.

**5.6 Inventories**

Inventories are stated at the lower of cost and net realisable value.

Cost of inventories is determined by the moving average method. Cost of raw materials comprise all purchase cost and costs directly attributable to the acquisition of the inventory less all attributable discounts. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and directly attributable costs in bringing the inventories to their present location and condition.

**5.7 Financial assets**

**a) Classification**

The Group classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Group has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVPL.

**b) Recognition and derecognition**

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

**c) Measurement**

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether the cash flows are solely payment of principal and interest (SPPI).

**d) Debt instruments**

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition and impairment losses are recognised directly in profit or loss and presented in other income/expense together with foreign exchange gains and losses.
- **FVOCI:** Financial assets that are held for i) collection of contractual cash flows; and ii) for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income using the effective interest method, and foreign exchange gains and losses which are recognised in profit or loss. When the financial assets is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income/expense. Interest income is included in other income. Impairment expenses are presented separately in the statement of comprehensive income.
- **FVPL:** Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other income/expense in the period in which it arises.

**e) Equity instruments**

The Group measures all equity investments at fair value. Where the Group has elected to present fair value gains and losses on equity instruments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other income/expense in the statement of comprehensive income.

Impairment losses (and reversal of impairment losses) on equity investments are reported together with changes in fair value.

**f) Impairment**

The Group applies the TFRS 9 simplified approach in measuring the impairment of trade receivables and contract assets, which applies lifetime expected credit loss, from initial recognition, for those assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances.

For other financial assets carried at amortised cost and FVOCI, the Group applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

The Group assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to the Group and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Group reflects the following:

- probability-weighted estimated uncollectible amounts
- time value of money; and
- supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

Impairment (and reversal of impairment) losses are recognised in profit or loss included in administrative expenses.

Classification and measurement of financial asset for the year ended 31 December 2022 are disclosed in Note 9.

## **5.8 Investment property**

Investment property comprise land and property for rent.

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Investment property is measured initially at its cost, including directly attributable.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

After initial recognition, investment property is carried at cost less any accumulated depreciation and impairment loss.

Land is not depreciated. Depreciation on investment property is calculated using the straight line method to allocate their cost to their residual values over their estimated useful lives, as follows.

Buildings	10 Years
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## **5.9 Property, plant and equipment**

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

All other repairs and maintenance are charged to profit or loss when incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives or lease period, as follows:

Details of useful lives are as follows:

	<u>Years</u>
Land improvement	20
Buildings and improvements	10 - 40
Telephone network equipment	
- Switching equipment	15
- Transmission	15 - 35
- Outside plant	15 - 35
- Mobile phone network equipment	5 - 30
- Wifi equipment	5 - 25
Power supply and computer	5 - 15
Network management systems	15
Pay TV	3 - 20
Multimedia network equipment	5 - 35
Vehicle	5 - 7
Leasehold building improvements	Lease period
Furniture, fixtures, tools and office equipment	5 - 10

The assets' residual values and useful lives are annually reviewed, and adjusted if appropriate, at the end of each reporting period.

The asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gain or loss on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

#### **5.10 Goodwill**

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary undertaking at the date of acquisition. Goodwill on acquisitions of subsidiaries is separately reported in the consolidated statement of financial position.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment loss. Impairment loss on goodwill are not reversed. Gain and loss on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segment.

#### **5.11 Intangible assets**

##### **(a) Computer software development costs**

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use or sell it;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product; and
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product including the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives, which does not exceed ten years.

**(b) Copyright**

Copyright arisen from contractual right agreement between a subsidiary and its related party to grant that related party the right to provide song and/or video clip downloading through the subsidiary's website. Copyright is carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the contractual right not exceeding a period of five years.

**(c) Film rights and program rights**

Film rights and program rights are stated at acquisition cost less accumulated amortisation. Film rights and program rights are recorded as assets and liabilities for rights acquired and obligations incurred under licence agreements when the licence period begins, the cost of each program is known or reasonably determinable, the program material is accepted and it is available for the first showing. Sports rights are written off upon showing the event and general entertainment and films are amortised on a straight-line basis over the period of the licence or on the ratio planned broadcast but not exceeding five years. Amortisation of film and program rights is included in "Cost of providing services".

**(d) Rights to operate**

Under the subsidiaries' agreements for operation, the subsidiaries must pay annual fees to the grantors based on either fixed percentages of relevant revenues or at the minimum fee amounts stipulated in the agreements whichever is higher. The rights to operate represent the present value of the minimum fees payable over the agreement periods. The rights to operate are presented in the consolidated statement of financial position as an intangible asset and are amortised using the straight-line method over the agreement periods. Amortisation of rights to operate are included in "Cost of providing services". The rights to operate are not re-valued subsequent to initial recognition.

**(e) Service contract**

Under the subsidiary's service contract, the service contract represented the present value of the service revenue receivable over the agreement period. The service contract is presented in the consolidated statement of financial position as an intangible asset and are amortised using the straight-line method over the agreement period. The amortisation of service contract is included in "Cost of providing services". The service contract is not re-valued subsequent to initial recognition.

**(f) Cost of spectrum licences**

Cost of spectrum licences consisted of spectrum licences for mobile service, television broadcasting and other directly attributable cost of licence acquisition. The costs of licence were initial recognition by measuring at the cash equivalent price based on the present value of the consideration at the time of acquisition. The difference between present value of the payment and total payment will be recognised as finance cost over the payment period. Cost of licences at present value will be amortised over the licences period.

**(g) Right to use transponder**

Right to use transponder is initial recognised by measuring at cash equivalent price based on the present value of the consideration at the time of acquisition. The difference between present value of the payment and total payment will be recognised as finance cost over the payment period.

Right to use transponder is under long-term lease agreement and will be amortised over the lease agreement of thirteen years and six months.

**5.12 Impairment of assets**

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subjected to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows.

Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

### 5.13 Leases

#### Leases - where the Group is the lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. The amortisation period is between 3 - 30 years.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office equipments.

#### Leases - where the Group is the lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

Rental income under operating leases (net of any incentives given to lessees) is recognised 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 asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the statement of financial position based on their nature.

#### **5.14 Financial liabilities**

##### **a) Classification**

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

##### **b) Measurement**

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

##### **c) Derecognition and modification**

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Group assesses whether the renegotiation / modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other income/expense in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated / modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other income/expense in profit or loss.

#### **5.15 Borrowing Costs**

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised as expense in the period in which they are incurred.

#### **5.16 Current and deferred income taxes**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

##### **Current tax**

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

##### **Deferred income tax**

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### **5.17 Provisions**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount as been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

### **5.18 Employee benefits**

#### **Short-term employee benefits**

Liabilities for short-term employee benefits such as wages, salaries and bonuses that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

#### **Defined contribution plan**

The Group pays contributions to a separate fund on a contractual basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

#### **Defined benefit plans**

Amount of retirement benefits is defined by the agreed benefits the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee's latest compensation at retirement.

The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government zero coupon bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are recognised directly to other comprehensive income in the period in which they arise. They are included in retained earnings in the statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

### **5.19 Share capital**

Ordinary shares is classified as equity.

Incremental costs directly attributable to the issue of new shares or options (net of tax) are shown as a deduction in equity.

### Treasury share

Where any companies within the Group repurchases its shares, the consideration paid, including any directly attributable incremental costs (net of taxes) is deducted from equity until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity.

### 5.20 Revenue recognition

Revenue include all revenues from ordinary business activities. All ancillary income in connection with the delivery of goods and rendering of services in the course of the Group's ordinary activities is also presented as revenue.

Revenue are recorded net of value added tax. They are recognised in accordance with the provision of goods or services, provided that collectibility of the consideration is probable.

Multiple element arrangements involving delivery or provision of multiple products or services are separated into distinct performance obligations. Total transaction price of the bundled contract is allocated to each performance obligation based on their relative standalone selling prices or estimated standalone selling prices. Each performance obligation is recognised as revenue on fulfillment of the obligation to the customer.

### Contract assets and contract liabilities

A contract asset is recognised where the Group recorded revenue for fulfillment of a contractual performance obligation before the customer paid consideration or before the requirements for billing.

A contract liability is recognised when the customer paid consideration or a receivable from the customer that is due before the Group fulfilled a contractual performance obligation.

For each customer contract, contract liabilities is set off against contract assets.

### Incremental costs of obtaining a contract

The Group capitalises incremental costs of obtaining a customer contract and amortised to selling expenses over the expected life of the customer contracts.

### TrueOnline

Revenues from internet services are recognised when rendering the service to subscribers.

Revenue from DDN service is recognised rateably over the service period. Annual revenues from DDN service billed but unearned income are included in the statement of financial position in unearned income.

Revenue from construction contracts or construction-type service contracts or service contracts where a defined output is promised, is recognised using the percentage of completion method. The stage of completion is generally determined as the percentage of cost incurred up until the reporting date relative to total estimated cost, adjusted with uninstalled materials that the customer accepts and takes control but not yet installed. Where the stage of completion is not reliably measured, revenue is only recognised up to the amount of contract costs expensed, provided it is recoverable.

### TrueMove H

Revenues from mobile phone services are recognised based on completed call time. Cash received from selling of scratch cards is recognised as unearned income until such time that the customers make calls.

Inbound and outbound international calls are connected through own network and NT network. The Group bills the customers by the rate per minute and agreed NT's rate per minute. The Group recognises international call revenue based on customer billing usage.

Revenue from equipment rental is recognised on an accrual basic with the straight-line method.

Revenue from providing services is recognised when services are rendered.

Sales of mobile phone are recognised upon delivery of equipment, handsets or customer acceptance.

### TrueVisions

Revenues from monthly subscription fees are recognised in the month in which the service is provided, commencing from completion of installation. Monthly subscription fees include a rental charge to subscribers who rent rather than purchase set-top boxes.

Subscription fees received in advance is recorded as deferred revenue and recognised as income when services are rendered according to the terms of subscribers' agreements.

Revenues from sponsorship agreements and commissions on media are recognised upon the showing of the program for which the sponsorship payments are made.

Revenue from maintenance services is recognised when the maintenance service is completed.

Revenue from the sale of music albums is the invoiced value of goods supplied net of output tax, goods returned and discounts.

Revenues from production of concerts represent the income from production of concerts and shows, which are recognised as income when the concerts and shows have taken place.

Sales of set-top boxes are recognised on delivery of set-top boxes or customer acceptance.

### Group

All revenues have been presented net of cash discounts and related cash-based promotions.

Other revenues earned by the Group are recognised on the following basis:

royalty and rental income - on an accrual basis;  
interest income - on an effective yield basis; and  
dividend income - when the Group's right to receive payment is established.

## **5.21 Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as group management that makes strategic decisions.

## **5.22 Dividend distribution**

Dividend distributed to the Company's shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

## **5.23 Derivatives and hedging activities**

### **a) Embedded derivative and derivatives that do not qualify for hedge accounting**

Embedded derivative that is separately accounted for and derivatives that do not qualify for hedge accounting is initially recognised at fair value. Changes in the fair value are included in other income / expense.

Fair value of derivatives is classified as a current or non-current following its remaining maturity.

### **b) Hedge accounting**

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The Group designates certain derivatives as either:

- hedges of the fair value of i) recognised assets or liabilities or ii) unrecognised firm commitments (fair value hedges)
- hedges of a particular risk associated with the cash flows of i) recognised assets and liabilities and ii) highly probable forecast transactions (cash flow hedges); or
- hedges of a net investment in a foreign operation (net investment hedges).

At inception of the hedge relationship, the Group documents i) the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items and ii) its risk management objective and strategy for undertaking its hedge transactions.

The full fair value of a hedging derivative is classified as a current or non-current asset or liability following the maturity of related hedged item.

The fair values of derivative financial instruments designated in hedge relationships are disclosed in Note 6.1.1. Movements in the hedging reserve in shareholders' equity are shown in the statement of changes in equity.

#### **Hedge effectiveness**

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments, to ensure that an economic relationship exists between the hedged item and hedging instrument.

For hedges of foreign currency purchases, the Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item. The Group therefore performs a qualitative assessment of effectiveness. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Group uses the hypothetical derivative method to assess effectiveness.

In hedges of foreign currency purchases, ineffectiveness may arise if the timing of the forecast transaction changes from what was originally estimated, or if there are changes in the credit risk of the derivative counterparty.

The Group enters into interest rate swaps that have similar critical terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amount. The Group does not hedge 100% of its loans, therefore the hedged item is identified as a proportion of the outstanding loans up to the notional amount of the swaps. As all critical terms matched during the year, there is an economic relationship.

Hedge ineffectiveness for interest rate swaps is assessed using the same principles as for hedges of foreign currency purchases. It may occur due to:

- the credit value/debit value adjustment on the interest rate swaps which is not matched by the loan, and
- differences in critical terms between the interest rate swaps and loans.

#### **Cash flow hedges that qualify for hedge accounting**

The effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedges is recognised in the cash flow hedge within equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within other income/expenses.

Amounts accumulated in equity are reclassified in the periods when the hedged item affects profit or loss, as follows:

- The gain or loss relating to the effective portion of the interest rate swaps hedging variable rates borrowings is recognised in profit or loss within finance costs at the same time as the interest expense on the hedged borrowings.

## **6 Financial risk management**

### **6.1 Financial risk**

The Group exposes to a variety of financial risk: market risk including foreign exchange risk and interest rate risk credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain exposures.

Financial risk management is carried out by the Group Treasury Committee. The Group's policy includes areas such as foreign exchange risk, interest rate risk, credit risk and liquidity risk. The framework parameters are approved by the Board of Directors and uses as the key communication and control tools for Treasury team.

### 6.1.1 Market risk

#### a) Foreign exchange risk

The Group operates internationally and is exposed to foreign currency risks, primarily the US dollar from trading transactions. In order to manage the risks arising from fluctuations in currency exchange rates, the Group adopts the following foreign currency risk management practices:

- Entering into forward foreign exchange contracts;
- negotiating payment terms for foreign currency settlements on an individual transaction basis; and
- negotiating with foreign suppliers to share foreign exchange exposure.

Transaction risk is calculated in each foreign currency transaction and is projected six months forward. Exchange rates are monitored and forecasted information supplied by recognised research and financial analysis is used to estimate future exchange rates. These are compared against premiums on forward exchange contracts, and after making adjustments for the related risk, a decision is taken on whether to cover foreign currency transactions.

Transactions, if hedged with forward exchange contracts, are not hedged on a net basis, but rather on a transaction by transaction basis.

The Group entered foreign currency forwards with the financial institutions in order to hedge its exposure to foreign currency risk.

The Group uses cross currency interest rate swaps (CCIRS) to hedge its exposure to foreign currency risk. Under the Group's policy, the critical terms of the CCIRS must align with the hedged items.

At 31 December 2022 and 2021, the outstanding assets and liabilities denominate in foreign currencies as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Currency Million	2021 Currency Million	2022 Currency Million	2021 Currency Million
<b>Assets</b>				
US Dollar	20.93	8.19	-	-
Euro	1.85	1.19	-	-
SGD	0.02	0.05	-	-
<b>Liabilities</b>				
US Dollar	1,243.08	1,432.86	150.13	0.23
Japanese Yen	0.04	0.04	-	-
Great British Pound Sterling	0.03	0.07	-	-
Euro	0.33	0.17	0.01	-
HKD	0.26	0.19	-	-
SGD	0.85	0.01	-	-
CNY	8.73	8.16	-	-

Foreign currency assets represent cash and accounts receivable whilst the above foreign currency liabilities represent trade accounts payable, borrowings and other payables.

*Effect of hedge accounting on the financial position and performance*

The effects of the cross currency interest rate swaps on the financial position and performance are as follows:

	<b>Consolidated and Separate financial statements</b>	
	<b>2022</b>	<b>2021</b>
	<b>Baht Million</b>	<b>Baht Million</b>
Cross currency interest rate swaps		
Carrying amount (current liabilities)	340.09	-
Notional amount	5,535.00	-
Maturity date	10 November 2023	-
Hedge ratio	1 : 1	-
Change in fair value of hedge instruments	(340.09)	-
Change in fair value of hedged item used to determine hedge ineffectiveness	340.09	-
Foreign currency exchange rate and interest rate for outstanding hedging instruments		
- Foreign currency exchange rate (Baht : 1 US Dollar)	36.90	-
- Interest rate	2.24%	-

*Sensitivity*

As shown in the table above, the Group is primarily exposed to changes in Baht/US Dollar exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from financial assets and financial liabilities denominated in US Dollar and the impact on other components of equity arises from cross currency interest rate swaps designated as cash flow hedges.

	<b>Consolidated financial statements</b>			
	<b>Impact to net profit</b>		<b>Impact to other components of equity</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>Baht Million</b>	<b>Baht Million</b>	<b>Baht Million</b>	<b>Baht Million</b>
US Dollar to Baht exchange rate				
- increase 10% (2021: 10%)*	(3,724.77)	(4,786.20)	(521.00)	-
US Dollar to Baht exchange rate				
- decrease 10% (2021: 10%)*	3,724.77	4,786.20	521.00	-

\* Holding all other variables constant

	<b>Separate financial statements</b>			
	<b>Impact to net profit</b>		<b>Impact to other components of equity</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>Baht Million</b>	<b>Baht Million</b>	<b>Baht Million</b>	<b>Baht Million</b>
US Dollar to Baht exchange rate				
- increase 10% (2021: 10%)*	(0.45)	(0.77)	(521.00)	-
US Dollar to Baht exchange rate				
- decrease 10% (2021: 10%)*	0.45	0.77	521.00	-

\* Holding all other variables constant

**b) Cash flow and fair value interest rate risk**

The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group is exposed to interest rate risk relates primarily to its deposits at financial institutions, long-term loans to related parties, short-term borrowings, long-term borrowings and debentures. Most of the Group's financial assets and liabilities bear fixed interest rates which are close to the market rate. The Group assesses that risk of future changes in market interest rates is insignificant as the interests from financial assets and financial liabilities are not significantly different. However, the Group will use interest rate swap to manage the risk when necessary.

Details of borrowing's interest are disclosed in Note 27.

*Effect of hedge accounting on the financial position and performance*

The effects of the interest rate swaps on the financial position and performance are as follows:

	<b>Consolidated and Separate financial statements</b>	
	<b>2022</b>	<b>2021</b>
	<b>Baht Million</b>	<b>Baht Million</b>
Interest rate swaps		
Carrying amount (current and non-current asset)	10.26	-
Notional amount	2,000.00	-
Maturity date	24 August 2024	-
Hedge ratio	1 : 1	-
Change in fair value of outstanding hedge instruments since 1 January	10.26	-
Change in value of hedged item used to determine hedge effectiveness	(10.26)	-

**6.1.2 Credit risk**

Credit risk arises from cash and cash equivalents, contractual cash flows of debt instruments carried at amortised cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit or loss (FVPL), favourable derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables.

**a) Risk management**

Credit risk is managed on a group basis. For banks and financial institutions, only independently rated parties with a good rating are accepted.

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on tips assessments in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by line management.

Sales to retail customers are required to be settled in cash or using major credit cards to mitigate credit risk. There are no significant concentrations of credit risk, whether through exposure to individual customers or specific industry sectors or regions.

Revenue from sale of goods has concentrations of credit risk from a related party.

**b) Security**

For some trade receivables the Group may obtain security in the form of guarantees or letters of credit which can be called upon if the counterparty is in default under the terms of the agreement.

**c) Impairment of financial assets**

The Group and the Company has 3 types of financial assets that are subject to the expected credit loss model:

- Trade and other receivables
- Contract assets
- Loan to related parties

While cash and cash equivalents are also subject to the impairment requirements of TFRS 9, the identified impairment loss was immaterial.

*Trade receivables and contract assets*

The Group applies the TFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 24 - 60 months before 31 December 2022 and the corresponding historical credit losses experienced within this period.

The Group and the Company write-off trade receivables and contract assets when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the group, and a failure to make contractual payments or cannot be contacted.

Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

The expected credit loss at 31 December 2022 for trade receivables and contract assets are disclosed in Note 16.

*Loans to related parties*

Loans to related parties measured at amortised cost are considered to have low credit risk, and the loss allowance recognised during the year was therefore limited to 12 months expected losses. Lifetime expected credit losses is recognised for the loans that the credit risk is significant increased.

**6.1.3 Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period the Group held cash and deposits at call of Baht 27,010.54 Million (2021: Baht 21,963.48 Million) and available credit facilities that are expected to be readily available amounting to Baht 7.27 billion for managing liquidity risk.

Due to the dynamic nature of the underlying businesses, the Group Treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors i) rolling forecasts of the Group's liquidity reserve (comprising the undrawn borrowing facilities below); and ii) cash and cash equivalents on the basis of expected cash flows. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary, monitoring balance sheet liquidity ratios and maintaining financing plans.

*Maturity of financial liabilities*

The tables below analyse the maturity of financial liabilities grouping based on their contractual maturities.

