



No.1
Together

Grow
Together



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"Investors can find more information of True Corporation Public Company Limited from the Annual Registration Statement (Report 56-1) posted on the Securities and Exchange Commission's website at www.sec.or.th or on the Company's website at www.truecorp.co.th"



Glossary and Acronyms

Glossary and acronyms

AC	Access charge
ADC	Advanced Datanetwork Communications Company Limited
Agreement for Joint Venture	Agreement for Joint Venture in the Membership Television between MCOT (the Mass Communications Organization of Thailand, at that time) and TrueVisions Cable (Thai Cable Vision Plc., at that time) dated June 6, 1994, with subsequent additions and/or amendments, or the Agreement for Joint Venture in the Membership Television between MCOT (the Mass Communications Organization of Thailand, at that time) and TrueVisions (International Broadcasting Corporation Plc., at that time) dated April 17, 1989, with subsequent additions and/or amendments, whichever applies in the relevant context.
Agreement to Operate	Agreement to Operate and Provide Services under the Digital PCN 1800 System between CAT Telecom (Communication Authority of Thailand, at that time) and TrueMove (Wireless Communication Service, at that time) dated June 20, 1996.
AI or Asia Infonet	Asia Infonet Company Limited
AIS	Advanced Info Service Public Company Limited
AWC	Asia Wireless Communication Company Limited
BFKT	BFKT (Thailand) Limited
BITCO	Bangkok Inter Teletech Public Company Limited
BMA	Bangkok Metropolitan Area
BPL or EPL	Barclays Premier League (previously English Premier League)
Broadcasting Committee	Broadcasting Committee of the NBTC
CAT or CAT Telecom	CAT Telecom Public Company Limited
China Mobile	China Mobile International Holdings Limited
CDR	Call Detail Record
DSI	Department of Special Investigation
DTAC	Total Access Communication Public Company Limited
Frequency Allocation Act	Act on Organization to Assign Radio Frequencies and to Regulate the Broadcasting and Telecommunications Services B.E. 2553

Glossary and acronyms

Frequency Allocation Act B.E. 2543	Act on Organization to Assign Radio Frequencies and to Regulate the Broadcasting and Telecommunications Services B.E. 2543
HD/ HDTV	high definition/ high-definition television
HSPA	High Speed Packet Access
HSPA wholesale agreement	A wholesale agreement for HSPA mobile services between CAT Telecom as a wholesale operator and Real Move as a reseller, dated 27 January 2011 with subsequent additions and/or amendments
HutchCAT	Hutchison CAT Wireless Multimedia Limited
IC	Interconnection
IC Regulation	Interconnection Regulation B.E. 2549
IFC	International Finance Corporation
IM	Information Memorandum
IMT	International Mobile Telecommunications
IMT 2.1 GHz spectrum license	License to operate international mobile telecommunications on the 2.1 GHz spectrum
JAS or Jasmine	Jasmine International Public Company Limited
Joint Operation Agreement	Agreement for Joint Operation and Joint Investment for Expansion of Telephone Service between TOT (previously Telephone Organization of Thailand) and the Company (CP Telecommunication, at the time) dated August 2, 1991 with subsequent additions and/or amendments
Joint-Venture Act	Public-Private Joint Venture Act B.E.2535
KfW	Kreditanstalt für Wiederaufbau
KSC	KSC Commercial Internet Company Limited
MCOT	MCOT Public Company Limited
MKSC	MKSC World Dot Com Company Limited
MNP	Mobile Number Portability
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding
MVNO	Mobile Virtual Network Operator
NACC	National Anti-Corruption Commission
NBC	National Broadcasting Commission
NBTC	National Broadcasting and Telecommunications Commission
NOC	Network Operation Center

Glossary and acronyms

NTC	National Telecommunications Commission
NVDR	Thai NVDR Company Limited
PCN	Personal Communication Network
PCT	Personal Communication Telephone
Real Move	Real Move Company Limited
Telecom Committee	Telecom Committee of the NBTC
Telecom Business Act	Telecommunications Business Act B.E. 2544
The Company or True	True Corporation Public Company Limited
TI or True Internet	True Internet Company Limited
TIC	True International Communication Company Limited
TIG	True International Gateway Company Limited
TM or True Multimedia	True Multimedia Company Limited
TOT	TOT Public Company Limited
TPC	True Public Communication Company Limited
TRUEIF, TRUEGIF or TRUE Growth	TRUE Telecommunications Growth Infrastructure Fund
TrueMove	True Move Company Limited
TrueVisions or TVS	True Visions Public Company Limited
TrueVisions Cable or TVC	True Visions Cable Public Company Limited
TrueVisions Group or TVG	True Visions Group Company Limited
True Group or the Group	True Corporation Public Company Limited and its subsidiaries
TU	True Universal Convergence Company Limited
TUC	True Move H Universal Communication Company Limited (formerly “Real Future Company Limited”)
UCOM	United Communication Industry Public Company Limited
UIH	United Information Highway Company Limited
USO	Universal Service Obligation
Verizon	Verizon Communications Inc.
VoIP	Voice over Internet Protocol
WCS	Wireless Communication Services Limited

Financial Highlights

(Unit: Baht million)

	2014	2013 (Restated)	2012
Consolidated Financial Results			
Service revenues ^{1/}	67,497	66,291	61,865
Total revenues	109,216	96,214	89,382
EBITDA	20,050	16,340	16,738
Operating profit	2,884	(1,649)	1,600
Results from ongoing operations	5,859	(11,376)	(6,631)
Results from ongoing operations before deferred income tax	3,209	(10,138)	(5,354)
Net profit (loss) to equity holders of the Company	1,425	(9,063)	(7,428)
Consolidated Balance Sheets and Cash Flows			
Total assets	234,570	205,852	180,363
Total liabilities	163,630	201,120	166,359
Total shareholders' equity	70,941	4,732	14,004
Cash flows from operations	(3,644)	22,929	7,312
Key Financial and Efficiency Ratios			
Operating profit margin (on revenue excl. IC and network rental)	3.2%	-2.0% ^{3/}	2.1%
Asset turnover (times)	0.5	0.5 ^{3/}	0.5
Interest coverage ratio (times)	3.6	1.9 ^{3/}	2.4
Net debt / EBITDA (times) ^{2/}	1.6	4.2 ^{3/}	5.3
Per Share Data and Others			
Profit (loss) per share (Baht)	0.07	(0.56)	(0.51)
Book value per share (Baht)	2.88	0.33	0.97
Share price at the end of period (Baht)	11.10	7.50	5.45
No. of outstanding shares at year end (million shares)	24,608	14,530	14,503
Market capitalization	273,148	108,977	79,042

^{1/} Revenues from telephone and other services excluding interconnection (IC) revenue and network rental revenue

^{2/} Total short-term and long-term borrowings exclude liabilities under finance leases

^{3/} Below figures for 2013 exclude performance contributions from the sold non-core subsidiaries for a meaningful YoY comparison

	2014	2013
Operating profit margin (on revenue excl. IC and network rental)	3.2%	-2.4%
Asset turnover (times)	0.5	0.5
Interest coverage ratio (times)	3.6	1.8
Net debt / EBITDA (times)	1.6	4.6



C Company Background and Business Overview

Company Background and Business Overview

True Group is Thailand's only fully-integrated telecommunication provider and convergence leader.

True Group seeks to promote the development of the country through innovation and technology. The group's introduction of new communication services and technologies helps increase opportunities and channels for Thai people, especially in remote areas, to access news and information. This bridges the digital divide while facilitating Thailand's evolution into a knowledge-base society. Four key brand values – credible, creative, caring and courageous – guide its work as True Group seeks to enhance value for shareholders, customers, the organization, society and employees alike.

Convergence strategy remains one of the key competitive edges for True Group. Its high-value convergence offerings that bundle products and services within the Group have received strong market response while fulfilling customers' various demands and lifestyles. This not only underpins the strength of True Group's core operations but also helps drive subscriber growth, retention and loyalty.

True Group's three core business segments are: **True Mobile Group**, which mainly operates 4G LTE and 3G mobile businesses under the brand TrueMove H; 2G service under the TrueMove brand is now under temporary measure or notification concerning protection for subscribers upon the expirations of concession agreements. True Mobile Group's subscriber base expanded to 23.6 million, of which 21.9 million were under TrueMove H's 3G and 4G businesses. This accounted for 25 percent of Thailand's mobile market by subscribers (excluding CAT Telecom, TOT and its MVNOs) at the end of 2014; **TrueOnline**, the largest fixed-line phone provider in the BMA and the Broadband and WiFi operator with the most comprehensive nationwide network using FTTx, DOCSIS 3.0 cable modem and xDSL technologies. TrueOnline's broadband Internet performed well throughout 2014, achieving an all-time high yearly net addition of 271,836 subscribers, boosting its subscriber base up to 2.1 million at the end of the year; and **TrueVisions**, the only nationwide pay TV and HD TV operator. At the end of 2014, TrueVisions had 2.5 million customers, of which 939,972 were premium and standard customers while the rest were FreeView and Free-to-air customers.

The Company is backed by the Charoen Pokphand Group ("CP Group"), Asia's largest agro-conglomerate, and China Mobile, the world's largest mobile operator, with shareholding of 51.3% and 18.0% of the Group's total number of issued shares, respectively, as at September 5, 2014. True Group's total registered and paid-up capital was Baht 246,079 million. The Company's main operations are not directly and materially related to its major shareholder. It only has minor transactions in some occasions with its major shareholders.

At the end of 2014, True Group had an annual turnover of Baht 109.2 billion, infrastructure investments of Baht 194.4 billion, and employed 16,784 permanent staff.

Business Background

True Group was incorporated in November 1990 as a fixed-line phone service provider and in the following year it signed a build-transfer-operate concession with TOT to build, install, jointly operate and maintain a 2.6 million-line wireline network in the BMA for a period of 25 years, ending in October 2017.

The Company was registered as a public limited company in 1993 under the name TelecomAsia Corporation Public Company Limited and was listed on the Stock Exchange of Thailand in December 1993 under the security symbol “TA”. The Company rebranded under the “True” name and adopted the security symbol “TRUE” in April 2004.

In addition to its traditional fixed-line phone, public phone, and WE PCT services, True Group started providing hi-speed data communication services, including ADSL and cable modems, in 2001, WiFi services in 2003, International Internet Gateway services in 2007, and International Data Gateway and International Direct Dialing services in 2008. During 2011, True Group’s cable modem network was expanded and upgraded using DOCSIS 3.0 technology. This not only enables True Group to offer Thailand’s fastest standard speed for consumer broadband service but also facilitates the real triple-play offering, a combination of products and services within the Group through the same cable network. Since then, True Group remained committed to deliver customers with the best internet experience; it has continued to expand the broadband network, via FTTx and DOCSIS technologies, which already passed 5 million households, aiming to reach 10 million households nationwide by the end of 2016.

True Group extended its services into the mobile telecommunications segment through a subsidiary, BITCO (the parent company of TA Orange), by acquiring a 41.1% equity interest in BITCO in October 2001. TA Orange’s mobile services were fully launched in March 2002. TA Orange was subsequently rebranded “TrueMove” at the beginning of 2006. Currently, TrueMove operates on the 1800 MHz spectrum under temporary measure or notification concerning protection for subscribers upon the expirations of concession. As at December 31, 2014, True Group’s indirect shareholding in BITCO was 99.5%.