The amounts disclosed are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	<b>Consolidated financial statements</b>			
	<b>Within 1 year</b> <b>Baht Million</b>	<b>2 - 5 years</b> <b>Baht Million</b>	<b>Over</b> <b>5 years</b> <b>Baht Million</b>	<b>Total</b> <b>Baht Million</b>
<b>At 31 December 2022</b>				
Short-term borrowings	17,954.06	-	-	17,954.06
Trade and other payables	83,281.99	-	-	83,281.99
Long-term borrowings	65,446.05	208,206.92	16,678.55	290,331.52
Lease liabilities	15,588.46	55,967.63	64,137.69	135,693.78
Liabilities under agreements and licences for operation	-	34,150.77	10,845.89	44,996.66
<b>Total</b>	<b>182,270.56</b>	<b>298,325.32</b>	<b>91,662.13</b>	<b>572,258.01</b>

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	Consolidated financial statements			
	Within 1 year Baht Million	2 - 5 years Baht Million	Over 5 years Baht Million	Total Baht Million
<b>At 31 December 2021</b>				
Short-term borrowings	5,999.47	-	-	5,999.47
Trade and other payables	88,557.93	-	-	88,557.93
Long-term borrowings	68,209.92	188,504.37	22,552.36	279,266.65
Lease liabilities	13,311.15	56,105.69	77,284.13	146,700.97
Liabilities under agreements and licences for operation	-	40,184.34	15,477.99	55,662.33
<b>Total</b>	<b>176,078.47</b>	<b>284,794.40</b>	<b>115,314.48</b>	<b>576,187.35</b>
	Separate financial statements			
	Within 1 year Baht Million	2 - 5 years Baht Million	Over 5 years Baht Million	Total Baht Million
<b>At 31 December 2022</b>				
Short-term borrowings	10,447.43	-	-	10,447.43
Trade and other payables	3,428.61	-	-	3,428.61
Short-term loans from related parties	120.83	-	-	120.83
Long-term borrowings	42,013.00	134,432.53	13,905.27	190,350.80
Lease liabilities	233.15	688.48	126.82	1,048.45
<b>Total</b>	<b>56,243.02</b>	<b>135,121.01</b>	<b>14,032.09</b>	<b>205,396.12</b>
	Separate financial statements			
	Within 1 year Baht Million	2 - 5 years Baht Million	Over 5 years Baht Million	Total Baht Million
<b>At 31 December 2021</b>				
Short-term borrowings	5,999.47	-	-	5,999.47
Trade and other payables	2,695.08	-	-	2,695.08
Short-term loans from related parties	499.17	-	-	499.17
Long-term borrowings	45,844.05	109,218.00	14,449.66	169,511.71
Lease liabilities	161.17	324.43	142.14	627.74
<b>Total</b>	<b>55,198.94</b>	<b>109,542.43</b>	<b>14,591.80</b>	<b>179,333.17</b>

## 6.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may issue new shares or issue new debentures to finance debts or sell assets to reduce debts.

## 7 Critical accounting estimates and judgements

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are outlined below.

## 7.1 Critical accounting estimates and assumptions

### (a) Estimation impairment of goodwill

The recoverable amounts of cash-generating units have been determined based on fair value less costs of disposal. The calculations use cash flow projections based on financial budget approved by management covering a five-year period.

Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated in Note 23. These growth rates are consistent with forecasts included in industry reports specific to the industry in which each CGU operates.

### (b) Estimated impairment of assets

The Group tests whether asset, which comprise investments in subsidiaries, associates and interests in joint ventures, property, plant, and equipment and intangible assets, has suffered any impairment, in accordance with the accounting policy stated in Note 5.12. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations or fair value less costs of disposal as appropriate. These calculations require the use of estimates.

### (c) Determination of discount rate applied to leases and decommissioning liability

The Group determine discount rate as follows:

The incremental borrowing rate applied to leases.

- Where possible, use recent third-party financing received by the individual leases as a starting point, adjusting to reflect changes in its financing conditions.
- Make adjustments specific to the leases, e.g. term, country, currency and security.

The inflation rate and government bond yield applied to decommissioning liability.

## 7.2 Critical judgements in applying the entity's accounting policies

### (a) Investment in associates

Management has assessed the level of influence that the Group has on DIF and Genxas determined that it has significant influence even though the shareholding are 20.56% and 7.69% respectively. Consequently, these investments have been classified as associates.

### (b) Joint arrangements

The Group holds various percentages of the voting rights of its joint arrangements. The Group has joint control over these arrangements as under the contractual agreements, unanimous consent is required from all parties to the agreements for all relevant activities.

The Group's joint arrangements are structured as limited companies and provide the Group and the parties to the agreements with rights to the net assets of the limited company under the arrangements. Therefore, these arrangements are classified as joint venture.

## 8 Consolidated segment information

The Group Management is the Group's Chief Operating Decision-Maker ("CODM"). The Group Management has determined the operating segment based on the information internally reviewed on quarterly basis. The following are the Group's reportable segments.

1. TrueMove H,
2. TrueOnline, and
3. TrueVisions.

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The Group Management considers that the Group operates in a single geographic area, namely in Thailand, and has, therefore, only one major geographic segment. The operating performances are measured based on profit before tax which is more relevant and comparable with other entities in the relevant industries.

No single customer represents a major customer because the Group has large number of customers, who are end users covering business and individuals.

**Consolidated reportable segments:**

**External revenue:**

**For the years ended 31 December**

	<b>2022</b>	<b>2021</b>
	<b>Baht Million</b>	<b>Baht Million</b>
TrueMove H	103,063.82	111,087.69
TrueOnline	25,331.91	25,215.00
TrueVisions	6,679.78	7,352.58
<b>Total</b>	<b>135,075.51</b>	<b>143,655.27</b>

Revenue in 2022 are recognised at point in time and over time of Baht 21,123.18 million and Baht 113,952.33 million, respectively (2021: Baht 23,284.98 million and Baht 120,370.29 million, respectively).

**Segment profit (loss) before income tax:**

**For the years ended 31 December**

	<b>2022</b>	<b>2021</b>
	<b>Baht Million</b>	<b>Baht Million</b>
TrueMove H	(18,355.64)	(10,201.44)
TrueOnline	3,266.14	8,275.06
TrueVisions	(3,123.06)	295.44
<b>Total</b>	<b>(18,212.56)</b>	<b>(1,630.94)</b>
Intersegment	233.41	264.28
<b>Total</b>	<b>(17,979.15)</b>	<b>(1,366.66)</b>

**Segment assets:**

**At 31 December**

	<b>2022</b>	<b>2021</b>
	<b>Baht Million</b>	<b>Baht Million</b>
TrueMove H	440,167.50	437,340.93
TrueOnline	161,582.10	167,252.27
TrueVisions	16,346.25	20,321.38
<b>Total</b>	<b>618,095.85</b>	<b>624,914.58</b>

**Segment liabilities:**

**At 31 December**

	<b>2022</b>	<b>2021</b>
	<b>Baht Million</b>	<b>Baht Million</b>
TrueMove H	277,034.97	291,077.79
TrueOnline	272,659.71	244,765.38
TrueVisions	6,994.43	7,253.36
<b>Total</b>	<b>556,689.11</b>	<b>543,096.53</b>

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**9 Fair value**

The fair value of current financial assets and liabilities equal to their carrying value. In addition, interest rate of loan to related parties approximate market interest rate, therefore management believes that the carrying value equal to their fair value.

The following table shows fair values and carrying amounts of financial assets and liabilities.

	<b>Consolidated financial statements</b>				
	<b>Fair value through profit or loss (FVPL) Baht Million</b>	<b>Fair value through other comprehensive income (FVOCI) Baht Million</b>	<b>Amortised cost Baht Million</b>	<b>Total carrying amount Baht Million</b>	<b>Fair value Baht Million</b>
<b>At 31 December 2022</b>					
<i>Financial assets measured at fair value</i>					
Financial assets at FVPL	3,762.19	-	-	3,762.19	3,762.19
Financial assets at FVOCI	-	260.58	-	260.58	260.58
Derivative receivables	1,505.72	-	-	1,505.72	1,505.72
	<b>5,267.91</b>	<b>260.58</b>	<b>-</b>	<b>5,528.49</b>	<b>5,528.49</b>
<i>Financial assets not measured at fair value</i>					
Cash and cash equivalents	-	-	27,041.90	27,041.90	27,041.90
Trade and other receivables	-	-	44,883.02	44,883.02	44,883.02
Short-term loans to related parties	-	-	2.00	2.00	2.00
Other current assets	-	-	152.99	152.99	152.99
Other non-current assets	-	-	7,837.09	7,837.09	7,603.46
	-	-	<b>79,917.00</b>	<b>79,917.00</b>	<b>79,683.37</b>
<i>Financial liabilities measured at fair value</i>					
Derivative payables	889.73	340.09	-	1,229.82	1,229.82
<i>Financial liabilities not measured at fair value</i>					
Short-term borrowings	-	-	17,954.06	17,954.06	17,954.06
Trade and other payables	-	-	72,526.76	72,526.76	72,526.76
Other current liabilities	-	-	655.47	655.47	655.47
Long-term borrowings	-	-	274,183.28	274,183.28	276,620.86
Lease liabilities	-	-	109,642.18	109,642.18	112,998.64
Liabilities under agreements and licences for operation	-	-	49,503.50	49,503.50	48,427.54
	-	-	<b>524,465.25</b>	<b>524,465.25</b>	<b>529,183.33</b>
<b>Consolidated financial statements</b>					
	<b>Fair value through profit or loss (FVPL) Baht Million</b>	<b>Fair value through other comprehensive income (FVOCI) Baht Million</b>	<b>Amortised cost Baht Million</b>	<b>Total carrying amount Baht Million</b>	<b>Fair value Baht Million</b>
<b>At 31 December 2021</b>					
<i>Financial assets measured at fair value</i>					
Financial assets at FVPL	2,374.82	-	-	2,374.82	2,374.82
Financial assets at FVOCI	-	260.87	-	260.87	260.87
Derivative receivables	2,364.13	-	-	2,364.13	2,364.13
	<b>4,738.95</b>	<b>260.87</b>	<b>-</b>	<b>4,999.82</b>	<b>4,999.82</b>
<i>Financial assets not measured at fair value</i>					
Cash and cash equivalents	-	-	22,082.67	22,082.67	22,082.67
Trade and other receivables	-	-	50,234.35	50,234.35	50,234.35
Short-term loans to related parties	-	-	2.00	2.00	2.00
Financial assets at amortised cost	-	-	1.23	1.23	1.23
Other current assets	-	-	211.04	211.04	211.04
Other non-current assets	-	-	8,606.35	8,606.35	8,500.00
	-	-	<b>81,137.64</b>	<b>81,137.64</b>	<b>81,031.29</b>

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	<b>Consolidated financial statements</b>				
	<b>Fair value through profit or loss (FVPL) Baht Million</b>	<b>Fair value through other comprehensive income (FVOCI) Baht Million</b>	<b>Amortised cost Baht Million</b>	<b>Total carrying amount Baht Million</b>	<b>Fair value Baht Million</b>
<b>At 31 December 2021</b>					
<i>Financial liabilities measured at fair value</i>					
Derivative payables	46.18	-	-	46.18	46.18
<i>Financial liabilities not measured at fair value</i>					
Short-term borrowings	-	-	5,999.47	5,999.47	5,999.47
Trade and other payables	-	-	77,699.15	77,699.15	77,699.15
Other current liabilities	-	-	791.64	791.64	791.64
Long-term borrowings	-	-	251,508.62	251,508.62	249,886.90
Lease liabilities	-	-	114,168.85	114,168.85	113,111.30
Liabilities under agreements and licences for operation	-	-	57,975.31	57,975.31	56,550.79
	-	-	508,143.04	508,143.04	504,039.25
	<b>Separate financial statements</b>				
	<b>Fair value through profit or loss (FVPL) Baht Million</b>	<b>Fair value through other comprehensive income (FVOCI) Baht Million</b>	<b>Amortised cost Baht Million</b>	<b>Total carrying amount Baht Million</b>	<b>Fair value Baht Million</b>
<b>At 31 December 2022</b>					
<i>Financial assets measured at fair value</i>					
Financial assets at FVOCI	-	1.00	-	1.00	1.00
Derivative receivable	10.26	-	-	10.26	10.26
	10.26	1.00	-	11.26	11.26
<i>Financial assets not measured at fair value</i>					
Cash and cash equivalents	-	-	3,006.75	3,006.75	3,006.75
Trade and other receivables	-	-	12,472.19	12,472.19	12,472.19
Short-term loans to related parties	-	-	7,184.89	7,184.89	7,184.89
Other current assets	-	-	1.53	1.53	1.53
Other non-current assets	-	-	108.54	108.54	104.85
	-	-	22,773.90	22,773.90	22,770.21
<i>Financial liabilities measured at fair value</i>					
Derivative payables	-	340.09	-	340.09	340.09
<i>Financial liabilities not measured at fair value</i>					
Short-term borrowings	-	-	10,447.43	10,447.43	10,447.43
Trade and other payables	-	-	3,428.19	3,428.19	3,428.19
Short-term loans from related parties	-	-	120.83	120.83	120.83
Other current liabilities	-	-	9.27	9.27	9.27
Long-term borrowings	-	-	177,358.20	177,358.20	178,508.10
Lease liabilities	-	-	891.23	891.23	900.31
	-	-	192,255.15	192,255.15	193,414.13

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	Separate financial statements				
	Fair value through profit or loss (FVPL) Baht Million	Fair value through other comprehensive income (FVOCI) Baht Million	Amortised cost Baht Million	Total carrying amount Baht Million	Fair value Baht Million
<b>At 31 December 2021</b>					
<i>Financial assets measured at fair value</i>					
Financial assets at FVOCI	-	1.00	-	1.00	1.00
<i>Financial assets not measured at fair value</i>					
Cash and cash equivalents	-	-	12,711.06	12,711.06	12,711.06
Trade and other receivables	-	-	21,953.15	21,953.15	21,953.15
Short-term loans to related parties	-	-	4,605.98	4,605.98	4,605.98
Other current assets	-	-	8.30	8.30	8.30
Other non-current assets	-	-	97.04	97.04	93.34
	-	-	39,375.53	39,375.53	39,371.83
<i>Financial liabilities not measured at fair value</i>					
Short-term borrowings	-	-	5,999.47	5,999.47	5,999.47
Trade and other payables	-	-	2,693.34	2,693.34	2,693.34
Short-term loans from related parties	-	-	499.17	499.17	499.17
Other current liabilities	-	-	9.16	9.16	9.16
Long-term borrowings	-	-	153,538.27	153,538.27	152,704.97
Lease liabilities	-	-	543.16	543.16	541.59
	-	-	163,282.57	163,282.57	162,447.70

**Fair value estimation**

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

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The following table presents the group's financial assets and liabilities that are measured at fair value at 31 December.

	Consolidated financial statements					
	Level 1		Level 2		Level 3	
	2022 Baht Million	2021 Baht Million	2022 Baht Million	2021 Baht Million	2022 Baht Million	2021 Baht Million
<b>Assets</b>						
<b>Financial assets at fair value through profit or loss</b>						
<b>Current</b>						
Mutual fund	-	-	0.11	0.11	-	-
Derivative receivables	-	-	490.63	625.42	-	-
<b>Non-current</b>						
Derivative receivables	-	-	1,015.09	1,738.71	-	-
General investments - equity securities	-	-	-	-	3,762.08	2,374.71
<b>Financial assets at fair value through other comprehensive income</b>						
<b>Non-current</b>						
General investments - equity securities	-	-	-	-	260.58	260.87
<b>Liabilities</b>						
<b>Financial liabilities at fair value through profit or loss</b>						
<b>Current</b>						
Derivative payables	-	-	832.07	41.03	-	-
<b>Non-Current</b>						
Derivative payables	-	-	57.66	5.15	-	-
<b>Financial liabilities at fair value through other comprehensive income</b>						
<b>Current</b>						
Derivative payables	-	-	340.09	-	-	-

	Separate financial statements					
	Level 1		Level 2		Level 3	
	2022 Baht Million	2021 Baht Million	2022 Baht Million	2021 Baht Million	2022 Baht Million	2021 Baht Million
<b>Assets</b>						
<b>Financial assets at fair value through profit or loss</b>						
<b>Non-current</b>						
Derivative receivables	-	-	10.26	-	-	-
<b>Financial assets at fair value through other comprehensive income</b>						
<b>Non-current</b>						
General investments - equity securities	-	-	-	-	1.00	1.00
<b>Liabilities</b>						
<b>Financial liabilities at fair value through other comprehensive income</b>						
<b>Current</b>						
Derivative payables	-	-	340.09	-	-	-

There were no transfers between level of fair value hierarchy during the year.

#### 9.1 Valuation techniques used to derive Level 2 fair values

Level 2 Equity securities are fair valued using a Net Asset Valuation (“NAV”) approach as at period end date. The data is publicly available on the Thai Bond Market Association, which is calculated by fund manager of the mutual fund.

Level 2 Derivatives instruments are measured based on input that are observable for the types of instruments such as foreign exchange rates observable at commonly quoted in publicly available sources on the statements of financial position date.

Level 2 Forward foreign exchange contracts are calculated using the net present value technique which is the estimated amount that a bank would receive or pay to terminate the forward contracts at the financial position date.

#### 9.2 Valuation techniques used to measure at fair value level 3

Level 3 investment in other companies are fair valued using the comparable company analysis model and the discounted cashflow analysis model.

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

	Fair value		Unobservable inputs	Range of inputs	
	2022 Baht Million	2021 Baht Million		2022	2021
Unlisted equity securities	3,762.08	2,374.71	Enterprise value to revenue	20.6x - 1.5x	20.6x - 2.8x
			Revenue growth factors	2.96% - 79.93%	-
			Discount rate	10.28% - 10.41%	-

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Relationship of unobservable inputs to fair value are shown as follows:

	Unobservable inputs	Movement	Change in fair value			
			Increase in assumptions %		Decrease in assumptions %	
			2022	2021	2022	2021
Unlisted equity securities	Enterprise value to revenue	0.5 time	Increase by 1.60	Increase by 2.44	Decrease by 1.60	Decrease by 2.44
	Revenue growth factors	0.5%	Increase by 39.29	-	Decrease by 38.20	-
	Discount rate	0.5%	Decrease by 8.98	-	Increase by 7.69	-

*The Group's valuation processes*

Valuation team discuss valuation processes and results every quarter.

Significant unobservable input of fair value hierarchy level 3 is risk adjusted discount rate. It is estimated based on public companies' weighted average cost of capital that, are in opinion of the Group, in a comparable financial position with the counterparty in the contract.

**10 Expenses by nature**

The following items have been included in arriving at operating results:

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
Direct costs related to revenues	29,517.54	32,782.27	0.19	0.19
Purchase of goods	20,815.29	20,715.42	48.41	22.75
Network operating and maintenance	5,991.18	4,156.85	1.38	29.16
Staff costs	10,881.62	11,484.42	4,395.13	4,698.68
Selling, advertising and publicity	4,146.15	3,445.11	769.93	757.70
Expected credit loss (Note 16)	2,433.41	3,125.35	-	-
Depreciation				
- owned assets	19,901.88	17,819.88	101.47	104.77
Amortisation				
- Intangible assets (Note 24)	16,824.54	15,948.47	56.60	53.64
- Right-of-use assets (Note 22)	11,439.02	11,797.05	285.68	301.82
- Others	4,823.84	2,261.25	-	-

**11 Finance costs**

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
Interest				
- borrowings	11,086.04	10,059.59	6,657.22	5,182.56
- lease liabilities (Note 30)	5,531.11	6,040.70	30.89	30.38
Foreign exchange loss (gain)	624.71	(3.13)	-	-
Finance cost related to licences (Note 31)	2,114.36	2,402.93	-	-
Other financial fees	754.62	843.11	272.98	235.22
Total finance costs	20,110.84	19,343.20	6,961.09	5,448.16

## 12 Income tax

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
Current tax	(284.48)	(636.91)	-	(89.45)
Deferred income tax:				
Temporary differences (Note 25)	(130.76)	482.05	(35.18)	222.11
Income tax	(415.24)	(154.86)	(35.18)	132.66

The tax on the Group's profit before tax differs from the tax amount for filing purposes as follows:

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
(Loss) profit before income tax	(17,979.15)	(1,366.66)	1,291.65	4,770.92
Tax calculated at the tax rate of 20%	3,595.83	273.33	(258.33)	(954.18)
Effect of different tax rate	302.62	(1.32)	-	-
Income not subject to tax	(15.60)	-	479.18	799.05
(Expenses not deductible) expenses deductible at a greater amount for tax purposes	(596.52)	450.81	(52.15)	73.47
Current year tax loss for which no deferred tax asset was recognised	(4,321.29)	(3,325.81)	(203.88)	-
Recognition of deferred tax assets which was previously unrecognised	-	1,513.06	-	214.32
Utilisation of previously unrecognised deferred tax asset from tax loss	133.28	199.65	-	-
Associates results reported, net of tax	486.44	735.42	-	-
Income tax	(415.24)	(154.86)	(35.18)	132.66

The weighted average applicable tax rate for the consolidated financial statements was (2.31%) resulted from unrecognised deferred tax asset on tax losses carried forward which arised during the year and non deductible expenses. The weighted average applicable tax rate for the separate financial statements was 2.72% per annum resulted from income not subjected to tax and unrecognised deferred tax assets on tax losses carried forward which arised during the year. (2021: The weighted average applicable tax rate for the consolidated financial statements was (11.33%) resulted from recognition of deferred income tax assets from impairment of property, plant and equipment which was previously unrecognised due to the reassessment of recoverability of future taxable profits and unrecognised deferred tax assets on tax losses carried forward which arised during the year. The weighted average applicable tax rate for the separate financial statements was (2.78%) per annum resulted from income not subjected to tax and recognition of deferred income tax assets from employee benefit obligations.)

Further information about deferred income tax is presented in Note 25.

## 13 Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of ordinary shares outstanding, excluding treasury shares for 2022 and 2021. The calculation are as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Profit attributable to owners of the parent (Baht Million)	(18,285.20)	(1,428.41)	1,256.47
Weighted average number ordinary shares outstanding, excluding treasury shares (million shares)	33,362.28	33,344.20	33,362.28	33,344.20
Basic earnings per share (Baht)	(0.55)	(0.04)	0.04	0.15

#### 14 Cash and cash equivalents

At 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
Cash on hand	1,547.70	1,219.66	2.11	1.44
Deposits held at call with banks	25,462.84	20,743.82	2,995.29	12,665.79
	27,010.54	21,963.48	2,997.40	12,667.23

The average interest rate on short term deposits was 0.58% per annum (2021: 1.24% per annum).

#### 15 Restricted cash at bank

Restricted cash consist of:

At 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
Current	9.37	43.84	9.35	43.83
Non-current	21.99	21.35	-	-
	31.36	65.19	9.35	43.83

##### Current:

At 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
Saving deposits	9.37	43.84	9.35	43.83

##### Non-current:

At 31 December	Consolidated financial statements	
	2022	2021
	Baht Million	Baht Million
Saving deposits	0.32	0.32
Time deposits	21.67	21.03
	21.99	21.35

Under the terms of loan, financing and supplier agreements, certain subsidiaries have deposited in the security accounts as collateral for the contracted parties.

16 Trade and other receivables

At 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
Billed customers	15,552.52	25,950.33	656.86	671.24
Receivables and accrued income from related parties (Note 41)	26,809.85	18,403.36	11,983.04	21,503.27
Trade accounts receivable	42,362.37	44,353.69	12,639.90	22,174.51
Accrued income	9,484.51	11,163.32	404.75	403.60
Total trade accounts receivable	51,846.88	55,517.01	13,044.65	22,578.11
Less Expected credit loss	(6,970.41)	(6,779.80)	(1,055.60)	(1,055.60)
Trade accounts receivable, net	44,876.47	48,737.21	11,989.05	21,522.51
Prepaid expenses	1,822.30	1,553.04	37.84	35.97
Other receivable	1,323.56	1,506.05	142.27	89.74
Interest receivable	2.30	0.85	483.14	341.95
Trade account and other receivables	48,024.63	51,797.15	12,652.30	21,990.17

Outstanding trade accounts receivable as at 31 December can be analysed as follows:

At 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
Current	12,474.26	15,780.76	2,778.59	661.32
Less than 3 months	9,359.20	10,473.44	704.91	2,768.39
3 - 6 months	5,946.04	2,436.08	929.05	3,017.81
6 - 12 months	8,692.09	4,436.79	3,224.03	5,664.39
More than 12 months	5,890.78	11,226.62	5,003.32	10,062.60
Trade accounts receivable	42,362.37	44,353.69	12,639.90	22,174.51
Accrued income	9,484.51	11,163.32	404.75	403.60
Total trade accounts receivable	51,846.88	55,517.01	13,044.65	22,578.11
Less Expected credit loss	(6,970.41)	(6,779.80)	(1,055.60)	(1,055.60)
Trade accounts receivable, net	44,876.47	48,737.21	11,989.05	21,522.51

Impairment of trade receivables

Information about the impairment of trade receivables is disclosed in Note 5.7 and 6.1.2

The reconciliation of expected credit loss for trade and other receivables at 31 December are as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
Opening expected credit loss as at 1 January	6,779.80	7,908.51	1,055.60	2,947.21
Acquisition of subsidiary	1.63	-	-	-
Increase in expected credit loss (Note 10)	2,433.41	3,125.35	-	-
Write-off trade accounts receivable	(2,244.43)	(4,254.06)	-	(1,891.61)
At 31 December	6,970.41	6,779.80	1,055.60	1,055.60

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The Group's experience in the collection of accounts indicates that the allowance provided will be sufficient. Due to these factors, management believes that no additional credit risk beyond amounts provided for collection losses is inherent in the Group's trade accounts receivable.

Information about the credit risk management is disclosed in Note 6.1.2.

During 2022, the Group recognised loss from written-off trade accounts receivable amounting to Baht 2,432.46 million as other expenses in the consolidated financial statements.

At 31 December 2022, trade accounts receivable, in the consolidated and separate statements of financial position included accrued income from NT amount of Baht 256.98 million (2021: Baht 256.98 million) in respect of interconnection fee for NT service because NT has not provided sufficient and clarified information to enable the Company to agree with its fee calculation method. The Company has accounted for interconnection fee based on the Company's international call usage records. This matter is under negotiation with NT. The Company's management believes that the amount is recoverable.

## 17 Financial assets and financial liabilities

At 31 December 2022 and 2021, classification of the Group's financial assets and financial liabilities are disclosed in Note 9.

## 18 Inventories

At 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
<b>Inventories related to networks</b>				
Spareparts for networks (at cost)	63.80	200.87	16.86	158.80
<u>Less</u> Allowance for decline in value	(6.22)	(120.08)	(6.21)	(120.08)
Total inventories related to networks, net	57.58	80.79	10.65	38.72
<b>Merchandise</b>				
Merchandise (at cost)	1,302.64	1,671.18	3.17	5.74
<u>Less</u> Allowance for decline in value	(154.47)	(378.23)	(0.12)	(1.20)
Total merchandise, net	1,148.17	1,292.95	3.05	4.54
Inventories, net	1,205.75	1,373.74	13.70	43.26

During 2022, the reversal of damage and obsolete inventories were charged to the consolidated profit or loss for Baht 337.63 million (2021 : the reversal of damage and obsolete inventories were charged to the consolidated profit or loss for Baht 410.79 million) and recognised cost of sales in profit and loss of Baht 20,983.27 million (2021 : Baht 23,839.93 million).

## 19 Other current assets

At 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
Value added tax pending receipt of tax invoices	3,786.19	5,076.96	92.53	76.02
Film and program right (Note 24)	400.59	558.06	-	-
Contract cost, net (Note 37.2)	4,612.41	2,540.12	-	-
Short-term deposit	152.99	211.64	1.53	8.30
Others	17.23	30.74	-	-
	8,969.41	8,417.52	94.06	84.32

**20 Investments in subsidiaries, associates and interests in joint ventures**

**20.1 Investment in subsidiaries**

Movements of investments in subsidiaries are as follows:

For the years ended 31 December	Separate financial statements	
	2022 Baht million	2021 Baht million
Opening net book value	181,028.38	181,028.38
Decrease in investment from reduction of the subsidiary's registered capital	(327.00)	-
Impairment	(109.00)	-
Closing net book value	180,592.38	181,028.38

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		Separate financial statements					
Business	Country of incorporation	Paid-up capital Baht Million	%	%	Investment - at cost Baht Million	Allowance	Net investment Baht Million
			Ownership Interest held by the Company	Ownership interest held by the Group		for impairment Baht Million	
<b>Subsidiaries</b>							
Telecom Holding Co., Ltd.	Holding company	46,019.04	100.00	100.00	46,019.04	(10,271.43)	35,747.61
True Move H Universal Communication Co., Ltd.	Wireless Telecommunication services	144,843.77	100.00	100.00	144,843.77	-	144,843.77
True International Gateway Co., Ltd.	Dormant	109.00	100.00	100.00	109.00	(109.00)	-
True Public Communication Co., Ltd.	Dormant	97.00	100.00	100.00	97.00	(97.00)	-
True Internet Corporation Co., Ltd.	Telecommunication services and Internet solution provider	22,000.00	0.01*	100.00	1.00	-	1.00
<b>Total investment in subsidiaries</b>					191,069.81	(10,477.43)	180,592.38

At 31 December 2021

		Separate financial statements					
Business	Country of incorporation	Paid-up capital Baht Million	%	%	Investment - at cost Baht Million	Allowance	Net investment Baht Million
			Ownership Interest held by the Company	Ownership interest held by the Group		for impairment Baht Million	
<b>Subsidiaries</b>							
Telecom Holding Co., Ltd.	Holding company	46,019.04	100.00	100.00	46,019.04	(10,271.43)	35,747.61
True Move H Universal Communication Co., Ltd.	Wireless Telecommunication services	144,843.77	100.00	100.00	144,843.77	-	144,843.77
True International Gateway Co., Ltd.	Dormant	436.00	100.00	100.00	436.00	-	436.00
True Public Communication Co., Ltd.	Dormant	97.00	100.00	100.00	97.00	(97.00)	-
True Internet Corporation Co., Ltd.	Telecommunication services and Internet solution provider	22,000.00	0.01*	100.00	1.00	-	1.00
<b>Total investment in subsidiaries</b>					191,396.81	(10,368.43)	181,028.38

\* The Company indirectly hold by Telecom Holding Co., Ltd.

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**Subsidiary undertakings**

<b>Name of subsidiaries</b>	<b>% Ownership by the Group</b>	<b>Business</b>	<b>Country of incorporation</b>
AP&J Production Co., Ltd.	70.00	Entertainment	Thailand
Asia Wireless Communication Co., Ltd.	100.00	Mobile equipment Lessor	Thailand
Bangkok Inter Teletech Public Company Limited	99.74	Holding company	Thailand
BFKT (Thailand) Limited	100.00	Mobile equipment Lessor	Thailand
Chiwiborirak Co., Ltd.	73.81	Medical tele-consultation services	Thailand
Seekone Holding Company Limited	68.28	Holding company	Thailand
Seekster Co., Ltd.	68.26	Platform home services	Thailand
Seekforce Co., Ltd.	68.26	Platform home services	Thailand
Cineplex Co., Ltd.	100.00	Program production	Thailand
Hutchison CAT Wireless MultiMedia Limited	68.38	Dormant	Thailand
Hutchison MultiMedia Services (Thailand) Limited	100.00	Dormant	Thailand
Hutchison Telecommunications (Thailand) Company Limited	100.00	Dormant	Thailand
Hutchison Wireless MultiMedia Holdings Limited	92.50	Holding company	Thailand
Internet Knowledge Service Center Co., Ltd.	56.93	Non-government telecommunication	Thailand
KSC Commercial Internet Co., Ltd.	56.84	Internet services provider	Thailand
MKSC World Dot Com Co., Ltd.	91.08	Internet services and distributor	Thailand
Panther Entertainment Co., Ltd.	99.99	Artist management and related business	Thailand
Samut Pakan Media Corporation Co., Ltd.	99.69	Dormant	Thailand
Satellite Service Co., Ltd.	99.53	Dormant	Thailand
SM True Co., Ltd.	51.00	Artist management and related business	Thailand
Song Dao Co., Ltd.	99.72	Dormant	Thailand
Telecom Asset Management Co., Ltd.	100.00	Marketing management	Thailand
Telecom Holding Co., Ltd.	100.00	Holding company	Thailand
Thai News Network (TNN) Co., Ltd.	100.00	News Channel	Thailand
True Digital Group Co., Ltd.	100.00	Trading and internet provider including online digital media services on website and telecommunication devices	Thailand
True Digital Park Co., Ltd.	100.00	Business solution provider	Thailand
True Distribution and Sales Co., Ltd.	99.70	Distribution Center Services	Thailand
True E-Logistics Co., Ltd.	100.00	Consultancy and management services related to logistics	Thailand
True4U Station Co., Ltd.	100.00	Television and related business	Thailand
True Icontent Co., Ltd.	100.00	Dormant	Thailand
True Incube Co., Ltd.	100.00	Holding Company	Thailand
True International Gateway Co., Ltd.	100.00	Dormant	Thailand
True Internet Corporation Co., Ltd.	100.00	Telecommunication services and internet solution provider	Thailand
True Life Plus Co., Ltd.	100.00	Telecommunication services reseller	Thailand
True Media Solutions Co., Ltd.	100.00	Advertising sale and agency	Thailand
True Move Co., Ltd.	99.70	Telecommunication management service	Thailand
True Move H Universal Communication Co., Ltd.	100.00	Wireless Telecommunication services	Thailand
True Multimedia Co., Ltd.	91.08	Mobile equipment lessor	Thailand
True Music Co., Ltd.	99.68	Dormant	Thailand
True Public Communication Co., Ltd.	100.00	Dormant	Thailand
True United Football Club Co., Ltd.	70.00	Football Club and related activities management	Thailand
True Visions Cable Public Company Limited	99.10	Pay Television via cable system	Thailand
True Visions Group Co., Ltd.	100.00	Pay Television	Thailand
True Visions Public Company Limited	99.53	Dormant	Thailand
True Voice Co., Ltd.	99.99	Voice recognised service and related software and hardware	Thailand

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<b>Name of subsidiaries</b>	<b>% Ownership by the Group</b>	<b>Business</b>	<b>Country of incorporation</b>
Gold Palace Investments Limited	100.00	Holding company	British Virgin Island
Golden Light Co., Ltd.	100.00	Holding company	Republic of Mauritius
Goldsky Co., Ltd.	100.00	Holding company	Republic of Mauritius
K.I.N. (Thailand) Co., Ltd.	100.00	Holding company	British Virgin Island
Mediaload Pte. Ltd.	56.57	Digital media	Singapore
Mediaload (Cambodia) Co., Ltd.	56.57	Digital media	Cambodia
Mediaload Myanmar Co., Ltd.	56.57	Digital media	Myanmar
Etalent Promotion (Cambodia) Co., Ltd.	31.43	Digital media	Cambodia
Ace Media Network SDN. BHD.	33.94	Digital media	Malaysia
88Razzi SDN. BHD.	33.94	Digital media	Malaysia
Komaci Network SDN. BHD	33.94	Digital media	Malaysia
Rosy Legend Limited	100.00	Dormant	British Virgin Island
Prospect Gain Limited	100.00	Dormant	British Virgin Island
True Internet Technology (Shanghai) Company Limited	100.00	Developing, designing, producing and sale of software products	China
True Trademark Holdings Company Limited	100.00	Holding company	British Virgin Island
Crave Interactive Limited	51.00	Hospitality technology business	United Kingdom
Crave Interactive B.V.	51.00	Hospitality technology business	Netherlands
Crave Interactive Inc.	51.00	Hospitality technology business	United States
PT True Digital Indonesia	99.99	Digital platform for commercial	Indonesia
True Digital Philippines Inc.	100.00	Business process outsource in technical service, marketing and customer relations	Philippines
True Digital Vietnam Joint Stock Company	99.84	Data analytics and digital solutions business	Vietnam
Zapgroup Inc.	70.00	Privilege and online-to-offline Platforms	Philippines

**Transactions incurred during 2022**

**Investment under the Company**

On 8 June 2022, TIG, a subsidiary, registered the reduction of it registered capital from 4.36 million shares to 1.09 million shares. The Company received proceeds from capital reduction amounting to Baht 327.00 million. Subsequently, there was an indicator for impairment and the company recognised impairment of the whole remaining investment amounting to Baht 109.00 million.

**Investment under subsidiary of the Group**

On 17 January 2022, TDG, a subsidiary additionally invested in PTTD, a subsidiary, amounting to Baht 37.99 million. Subsequently, on 2 June 2022, a subsidiary additionally invested in PTTD amounting to Baht 26.81 million. The Group's shareholding interest remains unchanged.

On 5 April 2022, TH, a subsidiary additionally acquired 0.11 million shares of TV amounting to Baht 4.04 million, the Group's interest increased from 55.00% to 99.99%. The investment in TV changed status from "Interests in joint ventures" to "Investments in subsidiaries" at the date that the Group has significant control of TV. The fair value of net asset acquired amounting to Baht 9.09 million and the Group recognised gain from acquisition of the remaining interest of Baht 0.05 million in the consolidated statement of comprehensive income for the year ended 31 December 2022.

On 12 May 2022, TH, a subsidiary additionally invested in TDG, a subsidiary, amounting to Baht 27.76 million. The Group's shareholding interest remains unchanged.

On 30 June 2022, TDG, a subsidiary additionally invested in TD Vietnam, a subsidiary, amounting to Baht 52.61 million, the Group's interest increased from 99.05% to 99.78%. TD Vietnam was classified as investment in subsidiary.

On 15 July 2022, a subsidiary additionally acquired 5.04 million share of Mediaload amounting to Baht 128.27 million, the Group's interest increased from 40.05% to 56.57%. The investment in Mediaload changed status from "Investment in associates" to "Investment in subsidiaries" at the date that the Group has significant control of Mediaload. The Group recognised gain from remeasure of previously held interest of Baht 75.36 million in the consolidated statement of comprehensive income for the year ended 31 December 2022. The Group is expected to receive the benefit from Mediaload's technique and technology to enhance the Group's digital platform business.

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The considerations paid for Mediaload and the amounts of the net assets acquired on 15 July 2022 can be analysed as follows:

	<b>Baht Million</b>
Cash	128.27
Fair value of interest held before the date on which the Group obtained control	169.94
<b>Total considerations paid</b>	<b>298.21</b>

Recognised amounts of identifiable assets acquired and liabilities assumed are as follows :

	<b>Baht Million</b>
Cash and cash equivalents	128.93
Trade and other receivables	18.17
Income tax deducted at source	0.01
Claimable value added tax	0.50
Other current assets	22.49
Property, plant and equipment	4.15
Intangible assets	2.50
Other non-current assets	5.60
Trade and other payables	(42.19)
Other current liabilities	(4.34)
<b>Total identifiable net assets</b>	<b>135.82</b>
Non-controlling interests	(58.99)
Goodwill	221.38
<b>Total</b>	<b>298.21</b>
Net of cash received for an acquisition	0.66

On 5 August 2022, TINC, a subsidiary additionally invested in CHIWI, a subsidiary, amounting to Baht 65.00 million. The Group's interest increased from 60.72% to 73.81%. CHIWI was remain classified as investment in subsidiary.

On 26 August 2022, TINC, a subsidiary invested in Seekone with a total consideration of Baht 88.78 million, representing 68.28% of its equity interest. The Group has control and power to govern the financial and operating policies of Seekone. Therefore, Seekone is classified as investment in subsidiary of the Group. Seekone engages in platform home services and incorporated under the Thailand Law.

The acquisition is considered as a business combination. The Group is expected to receive the benefit from Seekone's technique and technology to enhance the Group's digital platform business.

The considerations paid for Seekone and the amounts of the net assets acquired on 26 August 2022 can be analysed as follows:

	<b>Baht Million</b>
Cash	88.78

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Recognised amounts of identifiable assets acquired and liabilities assumed are as follows.

	<b>Baht Million</b>
Cash and cash equivalents	9.70
Trade and other receivables	5.82
Income tax deducted at source	0.45
Claimable value added tax	0.02
Other current assets	1.79
Property, plant and equipment	0.35
Other non-current assets	1.33
Trade and other payables	(8.92)
Other current liabilities	(5.19)
Provision for employee benefits obligations	(0.25)
<b>Total identifiable net assets</b>	<b>5.10</b>
Non-controlling interests	(1.62)
Goodwill	85.30
<b>Total</b>	<b>88.78</b>
Net of cash paid for an acquisition	79.08

On 27 December 2022, the subsidiaries, TIC and TE registered for liquidation with the Ministry of Commerce and is under the liquidation process. The Group recognised loss from liquidation amounting to Baht 1.38 million in the consolidated financial statements for the year ended 31 December 2022.

**Transactions incurred during 2021**

On 19 February 2021, TINC, a subsidiary invested in CHIIWII with a total consideration of Baht 47.28 million, representing 60.72% of its equity interest. The Group has control and power to govern the financial and operating policies of CHIIWII. Therefore, CHIIWII is classified as investment in subsidiary of the Group. CHIIWII engages in medical tele-consultation services and incorporated under the Thailand Law. The acquisition is considered as a business combination.

The Group is expected to receive the benefit from CHIIWII's technic and technology to enhance the Group's digital platform business.

The consideration paid for CHIIWII and the amounts of the net assets acquired on 19 February 2021 can be analysed as follows:

	<b>Baht Million</b>
Considerations paid at 19 February 2021	
Cash	47.28

Recognised amounts of identifiable assets acquired and liabilities assumed are as follow;

	<b>Baht Million</b>
Cash and cash equivalents	31.75
Trade and other receivables	0.85
Other current assets	0.31
Property, plant and equipment	0.04
Intangible assets	2.27
Other non-current assets	0.08
Trade and other payables	(1.31)
Short-term borrowings	(1.00)
Short-term loans from related parties	(10.00)
Other current liabilities	(0.16)
<b>Total identifiable net assets</b>	<b>22.83</b>
Non-controlling interests	(8.97)
Goodwill	33.42
<b>Total</b>	<b>47.28</b>
Net of cash paid for an acquisition	15.53

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On 23 April 2021, TDG, a subsidiary additionally invested in PTTD amounting to Baht 48.18 million. Subsequently, on 6 August 2021, a subsidiary additionally invested in PTTD amounting to Baht 32.96 million. The Group's shareholding interest remain unchanged.

On 30 September 2021, TDG, a subsidiary invested in ZAP with a total consideration of Baht 161.30 million, representing 70.00% of its equity interest. The Group has control and power to govern the financial and operating policies of ZAP. Therefore, ZAP is classified as investment in subsidiary of the Group. ZAP engages in privilege and online-to-offline platforms and incorporated under the Republic of the Philippines law. The acquisition is considered as a business combination.

The Group is expected to receive the benefit from ZAP's technique and technology to enhance the Group's digital platform business.