True Group further expanded its mobile business through the purchase of shares of four local companies – Hutchison Wireless Multimedia Holdings Company Limited, BFKT, Rosy Legend Limited, and Prospect Gain Limited – from Hutchison Group which was completed in January 2011 with a transaction size of around Baht 6.3 billion including the settlement of any liabilities of the acquired companies to the Hutchison Group. The transaction gave the Group a first-mover advantage in launching commercial 3G services nationwide using HSPA technology on CAT Telecom’s 850 MHz spectrum. Full commercial 3G+ services were officially launched by its subsidiary Real Move (as a reseller of CAT Telecom) under the “TrueMove H” brand on August 30, 2011 and will operate until at least 2025.

True Move H Universal Communication Company Limited (previously known as “Real Future Company Limited”) was granted the IMT 2.1 GHz spectrum licenses by the NBTC in December 2012. This extends the Group’s mobile business at least until 2027. In May 2013, TrueMove H launched Thailand’s first 4G LTE services together with 3G services on the 2.1 GHz spectrum. The perfect combination and unique strengths of the 850 MHz and 2.1 GHz spectrums as well as ongoing network expansion enable True Mobile Group to offer superior mobile Internet services to its customers. TrueMove H’s 3G+ service already covers more than 97% of the Thai population nationwide while its 4G service will be expanded to reach 80% population coverage by the second quarter of 2015.

For Pay TV business, True Group purchased shares of the United Broadcasting Corporation (“UBC”) from MIH in January 2006 and completed the tender offer for UBC shares held by the public in March 2006, allowing the Company to own 91.8% (effective holding) of UBC. The pay TV operator was renamed “TrueVisions” at the beginning of 2007. After the restructuring of TrueVisions Group in the first half of 2010 and the repurchasing of shares from minority shareholders from November 2010 to February 2011, the Group’s effective holding in TrueVisions Group Company, which is a holding company for True Group’s pay TV business, has been 100.0% while True Group’s indirect holding in True Visions Public Company Limited and True Visions Cable Public Company Limited was 99.5% and 99.1% respectively at the end of 2014. While TrueVisions’ main revenue source comes from monthly subscription fees, MCOT in 2009 authorized the Company to carry advertising which presented a new opportunity to drive revenue growth and profitability at the business.

Throughout 2011, TrueVisions also focused on combating piracy. In October 2011, TrueVisions launched a campaign to replace old set-top boxes with new boxes featuring MPEG-4 encryption and activated a new, enhanced, more secure broadcasting system in mid July 2012. This effectively prevents the illegal access of TrueVisions’ premium content and enhances customers’ viewing experience through its HD offering. Furthermore, subsidiaries under TrueVisions Group were granted two digital terrestrial TV licenses from the NBTC in April 2014. The Group’s digital channels, particularly the “True4U”, have received positive market response. This, in addition to the redesigned advertising packages, drove TrueVisions’ advertising revenue which grew by over 40% YoY in 2014.

One of the key milestones for True Group was its successful recapitalization which dramatically improved its capital structure and financial performance, facilitating future business growth opportunities.

In 2013, True Group sold an investment in ordinary shares of eight non-core business companies to Thana Telecom Corporation Limited with a selling price of around Baht 5.4 billion, enabling it to recognize gain on sale of this investment while focusing more on the core businesses’ operations. In addition, TRUEIF, the first telecommunication infrastructure fund in Thailand, was successfully established and listed on the Stock Exchange of Thailand in late December 2013. True Group’s holding in the Fund was 28.1% at the end of 2014. True Group agrees to dispose telecom infrastructure assets and to transfer rights to receive future benefits from telecom infrastructure assets of True Group to the Fund as well as to lease certain telecom infrastructure assets back from the Fund for its usual business operations. These telecom infrastructure assets include 11,845 telecommunications towers, over 1,037,545 core-km of FOC and related transmission equipment held by True Group’s subsidiaries, and an upcountry broadband system with a capacity of approximately 1.2 million ports.

In September 2014, True Group successfully raised Baht 65.0 billion of capital through a rights offering to existing shareholders worth approximately Baht 36.4 billion and a private placement to the new strategic partner, China Mobile, worth around Baht 28.6 billion. The Company mainly used the proceeds from recapitalization for debt repayment which significantly enhanced its credit profile and capital structure with net debt-to-EBITDA ratio at 1.6 times, dropping from the 4.6 times level in a year earlier (excluding performance contribution from the sold eight non-core subsidiaries in 2013 for a meaningful YoY comparison). Meanwhile, the strategic partnership with China Mobile will further strengthen True’s business fundamentals through collaborations in several areas, including network and device procurement as well as international business.

Major Developments in 2014

True Group

- May: True Group introduced double-play package, offering customers mobile packages from TrueMove H and TrueVisions quality channels via television and TrueVisions Anywhere at a starting price of Baht 499 per month. Subscribers are eligible for upgrading to “True Knowledge” package with over 80 channels of TrueVisions for 12 months as well as bonus on 3G data usage (1 GB per month) while watching TrueVisions Anywhere via any mobile device.
- July: True Group revitalized the “True Sook X3” campaign through an upgrade of TrueOnline’s internet standard speed to 30 Mbps (Only internet via fiber cable), together with TrueVisions’ Enjoy pack, allowing subscribers to watch TrueVisions’ 103 regular channels plus 3 HD channels as well as TrueMove H’s iSmart/ iNet/ iTalk package (Baht 199 per month), starting from Baht 799 per month. The package also includes free fixed-line telephone installation with free call bonus of Baht 100 per month.
- July: The Extraordinary General Meeting of the Shareholders No. 1/2557 approved the Company’s recapitalization plan, comprising the issuance of 10,077,712,886 new shares in preparation for both a private placement to the new strategic partner, China Mobile, and a rights offering to existing shareholders.
- September: True Group successfully completed its Baht 65.0 billion recapitalization, comprising a private placement to the world’s largest mobile operator, China Mobile, worth Baht 28.6 billion and a rights offering to existing shareholders worth Baht 36.4 billion. This recapitalization and synergies with China Mobile help strengthen True Group’s financial performance and capital structure while facilitating its business expansion.
- November: True Group introduced Thailand’s first speech recognition service “MARI”, enhancing its customer service solutions in order to reach the highest level of client satisfaction. MARI currently serves TrueMove H’s postpaid customers through “TrueMove H Care 1331” with continued positive response from users. The Group will expand this service to prepaid segment as well as TrueVisions’ and TrueOnline’s customers in the near future.

True Mobile Group

- April: TrueMove H launched attractive 4G campaign, offering ‘Ferrari’ Supercar & other prizes worth a total of Baht 35 million. Eligible customers are existing postpaid customers, new customers, and switching customers to TrueMove H’s monthly postpaid packages with 4G compatible devices. This campaign successfully attracted new 4G customers as targeted. In addition, TrueMove H later extended the 4G LTE services to prepaid users by introducing the 4G Sim and supplementary packages in July.
- April: TrueMove H launched competitive 3G feature phones “True Super 1” and “True Super Ultra 1” with attractive functions and promotions at affordable price. The campaign aims at switching 2G customers onto TrueMove H’s superior 3G network, using 3G capable devices.
- September: TrueMove H introduced smartphones and tablet under the “True Smart Series” at valuable price together with its competitive packages and special offerings, including an access to TrueVisions’ 90 channels via TrueVisions Anywhere application.
- September: TrueMove H offered special “True 006” promotion to TrueMove H’s customers who apply for new number and MNP customers, allowing them to make calls to countries in AEC, Japan, China, South Korea, Australia, India and New Zealand at a starting price of Baht 2.50 per minute. This attractive offering helps support Thai entrepreneurs’ competitiveness in the upcoming AEC.

- October: TrueMove H successfully launched iPhone 6 and iPhone 6 Plus together with its attractive mobile packages and special offerings. TrueMove H offers customers an optimum mobile Internet experience on these smartphones through its superior nationwide 4G LTE and 3G network coverage.
- December: TrueMove H was the first mobile operator in Thailand to cooperate with Google Thailand to make online videos more affordable for mobile Internet users through a video data plan, the “YouTube unlimited” package. This offers customers with unlimited video streaming of content and entertainment from YouTube, TrueVisions Anywhere and the Social Cam application on mobile devices at only Baht 29 per day or Baht 99 per week.

TrueOnline

- July: TrueOnline continued to elevate customers’ internet experience by upgrading the standard download speed of the “True Sook X3” (or Happiness times three) package to 30 Mbps.
- September: TrueOnline was the first and only operator to set a new record of high speed Internet in the country by upgrading standard internet speed to 15 Mbps from 10 Mbps via DOCSIS 3.0 cable technology at the same price (Baht 599 per month).
- September: True Internet penetrated SME segment nationwide through an introduction of the “Leased Line for Business & Small Business” with reliable and high quality internet services, responding to internet usage and demand of small and medium enterprises at affordable price.
- October: True Internet, together with Visor, an email marketing company specializing in designing applications on smartphones in Japan, launched “Intelligence Mail”; it is the latest marketing tool to enhance the efficiency of online marketing via e-mail through cloud computing technology.

TrueVisions

- April: Subsidiaries under TrueVisions Group were granted two digital TV licenses for news and variety channels, namely TNN24 and True4U respectively. The Group started broadcasting these channels in the same month.
- June-July: TrueVisions Group broadcasted all 64 matches of the 2014 FIFA World Cup Brazil live for all subscribers of TrueVisions Group packages throughout the tournament. In addition, as a privilege for Platinum HD, Gold HD, Super Family HD and convergence packages, these members could access additional HD broadcast for all matches. The popularity of this campaign resulted in successful subscriber migration to TrueVisions Group, which was directly granted license from the NBTC.
- July: TrueVisions partnered with RTL CBS Asia Entertainment Network in launching America’s popular channel “RTL CBS Extreme HD”, including a wide range of extreme content such as sports, reality show, world-class magic show and documentary, through TrueVisions channel 338.
- September: TrueVisions remained committed to enhancing customers’ viewing experience under the concept “Committed to be No.1” by increasing its HD offerings as well as introducing redesigned/ better-value packages for mid and mass segments; these have received positive response from the target segments.
- September: TrueVisions extended its service on TrueVisions Anywhere to include TrueOnline’s and TrueMove H’s customers, enabling them to watch TrueVisions’ 90 channels while TrueVisions’ customers can enjoy up to 180 channels of TrueVisions’ quality content anywhere, anytime via TrueMove H’s 3G+ network or WiFi of any carrier.

Awards received in 2014

Thailand ICT Excellence Awards from the Thailand Management Association

- True Group for the 4th year received three awards of Thailand ICT Excellence Awards 2013 from the Thailand Management Association: 1) “Problem Notification via GIS” project by True Information Technology Co., Ltd. won Best Award in the Internal Process Development category; 2) “True HR Mobile Application” project by True Corporation Plc won an Honorable Award in the Innovation category; and 3) “True Money Wallet Application” project by True Money Co., Ltd. won an honorable mention in the Business Enabler category.