The consideration paid for ZAP and the amounts of the net assets acquired on 30 September 2021 can be analysed as follows:

Considerations paid at 30 September 2021	<b>Baht Million</b>
Cash	161.30

Recognised amounts of identifiable assets acquired and liabilities assumed are as follow;

	<b>Baht Million</b>
Cash and cash equivalents	69.04
Trade and other receivables	3.20
Income tax deducted at source	1.14
Other current assets	0.74
Property, plant and equipment	0.76
Right-of-use assets	0.78
Deferred tax assets	2.81
Trade and other payables	(25.04)
Short-term borrowings	(2.00)
Other current liabilities	(8.82)
Lease liabilities	(0.78)
Provision for employee benefits	(0.85)
Other non-current liabilities	(0.17)
Total identifiable net assets	40.81
Non-controlling interests	(12.24)
Goodwill	132.73
Total	161.30
Net of cash paid for an acquisition	92.26

On 25 October 2021, TDG, a subsidiary additionally invested in TD Vietnam, amounting to Baht 8.33 million, the Group shareholding interest decreased from 99.99% to 99.05%.

On 13 December 2021, TVT, the wholly owned subsidiary, completed the liquidation process and the Company recognised gain from liquidation amounting to Baht 1.59 million including in other income in the statement of comprehensive income.

**Non-controlling interests**

The total non-controlling interest at 31 December 2022 is Baht 424.59 million (2021: Baht 456.13 million), of which Baht 499.52 million (2021: Baht 481.44 million) belongs to TM. The remaining non-controlling interest is in IKSC, BITCO, TVG, HWMH, CHIIWII, CRAVE, ZAP, Seekone and Mediaload. Total amount of non-controlling interest is considered immaterial to the Group's equity.

**Investments in associates and interests in joint ventures**

At 31 December	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
Associates	20,802.56	23,946.55	27,005.41	30,712.30
Joint ventures	905.02	547.29	-	-
	21,707.58	24,493.84	27,005.41	30,712.30

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The amounts recognised in the statement of comprehensive income are as follows:

For the years ended 31 December	Consolidated financial statements	
	2022	2021
	Baht Million	Baht Million
Share of result		
- Associates	2,106.50	3,706.25
- Joint ventures	362.72	9.09
	2,469.22	3,715.34
Elimination	(37.05)	(38.22)
	2,432.17	3,677.12

**20.2 Investment in associates**

At 31 December 2022	Consolidated financial statements					
	Business	Country of incorporation	Paid-up capital Baht Million	% Ownership interest	Investment - at cost Baht Million	Investment - at equity Baht Million
<b>Associates</b>						
Digital Telecommunications Infrastructure Fund	Invest in telecommunication infrastructure	Thailand	127,116.21	20.56	27,005.41	19,706.91
True GS Co., Ltd.	Home shopping	Thailand	340.00	46.80	159.11	29.38
True Axion Interactive Ltd.	Game and application development	Thailand	177.00	40.00	56.05	-
Queue Q (Thailand) Co., Ltd.	Software consulting	Thailand	9.02	28.89	81.69	61.82
Genxas Whiz Co., Ltd.	Advertising and marketing services	Thailand	1.08	7.69	5.00	5.03
Yi Tunnel (Beijing) Technology Co., Ltd.	AI smart camera	China	2.09	25.00	850.83	819.97
Techsauce Media Co., Ltd.	Business of operates entertainment platform	Thailand	2.67	25.00	20.00	23.93
HG Robotics Co., Ltd.	Robotics, solution platform and devices developing business	Thailand	2.14	21.79	177.47	155.52
<b>Total investment in associates</b>					28,355.56	20,802.56

At 31 December 2021	Consolidated financial statements					
	Business	Country of incorporation	Paid-up capital Baht Million	% Ownership interest	Investment - at cost Baht Million	Investment - at equity Baht Million
<b>Associates</b>						
Digital Telecommunications Infrastructure Fund	Invest in telecommunication infrastructure	Thailand	127,116.21	23.38	30,712.30	22,730.43
True GS Co., Ltd.	Home shopping	Thailand	340.00	46.80	159.11	41.80
True Axion Interactive Ltd.	Game and application development	Thailand	177.00	40.00	56.05	-
Queue Q (Thailand) Co., Ltd.	Software consulting	Thailand	19.09	28.65	81.69	66.09
Genxas Whiz Co., Ltd.	Advertising and marketing services	Thailand	1.08	7.69	5.00	4.99
Yi Tunnel (Beijing) Technology Co., Ltd.	AI smart camera	China	2.09	25.00	850.83	837.89
Mediaload Pte. Ltd.	Digital media	Singapore	16.68	40.05	115.55	103.72
Techsauce Media Co., Ltd.	Business of operates entertainment platform	Thailand	2.67	25.00	20.00	22.46
HG Robotics Co., Ltd.	Robotics, solution platform and devices developing business	Thailand	2.14	16.30	140.14	139.17
<b>Total investment in associates</b>					32,140.67	23,946.55

At 31 December 2022, the fair value of the Group's interest in DIF, a listed company in Stock Exchange of Thailand, is Baht 28,849.42 million (2021: Baht 38,693.08 million).

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Movement of interest in associates are as follows:

	<b>Consolidated financial statements</b>	<b>Separate financial statements</b>
	<b>Baht Million</b>	<b>Baht Million</b>
<b>For the year ended 31 December 2022</b>		
Opening net book value	23,946.55	30,712.30
Additions	37.34	-
Disposal of investments	(2,761.78)	(3,706.89)
Share of results	2,106.50	-
Dividends received (Note 41)	(2,431.47)	-
Reclassification	(94.58)	-
Closing net book value	20,802.56	27,005.41

**Transactions incurred during 2022**

On 11 January 2022, TINC, a subsidiary additionally invested in HG amounting to Baht 37.34 million, the Group shareholding interest increased from 16.30% to 21.79%. HG was classified as investment in associate.

On 1 June 2022, the Company disposed 300.00 million units of DIF, and received proceeds amounting to Baht 3,954.38 million. The Group recognised gain from disposal of investment amounting to Baht 1,192.60 million and Baht 247.49 million under "Other income" in the consolidated and separate financial statement, respectively. The disposal resulted in a decrease of the Group's interest in DIF from 23.38% to 20.56%.

**Transactions incurred during 2021**

On 15 November 2021, TINC, a subsidiary invested in Techsauce amounting to Baht 20.00 million, representing 25.00% of its equity. Techsauce was classified as investment in associate and engages business of operated entertainment platform.

On 23 November 2021, TINC, a subsidiary invested in HG amounting to Baht 140.14 million, representing 16.30% of its equity. HG was classified as investment in associate and engages in robotics, solution platform and devices developing business.

**Summarised statement of financial position:**

	<b>DIF</b>		<b>Others</b>		<b>Total</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b>At 31 December</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
	<b>Million</b>	<b>Million</b>	<b>Million</b>	<b>Million</b>	<b>Million</b>	<b>Million</b>
<b>Current assets</b>						
Cash and cash equivalents	4,409.44	4,396.64	911.25	1,274.13	5,320.69	5,670.77
Other current assets	17,337.28	3,562.13	865.22	726.11	18,202.50	4,288.24
<b>Total current assets</b>	<b>21,746.72</b>	<b>7,958.77</b>	<b>1,776.47</b>	<b>2,000.24</b>	<b>23,523.19</b>	<b>9,959.01</b>
<b>Non-current assets</b>						
	195,755.76	215,927.06	198.47	222.75	195,954.23	216,149.81
<b>Total assets</b>	<b>217,502.48</b>	<b>223,885.83</b>	<b>1,974.94</b>	<b>2,222.99</b>	<b>219,477.42</b>	<b>226,108.82</b>
<b>Current liabilities</b>						
Financial liabilities	-	-	(7.52)	(5.55)	(7.52)	(5.55)
Other current liabilities	(4,503.95)	(4,347.70)	(642.63)	(594.45)	(5,146.58)	(4,942.15)
<b>Total current liabilities</b>	<b>(4,503.95)</b>	<b>(4,347.70)</b>	<b>(650.15)</b>	<b>(600.00)</b>	<b>(5,154.10)</b>	<b>(4,947.70)</b>
<b>Non-current liabilities</b>						
Financial liabilities	(27,003.99)	(27,267.37)	(13.06)	(9.13)	(27,017.05)	(27,276.50)
Other non-current liabilities	(13,383.48)	(16,054.63)	(23.58)	(22.69)	(13,407.06)	(16,077.32)
<b>Total non-current liabilities</b>	<b>(40,387.47)</b>	<b>(43,322.00)</b>	<b>(36.64)</b>	<b>(31.82)</b>	<b>(40,424.11)</b>	<b>(43,353.82)</b>
<b>Total Liabilities</b>	<b>(44,891.42)</b>	<b>(47,669.70)</b>	<b>(686.79)</b>	<b>(631.82)</b>	<b>(45,578.21)</b>	<b>(48,301.52)</b>
<b>Net assets</b>	<b>172,611.06</b>	<b>176,216.13</b>	<b>1,288.15</b>	<b>1,591.17</b>	<b>173,899.21</b>	<b>177,807.30</b>

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**Summarised statement of comprehensive income:**

For the years ended 31 December	DIF		Others		Total	
	2022	2021	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million
Revenue	14,405.65	14,726.65	2,084.10	2,537.22	16,489.75	17,263.87
Depreciation and amortisation	-	-	(42.66)	(61.20)	(42.66)	(61.20)
Interest income	19.37	15.06	17.26	4.73	36.63	19.79
Interest expense	-	-	(7.01)	(2.20)	(7.01)	(2.20)
Profit (loss) from continuing operation	7,462.07	12,888.04	(214.33)	(87.68)	7,247.74	12,800.36
Post-tax profit (loss) from continuing operation	7,462.07	12,888.04	(214.33)	(87.68)	7,247.74	12,800.36
Total comprehensive income	7,462.07	12,888.04	(214.33)	(87.68)	7,247.74	12,800.36
Dividends received from associate	2,431.47	2,594.93	-	-	2,431.47	2,594.93

Reconciliation of the recognised financial statements presented to the carrying amount of its interest in associates:

For the years ended 31 December	DIF		Others		Total	
	2022	2021	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million
Opening net assets	176,216.13	174,427.12	1,513.17	1,398.00	177,729.30	175,825.12
Common shares call up	-	-	(5.16)	280.85	(5.16)	280.85
Profit (loss) for the year	7,462.07	12,888.04	(214.33)	(87.68)	7,247.74	12,800.36
Dividends paid	(11,067.14)	(11,099.03)	(5.56)	-	(11,072.70)	(11,099.03)
Closing net assets	172,611.06	176,216.13	1,288.12	1,591.17	173,899.18	177,807.30
Interest in associates	20.56%	23.38%	-	-	-	-
Goodwill	35,483.82	41,197.40	353.33	429.03	35,837.15	41,626.43
Unrealised gain from assets sold	(15,776.91)	(18,466.97)	-	-	(15,776.91)	(18,466.97)
Carrying value	19,706.91	22,730.43	1,095.65	1,216.12	20,802.56	23,946.55

**20.3 Interests in joint ventures**

At 31 December 2022	Consolidated financial statements					
	Business	Country of incorporation	Paid-up capital Baht/USD Million	% Ownership interest	Investment - at cost Baht Million	Investment - at equity Baht Million
joint ventures						
Asia Infonet Co., Ltd.	Dormant	Thailand	15.00	65.00	51.77	9.70
Transformation Films Co., Ltd.	Manufacturing and filmmaker	Thailand	245.00	34.69	85.00	30.82
True CJ Creations Co., Ltd.	Production house	Thailand	115.50	51.00	58.91	62.63
True Touch Co., Ltd.	Call centre services	Thailand	173.70	50.00	96.50	286.06
True-Kona Cayman GP	Fund management	Cayman Island	USD 0.45	50.00	9.16	10.20
LINE Games-True-Kona Global Fund Limited Partnership	Investment company	Cayman Island	USD 22.72	26.00	188.12	505.61
<b>Total investment in joint ventures</b>					<b>489.46</b>	<b>905.02</b>

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At 31 December 2021	Consolidated financial statements					
	Business	Country of incorporation	Paid-up capital Baht/USD Million	% Ownership interest	Investment - at cost Baht Million	Investment - at equity Baht Million
joint ventures						
Asia Infonet Co., Ltd.	Dormant	Thailand	15.00	65.00	51.77	9.70
Transformation Films Co., Ltd.	Manufacturing and filmmaker	Thailand	245.00	34.69	85.00	30.93
True Voice Company Limited	Voice recognised service and related software and hardware					
		Thailand	24.00	55.00	13.20	5.15
True CJ Creations Co., Ltd.	Production house	Thailand	115.50	51.00	58.91	59.70
True Touch Co., Ltd.	Call centre services	Thailand	173.70	50.00	96.50	275.24
True-Kona Cayman GP	Fund management	Cayman Island	USD 0.45	50.00	9.16	9.91
LINE Games-True-Kona Global Fund Limited Partnership	Investment company	Cayman Island	USD 22.72	26.00	188.12	156.66
<b>Total investment in joint ventures</b>					<b>502.66</b>	<b>547.29</b>

Movement of interests in joint ventures are as follows:

	Consolidated financial statements Baht Million
<b>For the year ended 31 December 2022</b>	
Opening net book value	547.29
Share of results	362.72
Reclassification	(4.99)
Closing net book value	905.02

**Summarised statement of financial position:**

At 31 December	TT		LINE games - TRUE		Others		Total	
	2022 Baht Million	2021 Baht Million	2022 Baht Million	2021 Baht Million	2022 Baht Million	2021 Baht Million	2022 Baht Million	2021 Baht Million
<b>Current assets</b>								
Cash and cash equivalents	24.20	58.35	111.28	127.92	297.92	117.06	433.40	303.33
Other current assets	498.73	483.30	-	-	208.92	310.71	707.65	794.01
<b>Total current assets</b>	<b>522.93</b>	<b>541.65</b>	<b>111.28</b>	<b>127.92</b>	<b>506.84</b>	<b>427.77</b>	<b>1,141.05</b>	<b>1,097.34</b>
<b>Non-current assets</b>	<b>278.52</b>	<b>336.67</b>	<b>1,823.65</b>	<b>508.88</b>	<b>122.36</b>	<b>33.19</b>	<b>2,224.53</b>	<b>878.74</b>
<b>Total assets</b>	<b>801.45</b>	<b>878.32</b>	<b>1,934.93</b>	<b>636.80</b>	<b>629.20</b>	<b>460.96</b>	<b>3,365.58</b>	<b>1,976.08</b>
<b>Current liabilities</b>								
Financial liabilities	-	0.01	-	-	-	39.88	-	(39.89)
Other current liabilities	(204.16)	(324.41)	(0.28)	(0.69)	(416.67)	(269.29)	(621.11)	(594.39)
<b>Total current liabilities</b>	<b>(204.16)</b>	<b>(324.40)</b>	<b>(0.28)</b>	<b>(0.69)</b>	<b>(416.67)</b>	<b>(229.41)</b>	<b>(621.11)</b>	<b>(554.50)</b>
<b>Non-current liabilities</b>								
Financial liabilities	-	-	-	-	(1.02)	(10.23)	(1.02)	(10.23)
Other non-current liabilities	(271.96)	(250.24)	-	-	(8.15)	(15.20)	(280.11)	(265.44)
<b>Total non-current liabilities</b>	<b>(271.96)</b>	<b>(250.24)</b>	<b>-</b>	<b>-</b>	<b>(9.17)</b>	<b>(25.43)</b>	<b>(281.13)</b>	<b>(275.67)</b>
<b>Total Liabilities</b>	<b>(476.12)</b>	<b>(574.64)</b>	<b>(0.28)</b>	<b>(0.69)</b>	<b>(425.84)</b>	<b>(254.84)</b>	<b>(902.24)</b>	<b>(830.17)</b>
<b>Net assets</b>	<b>325.33</b>	<b>303.68</b>	<b>1,934.65</b>	<b>636.11</b>	<b>203.36</b>	<b>206.12</b>	<b>2,463.34</b>	<b>1,145.91</b>

**True Corporation Public Company Limited**  
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**Summarised statement of comprehensive income:**

For the years ended 31 December	TT		LINE games - TRUE		Others		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million
Revenue	2,064.91	1,157.54	1,391.99	88.79	210.41	292.46	3,667.31	1,538.79
Depreciation and amortisation	(81.31)	(80.16)	-	-	-	-	(81.31)	(80.16)
Interest income	0.12	0.20	0.01	0.01	0.34	0.26	0.47	0.47
Interest expense	(1.87)	(2.39)	-	-	(1.16)	(0.72)	(3.03)	(3.11)
Profit (loss) from continuing operation	21.65	31.89	1,292.40	(80.25)	5.99	29.91	1,320.04	(18.45)
Post-tax profit (loss) from continuing operation	21.65	31.89	1,292.40	(80.25)	5.99	29.91	1,320.04	(18.45)
Total comprehensive income	21.65	31.89	1,292.40	(80.25)	5.99	29.91	1,320.04	(18.45)

Reconciliation of the recognised financial statements presented to the carrying amount of its interest in associates:

For the years ended 31 December	TT		LINE games - TRUE		Others		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million
Opening net assets	303.68	-	636.11	-	206.12	-	1,145.91	-
Common shares call up	-	271.79	-	716.36	-	176.21	-	1,164.36
Profit (loss) for the year	21.65	31.89	1,292.40	(80.25)	5.99	29.91	1,320.04	(18.45)
Foreign exchange differences	-	-	6.14	-	0.60	-	6.74	-
Change status of investment	-	-	-	-	(9.36)	-	(9.36)	-
Closing net assets	325.33	303.68	1,934.65	636.11	203.35	206.12	2,463.33	1,145.91
Interest in associates	50.00%	50.00%	27.00%	27.00%	-	-	-	-
Goodwill (Bargain purchase)	162.66 123.40	151.84 123.40	522.36 (16.75)	171.75 (15.09)	93.33 20.02	95.07 20.32	778.35 126.67	418.66 128.63
Carrying value	286.06	275.24	505.61	156.66	113.35	115.39	905.02	547.29

## 21 Property, plant and equipment

At 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
<b>Network equipment</b>				
Opening net book value	239,827.63	226,381.64	-	-
Additions	29,337.65	31,426.56	-	-
Disposals, net	(2,007.65)	(138.44)	-	-
Adjustment/reclassifications	(989.57)	(892.70)	-	-
Depreciation charge	(18,422.34)	(16,348.04)	-	-
Reversal of impairment /(Impairments charge)	17.29	(601.39)	-	-
Closing net book value	247,763.01	239,827.63	-	-
<b>Non-network equipment</b>				
Opening net book value	5,509.50	5,512.45	422.18	412.21
Additions	1,234.30	1,322.82	99.90	119.74
Acquisition of subsidiaries	7.01	0.80	-	-
Disposals, net	(136.51)	(6.05)	(109.61)	(0.02)
Adjustment/reclassifications	(23.26)	14.53	-	(4.98)
Depreciation charge	(1,337.71)	(1,335.05)	(101.47)	(104.77)
Closing net book value	5,253.33	5,509.50	311.00	422.18
Total	253,016.34	245,337.13	311.00	422.18

### Significant transactions

The Group invested in network equipment at a cost of Baht 29,337.65 million to support business expansion.

During 2022, borrowing costs of Baht 107.49 million (2021: Baht 248.58 million) were capitalised during the year and included in "additions". An average capitalisation rate of 3.92% was used representing the actual borrowing costs of the loan used to finance the project.

During 2021, the management has determined that certain network assets are no longer to be used due to asset specification. Impairment loss from asset retirement of Baht 601.39 million was recognised to the consolidated statement of comprehensive income for the year ended 31 December 2021.

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Consolidated financial statements										
Network equipment	Land and land improvement Baht Million	Building and improvement Baht Million	Telephone network equipment Baht Million	Public phones Baht Million	Wireless network equipment Baht Million	Multimedia network equipment Baht Million	Power supply and computers Baht Million	Pay - TV Baht Million	Work in progress Baht Million	Total Baht Million
<b>At 1 January 2021</b>										
Cost	539.83	1,454.03	5,085.88	190.02	126,795.27	93,463.33	258.10	15,669.30	81,794.59	325,250.35
<u>Less</u> Accumulated depreciation	-	(313.83)	(3,963.39)	(173.90)	(34,947.04)	(36,635.21)	(204.00)	(12,599.81)	-	(88,837.18)
Allowance for impairment	-	(11.39)	(1,122.49)	(16.12)	(1,909.98)	(6,695.86)	(28.63)	(245.88)	(1.18)	(10,031.53)
Net book value	539.83	1,128.81	-	-	89,938.25	50,132.26	25.47	2,823.61	81,793.41	226,381.64
<b>Year ended 31 December 2021</b>										
Opening net book value	539.83	1,128.81	-	-	89,938.25	50,132.26	25.47	2,823.61	81,793.41	226,381.64
Additions	6.76	36.60	-	-	770.19	6,661.05	-	76.15	23,875.81	31,426.56
Disposals, net	-	-	-	-	(52.94)	(27.54)	-	(0.48)	(57.48)	(138.44)
Adjustments/reclassifications	-	-	-	-	24,416.82	4,904.58	-	(573.87)	(29,640.23)	(892.70)
Depreciation charge	-	(54.57)	-	-	(9,980.95)	(5,514.10)	(2.27)	(796.15)	-	(16,348.04)
Impairments charge	-	-	-	-	-	(601.39)	-	-	-	(601.39)
Closing net book value	546.59	1,110.84	-	-	105,091.37	55,554.86	23.20	1,529.26	75,971.51	239,827.63
<b>At 31 December 2021</b>										
Cost	546.59	1,490.63	5,081.74	190.02	151,302.58	104,991.33	258.10	15,044.01	75,972.69	354,877.69
<u>Less</u> Accumulated depreciation	-	(368.40)	(3,960.20)	(173.90)	(44,737.27)	(42,063.79)	(206.27)	(13,268.97)	-	(104,778.80)
Allowance for impairment	-	(11.39)	(1,121.54)	(16.12)	(1,473.94)	(7,372.68)	(28.63)	(245.78)	(1.18)	(10,271.26)
Net book value	546.59	1,110.84	-	-	105,091.37	55,554.86	23.20	1,529.26	75,971.51	239,827.63
<b>Year ended 31 December 2022</b>										
Opening net book value	546.59	1,110.84	-	-	105,091.37	55,554.86	23.20	1,529.26	75,971.51	239,827.63
Additions	-	-	-	-	976.12	8,749.26	-	201.41	19,410.86	29,337.65
Disposals, net	-	(0.63)	-	-	(23.41)	(985.79)	(0.01)	(12.51)	(985.30)	(2,007.65)
Adjustments/reclassifications	-	8.54	-	-	15,499.96	5,731.19	-	52.76	(22,282.02)	(989.57)
Depreciation charge	-	(54.09)	-	-	(11,508.72)	(6,206.95)	(2.27)	(650.31)	-	(18,422.34)
Reversal of impairments	-	-	-	-	-	17.29	-	-	-	17.29
Closing net book value	546.59	1,064.66	-	-	110,035.32	62,859.86	20.92	1,120.61	72,115.05	247,763.01
<b>At 31 December 2022</b>										
Cost	546.59	1,480.89	4,861.71	190.02	167,747.48	123,673.63	256.57	14,743.52	72,116.23	385,616.64
<u>Less</u> Accumulated depreciation	-	(409.28)	(3,746.86)	(173.90)	(56,238.22)	(53,684.00)	(207.32)	(13,377.82)	-	(127,837.40)
Allowance for impairment	-	(6.95)	(1,114.85)	(16.12)	(1,473.94)	(7,129.77)	(28.33)	(245.09)	(1.18)	(10,016.23)
Net book value	546.59	1,064.66	-	-	110,035.32	62,859.86	20.92	1,120.61	72,115.05	247,763.01

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	Consolidated financial statements						Total Baht Million
	Land and land improvement Baht Million	Building and improvement Baht Million	Furniture, fixtures and equipment Baht Million	Power supply and computers Baht Million	Vehicles Baht Million	Work in progress Baht Million	
<b>Non - network equipment</b>							
<b>At 1 January 2021</b>							
Cost	224.52	3,553.70	5,547.89	5,890.16	37.86	1,051.12	16,305.25
<u>Less</u> Accumulated depreciation	-	(2,316.67)	(3,258.41)	(4,299.11)	(33.82)	-	(9,908.01)
Allowance for impairment	-	(168.56)	(466.43)	(248.77)	(1.03)	-	(884.79)
Net book value	224.52	1,068.47	1,823.05	1,342.28	3.01	1,051.12	5,512.45
<b>Year ended 31 December 2021</b>							
Opening net book value	224.52	1,068.47	1,823.05	1,342.28	3.01	1,051.12	5,512.45
Additions	-	36.36	187.84	121.90	-	976.72	1,322.82
Acquisition of subsidiaries (Note 20)	-	-	-	0.80	-	-	0.80
Disposals, net	-	(3.16)	(2.30)	(0.59)	-	-	(6.05)
Adjustments/reclassifications	6.07	223.01	29.32	621.70	-	(865.57)	14.53
Depreciation charge	-	(354.74)	(462.65)	(515.49)	(2.17)	-	(1,335.05)
Closing net book value	230.59	969.94	1,575.26	1,570.60	0.84	1,162.27	5,509.50
<b>At 31 December 2021</b>							
Cost	230.59	3,719.97	5,623.47	6,564.29	36.47	1,162.27	17,337.06
<u>Less</u> Accumulated depreciation	-	(2,581.47)	(3,595.17)	(4,752.35)	(34.60)	-	(10,963.59)
Allowance for impairment	-	(168.56)	(453.04)	(241.34)	(1.03)	-	(863.97)
Net book value	230.59	969.94	1,575.26	1,570.60	0.84	1,162.27	5,509.50
<b>Year ended 31 December 2022</b>							
Opening net book value	230.59	969.94	1,575.26	1,570.60	0.84	1,162.27	5,509.50
Additions	-	6.98	135.96	179.70	0.03	911.63	1,234.30
Acquisition of subsidiaries (Note 20)	0.20	0.20	2.21	4.40	-	-	7.01
Disposals, net	-	(14.19)	(6.51)	(0.63)	-	(115.18)	(136.51)
Adjustments/reclassifications	19.45	138.37	59.01	420.91	4.00	(665.00)	(23.26)
Depreciation charge	(0.03)	(318.35)	(419.23)	(599.60)	(0.50)	-	(1,337.71)
Closing net book value	250.21	782.95	1,346.70	1,575.38	4.37	1,293.72	5,253.33
<b>At 31 December 2022</b>							
Cost	250.37	3,831.02	5,585.74	7,078.00	40.50	1,293.72	18,079.35
<u>Less</u> Accumulated depreciation	(0.16)	(2,879.51)	(3,805.75)	(5,270.78)	(35.10)	-	(11,991.30)
Allowance for impairment	-	(168.56)	(433.29)	(231.84)	(1.03)	-	(834.72)
Net book value	250.21	782.95	1,346.70	1,575.38	4.37	1,293.72	5,253.33

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Network equipment	Separate financial statements						Total Baht Million
	Building and improvement Baht Million	Telephone network equipment Baht Million	Wireless network equipment Baht Million	Public phones Baht Million	Power supply and computers Baht Million	Work in progress Baht Million	
<b>At 1 January 2021</b>							
Cost	43.06	5,087.06	340.02	190.02	224.59	-	5,884.75
<u>Less</u> Accumulated depreciation	(31.67)	(3,963.39)	(332.37)	(173.90)	(195.96)	-	(4,697.29)
Allowance for impairment	(11.39)	(1,123.67)	(7.65)	(16.12)	(28.63)	-	(1,187.46)
Net book value	-	-	-	-	-	-	-
<b>At 31 December 2021</b>							
Cost	43.06	5,081.74	340.02	190.02	224.59	1.18	5,880.61
<u>Less</u> Accumulated depreciation	(31.67)	(3,960.20)	(332.37)	(173.90)	(195.96)	-	(4,694.10)
Allowance for impairment	(11.39)	(1,121.54)	(7.65)	(16.12)	(28.63)	(1.18)	(1,186.51)
Net book value	-	-	-	-	-	-	-
<b>At 31 December 2022</b>							
Cost	29.14	4,861.71	340.02	190.02	223.07	1.18	5,645.14
<u>Less</u> Accumulated depreciation	(22.19)	(3,746.86)	(332.37)	(173.90)	(194.74)	-	(4,470.06)
Allowance for impairment	(6.95)	(1,114.85)	(7.65)	(16.12)	(28.33)	(1.18)	(1,175.08)
Net book value	-	-	-	-	-	-	-

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Non - network equipment	Separate financial statements					
	Leasehold and improvement Baht Million	Furniture, fixtures and equipment Baht Million	Power supply and computers Baht Million	Vehicles Baht Million	Work in progress Baht Million	Total Baht Million
<b>At 1 January 2021</b>						
Cost	582.36	595.36	1,084.48	1.36	9.11	2,272.67
<u>Less</u> Accumulated depreciation	(374.81)	(466.71)	(960.54)	(1.36)	-	(1,803.42)
Allowance for impairment	(0.82)	(39.54)	(16.68)	-	-	(57.04)
Net book value	206.73	89.11	107.26	-	9.11	412.21
<b>Year ended 31 December 2021</b>						
Opening net book value	206.73	89.11	107.26	-	9.11	412.21
Additions	-	10.36	33.34	-	76.04	119.74
Disposals, net	-	(0.02)	-	-	-	(0.02)
Transfer in (out)	45.54	4.69	3.89	-	(59.10)	(4.98)
Depreciation charge	(54.83)	(15.05)	(34.89)	-	-	(104.77)
Closing net book value	197.44	89.09	109.60	-	26.05	422.18
<b>At 31 December 2021</b>						
Cost	627.90	598.31	1,100.94	1.36	26.05	2,354.56
<u>Less</u> Accumulated depreciation	(429.64)	(469.73)	(977.37)	(1.36)	-	(1,878.10)
Allowance for impairment	(0.82)	(39.49)	(13.97)	-	-	(54.28)
Net book value	197.44	89.09	109.60	-	26.05	422.18
<b>Year ended 31 December 2022</b>						
Opening net book value	197.44	89.09	109.60	-	26.05	422.18
Additions	0.26	3.18	23.36	-	73.10	99.90
Disposals, net	(14.19)	(2.70)	(0.24)	-	(92.48)	(109.61)
Transfer in (out)	2.72	-	3.56	-	(6.28)	-
Depreciation charge	(45.42)	(16.18)	(39.87)	-	-	(101.47)
Closing net book value	140.81	73.39	96.41	-	0.39	311.00
<b>At 31 December 2022</b>						
Cost	596.51	590.73	1,114.30	1.36	0.39	2,303.29
<u>Less</u> Accumulated depreciation	(454.88)	(479.01)	(1,005.32)	(1.36)	-	(1,940.57)
Allowance for impairment	(0.82)	(38.33)	(12.57)	-	-	(51.72)
Net book value	140.81	73.39	96.41	-	0.39	311.00

22 Right-of-use assets

	Consolidation financial statements				
	Properties Baht Million	Network equipment Baht Million	Vehicles Baht Million	Lease transponder Baht Million	Total Baht Million
<b>Year ended 31 December 2021</b>					
Opening net book value	3,788.17	96,740.33	935.32	1,872.22	103,336.04
Additions	1,158.82	4,199.07	227.32	-	5,585.21
Acquisitions of subsidiary (Note 20)	0.78	-	-	-	0.78
Write off due to the termination of contracts	(857.84)	(3,222.55)	(547.50)	-	(4,627.89)
Adjustments/reclassifications	(164.36)	212.32	(58.82)	-	(10.86)
Amortisation	(1,219.16)	(10,206.96)	(208.15)	(162.78)	(11,797.05)
Reversal of impairment	-	1,736.74	-	-	1,736.74
Closing net book value	2,706.41	89,458.95	348.17	1,709.44	94,222.97
<b>Year ended 31 December 2022</b>					
Opening net book value	2,706.41	89,458.95	348.17	1,709.44	94,222.97
Additions	3,793.59	4,422.87	102.30	-	8,318.76
Write off due to the termination of contracts	(406.37)	(23.84)	(11.41)	(85.21)	(526.83)
Adjustments/reclassifications	(37.23)	(453.99)	-	-	(491.22)
Amortisation	(1,151.63)	(9,979.06)	(153.67)	(154.66)	(11,439.02)
Reversal of impairment	-	3,216.00	-	-	3,216.00
Closing net book value	4,904.77	86,640.93	285.39	1,469.57	93,300.66

During the year 2022, the management considered the recoverable amount of right-of-use assets is greater than prior estimation regarding to the growth of broadband internet service. As a result, the reversal of impairment amounting to Baht 3,216.00 million (2021 : Baht 1,736.74 million) was recognised to the consolidated statement of comprehensive income for the year ended 31 December 2022.

	Separate financial statements		
	Properties Baht Million	Vehicles Baht Million	Total Baht Million
<b>Year ended 31 December 2021</b>			
Opening net book value	927.30	247.88	1,175.18
Additions	582.25	3.16	585.41
Write off due to the termination of contracts	(127.06)	(150.58)	(277.64)
Adjustments/reclassifications	(72.46)	(17.04)	(89.50)
Amortisation	(251.95)	(49.87)	(301.82)
Closing net book value	1,058.08	33.55	1,091.63
<b>Year ended 31 December 2022</b>			
Opening net book value	1,058.08	33.55	1,091.63
Additions	782.17	18.81	800.98
Write off due to the termination of contracts	(491.54)	(2.64)	(494.18)
Adjustments/reclassifications	(1.89)	-	(1.89)
Amortisation	(264.16)	(21.52)	(285.68)
Closing net book value	1,082.66	28.20	1,110.86

23 Goodwill

Goodwill is allocated to the cash-generating units identified according to business segment. A segment-level summary of the goodwill allocation is presented below.

	Consolidated financial statements		
	Online Baht Million	Pay-TV Baht Million	Total Baht Million
<b>Goodwill allocation by segment</b>			
Opening net book value	992.45	9,167.47	10,159.92
Additions (Note 20)	306.67	-	306.67
Impairment charge	-	(2,000.00)	(2,000.00)
Closing net book value	1,299.12	7,167.47	8,466.59

The recoverable amount of a CGU is determined based on value-in-use and fair value less costs of disposal calculations. These calculations use pre-tax cash flow projections and post-tax cash flow projections, respectively based on financial budgets approved by management covering a five-year period.

The key assumptions used for value-in-use calculations are as follows:

By segment	TrueOnline Internet
	%
Gross margin <sup>1</sup>	28.45
Revenue growth rate <sup>2</sup>	6.65
Discount rate <sup>3</sup>	8.73
Long-term growth rate <sup>4</sup>	0.00

The key assumptions used for fair value less costs of disposal calculations are as follows:

By segment	TrueOnline Digital	TrueVisions Pay-TV
	%	%
Gross margin <sup>1</sup>	26.85 - 60.53	45.28
Revenue growth rate <sup>2</sup>	21.71 - 70.40	2.97
Discount rate <sup>5</sup>	11.73 - 16.00	8.71
Long-term growth rate <sup>4</sup>	0.00 - 1.90	0.00

Cash flows beyond the five-year period which is used for fair value less cost of disposal calculations are conservatively extrapolated using the zero growth rates and does not exceed the long-term average growth rate for the business in which the CGU operates.

- <sup>1</sup> Budgeted gross margin (excluding depreciation and amortisation expenses).
- <sup>2</sup> Weighted average growth rate used to extrapolate cash flows during the budget period.
- <sup>3</sup> Pre-tax discount rate applied to the cash flow projections.
- <sup>4</sup> This is the weighted average growth rate used to extrapolate cash flows beyond the budget period.
- <sup>5</sup> Post-tax discount rate applied to the cash flow projections.

These assumptions have been used for the analysis of each CGU within the business segment.

Management determined budgeted gross margin based on past performance and its expectations of market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The discount rates used are reflect specific risks relating to the relevant segments.

The recoverable amount for Internet and Digital exceeded carrying value by Baht 62.60 million and Baht 11.70 - 32.19 million, respectively. In case that the discount rate is changed to 9.97% for Internet and 12.55% - 17.29% for Digital, the recoverable amount will be equal to carrying value.

During 2022, the Group recognised loss on goodwill impairment from Pay-TV cash generated units of Baht 2,000.00 million under "Other expense" in the consolidated statement of comprehensive income for the year ended 31 December 2022 because of the high competition from internet TV and digital content, including the changes in consumers' behavior together with the increase in interest rate. As a result, the recoverable amount for Pay-TV, which was calculated based on fair value less costs of disposal, do not cover its carrying value.

## 24 Intangible assets

At 31 December	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
Current (included in "Other current assets" (Note 19))	400.59	558.06	-	-
Non-current	119,845.50	128,325.13	258.54	281.13
Total	120,246.09	128,883.19	258.54	281.13

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	Trademark, right and licences Baht Million	Computer software Baht Million	Rights to operate Baht Million	Film and Program right Baht Million	Service contract Baht Million	Work in progress Baht Million	Total Baht Million
<b>At 1 January 2021</b>							
Cost	160,815.95	24,938.70	1,747.38	5,430.99	10,755.00	3,311.04	206,999.06
<u>Less</u> Accumulated amortisation	(45,405.47)	(14,957.99)	(1,275.10)	(2,909.76)	(7,359.31)	-	(71,907.63)
Allowance for impairment	-	(1,042.38)	(35.60)	(776.14)	-	(40.68)	(1,894.80)
Net book value	115,410.48	8,938.33	436.68	1,745.09	3,395.69	3,270.36	133,196.63
<b>Year ended 31 December 2021</b>							
Opening net book value	115,410.48	8,938.33	436.68	1,745.09	3,395.69	3,270.36	133,196.63
Additions	3,626.74	1,103.15	-	2,634.40	-	4,221.47	11,585.76
Acquisition of subsidiary	-	2.27	-	-	-	-	2.27
Disposals, net	(0.99)	-	-	-	-	-	(0.99)
Adjustments/reclassifications	-	3,385.10	-	162.16	-	(3,499.27)	47.99
Amortisation charge	(10,713.04)	(1,918.44)	(95.18)	(2,479.39)	(742.42)	-	(15,948.47)
Closing net book value	108,323.19	11,510.41	341.50	2,062.26	2,653.27	3,992.56	128,883.19
<b>At 31 December 2021</b>							
Cost	164,440.23	29,441.58	1,747.38	6,281.34	10,755.00	4,033.24	216,698.77
<u>Less</u> Accumulated amortisation	(56,117.04)	(16,888.79)	(1,370.28)	(3,442.94)	(8,101.73)	-	(85,920.78)
Allowance for impairment	-	(1,042.38)	(35.60)	(776.14)	-	(40.68)	(1,894.80)
Net book value	108,323.19	11,510.41	341.50	2,062.26	2,653.27	3,992.56	128,883.19
<b>Year ended 31 December 2022</b>							
Opening net book value	108,323.19	11,510.41	341.50	2,062.26	2,653.27	3,992.56	128,883.19
Additions	151.74	1,265.05	-	1,943.09	2.10	4,866.40	8,228.38
Acquisition of subsidiary	-	8.04	-	-	-	0.63	8.67
Disposals, net	(4.95)	(927.10)	-	-	-	(235.20)	(1,167.25)
Adjustments/reclassifications	(33.10)	5,610.24	-	207.84	(0.07)	(4,667.27)	1,117.64
Amortisation charge	(10,798.29)	(2,782.37)	(95.18)	(2,401.76)	(746.94)	-	(16,824.54)
Closing net book value	97,638.59	14,684.27	246.32	1,811.43	1,908.36	3,957.12	120,246.09
<b>At 31 December 2022</b>							
Cost	164,547.23	35,253.38	1,747.38	7,694.92	10,757.01	3,997.80	223,997.72
<u>Less</u> Accumulated amortisation	(66,908.64)	(19,526.73)	(1,465.46)	(5,107.35)	(8,848.65)	-	(101,856.83)
Allowance for impairment	-	(1,042.38)	(35.60)	(776.14)	-	(40.68)	(1,894.80)
Net book value	97,638.59	14,684.27	246.32	1,811.43	1,908.36	3,957.12	120,246.09

**Trademark, Right and Licence**

Consists the followings:

1. IMT 2.1 GHz bandwidth licence which was awarded by NBTC for a period of 15 years. Net carrying is amount to Baht 4,305.70 million (net of accumulated amortisation of Baht 8,790.70 million).
2. 1800 MHz bandwidth licence which was awarded by NBTC for a period of 18 years. Net carrying amount is Baht 23,241.04 million (net of accumulated amortisation of Baht 15,361.31 million).
3. 900 MHz bandwidth licence which was awarded by NBTC for a period of 15 years. Net carrying amount is Baht 39,738.45 million (net of accumulated amortisation of Baht 30,415.35 million).
4. 2600 MHz bandwidth licence which was awarded by NBTC for a period of 15 years. Net carrying amount is Baht 11,007.17 million (net of accumulated amortisation of Baht 2,519.03 million).
5. 700 MHz bandwidth licence which was awarded by NBTC for a period of 15 years. Net carrying amount is Baht 9,832.27 million (net of accumulated amortisation of Baht 1,480.13 million).
6. 26 GHz bandwidth licence which was awarded by NBTC for a period of 15 years. Net carrying amount is Baht 3,141.69 million (net of accumulated amortisation of Baht 446.85 million).
7. Licence for the spectrum of television broadcasting service using digital system awarded by NBTC for a period of 15 years. Net carrying amount is Baht 723.88 million (net of accumulated amortisation of Baht 1,560.47million).

**Service contract**

Service contract represents the fair value of identifiable intangible asset derived from a business acquisition.

**Significant transactions incurred during 2021**

On 17 February 2021, TUC, the subsidiary was officially granted the 26 GHz form NBTC. The cost of spectrum licence of Baht 3,576.89 million are initially recognised by measuring at cash equivalent price based on the present value of the acquisition cost.