The 42nd International Exhibition of Inventions 2014 Innovation Awards

- True’s Autistic Application was awarded the Gold Medal for Software and Communication Technology at the 42nd International Exhibition of Invention 2014 in Geneva organized by the Swiss Government and the World Intellectual Property Organization (WIPO). The application also won the Special Prize of Innovation Distinction from Saudi Arabia. True was the only telecommunications company from Thailand that received a gold medal.

Frost & Sullivan Thailand Excellence Awards for Business Operations Excellence

- True Group for two consecutive years won two awards for its excellence in business operations at the Frost & Sullivan Thailand Excellence Awards 2014. TrueOnline was awarded “Thailand Broadband Service Provider of the Year” for outstanding broadband services while True Internet Data Center (True IDC) was awarded “Thailand Infrastructure Service Provider of the Year” for cloud computing excellence.

HRH Princess Maha Chakri Sirindhorn’s Award for Marketing Excellence

- True Group won the HRH Princess Maha Chakri Sirindhorn’s award for Marketing Excellence at the Thailand Corporate Excellence Awards 2013. Moreover, it was the only Thai telecommunications company to win the “Consistency of Excellence” award (having won the Marketing Excellence award for six consecutive years). True was also one of five organizations nominated for two award categories: Corporate Social Responsibility Excellence and Innovation Excellence for New Product and Service Development.

Honorable Plaque for CSR Excellence at the 12th Anniversary of the Ministry of Social Development and Human Security

- True Group was awarded an Honorable Plaque for CSR Excellence at the Social Development Excellence Honorary Award 2014 ceremony which was organized to celebrate the 12th Anniversary of the Ministry of Social Development and Human Security. The plaque was presented to True Group in recognition for its participation in the Ministry’s activities.

Honorable Plaque at the International Day of Persons with Disabilities 2014

- True Group received an Honorable Plaque to honor its continuous support for the disabled. The plaque was presented by the National Office for Empowerment of Persons with Disabilities and the Disabilities Thailand Association on the International Day of Persons with Disabilities 2014. True was one of the six award-winning organizations from the private sector.

Chor Sa-ard Awards 2014 from the National Anti-Corruption Commission

- True Group was a recipient of the Chor Sa-ard Awards 2014 for its support in promoting anti-corruption campaigns. The Awards was held by the Office of the National Anti-Corruption Commission in collaboration with True Group and PTT Group.
- True Plookpanya channel on TrueVisions which aired the “Novice Monks Cultivate Dharma Wisdom” TV program was selected by the office of the National Anti-Corruption Commission to receive the 2014 Chor Sa-ard Honorary Plaque in recognition for its media support for anti-corruption campaigns.

Enterprise with Outstanding Work Skill Development Award 2013

- True Touch Co., Ltd, a subsidiary of True Corporation Plc which operates outsource call centers, received the “Enterprise with Outstanding Work Skill Development Award 2013” from the Ministry of Labor at the 25th Annual National World Skills Thailand 2014 event.

Mekkala Awards 2014 for Supporting Children and Youth Education

- The Novice Monks Cultivate Dharma Wisdom TV Program, a reality show focusing on Dharma wisdom and broadcast on TrueVisions, won the Mekkala Awards 2014 for its continuous support in education for children and youth. The awards were organized by the Entertainment Reporters Association of Thailand.

Popular Technology Stock Award and Popular Stock Award from SET

- True was awarded “Popular Technology Stock” at the 2nd “Popular Stock Awards” Announcement held by the Stock Exchange of Thailand (SET) in collaboration with the University of the Thai Chamber of Commerce and Stock News Daily Newspaper. The selection was from a survey of the Stock Exchange of Thailand’s investors.

Adman Awards & Symposium Award 2014

- True Group received a total of four awards at the Adman Awards & Symposium 2014. TrueMove’s TV commercial titled “Giving is the Best Communication” swept three awards: 1) Silver Award in the Film category - Corporate; 2) Bronze Award in the Telecommunications, Business Equipment & Service category; and 3) Bronze Award in the Viral Advertising category. The True Thailand Book produced by True You received the Silver Award in the Design and Print category. In addition, the TrueMove TV commercial was presented with the Popular Award.

OCPB Ad Awards 2014 for Supporting Social, Cultural and Environmental Development

- True Group was the winner of the 13th Office of The Consumer Protection Boar (OCPB) Ad Awards 2014 in the Social, Cultural and Environmental Development. True’s winning TV commercial was titled “Giving Is the Best Communication.”

The 3rd Daradaily The Great Awards 2013

- TrueMove’s “Giving is the Best Communication” TV commercial gained top vote from the public across the country and won the Great TV Advertisement of the Year at the 3rd Daradaily The Great Awards 2013.

Top LINE Official Account on Business at Thailand Zocial Awards 2014

- TrueMove H was awarded the Top LINE Official Account on Business at the Thailand Zocial Awards 2014 presented by True Money event for being the brand with the most followers.

Catholic Media Awards

- The TV commercial titled “King of Giving” from CP Group and True Group that was produced to honor H.M. the King as a role model of giving won Best TV Media at the 32nd Catholic Media Awards 2014. The awards presentation was held by the Catholic Press in Thailand to honor and promote good media of value to the public.

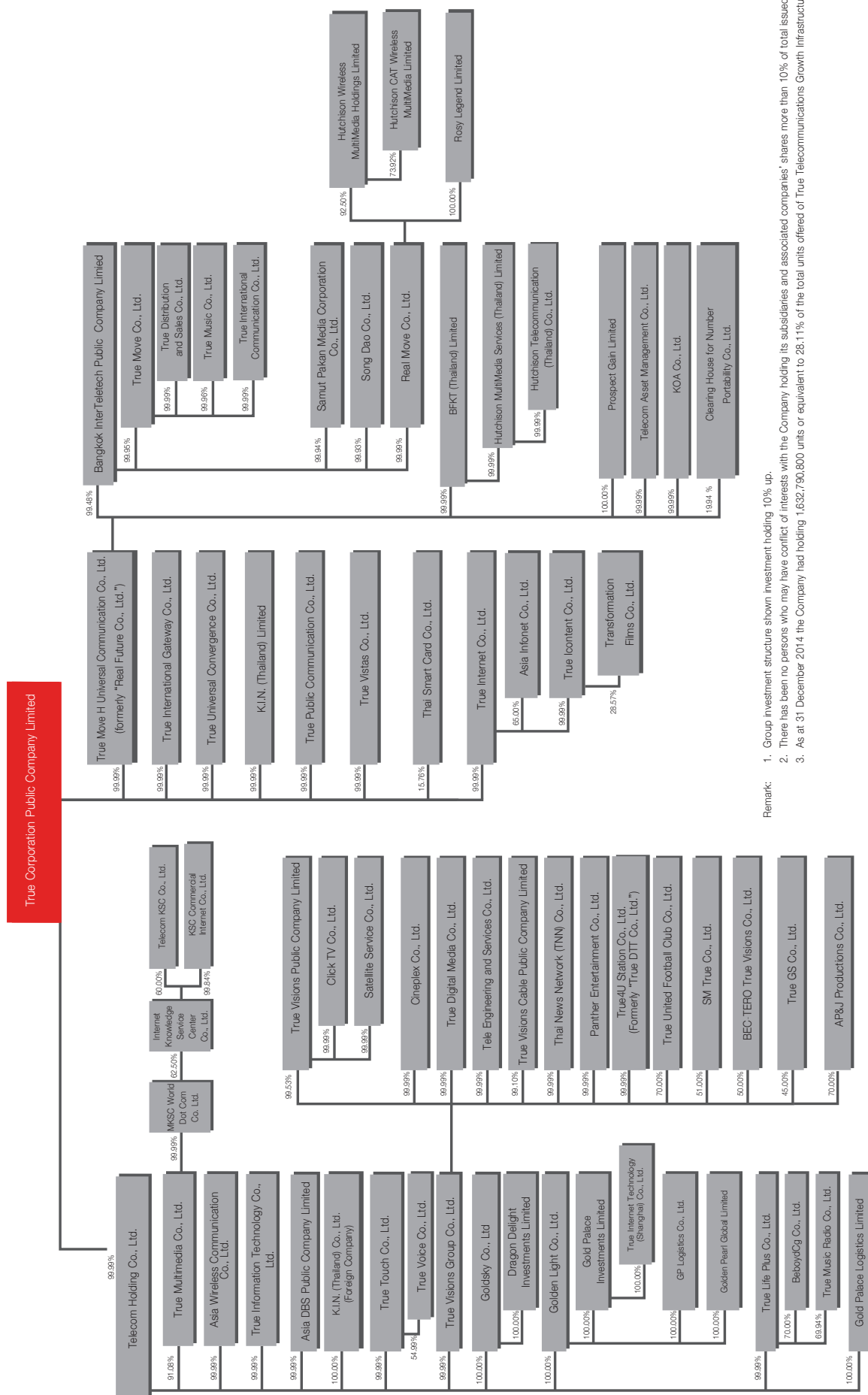
Business Profile of the Company, Subsidiaries, Joint venture and Associated Companies

The Company group reports its financial results in three segments: TrueOnline, TrueMobile and TrueVisions.

- 1) TrueOnline consists of the Company and its 28 active subsidiaries and 2 joint ventures.
- 2) TrueMobile consists of 10 active subsidiaries.
- 3) TrueVisions consists of 14 active subsidiaries, 1 joint venture and 1 Associate.