Movement of the Company's intangible assets are as follows:

	<b>Separate financial statements Computer software Baht Million</b>
<b>At 1 January 2021</b>	
Cost	2,559.16
<u>Less</u> Accumulated amortisation	<u>(2,306.49)</u>
Net book value	<u>252.67</u>
<b>Year ended 31 December 2021</b>	
Opening net book value	252.67
Additions	77.12
Reclassifications	4.98
Amortisation charge	<u>(53.64)</u>
Closing net book value	<u>281.13</u>
<b>At 31 December 2021</b>	
Cost	2,641.26
<u>Less</u> Accumulated amortisation	<u>(2,360.13)</u>
Net book value	<u>281.13</u>
<b>Year ended 31 December 2022</b>	
Opening net book value	281.13
Additions	34.06
Disposals, net	(0.05)
Amortisation charge	<u>(56.60)</u>
Closing net book value	<u>258.54</u>
<b>At 31 December 2022</b>	
Cost	2,675.24
<u>Less</u> Accumulated amortisation	<u>(2,416.70)</u>
Net book value	<u>258.54</u>

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**25 Deferred income taxes**

Deferred income taxes are calculated in full on temporary differences, using the liability method and applying a principal tax rate of 20%. The deferred taxation related to the temporary differences between the carrying amounts and the tax bases of assets and liabilities of the Group are summarised below:

At 31 December	Consolidated financial statements				
	2021 Baht Million	Credited (charged) to profit or loss Baht Million	Foreign exchange translation Baht Million	Credited to other comprehensive income Baht Million	2022 Baht Million
<b>Deferred income tax assets</b>					
Licences	1,637.99	52.86	(0.35)	-	1,690.50
Allowances	336.68	(174.39)	-	-	162.29
Unearned income	224.97	25.24	(0.15)	-	250.06
Accrued expenses	4.72	(1.33)	(0.11)	-	3.28
Tax loss carried forward	3,471.72	(403.12)	-	-	3,068.60
Income recognition	-	0.01	-	-	0.01
Film and program right	20.95	(20.95)	-	-	-
Employee benefits obligations	567.74	(25.83)	(0.05)	(36.77)	505.09
Lease receivables	127.60	72.44	-	-	200.04
Right-of-use assets	2,234.93	422.22	-	-	2,657.15
Deferred interest expenses	7.59	64.08	-	-	71.67
Provisions	681.50	(104.43)	-	-	577.07
	<u>9,316.39</u>	<u>(93.20)</u>	<u>(0.66)</u>	<u>(36.77)</u>	<u>9,185.76</u>
<b>Deferred income tax liabilities</b>					
Accounts receivable - billed customers	(27.30)	(1.04)	-	-	(28.34)
Debt issuance cost	(134.06)	(18.09)	-	-	(152.15)
Equipment	(5,898.21)	19.53	0.01	-	(5,878.67)
Borrowings	(1,173.25)	367.12	-	-	(806.13)
Contract cost	(508.35)	(541.93)	-	-	(1,050.28)
Equity investment at fair value	(240.96)	(244.16)	-	-	(485.12)
Derivative receivables	(463.59)	339.57	-	-	(133.77)
Investment in associate	(506.17)	61.10	-	-	(445.07)
Lease receivables	-	(5.58)	-	-	(5.58)
Film and program light	-	(19.66)	-	-	(19.66)
	<u>(8,951.89)</u>	<u>(37.56)</u>	<u>0.01</u>	<u>-</u>	<u>(8,989.44)</u>
<b>Deferred income tax, net</b>	<u>364.50</u>	<u>(130.76)</u>	<u>(0.65)</u>	<u>(36.77)</u>	<u>196.32</u>
	Separate financial statements				
	2021 Baht Million	Credited (charged) to profit or loss Baht Million	Credited to other comprehensive income Baht Million	2022 Baht Million	
<b>Deferred income tax assets</b>					
Equipment	107.86	(24.59)	-	83.27	
Allowances	24.26	(22.99)	-	1.27	
Right-of-use assets	10.42	(4.37)	-	6.05	
Employee benefits obligations	302.77	(18.04)	(19.42)	265.31	
Deferred interest expenses	7.59	5.65	-	13.24	
Provisions	14.23	(7.54)	-	6.69	
	<u>467.13</u>	<u>(71.88)</u>	<u>(19.42)</u>	<u>375.83</u>	
<b>Deferred income tax liabilities</b>					
Accounts receivable - billed customers	(1.80)	(1.82)	-	(3.62)	
Debt issuance cost	(97.92)	(20.53)	-	(118.45)	
Investment in associate	(506.17)	61.10	-	(445.07)	
Derivative receivables	-	(2.05)	-	(2.05)	
	<u>(605.89)</u>	<u>36.70</u>	<u>-</u>	<u>(569.19)</u>	
<b>Deferred income tax, net</b>	<u>(138.76)</u>	<u>(35.18)</u>	<u>(19.42)</u>	<u>(193.36)</u>	

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The analysis of deferred tax assets and deferred tax liabilities are as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b>At 31 December</b>	<b>Baht Million</b>	<b>Baht Million</b>	<b>Baht Million</b>	<b>Baht Million</b>
Deferred tax assets	9,185.76	9,316.39	375.84	467.13
Deferred tax liabilities	(8,989.44)	(8,951.89)	(569.19)	(605.89)
Deferred income tax, net	196.32	364.50	(193.36)	(138.76)

Presentation in the statements of financial position are as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b>At 31 December</b>	<b>Baht Million</b>	<b>Baht Million</b>	<b>Baht Million</b>	<b>Baht Million</b>
Deferred income tax assets	5,826.75	5,862.29	-	-
Deferred income tax liabilities	(5,630.43)	(5,497.79)	(193.36)	(138.76)
Deferred income tax, net	196.32	364.50	(193.36)	(138.76)

Deferred income tax assets and liabilities are offset when the income taxes related to the same fiscal authority. Deferred tax assets and deferred tax liabilities in the consolidated financial positions are presented at net amount of assets and liabilities incurred in each entity.

The movement on deferred income taxes are as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b>For the year ended 31 December</b>	<b>Baht Million</b>	<b>Baht Million</b>	<b>Baht Million</b>	<b>Baht Million</b>
Opening net book amount	364.50	(170.37)	(138.76)	(449.32)
Acquisition of subsidiary (Note 20)	-	2.81	-	-
Credited (charged) to profit or loss (Note 12)	(130.76)	482.05	(35.18)	222.11
Foreign exchange translation	(0.65)	(0.02)	-	-
Credited (charged) to other comprehensive income	(36.77)	50.03	(19.42)	88.45
Closing net book value	196.32	364.50	(193.36)	(138.76)

Deferred income tax assets are recognised for tax loss carried forward only to the extent that realisation of the related tax benefit through the future taxable profits is probable.

The Group did not recognise deferred income tax assets of Baht 9,068.36 million in respect of tax loss carried forward approximately Baht 45,341.83 million. A summary of the tax loss carried forward and the expiry dates are set out below:

<b>Expiry year</b>	<b>Consolidated</b>
	<b>financial statements</b>
	<b>Baht Million</b>
2023	2,710.91
2024	2,508.51
2025	5,932.54
2026	14,599.01
2027	19,590.86
	<b>45,341.83</b>

## 26 Other non-current assets

At 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
Deposits	1,170.42	1,106.35	108.54	97.04
Long-term deposit (Note 2)	6,667.67	7,500.00	-	-
Prepaid expenses	382.57	506.01	0.50	1.67
Others	2,775.43	1,725.65	43.48	-
<b>Total</b>	<b>10,996.09</b>	<b>10,838.01</b>	<b>152.52</b>	<b>98.71</b>

## 27 Borrowings

### Short-term borrowings

At 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
Loans from banks	6,710.03	3,500.00	6,710.03	3,500.00
Debentures	11,244.03	2,499.47	3,737.40	2,499.47
<b>Total</b>	<b>17,954.06</b>	<b>5,999.47</b>	<b>10,447.43</b>	<b>5,999.47</b>

Loan from financial institution is credit loan denominated in US Dollar amounting to USD 150.00 million. The loan carry interest at the rate of SOFR plus margin per annum and will be redeemed within 10 November 2023.

### Long-term borrowings

Borrowings are denominated in Thai Baht.

At 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
<b>Current</b>				
- Other borrowings	8,424.45	7,067.69	2,238.47	3,346.88
- Debentures	56,451.06	52,244.86	36,870.69	37,429.19
<b>Total Current</b>	<b>64,875.51</b>	<b>59,312.55</b>	<b>39,109.16</b>	<b>40,776.07</b>
<b>Non-current</b>				
- Other borrowings	1.73	7,973.92	-	1,942.65
- Debentures	209,306.04	184,222.15	138,249.04	110,819.55
<b>Total Non-current</b>	<b>209,307.77</b>	<b>192,196.07</b>	<b>138,249.04</b>	<b>112,762.20</b>
<b>Total</b>	<b>274,183.28</b>	<b>251,508.62</b>	<b>177,358.20</b>	<b>153,538.27</b>

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Movement of long-term borrowings can be analysed as follows:

At 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
Opening net book value	251,508.62	219,499.19	153,538.27	103,923.11
Additional borrowings:				
- other borrowings	243.13	14,911.91	243.13	5,251.59
- principal	81,260.42	77,704.95	64,092.57	73,414.42
Repayment of borrowings				
- cash item	(59,505.75)	(61,061.37)	(40,873.90)	(29,316.60)
Interest during the year	342.06	127.41	105.80	37.95
Amortisation of debt issuance costs	334.76	327.41	252.33	227.80
Currency translations	0.04	0.41	-	-
Adjustments	-	(1.29)	-	-
Closing net book value	274,183.28	251,508.62	177,358.20	153,538.27

Borrowings are presented netting-off unamortised debt issuance costs of Baht 736.70 million and Baht 581.92 million for the consolidated and the separate financial statements, respectively (2021: Baht 669.79 million and Baht 489.06 million for the consolidated and the separate financial statements, respectively).

Maturity of non-current borrowings (excluding unamortised debt issuance cost):

At 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
Between 1 and 2 years	60,200.65	56,657.67	32,909.40	34,081.15
Between 2 and 5 years	133,571.07	114,732.95	92,229.90	65,306.10
Over 5 years	16,216.90	21,416.80	13,643.60	13,821.10
	209,988.62	192,807.42	138,782.90	113,208.35

The carrying amounts and fair values of certain non-current borrowings are as follows:

	Consolidated financial statements			
	Carrying amounts		Fair values	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
Debentures	209,306.04	184,222.15	211,743.62	182,600.43
	Separate financial statements			
	Carrying amounts		Fair values	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
Debentures	138,249.04	110,819.55	139,398.94	109,986.25

The fair value of current borrowings and lease obligation approximate to their carrying amount, as the impact of discounting is not significant. The fair values for the Group's and the Company's non-current borrowings are based on discounted cash flows using a discount at a market interest rate announced by the Thai Bank Market which is within level 2 of the fair value hierarchy.

**Interest rate**

The interest rates of debentures are fixed.

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The weighted average effective interest rates are as follows:

At 31 December	Consolidated financial statements		Separate financial statements	
	2022 %	2021 %	2022 %	2021 %
Weighted average effective interest rates				
- debentures	4.32	4.40	4.19	4.15

**Debentures**

Debentures are unsecured and will be mature between 2023 and 2029. Debentures are denominated in Thai Baht and carry average interest of 3.84% per annum and paid on quarterly basis.

**Transactions in 2022**

The Company issued the following long-term debenture for its ongoing operation.

Maturities period (Years)	Issue Date	Units (Million Units)	Par value (Baht)	Proceed net with debt issuance cost (Billion Baht)	Interest rate per annum	Maturity Date
1-3	20 January 2022	4.97	1,000	4.95	3.20%	20 January 2025
	28 January 2022	0.27	1,000	0.26	2.32%	9 February 2023
	18 March 2022	4.50	1,000	4.48	2.39%	18 May 2023
	18 March 2022	5.58	1,000	5.54	3.20%	18 March 2025
	16 August 2022	0.61	1,000	0.60	3.25%	16 August 2024
	10 November 2022	4.24	1,000	4.22	3.50%	10 November 2024
Over 3	20 January 2022	2.91	1,000	2.89	3.60%	20 January 2026
	20 January 2022	5.12	1,000	5.09	4.25%	20 October 2027
	18 March 2022	2.41	1,000	2.40	3.55%	18 March 2026
	18 March 2022	3.66	1,000	3.64	4.00%	18 March 2027
	18 March 2022	5.86	1,000	5.82	4.25%	18 December 2027
	16 August 2022	4.00	1,000	3.98	4.00%	16 November 2025
	16 August 2022	1.69	1,000	1.68	4.25%	16 August 2026
	16 August 2022	6.96	1,000	6.92	4.90%	16 August 2027
	10 November 2022	2.14	1,000	2.13	4.35%	10 November 2026
	10 November 2022	3.06	1,000	3.04	4.90%	10 November 2027
10 November 2022	6.46	1,000	6.42	5.05%	10 August 2028	

TUC, a subsidiary, issued the following long-term debentures for its ongoing operations.

Maturities period (Years)	Issue Date	Units (Million Units)	Par value (Baht)	Proceed net with debt issuance cost (Billion Baht)	Interest rate per annum	Maturity Date
1-3	19 May 2022	2.89	1,000	2.88	3.00%	19 May 2024
	19 May 2022	2.31	1,000	2.30	3.40%	19 May 2025
	20 June 2022	0.67	1,000	0.67	3.00%	17 June 2024
	5 August 2022	1.24	1,000	1.23	3.25%	8 August 2024
	18 August 2022	3.04	1,000	3.04	3.00%	24 August 2023
	21 September 2022	0.95	1,000	0.94	3.25%	3 October 2024
	18 November 2022	0.50	1,000	0.50	3.50%	18 November 2024
	24 November 2022	1.46	1,000	1.45	3.25%	24 May 2024
Over 3	19 May 2022	2.65	1,000	2.64	3.75%	19 May 2026
	24 November 2022	1.52	1,000	1.52	4.00%	24 February 2026

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**Transactions in 2021**

The Company issued the following long-term debenture for its ongoing operation.

Maturities period (Years)	Issue Date	Units (Million Units)	Par value (Baht)	Proceed net with debt issuance cost (Billion Baht)	Interest rate per annum	Maturity Date	
1-3	11 February 2021	7.44	1,000	7.39	3.30%	11 November 2023	
	25 March 2021	2.00	1,000	2.00	2.72%	31 March 2022	
	13 May 2021	2.88	1,000	2.86	2.95%	17 February 2023	
	13 May 2021	4.42	1,000	4.39	3.50%	13 May 2024	
	8 July 2021	0.60	1,000	0.60	2.70%	5 October 2022	
	6 September 2021	0.40	1,000	0.40	2.35%	6 October 2022	
	6 September 2021	4.40	1,000	4.40	2.85%	6 October 2023	
	29 September 2021	0.40	1,000	0.40	2.75%	19 October 2023	
	15 October 2021	1.50	1,000	1.49	2.75%	15 October 2023	
	15 October 2021	6.21	1,000	6.18	3.20%	15 October 2024	
	Over 3	11 February 2021	4.27	1,000	4.24	3.85%	11 November 2024
		11 February 2021	2.49	1,000	2.47	4.20%	11 November 2025
		11 February 2021	5.81	1,000	5.77	4.50%	11 November 2026
		13 May 2021	4.21	1,000	4.18	3.85%	13 February 2025
13 May 2021		3.87	1,000	3.84	4.20%	13 February 2026	
13 May 2021		6.64	1,000	6.60	4.55%	13 February 2027	
15 October 2021		4.25	1,000	4.22	3.60%	15 October 2025	
15 October 2021		4.85	1,000	4.83	4.05%	15 October 2026	
15 October 2021		7.18	1,000	7.14	4.60%	15 October 2028	

TUC, a subsidiary, issued the following long-term debentures for its ongoing operations.

Maturities period (Years)	Issue Date	Units (Million Units)	Par value (Baht)	Proceed net with debt issuance cost (Billion Baht)	Interest rate per annum	Maturity Date
1-3	26 March 2021	0.30	1,000	0.30	2.72%	30 June 2022
	8 April 2021	0.60	1,000	0.60	3.00%	25 April 2023
	5 May 2021	3.40	1,000	3.39	3.10%	12 July 2023

**28 Trade and other payables**

At 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
Trade accounts payable	60,122.53	61,904.43	1,744.03	1,213.30
Other payables	2,052.76	4,345.33	66.87	104.57
Contract liabilities (Unearned income) (Note 37.3)	4,243.88	4,107.67	1.14	18.69
Accrued expenses	21,106.70	22,308.17	1,617.71	1,377.21
Trade and other payables	87,525.87	92,665.60	3,429.75	2,713.77

Accrued expenses can be analysed as follows:

At 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
Regulatory cost	2,887.09	4,613.22	22.96	26.12
Current portion of liabilities under agreements and licences for operation (Note 31)	10,621.53	10,677.41	-	-
Network facility expenses	632.16	310.93	-	-
Performance pay	806.55	762.92	258.49	258.61
Interest expenses	1,554.54	1,519.77	1,070.79	1,026.83
Others	4,604.83	4,423.92	265.47	65.65
Total accrued expenses	21,106.70	22,308.17	1,617.71	1,377.21

**29 Other current liabilities**

At 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
Output VAT pending tax invoice	2,525.86	5,118.19	317.38	385.53
Others	1,412.74	1,657.67	98.75	149.24
Total other current liabilities	3,938.60	6,775.86	416.13	534.77

**30 Lease liabilities**

At 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
Current	12,683.35	9,019.79	193.02	140.12
Non-current	96,958.83	105,149.06	698.21	403.05
Total	109,642.18	114,168.85	891.23	543.17

Movements of lease liabilities for the year ended 31 December are as follows:

At 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
Opening net book value	114,168.85	126,405.29	543.17	947.00
Additions	8,218.07	5,366.89	751.47	260.73
Acquisition of subsidiary (Note 20)	-	0.78	-	-
Interests (Note 11)	5,531.11	6,040.70	30.89	30.38
Repayments of lease liabilities	(17,943.63)	(18,780.96)	(220.58)	(325.11)
Write off due to the termination of contracts	(476.18)	(4,845.75)	(211.83)	(280.32)
Adjustments	74.62	(239.04)	(1.89)	(89.51)
Currency translations	69.34	220.94	-	-
Closing net book value	109,642.18	114,168.85	891.23	543.17

Maturity of lease liabilities are as follows:

At 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
<b>Minimum lease liabilities payments</b>				
Not later than one year	15,588.46	13,311.15	233.15	161.17
Later than 1 year but not later than 5 years	55,967.63	56,105.69	688.48	324.43
Later than 5 years	64,137.69	77,284.13	126.82	142.14
	135,693.78	146,700.97	1,048.45	627.74
<u>Less</u> Future finance charges on leases	(26,051.60)	(32,532.12)	(157.22)	(84.57)
Present value of lease liabilities	109,642.18	114,168.85	891.23	543.17
<b>Present value of lease liabilities</b>				
Not later than one year	12,683.35	9,019.79	193.02	140.12
Later than 1 year but not later than 5 years	40,786.77	38,946.95	586.41	282.50
Later than 5 years	56,172.06	66,202.11	111.80	120.55
	109,642.18	114,168.85	891.23	543.17

### 31 Liabilities under agreements and licences for operation

Detail of liabilities under agreements and licences for operation can be summarised as follows:

At 31 December	Consolidated financial statements	
	2022	2021
	Baht Million	Baht Million
Current (included in "Accrued expenses") (Note 28)	10,621.53	10,677.41
Non-current	38,837.82	47,297.90
	49,459.35	57,975.31

Movement of liabilities under agreements for operation can be analysed as follow:

For the year ended 31 December 2022	Consolidated financial statements
	Baht Million
Opening net book value	57,975.31
Payments	(10,630.32)
Finance costs (Note 11)	2,114.36
Closing net book value	49,459.35

### 32 Employee benefits obligations

#### Retirement benefit obligations

The Group operates an unfunded defined benefit plan for eligible employees in Thailand. Under the plan, the employees are entitled to Legal Severance Payment benefits ranging from 30 days to 400 days of final salary upon retirement. The present value of defined benefits obligations are as follows:

Liabilities in the statement of financial position	Consolidated financial statements		Separate financial statements	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	Baht Million	Baht Million	Baht Million	Baht Million
Retirement benefit obligations	3,181.90	3,495.23	1,326.57	1,513.82

The movement in the defined benefit obligations during the year is as follows:

For the year ended 31 December 2022	Consolidated financial statements	Separate financial statements
	Baht Million	Baht Million
Opening net book value	3,495.23	1,513.82
Current service cost	272.63	90.20
Interest cost	67.29	27.16
Remeasurements	(232.50)	(97.06)
Acquisition of subsidiary	2.59	-
Currency translations	(1.28)	-
Benefit paid	(422.06)	(207.55)
Closing net book value	3,181.90	1,326.57

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The amounts recognised in the profit or loss are as follows:

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
Current service cost	272.63	301.08	90.20	106.33
Interest cost	67.29	67.62	27.16	26.38
Total (included in staff costs)	339.92	368.70	117.36	132.71
Classified as:				
Cost of providing services	124.14	122.41	46.22	22.42
Selling expenses	65.52	73.92	22.24	20.02
Administrative expenses	150.26	172.37	48.90	90.27
	339.92	368.70	117.36	132.71

The principal actuarial assumptions used were as follows:

	Consolidated and separate financial statements	
	2022 %	2021 %
Discount rate	2.84	2.10
Future salary increases	6.00	6.00
Turnover rate	7.00	7.00

Assumptions regarding future mortality experience are set based on actuarial advice in accordance with published statistics in Thailand. The Thailand TMO17 tables contain the results of the mortality investigation on policy holders of life insurance companies in Thailand. It is reasonable to assume that these rates are reflective of the mortality experience of the working population in Thailand.

Sensitivity of key assumptions:

	Change in assumption %	Impact on defined benefit obligation			
		Increase in assumption %		Decrease in assumption%	
		2022	2021	2022	2021
Discount rate	1.00	Decrease by 10.59	Decrease by 9.00	Increase by 12.40	Increase by 10.54
Future salary increases	1.00	Increase by 11.98	Increase by 10.18	Decrease by 10.47	Decrease by 8.89

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

Through its retirement benefits obligations, the Group is exposed to a risk, the most significant of which is changes in bond yields, a decrease in Thai zero coupon bond yields will increase plan liabilities.

The weighted average duration of the defined benefit obligation is 11 years (2021: 11 years).