Group Investment Structure

As of 31st December 2014



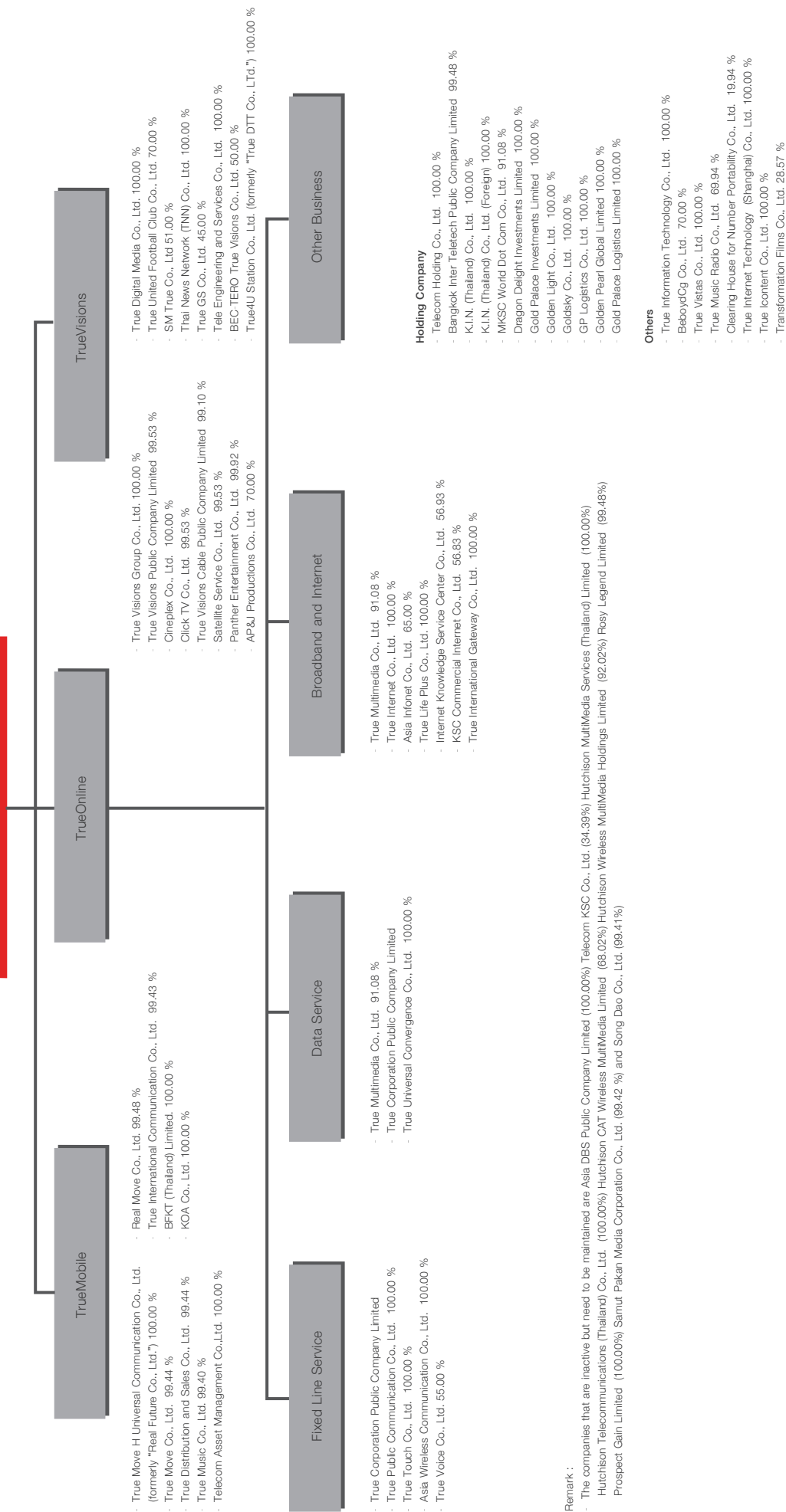
Remark:

1. Group investment structure shown investment holding 10% up.
2. There has been no persons who may have conflict of interests with the Company holding its subsidiaries and associated companies' shares more than 10% of total issued shares.
3. As at 31 December 2014 the Company had holding 1,632,790,800 units or equivalent to 28.11% of the total units offered of True Telecommunications Growth Infrastructure Fund.

Group Investment Structure

Categorized by Products and Services as of 31st December 2014

2.6 million line Telephone Services,
Value Added Service and Digital Data Network
True Corporation Public Company Limited



Remark :

- The companies that are inactive but need to be maintained are Asia DBS Public Company Limited (100.00%) Telecom KSC Co., Ltd. (94.39%) Hutchison Multimedia Services (Thailand) Limited (100.00%) Hutchison Telecommunications (Thailand) Co., Ltd. (100.00%) Hutchison CAT Wireless Multimedia Limited (68.02%) Hutchison Wireless Multimedia Holdings Limited (92.02%) Rosy Legend Limited (99.48%) Prospect Gain Limited (100.00%) Samut Pakan Media Corporation Co., Ltd. (99.42 %) and Song Dao Co., Ltd. (99.41%)

Revenues Breakdown

Revenues Breakdown by Business Group

Business Group	Full year of 2014		Full year of 2013		Full year of 2012	
	Baht Million	%	Baht Million	%	Baht Million	%
1. TrueOnline	26,640	24.5%	23,086	24.0%	23,295	26.3%
2. TrueMobile	73,581	67.3%	63,073	65.5%	56,124	62.6%
3. TrueVisions	8,995	8.2%	10,055	10.5%	9,963	11.1%
Total Revenues	109,216	100.0%	96,214	100.0%	89,382	100.0%

Revenues Breakdown by Company

Business Group/Operation by	Full year of 2014		Full year of 2013		Full year of 2012	
	Baht Million	%	Baht Million	%	Baht Million	%
1. TrueOnline						
True Corporation Public Company Limited	11,264	10.4%	6,380	6.6%	6,636	7.5%
True Multimedia Co., Ltd.	45	0.0%	52	0.1%	97	0.1%
True Internet Co., Ltd.	11,455	10.6%	10,012	10.4%	8,485	9.6%
True Leasing Co., Ltd.	-	-	1,199	1.2%	1,669	1.9%
True Life Plus Co., Ltd.	356	0.3%	636	0.7%	1,196	1.3%
KSC Commercial Internet Co., Ltd.	508	0.5%	470	0.5%	418	0.5%
Wire & Wireless Co., Ltd.	-	-	397	0.4%	775	0.9%
Asia Wireless Communication Co., Ltd.	-	-	1	0.0%	1	0.0%
True Public Communication Co., Ltd.	11	0.0%	26	0.0%	46	0.1%
True Touch Co., Ltd.	409	0.4%	372	0.4%	291	0.3%
True Digital Content & Media Co., Ltd.	-	-	283	0.3%	259	0.3%
True International Gateway Co., Ltd.	371	0.3%	297	0.3%	310	0.3%
True Lifestyle Retail Co., Ltd.	-	-	168	0.2%	223	0.2%
True Money Co., Ltd.	-	-	296	0.3%	326	0.4%
True Universal Convergence Co., Ltd.	2,089	1.9%	1,829	1.9%	1,682	2.0%
True Internet Data Center Co., Ltd.	-	-	62	0.1%	88	0.1%
True Digital Plus Co., Ltd.	-	-	303	0.3%	478	0.5%
True Properties Co., Ltd.	-	-	31	0.0%	39	0.0%
True Internet Technology (Shanghai) Co., Ltd.	25	0.0%	242	0.3%	273	0.3%
Others	106	0.1%	30	0.0%	3	0.0%
Total	26,640	24.5%	23,086	24.0%	23,295	26.3%
2. TrueMobile						
BITCO Group of Companies	17,823	16.3%	30,862	32.0%	39,336	43.9%
BFKT (Thailand) Co., Ltd.	16,785	15.4%	7,410	7.7%	5,394	6.0%
Hutchison CAT Wireless Multimedia Co., Ltd.	-	-	7	0.0%	546	0.6%
Real Move Co., Ltd.	33,000	30.2%	23,464	24.4%	10,848	12.1%
True Move H Universal Communication Co., Ltd.	5,948	5.4%	1,326	1.4%	-	-
Telecom Asset Management Co., Ltd.	25	0.0%	4	0.0%	-	-
Total	73,581	67.3%	63,073	65.5%	56,124	62.6%
3. TrueVisions						
True Visions Group Group of Companies	8,995	8.2%	10,055	10.5%	9,963	11.1%
Total Revenues	109,216	100.0%	96,214	100.0%	89,382	100.0%





Nature of Business

Products and Services

True Group is Thailand's only fully-integrated telecommunications provider and convergence leader. The Group differentiates itself and facilitates subscriber lifestyles through the convergence of its voice (fixed-line and mobile), broadband Internet, pay TV, data and content. By offering a comprehensive selection of networks, services and content, True Group is well placed to achieve a leap growth along with the telecommunications industry in the upcoming digital economy.

True Group's convergence lifestyle strategy is unique within the Thai market. It focuses on providing customers with their preferred combinations of content and services from its integrated platform. This helps the Group differentiate itself from the competition, drive subscriber growth and customer loyalty as well as maximize the full potential of its services. True Group believes convergence delivers significant benefits while enhancing value for its customers.

True Group's core businesses have been organized into the three following categories:

- Online business under TrueOnline, consisting of fixed-line phone and value-added services, business data services, Internet and Broadband Internet services, WiFi and WE PCT;
- Cellular business under True Mobile Group, operating mainly 4G LTE and 3G services under the brand TrueMove H;
- Pay TV business under TrueVisions

Following shareholders' approval at the EGM in October 2013, True Group successfully sold an investment in ordinary shares of eight non-core business subsidiaries, namely TLS, WW, TMN, TIDC, TLR, TP, TDP and TDCM to Thana Telecom Corporation Limited. This transaction enabled the Group to recognize gain from sale of investments totaling Baht 857.6 million in 4Q13. The financial performance of these subsidiaries was previously reported under TrueOnline.

The list of eight non-core subsidiaries is shown below.

Company	Nature of Business
1. True Leasing Co., Ltd. (TLS)	Car operating lease
2. Wire and Wireless Co., Ltd. (WW)	Communication and information technology engineering service
3. True Properties Co., Ltd. (TP)	Office space rental
4. True Internet Data Center Co., Ltd. (TIDC)	Internet data center service
5. True Lifestyle retail Co., Ltd. (TLR)	Operator of True Coffee
6. True Digital Plus Co., Ltd. (TDP)	Online game
7. True Money Co., Ltd. (TMN)	Payment service center and electronic card services
8. True Digital Content and Media Co., Ltd. (TDCM)	Digital content and E-commerce

True Group successfully raised Baht 65.0 billion of capital through a rights offering to existing shareholders and a private placement to the new strategic partner, China Mobile, in the third quarter of 2014. This substantially improved the Group's capital structure and financial performance. Meanwhile, the partnership agreement with China Mobile brings about collaborations in several areas, including network and device procurement as well as international business, further strengthening the Group's business fundamentals.

TrueOnline

TrueOnline comprises fixed-line telephone and its value-added services such as public phones and WE PCT, as well as Internet and broadband Internet, business data services, data gateways and International Direct Dialing which was successfully transferred to True Mobile Group at the beginning of 2011. The Group's broadband Internet businesses have continued to grow rapidly and help maintain overall revenue generated by TrueOnline.

i) Fixed-line phone, WE PCT and public phone services

TrueOnline is the largest fixed-line telephone service provider in the BMA with a fixed-line capacity of 2.6 million lines, of which approximately 1.6 million lines are in commercial use. It also provides 26,000 public phones in the BMA under the approval of the Telephone Organization of Thailand (later renamed TOT).

True Group operates WE PCT through its subsidiary, AWC, in which it holds a 100.0 percent equity interest. Together with AWC, the Group officially launched its PCT service in November 1999 as a value-added service of its traditional fixed-line services.

WE PCT is a cordless fixed-line phone service. A subscriber's PCT phone number is the same as his or her fixed-line number. Up to nine PCT handsets can be used with one fixed-line number.

In August 1991, True Group signed a 25-year Joint Operation Agreement under Build-Transfer-Operate terms with the Telephone Organization of Thailand (later renamed TOT) to construct, install, maintain and jointly operate a 2-million-line wireline network in the BMA, which will expire in 2017. The agreement was subsequently extended to cover an additional

600,000 lines. True Group transferred its fixed-line network to TOT which collects revenues from subscribers and makes payment to the Group of its proportion as stipulated by the Joint Operation Agreement at the rate of 84.0 percent for two million lines and 79.0 percent for 600,000 lines. True Group receives an 82.0 percent share of revenue from each value-added service and 76.5 percent from the public phone service.