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Expected maturity analysis of undiscounted from retirement the year 2023 onward are as follows:

	<b>Consolidated financial statements</b>			
	<b>Less than a year Baht Million</b>	<b>Between 1 - 2 years Baht Million</b>	<b>Over 3 years Baht Million</b>	<b>Total Baht Million</b>
<b>At 31 December 2022</b>				
Retirement benefits obligations	139.91	249.59	9,345.91	9,735.41
	<b>Consolidated financial statements</b>			
	<b>Less than a year Baht Million</b>	<b>Between 1 - 2 years Baht Million</b>	<b>Over 3 years Baht Million</b>	<b>Total Baht Million</b>
<b>At 31 December 2021</b>				
Retirement benefits obligations	303.12	139.91	9,595.49	10,038.52
	<b>Separate financial statements</b>			
	<b>Less than a year Baht Million</b>	<b>Between 1 - 2 years Baht Million</b>	<b>Over 3 years Baht Million</b>	<b>Total Baht Million</b>
<b>At 31 December 2022</b>				
Retirement benefits obligations	96.43	117.96	2,991.40	3,205.79
	<b>Separate financial statements</b>			
	<b>Less than a year Baht Million</b>	<b>Between 1 - 2 years Baht Million</b>	<b>Over 3 years Baht Million</b>	<b>Total Baht Million</b>
<b>At 31 December 2021</b>				
Retirement benefits obligations	220.37	96.43	3,109.37	3,426.17

### 33 Provisions

Provisions represent relocating and decommissioning cost which are measured at the present value of expenditure expected to be required to settle the obligation using risk-free rate. The increase in the provisions due to the passage of time is recognised as interest expense.

Movement of provisions for the year ended 31 December 2022 are as follows:

	<b>Consolidated financial statements Baht Million</b>	<b>Separate financial statements Baht Million</b>
Opening net book amount	5,724.98	115.76
Additions	328.98	49.50
Reversal	(943.60)	(87.90)
Repayment	(0.04)	(0.04)
Finance costs	158.46	0.84
Closing net book amount	5,268.78	78.16

In the year 2022, the management reassessed the provision and reversed amounting to Baht 943.60 million due to the increment in discount rate.

### 34 Other non-current liabilities

At 31 December	Consolidated financial statements	
	2022	2021
	Baht Million	Baht Million
Contract liabilities (Advance received for long-term operating) (Note 37.3)	7,104.22	7,639.91
Deposit received from customers	688.44	724.77
Others	1,375.88	1,417.98
<b>Total</b>	<b>9,168.54</b>	<b>9,782.66</b>

Contract liabilities amounting to Baht 7,104.22 million (2021 : Baht 7,639.91 million), mainly came from long-term lease agreement with call option between AWC, a wholly owned subsidiary, and DIF dated on 5 March 2015, DIF made a prepayment amounting to Baht 12,293.12 million (VAT excluded) for rental of fiber optic cable with lease term of 20 years to AWC. At 31 December 2022, balances of current and non-current unearned income amounting to Baht 614.66 million and Baht 6,863.65 million were presented under "Trade and other payables" and "Other non-current liabilities", respectively. The Group recognised Baht 481.08 million of rental revenue for the year ended 31 December 2022.

### 35 Share capital and premium on share capital

	Number of shares Million	Common shares Baht Million	Share premium Baht Million	Share premium Treasury Shares Baht Million	Treasury shares Baht Million	Total Baht Million
<b>Authorised share capital</b>						
At 1 January 2021	33,368.66	133,474.62	-	-	-	133,474.62
At 31 December 2021	33,368.66	133,474.62	-	-	-	133,474.62
Share decrease	(0.46)	(1.84)	-	-	-	(1.84)
At 31 December 2022	33,368.20	133,472.78	-	-	-	133,472.78
<b>Issued and fully paid share capital</b>						
At 1 January 2021	33,368.20	133,472.78	26,384.07	-	(72.54)	159,784.31
At 31 December 2021	33,368.20	133,472.78	26,384.07	-	(72.54)	159,784.31
Sale of treasury shares	-	-	-	51.06	72.54	123.60
At 31 December 2022	33,368.20	133,472.78	26,384.07	51.06	-	159,907.91

The total authorised number of shares is 33,368.20 million shares (2021: 33,368.66 million shares) with a par value of Baht 4 per share (2021: Baht 4 per share).

On 1 April 2022, the Company has already sold the total of 24.00 million treasury shares, amounting to Baht 123.60 million and surplus on treasury shares of Baht 51.06 million presented under shareholders' equity in the consolidated and separate statements of financial position.

On 4 April 2022, the Annual General Meeting of Shareholders for 2022 has approved the reduction of registered capital of the Company by Baht 1,840,652 from the existing registered capital of Baht 133,474,621,856 to the new registered capital of Baht 133,472,781,204 by cancelling 460,163 unissued shares with a par value of Baht 4 each.

The Company has already registered the reduction of its registered capital and amending the Company's Memorandum of Association in order to be in line with the reduction of the Company's registered capital and submitting with the Department of Business Development, the Ministry of Commerce on 5 April 2022.

### 36 Legal reserve

	Consolidated financial statements		Separate financial statements	
	2022 Baht Million	2021 Baht Million	2022 Baht Million	2021 Baht Million
At 1 January	1,592.18	1,347.00	1,592.18	1,347.00
Appropriation during the year	62.82	245.18	62.82	245.18
At 31 December	1,665.00	1,592.18	1,655.00	1,592.18

Under the Public Companies Act., B.E. 2535, the Company is required to set aside as statutory reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. This reserve is not available for dividend distribution.

### 37 Assets and liabilities relating to contracts with customers

#### 37.1 Contract assets

The Group has recognised the following assets related to contracts with customers:

At 31 December	Consolidated financial statements	
	2022 Baht Million	2021 Baht Million
Contract assets		
- Current	985.69	2,683.77
<u>Less</u> Expected credit loss	-	-
<b>Total contract assets</b>	<b>985.69</b>	<b>2,683.77</b>

#### 37.2 Assets recognised from contract costs

##### Incremental costs of obtaining a contract

Costs of obtaining a contract are sales commissions paid for engagement were presented as other assets in the statement of financial position.

At 31 December	Consolidated financial statements	
	2022 Baht Million	2021 Baht Million
<b>Statements of financial position:</b>		
Other current assets (Note 19)	4,612.41	2,540.12
Other non-current assets	640.16	1.02
<b>Statements of comprehensive income:</b>		
Amortisation charges	4,830.54	2,257.04

The Group recognised commission fee, which relates to an obtaining of a contract and are expected to be recovered, as an asset in the statement of financial position and amortised consistent with the pattern of recognition of the associated revenue.

### 37.3 Contract liabilities

The Group has recognised the following liabilities related to contracts with customers:

At 31 December	Consolidated financial statements	
	2022 Baht Million	2021 Baht Million
Contract liabilities		
Current		
- Unearned income (Note 28)	4,243.88	4,107.67
- Others	56.40	47.04
	4,300.28	4,154.17
Non-current (Note 34)	7,104.22	7,639.91
<b>Total contract liabilities</b>	<b>11,404.50</b>	<b>11,794.62</b>

## 38 Commitments and contingent liabilities

### 38.1 Collateral

	Consolidated financial statements		Separate financial statements	
	31 December 2022 Baht Million	31 December 2021 Baht Million	31 December 2022 Baht Million	31 December 2021 Baht Million
Fixed and saving deposits	31.36	65.19	9.35	43.83

Under the terms of various agreements, the above assets have been pledged as collateral with the contracted parties.

### 38.2 Contingencies

The bank guarantees provided by banks on behalf of the Group are as follows:

	Consolidated financial statements Baht Million	Separate financial statements Baht Million
At 31 December 2022	51,643.63	11.13
At 31 December 2021	64,854.54	3,760.06

### 38.3 Capital commitment

The Group have entered into contracts with various contractors to supply and install additional network and expansion of network equipment capability and various agreements related to capital expenditure. The Group's and the Company's commitments at 31 December 2022 were Baht 27,522.90 million and Baht 23.76 million, respectively (2021: Baht 35,497.49 million and Baht 68.97 million, respectively).

**39 Contracts**

**39.1 3G HSPA**

On 27 January 2011, a subsidiary, BFKT entered into an agreement with CAT to lease telecommunication equipment under HSPA technologies for the periods of 14.5 years. Under the terms and conditions of HSPA agreement, BFKT has certain commitments including acquiring, installing, managing, and maintaining all equipment necessary to provide mobile phone service using HSPA technology according to the capacity stipulated in the agreement and amended agreement for the period of 14.5 years. As consideration of providing such services, BFKT entitles to receive revenue as stipulated in the agreement.

On 27 January 2011, a subsidiary, RMV entered into a re-sales and wholesales agreement with CAT (“the Agreement”). Under the terms and conditions of the Agreement, RMV provides mobile phone services using HSPA technology wholesale from CAT for the period of 14.5 years. On 16 December 2015, RMV was granted renewal Type I licences by NBTC for resale mobile services and internet services. RMV is entitled to maintain rights and obligations according to The Telecommunication Act B.E. 2544 under the terms and conditions as stipulated in the licences. The licences will be expired on 15 December 2020. On 1 September 2019, RMV has entered into the business transfer agreement to transfer entire business to TUC. As a result, the agreement with CAT was transferred to TUC. TUC must comply with the terms and conditions as stipulated in the agreement.

There have been disagreements between the Group and CAT regarding the interpretation of the agreements and details of computations of related revenues and costs. However, since 2015, the Group and CAT reached the solution to settle certain portion of rental and services revenue in BFKT and accrued operating cost in RMV, and have agreed in several matters with an objective to extinguish the outstanding disputes between the two parties, including the unsettled balances.

Additionally, on 4 November 2022, the Group and NT (formerly CAT) also reached the agreed solution to revise the agreement to re-sales and wholesales using HSPA technology and agreement to lease telecommunication equipment under HSPA technology to reflect the actual usage of the network capacity, effective on 15 March 2022 onward. As a result, the Group adjusted the related revenue and cost to align with such agreed solution and recognised to the consolidated statement of comprehensive income for the year ended 31 December 2022.

There are still pending issues and outstanding balances required further discussion. The management believes that there will be no significant impact to the Group as a result of the conclusion.

To comply with the abovementioned agreements, the Group has provided letters of guarantee issued by certain local banks in favour of CAT totaling Baht 200.00 million.

- 39.2 On 7 December 2012, a subsidiary, TUC was granted with the 2.1 IMT GHz Bandwidth licence by NBTC. The licence awarded covers three spectrum bandwidth and authorises TUC to provide mobile service under those spectrum bandwidth for the period of 15 years. TUC must comply with the terms and conditions and pay the licence fee as stipulated in the licence.
- 39.3 On 4 December 2015, a subsidiary, TUC was granted with the 1800 MHz Bandwidth licence issued by NBTC. The licence covers two spectrum bandwidth and authorises TUC to provide mobile service under those spectrum bandwidth for the period of 18 years. TUC must comply with the terms and conditions and pay the licence fee as stipulated in the licence.
- 39.4 On 14 March 2016, a subsidiary, TUC was granted with the 900 MHz Bandwidth licence issued by NBTC. The licence authorised TUC to provide mobile service for 15 years. The maturity will be on 30 June 2031. TUC must comply with the terms and conditions and pay the licence fee as stipulated in the licence.
- 39.5 On 16 March 2020, a subsidiary, TUC was granted with the 2600 MHz Bandwidth licence issued by NBTC. The licence authorised TUC to provide mobile service for 15 years. The maturity will be on 15 March 2023. TUC must comply with the terms and conditions and pay the licence fee as stipulated in the licence.
- 39.6 On 27 December 2020, a subsidiary, TUC was granted with 700 MHz Bandwidth licence issued by NBTC. The licence authorised TUC to provide mobile service for 15 years. The maturity will be on 26 December 2035. TUC must comply with the terms and conditions and pay the licence fee as stipulated in the licence.
- 39.7 On 17 February 2021, a subsidiary, TUC was granted with 26 GHz Bandwidth licence issued by NBTC. The licence authorised TUC to provide mobile service for 15 years. The maturity will be on 16 February 2036.

## **40 Litigations and Arbitration disputes and contingent liabilities**

### **40.1 Litigations outstanding at the Administrative Court**

#### **40.1.1 Dispute in relation to interconnection charges**

On 4 February 2011, Total Access Communication Public Company Limited filed a lawsuit with the Central Administrative Court requesting the Company and TOT to jointly pay for interconnection charges (IC) according to the Plaintiff's RIO for the amount of Baht 3,937.86 million. Later, on 26 December 2018, the Central Administrative Court has ruled the Company to pay Total Access Communication Public Company Limited Baht 1,832.29 million for IC charges. On 23 January 2019, the Company filed an appeal with the Supreme Administrative Court. On 25 January 2019, Total Access Communication Public Company Limited also filed an appeal to the Supreme Administrative Court by requesting the Company to pay Baht 634.93 million. Currently, the case is under the consideration of the Supreme Administrative Court.

On 3 September 2021, the Company filed a lawsuit with the Central Administrative Court request Total Access Communication Public Company Limited and a subsidiary to jointly pay for the interconnection tariff according to their Reference Interconnection Offers from 1 January 2011 to 28 October 2017 by calling Total Access Communication Public Company Limited and a subsidiary to pay the interconnection charge to the Company totaling Baht 1,737.49 million. Currently, the case is under the consideration of the Central Administrative Court.

#### **40.1.2 Disputes in relation to the Agreement Article 38 of the Joint Operation Agreement**

On 15 May 2006, the Company filed a non-monetary arbitration claim against TOT asking TOT to discontinue using its authority over the Agreement as well as to discontinue using its authority under the agreement from the date on which TOT status was changed and the regulator authority shall be transferred to the Ministry of Transporter or the Ministry of information and Communication Technology. On 8 November 2006, the Company filed the other arbitration claim regarding the authorisation limits of TOT on the Agreement Article 38. The two disputes were arbitrated and ruled on 4 September 2014 that TOT rightfully used its power under the agreement. Later on 26 November 2014, the Company filed a request to cancel the award to the Central Administrative Court. On 2 May 2016, TOT filed a motion to enforce the arbitral award with the Central Administrative Court and the Court ordered to combine the cases. Later on, 13 September 2019, the Central Administrative Court has ruled to dismiss the Company's petition to revoke the arbitral awards but ruled to enforce the arbitral award. On 11 October 2019, the Company has filed appeals with the Supreme Administrative Court. Currently, these two cases are under the Supreme Administrative Court proceedings.

#### **40.1.3 Dispute in relation to revenue sharing under the Joint Operation Agreement**

On 22 January 2008, TOT filed an arbitration claim against the Company for overpayment of revenue sharing in the amount of Baht 1,479.62 million plus interest. The Company filed an objection on 18 April 2008. Later, on 26 June 2014, the Arbitral Tribunal, by majority, ruled that the Company is liable to pay Baht 1,217.50 million together with interest at 7.50% per annum from 22 January 2008 until full payment is made to TOT. However, on 7 October 2014, the Company filed a petition to revoke the Award. On 31 March 2016, TOT filed a petition with the Central Administrative Court to enforce the arbitration award. These two cases are combined by the Central Administrative Court. On 26 September 2018, the Central Administrative Court has ruled in favour of the Company and revoked the arbitral award. However, on 24 October 2018, TOT filed an appeal with the Supreme Administrative Court. Later, on 25 September 2019, the Company has filed an answer to the said appeal. On 27 October 2022, the Supreme Administrative Court revoked the award and dismissed the request to enforce the award. This case becomes final.

40.1.4 Dispute in relation to Long-Distance Domestic Calls: TA1234 campaign

On 6 January 2017, the Company filed a petition with the Central Administrative Court requesting the Court to revoke the arbitration award in which TOT filed an arbitration claim for damages from the loss of income during the period from 16 November 2000 to June 2005 in the amount of Baht 16,865.09 million on the ground that the Company reduced domestic long distance calling fees under "TA 1234" campaign and requested the Company to collect domestic long distance call tariffs at the rates agreed under the Joint Operation and Investment Agreement. The Arbitral Tribunal issued an award ordering the Company to pay TOT in the amount of Baht 1,703.09 million plus interest at the rate of 6.6875 % per annum, calculated from 29 May 2005 until the payment is fully made and to pay TOT damages from revenue shortage of telephone service of Baht 27.16 million per month plus interest at the same rate starting from the filing date (30 June 2005) until the "TA 1234" campaign is terminated. Later, on 26 July 2017, TOT filed an application for an enforcement of the said award with the Central Administrative Court. On 30 September 2019, the Central Administrative Court ruled to dismiss the Company's petition to revoke the award. On 28 October 2019, the Company filed an appeal with the Supreme Administrative Court as it totally disagrees with the Central Administrative Court's decision. Later, on 31 July 2020, the Central Administrative Court ruled to enforce an award. On 28 August 2020, the Company filed an appeal with the Supreme Administrative Court as it totally disagrees with the Central Administrative Court's decision. Currently, both cases are under the Supreme Administrative Court proceedings.

40.1.5 Dispute in relation to high speed internet (ADSL) service

On 28 October 2005, TOT filed an arbitration claim against the Company, claiming that the Company was in breach of the Joint Operation and Joint Investment Agreement by allowing other parties to provide high speed internet service (ADSL). TOT claimed the compensation amount of Baht 2,010.21 million plus interest. In addition, TOT has claimed damages ongoing from July 2005 at the rate of Baht 180.00 million per month, plus interest. TOT also requested an order prohibiting the Company from providing ADSL service or allowing any other parties to provide ADSL service. Later, on 6 November 2015, TOT filed the amendment to the petition to increase claim amount of the damages for the lack of revenue from broadband ADSL services from September 2001 to August 2015 in the amount of Baht 63,457.92 million with interest of Baht 22,748.37 million, totalling Baht 86,206.29 million. On 29 January 2016, the Company filed objections to such amendment. On 4 September 2018, the Company has received a copy of arbitral award in which the Arbitral Tribunal by major vote orders the Company to pay damages for a breach of contract as follows: 1) from September 2001 to August 2015, totaling Baht 59,120.65 million and interest of Baht 16,978.65 million plus interest at the rate of 6.6875% per annum of the principle amount of Baht 59,120.65 million calculated from September 2015 until the payment is fully made, and 2) from October 2015 to December 2017 totaling Baht 17,076.92 million and interest of Baht 1,298.05 million plus interest at the rate of 6.6875% per annum of the principle amount of Baht 17,076.92 million calculated from January 2018 until the payment is fully made.

However, on 11 October 2018, the Company has filed a petition with the Court to revoke such award. On 14 February 2019, TOT filed an application to enforce the arbitral award which later the Company filed an objection to TOT's application. On 15 July 2019, the Central Administrative Court has ordered to combine the two cases. On 29 December 2020, the Central Administrative Court ruled to revoke the award and dismiss the application to enforce the arbitral award. On 27 January 2021, NT filed an appeal of the Central Administrative Court with the Supreme Administrative Court. Later, on 13 May 2021, the Company filed an objection to the appeal. Currently, the case is under the Supreme Administrative Court proceedings.

40.1.6 Dispute in relation to the lease of telephone conduits

On 17 February 2014, TOT filed the arbitration claim against the Company claiming for rental fee of lease of wiring conduits at Muang Thong Thani for the period from May 2005 to December 2013 amounting to Baht 59.17 million plus interest. Later, on 29 June 2018, the Arbitral Tribunal has rendered the award instructing the Company to pay Baht 48.85 million with interest at the rate of MLR+1 of the principal amount of Baht 31.40 million from the date of filing for arbitration until a full payment is made. On 28 August 2018, the Arbitral Tribunal amended the award to order the Company to pay Baht 39.80 million plus interest.

On 2 October 2018, the Company has filed a petition with the Court to revoke the said award. On 31 March 2020, the Central Administrative Court ruled to dismiss the Company's petition. On 28 April 2020, the Company filed the appeal to the Supreme Administrative Court. However, on 17 June 2019, TOT filed an application to enforce the arbitral award. Later, on 12 January 2022, the Central Administrative Court ruled to enforce an award. On 10 February 2022, the Company filed an appeal with the Supreme Administrative Court as it totally disagrees with the Central Administrative Court's decision. Currently, the case is under the Supreme Administrative Court proceedings.

40.1.7 Dispute in relation to revenue sharing from access charges

On 12 March 2020, the Company filed a lawsuit against TOT with the Central Administrative Court claiming for its portion of revenue sharing regarding access charges received by TOT under the Joint Operation and Joint Investment Agreement and on the basis of equality, fairness, and impartiality of the Telecommunications Business Act starting from 1992 to 2006 amounting of Baht 118,812.76 million interest included, and interest at the rate of 7.50% per annum of the sum of Baht 88,843.34 million from a filing date until full payment is made. On 20 March 2020, the Central Administrative Court has accepted the lawsuit for consideration.

Later, on 18 August 2022, the Central Administrative Court ruled that NT to pay the Company in the amount of Baht 4,397.63 million together with interest within 60 days as from the date of final judgment. The Company disagrees with the Central Administrative Court's judgment and filed an appeal with the Supreme Administrative Court ruling on 16 September 2022. Currently, the case is under the Supreme Administrative Court proceedings.

40.1.8 Dispute in relation to the numbering fees

On 21 June 2013, TOT filed an arbitration claim against the Company, seeking for a numbering fee together with VAT of specific period of time in a total claim of Baht 539.02 million. On 20 December 2019, the Arbitral Tribunal has rendered the award, which was amended on 4 February 2020, to order the Company to pay TOT a numbering fee of Baht 521.90 million. On 30 April 2020, the Company has filed a petition to revoke the award with the Central Administrative Court. On 25 May 2020, the Company received the TOT's petition to partially revoke the arbitral award dated 27 April 2020. Later, on 15 August 2022, NT filed a petition to enforce the arbitral award with the Central Administrative Court. The Company is preparing to file an objection to TOT's petition. These three cases are currently under the Central Administrative Court proceedings.