As for the WE PCT service, the Group is entitled to 82.0 percent of the revenue generated from such service and AWC is entitled to approximately 70.0 percent of this amount. The PCT service is also available to TOT subscribers. TOT shares with True Group approximately 80.0 percent of revenue received from its subscribers as a PCT network rental fee.

Value-Added Services

In addition to fixed-line phone and public phone services, True Group offers a range of value-added services to meet customers' needs, including:

- Voice Mailbox, Call Waiting, Conference Calling, Call Forwarding, Hot Line, Abbreviated Dialing, Automatic Call Repetition, Outgoing Call Barring, and Caller ID.

The Group also provides services for corporate customers requiring a large number of telephone lines and provides a range of value-added services including:

- Direct Inward Dialing or DID;
- Hunting Lines service, which bundles two or more telephone lines at one location into a single number;
- Integrated Service Digital Network or ISDN, which can carry all forms of voice, data and image communications simultaneously on the same telephone line;
- Televoting;
- Free Phone 1-800, allowing businesses to provide their customers with a free contact call service;
- Voice Conferencing; and
- VoIP service, called NetTalk by True.

Fixed-line network and WE PCT service area

True Group's core fixed-line network is modern and fiber-rich, enabling the Group to minimize the use of copper cables and provide high-quality voice and data communications services.

At the end of 2014, True Group had 1,613,504 fixed-line subscribers comprising 1,060,784 residential subscribers and 552,720 business customers, which reflected a 4.9 percent decline from last year. The decline in fixed-line subscribers and revenue is in line with the global trend. The average revenue per user (ARPU) for 2014 was Baht 239 per month, a 6.4 percent decline from 2013. The majority of revenue (60.9 percent) came from business customers.

Subscribers to the PCT service have continued to decline, in line with global trend, due in part to increased popularity of mobile phone usage. At the end of 2014, WE PCT had 13,938 subscribers down from 17,966 at the end of 2013.

ii) Broadband Internet, other Internet services and VAS

Broadband Internet

True Group is Thailand's leading broadband or hi-speed Internet operator with an estimated 41 percent value share of the broadband market in 2014 (source: True Group's estimate). The Group provides the service using FTTx, DOCSIS (cable modem) and xDSL technologies. TrueOnline continues to lead the broadband market by consistently expanding broadband coverage, providing uniquely attractive offerings, bringing in innovative and superior technologies as well as enhancing service quality.

In 2003, True Group and certain other service providers started offering WiFi services. The Group's extensive WiFi network is one of the key differentiators for products and services under True Group and helps drive broadband growth. At present, True Group's WiFi network features over 100,000 hotspots with the download speed of up to 200 Mbps.

True Group's subsidiary, TU, was granted a Type Three license from the NTC to provide fixed-line telephone, broadband and data services nationwide. TU provides data and broadband circuits as well as data network services to the Group's subsidiaries including True Internet and True Multimedia. These provide hi-speed Internet and data services to end customers and non-voice services to consumers and business customers, respectively.

True Group's modern network allows it to provide a faster, more stable broadband service and to realize efficient operations and maintenance. The Group also offers rich content catering for consumer lifestyles, including music, gaming, sports and e-books, as well as a variety of value-added services, such as Internet Security Program and White Net filtering (allowing parents to control their children's Internet access).

TrueOnline soft-launched its new cable modem technology, DOCSIS 3.0, in December 2010, offering 10 Mbps to 100 Mbps download speeds starting from Baht 699 per month. The service was officially launched in March 2011 together with the launch of the 8 Mbps WiFi service. DOCSIS technology not only can support download speeds of over 1 Gbps but also makes triple-play, a combination of high-speed Internet, pay TV, and voice services through the same router and cable network, a reality. TrueOnline remains committed to enhance customers' Internet experience by continuously upgrading the standard download speeds of its broadband offering. In the third quarter of 2014, TrueOnline was the first and only operator to set a new record of high speed Internet in the country with the standard speed upgraded to 15 Mbps for standalone package, to 18 Mbps for double-play package and to 30 Mbps for triple-play package.

TrueOnline also targets the hi-end segment. In 2009, it launched the "ULTRA Broadband" service, which offered a connection speed of up to 50 Mbps via VDSL. In September 2011, the ULTRA hi-speed Internet premium offering was expanded to incorporate FTTH (Fiber to the home) technology for ultra-premium customers with the download speeds of 50 Mbps to 100 Mbps. The business later expanded its FTTx offerings, ranging from a connection speed of 20 Mbps to 1000 Mbps, in 2014. These hi-end services provide stable connections for downloading and uploading high-definition content as well as supporting audio-visual streaming.

These unique and competitive offerings, catering to all market segments, cemented the Group's position as Thailand's only lifestyle convergence operator offering fully integrated services that meet the requirements of customers' lifestyles while maintaining True Group's leadership in terms of speed, service quality and innovation.

Continued popularity of TrueOnline's broadband offerings as well as successful broadband Internet expansion and localized marketing activities drove TrueOnline's broadband subscriber base up to 2,081,436, achieving record net additions of 271,836 subscribers in 2014 while ARPU remained healthy at Baht 710.

For the enterprise segment, True Group offers converged data and voice communication solutions, and managed services to business customers through various technologies. These include: Digital Data Network or Leased-Line; Multiprotocol Label-Switching; Metro Ethernet (a fiber-to-the-building technology designed specifically for business customers); and IP-Lease

Line (a hybrid between an IP-based data service and a lease line service which improves the quality of connection beyond standard IP-based services). In addition, True Group offers a Managed Network Service (a combination of three network operation services: network performance management, fault management and configuration management). Furthermore, its service infrastructure is built on modern IP technology that supports cloud computing.

True Ethernet Fiber service, an advanced IP network which enables the secure transferring of large multi-format files over fiber-optic cables with download speeds of 2 Mbps to 10 Gbps, was the first in Thailand to have attained global service quality assurance from the Metro Ethernet Forum. The Group also provides data communication solution, using Multiprotocol Label Switching technology, to better respond to specific needs of online game stores across the country. This solution gives a competitive advantage to these stores by highlighting its strengths on stability, high speed with the same upload and download speed as well as an automatic backup. In addition, True Group's focus on the fiber market presents high growth opportunities. It has invested in the fiber-optic network via Gigabit-capable Passive Optical Network (GPON) technology which reaches corporate clients located in buildings on key roads in the BMA as well as several provincial industrial estates and tourist destinations. Furthermore, True Internet was the first service provider in Asia to upgrade its Internet backbone to 100 Gbps with the deployment of the world-class standard "Cisco Nexus 7000". This enhanced its capability to support an expansive upward trend of customers' Internet usage in the future while delivering a better experience to its customers.

Beside large corporate clients, the Group aims to expand its business customer base more aggressively into the SME segment, which represents significant growth opportunity. In 2014, TrueOnline introduced the "Leased Line for Business and Small Business" with reliable and high quality internet services; this provides SME customers with best-valued offering that matches their internet usage and demand. Meanwhile, True Group plans to utilize its wide selection of products and services to secure and expand its provincial market share through convergence and bundling strategies.

True Group is one of the major players in the data transmission business in Thailand while its modern network gives it a competitive advantage. The Group seeks to differentiate itself from competitors through a focus on service quality and by meeting customer needs. The Group also benefits from combining various products and services (e.g. content, VoIP and Internet) as well as by providing services with its business partners (e.g. the collaboration with Cisco to roll out a high quality IP network). As a result, True Group does not have to compete solely on price. At the end of 2014, there were 29,332 circuits in operation with average revenue per circuit of Baht 8,685 a month.

Other Internet services and VAS

True Group provides Internet (including content and applications) services through:

- (1) True Internet, in which True Group has a 100.0 percent equity interest, is the Group's main subsidiary which operates high-speed Internet or broadband and additional broadband services. In August 2014, True Internet's Type One ISP license, granted by the NBTC, was extended for another five years to expire on August 17, 2019. The license is renewable every five years;
- (2) KSC, in which True Group has a 56.8 percent equity interest, is an ISP which provides services to the Group's corporate customers. In June 2014, KSC's Type One ISP license, granted by the NBTC, was extended for another five years to expire on June 22, 2019. The license is renewable every five years; and
- (3) Asia Infonet, in which True Group has a 65.0 percent equity interest, under an Agreement to Operate whereby CAT Telecom (previously the Communications Authority of Thailand) granted a non-exclusive right to provide commercial Internet services to users throughout Thailand until 2006 over facilities leased from CAT Telecom or any entity approved by CAT Telecom. In February 2010, Asia Infonet's Type One ISP license, granted by the NTC, was extended for another five years and will expire on February 4, 2015. The license is renewable every five years.

True Group is Thailand's No.1 Internet Service Provider ("ISP") offering Internet access to both consumers and business customers, along with a range of value-added services. In addition, the Group's Internet and broadband services took full advantage of the international Internet gateway license granted to one of its subsidiaries, True International Gateway, which has allowed True Group to provide a better quality and less costly service to its customers.

iii) International Gateway services

TIG, previously known as True Internet Gateway, a subsidiary of True Corp, received an International Internet Gateway and Domestic Internet Exchange License (Type Two with Network) from the NBTC on May 19, 2011, and an International Private Leased Circuit (Type Three) on November 11, 2009.

The aforementioned licenses allow TIG to provide international Internet and international data services. TIG has Points of Presence in Bangkok, Singapore, Hong Kong, Netherlands, the UK and the US which enhance the efficiency of international connections and service quality.

Since its launch, TIG has considerably expanded its capacity to support the growth of Internet and international data services which have grown annually. At the end of 2014, TIG's backbone capacity reached approximately 180 GB while it aims to increase to 300 GB by the end of 2015. Most of TIG's international Internet bandwidth capacity is utilized within True Group with the rest utilized by external customers including local ISPs, local and multinational corporations, and international telecom operators.

TIG offers three types of international data services – International Private Leased Circuit ("IPLC"), Internet Protocol Virtual Private Network ("IP VPN") and Virtual Nodes. Currently, TIG is focusing on serving major international carriers who have a presence in the Asia-Pacific region and demand a large amount of international connectivity as well as a reliable network and high quality of services. To facilitate corporate customers requiring a variety of bandwidth sizes and international destinations, TIG continues to partner with global international carriers to reach many more countries.

TIG has signed a number of contracts to provide Virtual Node services for many leading international carriers. TIG also continued to expand its Internet and data gateway operations into Laos, Cambodia, Vietnam and Myanmar as part of a new focus to develop its business in neighboring countries. These developments not only help generate more revenue but also facilitate continual growth for the Group.

True Mobile Group

True Mobile Group mainly operates 3G and 4G LTE mobile businesses under the brand TrueMove H. True Group holds 100.0 percent of the shares in TUC (formerly known as Real Future), which is the Group's holding company and a type-3 telecom operator, and indirectly holds an equity interest in TrueMove (previously TA Orange) and Real Move (a CAT Telecom's 3G+ reseller under the flagship brand, TrueMove H) through a subsidiary, BITCO. True Group's shareholding in BITCO was 99.5 percent at the end of 2014.

TrueMove operated under the Agreement to Operate, dated June 20, 1996, granted by CAT Telecom. This allowed for the provision of services under the Digital PCN 1800 system until September 2013. Under the Agreement to Operate, TrueMove shared 25 percent of its revenue, after deducting access charge payments and other deductible expenses (e.g. content), with CAT Telecom until September 2011, after which the proportion of revenue shared with CAT Telecom was increased to 30 percent until the end of the agreement. Currently, TrueMove operates and provides services under temporary measure or notification concerning protection for subscribers upon the expirations of concession agreements or the Agreement to Operate mandated by the NBTC.

In January 2011, True Group completed the purchase of shares of four local companies from Hutchison Group which increased its business scale through the acquisition of approximately 800,000 subscribers. In April 2011, under the reseller agreement between Real Move and CAT Telecom, which is effective until 2025, the TrueMove H brand was established to facilitate the launch of nationwide commercial 3G+ services using HSPA technology on the 850 MHz spectrum. The official launch of TrueMove H in the BMA and 16 provinces under the FREEYOU campaign, offering 3G+ services with speeds of up to 42 Mbps and WiFi connectivity of up to 8 Mbps, on August 30, 2011 effectively gave the Group's 3G services a nationwide first-mover advantage.

In 2011, True Group restructured its mobile business to be under the umbrella of the “True Mobile Group”, the entirety of which comes under TUC (formerly known as Real Future), to improve operational efficiency and facilitate future funding opportunities.

TUC (previously Real Future) participated in the auction of the 2.1 GHz IMT Spectrum License and was later granted the aforementioned license as well as the Type Three Telecommunication Business License by the NBTC in December 2012. This extends the Group’s mobile business until at least 2027. In addition to its ongoing 3G service expansion on both the 2.1 GHz and CAT Telecom’s 850 MHz spectrums, TrueMove H was the first operator in Thailand to launch 4G LTE services on the 2.1 GHz spectrum in May 2013, covering important business areas in Bangkok such as Siam Square, Silom, and Sathorn. Since then, the Group continued to expand its 4G network, which will reach 80 percent population coverage within the second quarter of 2015. The perfect combination of the 2.1 GHz and CAT Telecom’s 850 MHz spectrums strengthens True Group’s mobile portfolio as well as reinforces its leadership in providing Thailand’s best-quality 3G and 4G LTE services.

Subscribers

TrueMove H’s 3G and 4G businesses have grown substantially since its launch. At the end of 2014, its subscriber base expanded to over 21.9 million. This further fueled True Mobile Group’s subscriber base up to 23.6 million, accounting for 25 percent of Thailand’s mobile market by subscribers (excluding CAT Telecom, TOT and its MVNOs), by year end.

TrueMove H’s superior 4G LTE and 3G network coverage and its wide range of attractive device-bundling promotions fueled remarkable postpaid acquisition. In addition, successful localized marketing activities and continued popularity of affordable 3G handsets under the “True” brand facilitated strong 3G subscriber acquisition nationwide while strengthening the Group position in the prepaid segment. True Mobile Group’s blended ARPU increased to Baht 130 per month in 2014, compared to Baht 124 per month in 2013.

Services

Pre Pay

True Mobile Group’s revenue is partly derived from sales of prepaid airtime, which does not require a monthly subscription fee. Subscribers purchase a SIM card with an initial credit balance and can top-up their credit balance through various means, including cash cards, top-up cards, ATMs, the transfer of credit from other True Mobile Group phone accounts, and “over-the-air” top-up.

True Mobile Group also provides subscribers with a mobile payment channel via TrueMoney to meet a new generation of lifestyle needs.

Post Pay

True Mobile Group’s postpaid service allows customers to choose a monthly service plan comprising voice-only, data-only or voice and data services to match their lifestyles. Top-up packages allow subscribers to purchase voice or non-voice services on top of their monthly package. Subscribers are billed monthly for subscription fees, airtime and the use of other voice and non-voice services.

Voice Services

True Mobile Group’s subscribers have access to local, domestic and international long-distance dialing. In addition, it offers a variety of value-added services in different combinations according to the airtime package selected. These services include call waiting, call forwarding, call conferencing and caller ID. True Mobile Group also offers its voice subscribers international roaming services, enabling them to make and receive calls when they are outside of Thailand.

Non-Voice Services

True Mobile Group provides a range of non-voice services to enhance customer lifestyles. Content is delivered through various channels covering all mobile-accessible channels and web-based services. Non-voice services comprise a variety of popular content, including photo-based communication, financial information services, games, cartoons, screen savers, ring tones, music and sports. True Mobile Group subscribers are increasingly using its non-voice services, in particular downloadable and uploadable pictures, video, as well as the accessing of social networks, through mobile Internet services.

True Mobile Group currently groups non-voice services into three main categories:

- Messaging, which includes Short Messaging Service (“SMS”), allowing subscribers to send short text messages; Voice SMS whereby subscribers send audio messages to fixed-line and mobile handsets; and Multimedia Messaging Service (“MMS”), allowing the sending of pictures, text and sound/voice in a single-packet message.
- Mobile Internet service via 4G LTE, 3G+/HSPA, EDGE/GPRS and WiFi technologies which provide subscribers access to a range of data services from their handsets, including email, Internet, VoIP, audio and video services. Additional services include Mobile Chat, a WAP-based instant-messaging service that allows subscribers to engage in online and mobile chat; and Blackberry and iPhone services.
- Content, which includes Ring-back Tones (personalized ring-back tones and exclusive song selections); Voicemail; and Multimedia Content Services, which allow subscribers to access content such as music, sports, news and finance. True Mobile Group is able to use content as a growth driver by leveraging the exclusive content assets of TrueMusic, TrueLife, TrueOnline and TrueVisions.

The rising popularity of smart devices and social networking as well as True Mobile Group’s attractive promotions contributed to a surge of mobile Internet usage, driving non-voice revenue up by 24.0 percent YoY to Baht 16.7 billion in 2014; this represented 43.5 percent of True Mobile Group’s service revenue (excluding IC and network rental).

Mobile Handsets and Accessories Sales

The Group offers a broad range of mobile handsets and related accessories. Its key handset products are high-quality smartphones and smart devices. True Group also offers a wide selection of 3G and 4G capable handsets under the Group’s house brand, such as True Smart 4G 5.5” Enterprise (through collaboration with China Mobile), True Beyond, True Smart Series, and True Super; these competitive devices have received positive market response, facilitating accessibility to 3G and 4G LTE services among a wider range of Thai consumers. Handsets are either sold outright (untied to any service) or tied with True Mobile Group’s monthly (postpaid) packages.

International Roaming Services

International Roaming Services are value-added services that enable True Mobile Group subscribers to use the networks of international operators with whom it has entered into international roaming agreements (Outbound Roaming Service). The roaming services True Mobile Group offers include voicemail, SMS, MMS, mobile Internet, Email, Caller Identification, Missed Call Alerts, Short Code service, BlackBerry roaming and WiFi. These services ensure True Mobile Group customers to stay in touch with both business and personal contacts in more than 230 destinations worldwide.

In addition, visitors to Thailand whose network operators have international roaming agreements with True Mobile Group can use True Mobile Group’s cellular network when traveling in Thailand (Inbound Roaming Service).

True Mobile Group joined Conexus Mobile Alliance in 2008 and partnered with Vodafone in 2012. Conexus Mobile Alliance and Vodafone have combined customer base of approximately 690 million at present. As a result, these subscribers can use roaming services in Thailand on True Mobile Group’s network. True Mobile Group subscribers also have more options

on the roaming services, both voice and non-voice, when traveling in the Asia, Europe, North America and Oceania regions. True Mobile Group, Conexus Mobile Alliance and Vodafone also rolled out a mobile data roaming plan for smartphones among their members. This offers a high mobile-data-access ceiling in most markets, allowing corporate email access and convenient wireless Internet access as well as providing cost benefits to active business travelers who use the alliance's and Vodafone's services.

True Group launched the "Data Roaming Flat Rate" promotion in 2009, allowing True Mobile Group subscribers to use mobile data roaming on Conexus Mobile Alliance networks with a maximum charge of Baht 399 per day. Due to its popular demand, this promotion has been continued. True Mobile Group re-launched the promotion, offering a maximum charge of Baht 499 per day for data usage, receiving and outgoing call rate of Baht 25 per minute, and SMS rate of Baht 11 per message for customers who travel to Europe, North America and Oceania regions. In addition, True Mobile Group subscribers who travel within Asia can enjoy its data roaming package with a maximum charge of only Baht 333 per day for data usage, receiving and outgoing call rate of Baht 33 per minute, and SMS rate of Baht 11 per message. Currently, True Mobile Group subscribers can enjoy benefit from the Data Roaming Flat Rate on 99 mobile networks in 51 countries worldwide.

Meanwhile, the strategic partnership agreement between True Group and China Mobile enabled True Mobile Group to successfully launch the "Thailand - Greater China Number Service", the latest unique and innovative international service integrating local service and international roaming together, in February 2015. This service is specifically designed to provide local China and Hong Kong numbers on TrueMove H SIM card in line with Thai business customers' requirement for value and convenient communication when travelling to China and Hong Kong.

Moreover, True Mobile Group emphasizes on the importance of the growing AEC market. The Group partnered with "Ooredoo", a telecommunications provider in Myanmar, and launched a promotion offering the cheapest receiving and outgoing call rate of Baht 25 per minute and unlimited online service of Baht 333 per day when traveling to Myanmar. This promotion provides entrepreneurs and tourists with convenience and value offerings, paving the way for True Mobile Group's roaming leadership position in this region.

International Direct Dialing service

IDD was originally introduced, operated and reported under TrueOnline. At the 2010 AGM, shareholders approved the transfer of TIC to be under TrueMove. TIC was granted a Type Three license from the NTC to provide overseas call services. "True 006" is the premium grade IDD service via "006" prefix. This service offers an unparalleled crystal clear signal without any delay or dropped calls due to high quality transmission technology, Time Division Multiplexing (TDM), with network coverage in 230 destinations worldwide. Other IDD services, offering customers with greater value and competitive rates, include the "00600" dialing via VoIP technology, "SIM 3G Tourist Inter" with two alternatives (top-up or ready-to-use Internet and call at local rates) and "NetTalk by True". True Group's IDD services, currently, are provided for its fixed-line and True Mobile Group subscribers.

The Group's IDD service has grown well, facilitating an expansion of True Mobile Group's subscriber base. TIC introduced various competitive offerings to capture potential growth in Indochina and AEC; these have received positive response, particularly the debut of "Mingalapar Sim" for calling to Myanmar via "00600" dial prefix and the "AEC+6" special rates promotions via "006", starting from Baht 2.50 per minute, when calling to AEC countries including Japan, China, South Korea, India, Australia and New Zealand.

Network

True Mobile Group was the last of the three major Thai mobile operators to launch commercial operations, and as such has been able to take advantage of the latest technical developments for its network rollout. TrueMove H's 3G network is the most extensive in Thailand, covering more than 97 percent of the Thai population across all 77 provinces. In addition, the Group's superior 4G LTE network will cover 80% of the country's population within the second quarter of 2015. The Group's key distanced leadership in 3G and 4G network quality give its cellular business a competitive edge over other operators.

TrueVisions

TrueVisions is Thailand's leading nationwide pay TV provider, offering its service via digital direct-to-home satellite (DStv) and digital HFC (hybrid-fiber-coaxial) cable network platforms.