40.1.9 Dispute in relation to the amalgamation

On 10 November 2022, Thailand Consumers Council with others 5 persons (collectively "TCC") filed a lawsuit with the Central Administrative Court against the National Broadcasting and Telecommunications Commission ("NBTC") and the Office of the NBTC requesting for a revocation of the NBTC's order as stated in the resolution of its special meeting No.5/2565 dated 20 October 2022 in relation to the amalgamation of the Company and Total Access Communication Public Company Limited ("NBTC's Order dated 20 October 2022"), as well as requesting the Court to impose an injunction before judgment and requesting for an emergency hearing. Later, the Central Administrative Court ordered the Company and Total Access Communication Public Company Limited as the interpleaders in this case. On 28 November 2022, the Company and Total Access Communication Public Company Limited filed an objection to the injection request with the Central Administrative Court. On 9 December 2022, the Central Administrative Court dismissed the TCC's injunction request. At present, the case is under the Central Supreme Administrative Court proceedings.

On 11 November 2022, a telecommunications business operator filed a lawsuit with the Central Administrative Court against the NBTC requesting for a revocation of the NBTC's Order dated 20 October 2022, as well as requesting the Court to impose an injunction before judgment and requesting for emergency injunction proceeding. Later, the Central Administrative Court ordered the Company and Total Access Communication Public Company Limited as the interpleaders in this case. On 27 December 2022, the Company and Total Access Communication Public Company Limited filed an objection to the injection request with the Central Administrative Court. On 26 January 2023, the Central Administrative Court dismissed the injunction request.

The ultimate outcomes of the aforementioned cases are presently unable to be determined, and accordingly, no recognition of revenue or provision for possible liabilities have been made in the financial statements unless otherwise stated.

## 40.2 Litigations and arbitration disputes of subsidiaries

40.2.1 On 8 May 2012, a subsidiary has requested the National Broadcasting and Telecommunications Commission, previously the National Telecommunications Commission (“NBTC”) and the Secretary of the NBTC to the Central Administrative Court to revoke the order and the resolution that prohibit any prepaid mobile phone operators to offer promotion in any manner which forces the customers to use the service within the specified period (Validity). On 27 October 2016, the Central Administrative Court decided to dismiss the lawsuit. Later, on 24 November 2016, the subsidiary filed an appeal with the Supreme Administrative Court. On 8 June 2022 the Supreme Administrative Court dismissed the case. Therefore, this case becomes final.

On 10 January 2013, the subsidiary filed a lawsuit with Central Administrative Court to revoke the order to an administrative fine on Baht 100,000 per day calculated from the date of 30 May 2012 until 18 January 2013, totaling amount of Baht 23.20 million. On 20 February 2014, the subsidiary already paid the said administrative fine to the Office of the NBTC. On 27 October 2016, the Central Administrative Court decided to dismiss the lawsuit, therefore, on 24 November 2016, the subsidiary filed an appeal with the Supreme Administrative Court. On 9 June 2022, the Supreme Administrative Court dismissed the case. Therefore, this case becomes final.

40.2.2 On 20 May 2015 and 11 September 2015, CAT filed against a subsidiary claiming that the subsidiary uses the telecommunication equipment that was already transferred to CAT under the Build-Transfer-Operate Agreement of nationwide cellular 1800 MHz. network on 16 September 2013, the Agreement expiry date, without entering into any new arrangement with CAT. The claimed amount for using the telecommunication equipment is Baht 23,016.50 million from the Agreement expiry date to 17 July 2015, the period that NBTC required the subsidiary to act as a caretaker to continue providing mobile services under the 1800 MHz. spectrum and the two-year extension period announced by National Council for Peace and Order (“NCPO”). Later on 24 September 2019, CAT has revised its lawsuit by reducing claim amount to Baht 6,884.35 million. On 29 April 2022, the Central Administrative Court ruled that the subsidiary is not liable to the claim brought by NT and dismissed the NT’s complaint in respect of the subsidiary; however, NT filed an appeal with the Supreme Administrative Court. On 19 December 2022, the subsidiary filed the objection against the said appeal. Currently, this case is under consideration by the Supreme Administrative Court.

On 27 May 2016, CAT filed a lawsuit with the Central Administrative Court against the subsidiary and others claiming of Baht 2,206.04 million on the ground that the subsidiary used the telecommunications equipment, which is delivered to CAT after an expiration of concession, during the period from 18 July 2015 until 3 December 2015 (the period announced by the NBTC to protect the consumers after termination of permission, concession or cell phone service contract). Later, on 24 September 2019, CAT has revised its complaint by reducing claim amount to Baht 1,350.20 million. On 28 December 2022, the Central Administrative Court ruled that the subsidiary is not liable to claim brought by NT and dismissed the NT’s complaint in respect of the subsidiary. The parties who disagree with the judgment have the right to appeal the judgment of the Central Administrative Court to the Supreme Administrative Court.

40.2.3 On 17 November 2015, a subsidiary filed a case against the NBTC, NTC, Office of the NBTC and The Secretary General of the NBTC with the Central Administrative Court requested to revoke the NTC’s resolution that ordered the subsidiary to pay Baht 1,069.98 million, an assumed revenue occurred during caretaker period from 16 September 2013 to 17 July 2014. In addition, the subsidiary requested to reimburse cost of providing service incurred during such period from those aforementioned parties amounting to Baht 16,074.10 million (calculated from the date of 16 September 2013 until 30 October 2015) and also claimed a numbering fee paid to NBTC by mislead after the expiring of the Agreement to operate the radio service cellular DIGITAL PCN 1800 amounting to Baht 190.97 million.

On 2 November 2016, the subsidiary filed another lawsuit with the Central Administrative Court against NBTC, NTC, Office of the NBTC and The Secretary General of the NBTC. The subsidiary claimed for reimbursement of expenses incurred from providing mobile service during the caretaking period from 1 November 2015 to 3 December 2015 amounting to Baht 709.65 million.

On 6 December 2018, a subsidiary filed a lawsuit against NBTC with the Central Administrative Court regarding a revocation of NBTC resolution instructing the subsidiary to submit additional revenues obtained from service during the care taking period nearly Baht 2,311.97 million which the subsidiary disagree with.

Later, on 6 September 2019, the Central Administrative Court has ordered to combine these three cases as they have the same parties, grounds and evidence.

Later, on 11 and 12 November 2021, the Central Administrative Court ordered to combine the above cases with the following cases which the NBTC filed against the subsidiary;

- 1) NBTC filed a lawsuit against a subsidiary with the Central Administrative court claiming for mobile numbering fees and additional numbering fees for the service period from March 2014 to December 2015, the period in which a resolution of the NBTC regarding to The consumer protection measures in the event of termination of concession or contract cell phone provider in 2013, and The consumer protection measure in the event of termination of concession or contract cell phone provider by the orders of the National Council for Peace and Order (NCPO) No. 94/2557, for Baht 878.38 million, and
- 2) NBTC filed a lawsuit with the Central Administrative Court against a subsidiary claiming for revenue earned from 1800 MHz. mobile service during the caretaking period from 16 September 2013 to 17 July 2014, in the amount of Baht 1,150.66 million NBTC amended its lawsuit by increasing claimed amount to Baht 3,637.63 million and on 17 February 2020, the subsidiary has filed an objection with the Central Administrative Court. However, the subsidiary has disagreed with NBTC regarding the basis of revenue and details of deductible expenses related to the services. The subsidiary has already provided for an allowance of Baht 508.69 million.

Currently, the case is under consideration of the Central Administrative Court.

- 40.2.4 On 5 April 2017, a subsidiary filed a lawsuit with the Central Intellectual Property and International Trade Court against a Public Company, a contractual party on a licence of broadcasting football program claiming for reimbursement of Baht 390.75 million which the subsidiary paid because the said Public Company could not deliver such broadcasting. Subsequently, on 27 June 2017, the said Public Company filed a lawsuit with the Central Intellectual Property and International Trade Court against the said subsidiary together with other 20 defendants claiming for Baht 1,401.22 million regarding the termination of the agreement. On 23 August 2019, the Central Intellectual Property and International Commerce Court ruled that the said Public Company is liable to pay Baht 240.00 million to a subsidiary. Later on 20 December 2019, the subsidiary filed an appeal with Special Court of Appeal. On 28 February 2020, a Public Company also filed an appeal.

On 15 July 2021, the Special Court of Appeal ruled that a Public Company is liable to pay to a subsidiary in the amount of Baht 240.00 million with the interest at the rate of 7.5 percent per annum from 5 February 2016 to 10 April 2021, and the rate of 5 percent per annum or other charged rate according to the Royal Decree from 11 April 2021 onward until the payment is completed to the subsidiary, but must not exceed the rate of 7.50% per annum.

- 40.2.5 On 14 May 2020, the subsidiary filed a lawsuit against CAT with the Court of Justice to claim the cost of HSPA cable network that the subsidiary advanced for CAT during the period of 2011 - 2019 in the amount of Baht 1,127.30 million plus interest at the rate of 7.50% per annum of the said principal amount until the date of filing the lawsuit totaling amount of Baht 1,532.78 million and the interest of 7.50% per annum from the date following the filing date until the full payment is made. On 27 January 2021, the Civil Court ordered to transfer the case to the Central Administrative Court. Currently, the case is under consideration of the Central Administrative Court.
- 40.2.6 On 29 May 2020, the subsidiary filed a lawsuit against TOT to claim the Access Charges for the period during May 2006 - November 2006, in the amount of Baht 2,251.26 million with interest payment at the rate of 7.50% per annum of the said principal until the date of filing the lawsuit totaling amount of Baht 2,262.36 million and the interest of 7.50% per annum from the date following the filing date until the full payment is made. On 23 September 2021, the Central Administrative Court ordered to receive the case. Currently, the case is under consideration of the Central Administrative Court.

The ultimate outcomes of the aforementioned cases are presently unable to be determined, and accordingly, no recognition of revenue or provision for possible liabilities have been made in the financial statements unless otherwise stated.

#### 41 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries, joint ventures and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The Group is controlled by CP Group of companies which is the major shareholder of the Company.

China Mobile Group of companies is the major shareholder of the Company.

The following transactions were carried out with related parties:

##### i) Sales of goods and services

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
<b>Sales of goods:</b>				
Subsidiaries	-	-	2.85	1.53
Joint ventures	0.11	0.03	-	0.01
Associates	0.07	0.09	-	-
Related company				
CP Group of companies	18,511.75	13,022.82	81.31	41.24
China Mobile Group of companies	1.49	0.11	-	-
	<b>18,513.42</b>	<b>13,023.05</b>	<b>84.16</b>	<b>42.78</b>
<b>Sales of services:</b>				
Subsidiaries	-	-	7,335.08	9,789.63
Joint ventures	19.45	19.83	1.65	2.54
Associates	658.71	667.12	0.10	0.70
Related companies				
CP Group of companies	5,203.88	4,287.28	120.52	89.52
China Mobile Group of companies	384.21	232.78	-	-
	<b>6,266.25</b>	<b>5,207.01</b>	<b>7,457.35</b>	<b>9,882.39</b>

##### ii) Purchases of goods and services

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
<b>Purchases of goods:</b>				
Subsidiaries	-	-	3.20	0.44
Joint ventures	-	0.42	-	3.84
Associates	-	0.16	-	0.09
Related company				
CP Group of companies	1,416.34	1,416.67	140.24	101.55
	<b>1,416.34</b>	<b>1,417.25</b>	<b>143.44</b>	<b>105.92</b>
<b>Purchases of services:</b>				
Subsidiaries	-	-	752.65	867.37
Joint ventures	1,418.34	555.00	0.78	8.32
Associates	10,976.73	11,241.67	-	-
Related companies				
CP Group of companies	8,940.00	7,047.40	351.60	338.39
China Mobile Group of companies	42.96	49.84	-	-
	<b>21,378.03</b>	<b>18,893.91</b>	<b>1,105.03</b>	<b>1,214.08</b>

iii) Outstanding balances arising from sales and purchases of goods and services

At 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
<b>Receivables and accrued income from related parties: (included in "Trade accounts receivable" (Note 16))</b>				
Subsidiaries	-	-	11,589.87	21,265.98
Joint ventures	45.19	413.74	1.28	10.37
Associates	286.39	265.74	0.19	0.95
Related companies				
CP Group of companies	26,321.78	17,573.48	391.70	225.97
China Mobile Group of companies	156.49	150.40	-	-
	26,809.85	18,403.36	11,983.04	21,503.27
<b>Payables to related parties: (included in "Trade and other payables")</b>				
Subsidiaries	-	-	1,627.23	1,191.38
Joint ventures	195.59	109.06	-	3.28
Associates	318.22	337.22	-	0.10
Related companies				
CP Group of companies	11,349.44	3,790.55	27.69	12.90
China Mobile Group of companies	53.82	92.89	-	-
	11,917.07	4,329.72	1,654.92	1,207.66

iv) Loans to related parties

At 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
<b>Short-term loans to related parties</b>				
- Short-term	2.00	2.00	7,184.89	4,605.98
Total short-term loan to related parties	2.00	2.00	7,184.89	4,605.98
<b>Long-term loans to related parties</b>				
- Non-current	-	10.00	140,600.00	92,100.00
Total long-term loan to related parties	-	10.00	140,600.00	92,100.00
Total	2.00	12.00	147,784.89	96,705.98

Movement of loans to related parties can be analysed as follows:

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
Opening net book value	12.00	51.70	96,705.98	46,228.68
Additions	708.23	330.75	86,194.78	87,088.70
Acquisition of subsidiary (Note 20)	-	(10.00)	-	-
Payment received	(708.23)	(360.45)	(35,115.87)	(36,611.40)
Reclassification	(10.00)	-	-	-
Closing net book value	2.00	12.00	147,784.89	96,705.98

The Group and the Company related interest income for the year ended 31 December 2022 were Baht 0.42 million and Baht 4,915.23 million, respectively (2021: Baht 0.88 million and Baht 2,983.33 million, respectively).

v) **Loans from related parties**

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
<b>At 31 December</b>				
<b>Short-term loans from related parties</b>				
- Short-term	-	-	120.83	499.17
<b>Total</b>	<b>-</b>	<b>-</b>	<b>120.83</b>	<b>499.17</b>

Movement of loans from related parties can be analysed as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
<b>For the year ended 31 December</b>				
Opening net book value	-	-	499.17	1,005.85
Additions	15.71	565.79	14.13	35.89
Repayments	(15.71)	(565.79)	(392.47)	(542.57)
<b>Closing net book value</b>	<b>-</b>	<b>-</b>	<b>120.83</b>	<b>499.17</b>

The Group and the Company related interest expense for the year ended 31 December 2022 were nil million and Baht 12.73 million, respectively (2021: Baht 0.18 million and Baht 37.20 million, respectively).

vi) **Interest receivable arising from loans to related parties**

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht Million	Baht Million	Baht Million	Baht Million
<b>At 31 December</b>				
<b>Interest receivable: (included in "Trade and other receivables")</b>				
Subsidiaries	-	-	481.17	341.37
Related company	0.33	0.24	-	-
	<b>0.33</b>	<b>0.24</b>	<b>481.17</b>	<b>341.37</b>

vii) **Directors and key management's remuneration**

The total remuneration of the directors and the key management of the Group and the Company were Baht 199.82 million and Baht 181.58 million, respectively (2021: Baht 203.30 million and Baht 171.55 million, respectively).

The post retirement benefit for directors and senior executive is Baht 7.35 million (2021: Baht 9.86 million).

viii) **Dividends received**

During 2022, the Group received dividends from an associate of Baht 2,431.47 million (2021: Baht 2,594.93 million). Dividends were recognised directly to investment in associate in the consolidated financial statements. In addition, the Group received dividends from other company of Baht 3.07 million (2021: Baht 6.79 million) and recognised as "Other income" in the consolidated financial statements.

During 2022, the Company received dividends from an associate and subsidiary of Baht 2,431.47 million and Baht 115.54 million, respectively (2021: Baht 2,594.93 million and Baht 1,400.33 million, respectively). Dividends were recognised as "Other income" in the separate financial statements.

#### **42 Dividend**

At the Annual General Meeting of Shareholders for 2022 held on 4 April 2022, the Shareholders had passed a resolution to approve payment of dividends at Baht 0.07 per share, totalling Baht 2,334.01 million. The Company distributed the aforementioned dividends on 3 May 2022.

At the Annual General Meeting of Shareholders for 2021 held on 28 April 2021, the Shareholders had passed a resolution to approve payment of dividends at Baht 0.07 per share, totalling Baht 2,333.90 million. The Company distributed the aforementioned dividends on 28 May 2021.

#### **43 The amalgamation between the Company and Total Access Communication Public Company Limited (“dtac”)**

On 18 February 2022, the Board of Directors Meeting No. 1/2565 has passed the resolutions to approve the amalgamation between the Company and dtac under the provisions of Public Limited Companies Act B.E. 2535 (as amended) (“the amalgamation”) and approved for the Company to enter into an amalgamation agreement with dtac to set forth the terms and conditions of the amalgamation.

Later, on 4 April 2022, the 2022 Annual General Meeting of the shareholders has passed the resolutions to approved the amalgamation between the Company and dtac under the provisions of Public Limited Companies Act B.E. 2535 (as amended), including the exchange ratio for the allocation of shares in a new company formed as a result of the amalgamation (“NewCo”) and the arrangement for Citrine Global Company Limited and Citrine Venture SG Pte Ltd to be joint balancers for the purpose of the rounding shares in NewCo’s share allocation process.

As part of the process of the amalgamation, there will be an allocation of shares in NewCo to the shareholders of the Company and dtac in accordance with ratio that 1 existing share in the Company to 0.60018 shares in NewCo and 1 existing share in dtac to 6.13444 shares in NewCo. The exchange ratio has been considered based on NewCo’s registered and paid-up capital of Baht 138,208,403,204, divided into 34,552,100,801 ordinary shares, with a par value of Baht 4. Additionally, the Company shall arrange for a person(s) who will purchase shares of the Company from the dissenting shareholders at the last traded price on the Stock Exchange of Thailand immediately prior to the date on which the shareholders’ meeting of the Company resolves to approve the amalgamation. In this regard, Citrine Venture Holdings Company Limited and Citrine Investment SG Ptd Ltd (the “Purchasers”) was arranged. Therefore, the Purchasers will proceed to purchase shares from the dissenting shareholders from 27 January 2023 to 9 February 2023 under the specified terms and conditions for the purchase of shares as set out.

Additionally, the board of the National Broadcasting and Telecommunication Commission (“NBTC”) passed a resolution acknowledging the amalgamation between the Company and dtac with conditions. On 25 October 2022, the Company received the official letter stating the details of such resolution and conditions from the NBTC.

On 12 January 2023, the Board of Directors Meeting No. 1/2566 has passed the resolutions to approved to convene the Joint Shareholders Meeting No. 2 between the shareholders of the Company and the shareholder of dtac on 22 February 2023 to consider the matters related to the amalgamation pursuant to Section 148 of the Public Limited Company Act B.E. 2535 (as amended) and fixed the date of 22 February 2023 as the closing date of the shareholders register book for compilation of the name list of shareholders entitled to the allotment of shares of NewCo. Therefore, for the purpose of the preparation of the arrangements, the Company hereby request for the suspension of trading of the Company’s shares for a period of 9 business days from 20 February 2023 to 2 March 2023.

Once the amalgamation is executed, all assets, liabilities, rights, duties and responsibilities of both companies will be transferred to NewCo. Currently, the Company and dtac are working together to implement the conditions or specific measures in relation to the Amalgamation prescribed by the NBTC and the applicable laws.

Therefore, the preparation of financial reporting, its classification and measurement, and the business operations of the Group are to continue as usual until completion and fulfillment of all of the above stipulations, conditions and legal steps relevant to the amalgamation.

#### 44 Event after reporting date

On 4 January 2023, the Company additionally invested in TUC, a subsidiary, of Baht 57,000.00 million. The Company's shareholding interests remains unchanged.

On 20 January 2023, the Company issued the bill of exchange for its ongoing operations. The face value is Baht 5,750.00 million with discount rate at the rate of 3.00% - 3.05% per annum and will be redeemed at maturity date on 20 July 2023 and 17 October 2023.

On 16 February 2023, a subsidiary issued the debentures to refinance its maturing debt and for its ongoing operations as following:

- 1) 3.73 million units at par value Baht 1,000.00, totalling Baht 3,733.70 million. The debentures carry interest at the rate of 3.50% per annum and will be redeemed at maturity date on 16 February 2025.
- 2) 5.36 million units at par value Baht 1,000.00, totalling Baht 5,363.30 million. The debentures carry interest at the rate of 4.10% per annum and will be redeemed at maturity date on 16 February 2026.
- 3) 3.46 million units at par value Baht 1,000.00, totalling Baht 3,456.10 million. The debentures carry interest at the rate of 4.90% per annum and will be redeemed at maturity date on 16 February 2028.
- 4) 6.42 million units at par value Baht 1,000.00, totalling Baht 6,419.00 million. The debentures carry interest at the rate of 5.05% per annum and will be redeemed at maturity date on 16 November 2028.
- 5) 1.84 million units at par value Baht 1,000.00, totalling Baht 1,840.00 million. The debentures carry interest at the rate of 4.10% per annum and will be redeemed at maturity date on 16 February 2026.