TrueVisions was formed in 1998 by a merger of UBC (formerly IBC) and UBC Cable (formerly UTV). TrueVisions operated pay TV services under a 25-year Agreement for Joint Venture in the Membership Television (and Cable Television) Services with MCOT which ended on September 30, 2014 for services via satellite and is due to end on December 31, 2019 for services via cable. Nevertheless, in January 2013, TrueVisions Group secured the Broadcasting and Television Network licenses from NBTC, which further extends the Group's pay TV business until at least January 2028. The business successfully migrated almost 100 percent of its customers onto its license-based entity, TrueVisions Group, in the third quarter of 2014.

TrueVisions provides its DStv service using Ku-band and C-band transmission and MPEG-2 and MPEG-4 video compression. This enables TrueVisions to increase the number of channels, improve sound and picture quality, control access to its signal, and distribute its service everywhere in Thailand. This service is transmitted via Thaicom satellite. TrueVisions provides its cable TV services using networks of True Group's subsidiaries, namely TM and TU.

At the beginning of 2006, TrueVisions was successfully integrated into the Group following the acquisition of TrueVisions shares which increased True Group's effective shareholding to 91.8 percent. In 2010, TrueVisions was restructured into TrueVisions Group. This was aimed at facilitating operations, especially the obtaining of pay TV licenses from the regulator, and business growth opportunities. True Group's effective holding in True Visions Group Company Limited, which is a holding company for the Group's pay TV business, was 100.0 percent. True Group indirectly held 99.5 percent in True Visions Public Company Limited and 99.1 percent in True Visions Cable Public Company Limited, as at December 31, 2014.

Following the entry into force of the Broadcasting Act in March 2008, TrueVisions commenced negotiations with MCOT to carry advertising similar to other pay TV operators. On October 8, 2009, the MCOT Board of Directors approved for TrueVisions to air advertising subject to revenue sharing of 6.5 percent. Following this decision, TrueVisions began gradually introducing paid advertising while ensuring the viewer experience was not impacted. TrueVisions' advertising revenue continued to grow, reaching Baht 1.3 billion in 2014 due in part to positive response to its better-valued advertising packages as well as rising contribution from the digital terrestrial TV channels which subsidiaries under TrueVisions Group acquired two licences for news and variety channels from the NBTC in April 2014. This paves the way for solid advertising growth while facilitating TrueVisions opportunity to market its content through a much larger viewer base.

TrueVisions conducted various strategies to facilitate future business opportunities as well as to pave the way for an expanding customer base. In May 2010, TrueVisions became the first cable or satellite operator in Thailand to offer HD-format channels targeting premium subscribers with the enhanced viewing experience. In October 2011, TrueVisions launched early-bird incentives for premium subscribers to replace their set-top boxes with a new hybrid model, which not only supports high-definition content with greater viewing experience but is also equipped with MPEG-4 encryption and secured silicon technology. The new, more secure MPEG-4 broadcasting system, which was successfully activated in mid-July 2012, effectively eradicated the unauthorized access of TrueVisions' premium content.

TrueVisions continued to differentiate and strengthen its platform with a wide array of world-class quality content as well as exclusive partnership with several world's leading content providers. Innovative premium value-added-services such as Thailand's first 3D service as well as TrueVisions Anywhere, allowing access to TrueVisions' content anywhere, anytime via multiple platforms, were also introduced. Throughout 2014, TrueVisions affirmed its pay TV leadership by equipping its portfolio with more quality content, particularly HD, live broadcasting and exclusive content, as well as additional privileges.

Meanwhile, TrueVisions further strengthened its mass-market strategy by introducing the redesigned and high-value packages that better meet the preferences of each target segment. The competitive convergence campaigns, bundling with other products and services within True Group, have received excellent response from the Thai consumers. These not only expanded TrueVisions' customer base but also resulted in a pick up of its subscription revenue since the second quarter of

2014 despite impact from competition and economy. TrueVisions also launched the “True Digital HD” set top box, offering a variety of attractive channels while customers can top up with additional packages; a move expected to reduce the entry barrier for new customers and broaden opportunity to market its content through a wider audience, paving the way for incremental upselling rate.

The aforementioned developments as well as TrueVisions’ fully-diversified platform with superior quality content and improved customer services will see TrueVisions continue to secure pay TV leadership.

At the end of 2014, TrueVisions had 2,471,770 customers, of which 939,972 subscribed to normal (premium and standard) packages while the rest were FreeView and Free-to-Air box customers.

TrueVisions offers a variety of top local and international channels including movies (e.g. HBO, Cinemax and Fox); sports (e.g. Star Sports and TrueVisions’ own sports channels), infotainment (e.g. Discovery Channel and National Geographic), and news (e.g. CNN, CNBC, Bloomberg and BBC World), in addition to free TV channels and pay-per-view.

TrueVisions’ packages along with the number of channels included in each package are presented below.

Package:	No. of channels	Monthly fee (Baht)
Platinum HD	195	2,155
Gold HD	170	1,568
Super Family HD	166	899
Smart Family HD/ Super Knowledge	155/152	590/490
Sports Family HD/ Super Sports Package	133	495/590
Happy Family HD/ Knowledge Package	125	299

In addition to the above packages, TrueVisions provides A-La-Carte packages with a maximum of 13 channels where customers can choose according to their subscribed packages.

Other key products/services include:

- High Definition Personal Video Recorder (HD PVR), providing advanced features (e.g. recording, zooming, instant-replay) that enhance the viewing experience; and
- TrueVisions Anywhere, enabling customers to enjoy TrueVisions’ and free-to-air channels anywhere at anytime via multiple platforms, including smartphone, tablet, computer and notebook. This application comes with special features such as 2 hours time-shift and 2 days catch-up.

Convergence Packages

True Group offers customers greater value offerings through unique and attractive convergence packages, bundling products and services within the Group, that suit their various preferences and lifestyles.

- Customers who use two products of True Group are eligible for additional privileges such as, unlimited free WiFi, free HD PVR service, and more HD channels;
- Customers who use three products of True Group for at least Baht 599 per month per service are eligible for a 10 percent discount on all services;
- The “Net True Sook X2” package, offering TrueOnline’s broadband Internet with a download speed of 18 Mbps, TrueVisions’ 103 channels and 3 HD TV channels, as well as free fixed-line telephone service worth Baht 100 per month, starting from Baht 699 per month;
- The “Net True Sook X2 Plus” convergence package, offering TrueOnline’s broadband Internet with a download speed of 15 Mbps, TrueVisions’ 85 channels through “TrueVisions Anywhere”, and TrueMove H 3G SIM for 300 MB data usage, starting from Baht 699 per month;
- The “True Sook X2 call and watch TrueVisions” convergence package, offering TrueMove H’s call and data usage and TrueVisions’ channels via television and “TrueVisions Anywhere”, starting from Baht 499 per month;
- The “True Sook X3” package, offering TrueOnline’s broadband Internet with a download speed of 30 Mbps and free fixed-line telephone service worth Baht 100 per month, TrueVisions’ 103 regular and 3 HD TV quality channels, and TrueMove H’s iSmart/iNet/iTalk package (Baht 199 per month), starting from Baht 799 per month;
- The “True Double Sook” package, offering TrueOnline’s broadband Internet with a download speed of 13 Mbps and free fixed-line telephone service worth Baht 100 per month, and TrueVisions’ 97 channels plus 3 HD channels, starting from Baht 699 per month; and
- The “True Triple Sook” package, offering TrueOnline’s broadband Internet with a download speed of 16 Mbps, TrueVisions’ 97 channels plus 3 HD channels, and TrueMove H’s iSmart/iNet/iTalk package (Baht 199 per month), starting from Baht 799 per month.

True Group is focusing on convergence as its key long-term strategy for driving sustainable growth across all ranges of products and services.

Marketing Strategy

True Group is Thailand’s leading lifestyle brand with an aim to provide tailored solutions and a range of bundled telecommunications services across its voice, video and data platforms that match with all customer lifestyles. The Group believes that demand has been shifting towards convergence services that can fulfill all lifestyle needs. These marketing strategies differentiate the Group from its competitors while facilitating a greater market share and lowering churn rates. Given rising competition in True Group’s core businesses, retention marketing is also its key strategy.

Distribution and Sales

To reach the consumer segment, True Group offers all of its services through shops in the BMA and the provinces. Each of these outlets is staffed by its personnel and is equipped for one-stop shopping, offering a range of wireline, wireless communications services, pay TV services, handsets, accessories, modems and other telecommunications equipment, as well as, in the case of the larger True stores, Internet access. True Group also sells its products and services throughout Thailand through accredited dealer shops, independent distributors and dealers who work on a commission basis.

True Group's conventional distribution channels include:

- Wholesale partners who purchase deactivated SIM cards and top-up cards, mobile devices and accessories from the Group for distribution onto sub-dealers, manage sub-dealers and provide logistical support. Wholesale partners primarily sell True Group's prepaid SIM cards and top-up cards. Sub-dealers also provide other services such as mobile handset repairs as well as music and games downloads;
- The direct sales channel markets True Group's services to SME and corporate clients. It also plays an important role in customer acquisitions for True Mobile Group. The Group further categorizes the direct sales channel into direct sales teams, direct sales agents, and freelances;
- Multi-retailers located in hypermarkets, specialty stores, and convenience store chains;
- Retail shops, which refer to True shops, True Group partners' shops and kiosks, located in high visibility and high traffic locations, such as shopping malls, hypermarkets, office buildings, etc. TrueLife shops and TrueCoffee also fall into this category; and
- Retail channel partners who comprise retail partners and mobile sales vans, or "Move Up Vans", which are mobile sales points for True Group sales agents nationwide.

For top-up services (to refill TrueMove/TrueMove H prepaid airtime, TrueMoney credit, or topping up TrueLife FreeView packages), the Group offers several electronic channels in addition to using physical cards (i.e. Cash card and Top-up card) as follows:

- ATM – Subscribers can transfer funds directly from their bank account to top up either a TrueMove/TrueMove H or TrueMoney account;
- TrueMoney – Mobile payment services;
- E-cash card – Airtime purchases can also be made over the counter at True Group's partners such as 7-Eleven;
- Direct top up – Customers can use a device installed at several of the Group's own locations as well as its partners, such as 7-Eleven, to directly top-up their accounts (an online top-up transaction is also categorized as a direct top-up); and
- Public phone booths – True Mobile Group prepaid subscribers can top-up by as little as Baht 10 through public phone booths.

In addition, TrueMove/TrueMove H airtime can be sold through independent non-mobile agents or "over-the-air" airtime resellers such as individuals or small shops who are provided with a special SIM card to allow airtime transfer to end-users. These agents can refill their airtime credit through several means (e.g. Cash card, Top up card and ATM).

Electronic channels have become increasingly popular among True Group's customers due to the variety of payment methods and the increased number of electronic top-up locations. Since 2009, True Group has boosted profitability by pushing top-up sales through electronic channels to save costs associated with physical cards (production, logistics and warehousing, etc.). It also continues to manage its sales mix so that revenues are generated through channels that are subject to low commission.

The Group arranges account executives dedicated to both the SME and the corporate segments, and sales managers and sales executives servicing the various SME and corporate subscribers.

Procurement of Products and Services

Network Acquisition

True Group primarily imports network equipment directly from leading telecommunications technology suppliers from around the World. The Group has also employed a number of suppliers to assist network acquisition and installation to expand its service coverage and, as such, is not dependent upon any specific distributor or supplier. In addition, True Group is well positioned to enjoy an economy of scale when purchasing network equipment by leveraging on the synergies with China Mobile.

Technical and Management Support

In the past True Group and its subsidiaries acquired technical and management support from strategic partners: Verizon Communications Inc for True, Orange SA for TrueMove and MIH for TrueVisions. No further support has been provided from these partners since they sold or reduced their shareholdings. These strategic partners all transferred substantial telecommunications expertise to True Group during the time when they were its shareholders and its management team is capable of operating without their support. Meanwhile, the recent strategic partnership with China Mobile will bring about collaboration and support in terms of personnel, knowledge and best practices sharing.

Thai Telecom Industry

Mobile Business

Thailand's mobile market grew healthily in 2014, with total subscribers reaching approximately 97.7 million at the end of 2014. As a result, the mobile penetration rate in Thailand climbed up to 145.8 percent by 2014 (source: NBTC). This high penetration rate was driven by increasing trend of mobile users carrying more than one handset and/or having Internet-ready devices as well as popularity of smartphone and social networking.

The Group's two largest competitors, AIS and DTAC held a 46 percent and 29 percent market share of subscribers (excluding subscribers of CAT Telecom, TOT and its MVNOs), respectively, while True Mobile Group had 23.6 million subscribers, accounting for 25 percent of the market, at the end of 2014. True Mobile Group's position in the postpaid segment was substantially strengthened in 2014; the Group now claims the number two position in term of postpaid subscriber base.

The progression into a more liberalized industry landscape through the NBTC's license issuances and the successful establishment of the TRUE Telecommunications Growth Infrastructure Fund ("TRUEIF") marked important milestones for the Thai telecommunications industry, facilitating growth and fair competition in the industry.

The growth in the Thai mobile industry in recent years has been driven mainly by the rising popularity of mobile data services and social networking as well as the increasing smartphone adoption. Competition in the Thai mobile industry has increased especially after the commercial launch of the 3G services while operators have also put efforts on migrating 2G customers to 3G and 4G services. Throughout 2014, quality of network and services as well as competitive device-bundling promotions have played crucial roles for operators to capture growth in the mobile industry. More 3G affordable devices and a wide selection of mobile packages and promotions were introduced to attract new customers and to facilitate subscriber migration to 3G and 4G services.

True Group's key distanced leadership in 4G and 3G networks, attractive offerings, and localized marketing activities should continue to be key growth drivers for its cellular business, paving the way for its solid performance in the upcoming digital economy in Thailand.

Fixed-line Telephone Business

The fixed-line market in Thailand is currently serviced by three companies. TOT, the state-owned enterprise that formerly regulated the provision of fixed-line telephone services, is still the only nationwide provider of local and domestic long-distance fixed-line telephone services in Thailand. Two other operators, True and TT&T Public Company Limited or TT&T are providing fixed-line telephone services under agreements to operate granted by TOT. While the Group's service coverage concentrates in the BMA, TT&T covers certain provinces of Thailand.

At the end of 2014, fixed-line subscribers in Thailand further declined to 5.7 million subscribers, representing approximately 8.5 percent of the Thai population (Source: NBTC). The continued decline was due to ongoing popularity of smartphones as well as wireless and mobile Internet services. True Group was the largest fixed-line operator in the BMA with approximately 1.6 million subscribers, accounting for 28.4 percent of the market. True Group's fixed-line telephone business has been affected by the continuing migration of traffic to mobile, which is a global trend, as well as competition from VoIP services whose tariffs are lower than those of traditional fixed-line operators. Rising Internet usage and the growing availability of personal computers and smart devices also contributed to the increasing usage of these devices by Thai consumers for making VoIP calls.

Business Data Services

The business data market in Thailand grew approximately 8 percent in 2014 from the continued rising demand for online data transmission and an increase in corporate Internet users. Currently, the players in the data service market in Thailand comprise TOT, CAT Telecom, UIH, 3BB, Symphony, SBN, Interlink, TT&T and True Group. The competition among the large number of operators and suppliers of alternatives remains high. The Group's principal competitors are TOT (which has the widest coverage throughout Thailand), CAT Telecom and UIH.

At the end of 2014, True Group was the second largest business data provider with a 23 percent share of the nationwide market value of approximately Baht 18.5 billion. TOT remained the market leader with a 24 percent share and CAT Telecom ranked 3rd with a 20 percent share (Source: True Group's estimation).

Broadband Business

The broadband subscriber base in Thailand was still relatively small with a household penetration rate of 27.4 percent in 2014 (source : NBTC), compared to other Asian countries such as Hong Kong and Malaysia, whose broadband Internet has expanded strongly in recent years, reaching approximately 83 percent and 70 percent, respectively (Source: Hong Kong's Office of the Communications Authority and BuddeComm's estimation). The key broadband operators in Thailand are True Group, TOT and JAS operating under the "3BB" brand.

The broadband Internet market in Thailand presented healthy growth throughout 2014. There were several reasons behind the ongoing rise in broadband subscribers including increasing popularity of online game, content and social networks as well as consumer behavior shift toward online media consumption and rising demand for higher speeds.

True Group has continued to experience solid growth in its broadband subscriber base despite competition. The Group achieved an all-time high net additions of 271,836 customers in 2014, expanding its broadband subscriber base to 2.1 million at the end of the year. The Group remained the largest broadband service provider in Thailand based on the number of subscribers, having approximately a 38 percent share of Thailand market (Source: True Group's estimation) as of 2014. This solid growth was driven by ongoing expansion into the provinces as well as TrueOnline's attractive broadband Internet offerings both standalone and bundled packages, reaping the benefit from True Group's strong convergence platform.

The government's direction to transform Thailand into a digital economy will definitely accelerate broadband coverage and penetration in the country, reducing the digital divide while transforming the kingdom into a knowledge-based society. True Group therefore believes that the broadband Internet market in Thailand will experience rapid growth in the coming years.

Pay TV Business

Thailand had roughly 4.7 million pay TV subscribers at the end of 2014, representing a household penetration rate of approximately 23 percent. Including satellite and free-to-air subscribers, total subscriber numbers at the end of 2014 reached approximately 17.9 million households in equivalent to 89-percent household penetration (Source: True Group's estimate). The pay TV penetration in Thailand is relatively low when compared with Asian developed countries such as Hong Kong whose penetration reached 102 percent (Source: Hong Kong's Office of the Communications Authority). This presents growth potential of the industry.

TrueVisions is the only nationwide pay TV provider. However, its position as the principal provider is not secured by regulation and it continues to be pressured by intense competition and economy.

Following the enactment of the Radio and Television Broadcasting Act on March 5, 2008, pay TV operators are allowed to advertise, creating opportunities to generate additional revenues from existing content. This adds value to TrueVisions' business; however, it could also strengthen the financial position of small pay TV operators and help them compete more aggressively. Nevertheless, TrueVisions' superior content provides it with a strong advantage.

After receiving approval from MCOT to advertise, TrueVisions sees itself as a highly attractive choice for advertisers mainly because of its unique audience profile. This comprises both premium subscribers with high purchasing power and growing numbers of mass and free-to-air market customers. Furthermore, the nature of TrueVisions content allows it to clearly define the viewer characteristics for each channel to the benefit of advertisers.

Starting in 2010, TrueVisions strategically expanded into the mass and free-to-air market to tap its lucrative, high-margin advertising revenue. Increasing the number of eyeballs or audience size is crucial to the business success in the mass and free-to-air market, which is highly competitive. The overall TV advertising market was valued at about Baht 63.8 billion in 2014 (Source: AGB Nielsen). The pay TV segment accounts for a relatively small percentage of the overall TV advertising market. This relatively low penetration provides long-term growth opportunities for the industry.

Unauthorized access of TrueVisions' programming signals pressured its financial performance. TrueVisions had worked toward the rolling out of initiatives to protect the intellectual property rights relating to content deployed on its platforms. In October 2011, TrueVisions started replacing old set-top boxes with the new ones which support an enhanced/more secure broadcasting system (using MPEG-4 encryption). Given the strong response from its customers, TrueVisions activated the system in July 2012, earlier than initial target. Once activated, the new broadcasting system effectively eradicated the piracy of TrueVisions' premium content. Although competition over the broadcasting rights of popular content has increased, TrueVisions' solid platform as well as its strong relationship with leading content providers give it a competitive advantage.

The completed establishment of NBTC in October 2011, led to the draft of regulations governing TV broadcasting operators including terrestrial TV, satellite TV and cable TV operators. As a result, all operators are under the same supervision of NBTC as TrueVisions. Meanwhile, in January 2013, the Broadcasting Committee approved the issuance of satellite TV licenses to a number of operators including TrueVisions, enabling all operators to compete in a more level-playing field while operating according to the same regulatory standards as TrueVisions.

The issuance of the digital terrestrial licenses, two of which were granted to TrueVisions Group's subsidiaries by the NBTC in April 2014, marked another chapter for television industry in Thailand. This brought newcomers into the industry, resulting in a greater variety of content offerings and higher competition for advertising. TrueVisions is well placed to capture growth in the digital TV market by leveraging on its complete range of quality content. This not only drives TrueVisions' advertising revenue but also increases an opportunity to broadcast its contents to a wider audience.

TrueVisions' fully diversified content and the Group's strong convergence platform should continue to be key differentiators that further secure TrueVisions' pay TV leadership while strengthening its position in the mass and digital TV segment.

Regulatory Update

The regulatory landscape continues to evolve through the commencement of the NBTC in October 2011 as well as the progression into a more liberalized landscape of the Thai telecommunications industry. These resulted in various issuances of regulations and licenses, including the 2.1 GHz spectrum licenses, the broadcasting and television services licenses and the digital terrestrial TV licenses, by the NBTC. However, in 2014 the government laid down a new policy to drive Thailand's economy towards digitalization by restructuring the economy and also government departments in which will result in amending current relevant laws and regulations including the amendment of the Frequency Allocation Act and may affect the NBTC's regulating power in the future. There are several pending regulatory issues in which True Group hopes to see progress, including the refarming of frequencies that are utilized by operators under the temporary measure or notification concerning protection for subscribers upon the expirations of concession agreements.

True's subsidiaries/ associates	Type	Business	Validity	Date of Board approval	Expiry date
Internet Service Provider (ISP) license					
1 KSC Commercial Internet (KSC)	1	ISP	5 years	23 Jun 2014	22 Jun 2014
2 True Internet (TI)	1	ISP	5 years	18 Aug 2014	17 Aug 2014
3 Asia Infonet (AI)	1	ISP	5 years	5 Feb 2010	4 Feb 2015
4 True International Gateway (TIG)	2	International Internet Gateway & Internet Exchange (IIG & IX)	5 years	19 May 2011	18 May 2016
5 TrueMove (TMV)	1	ISP	5 years	25 Aug 2014	24 Aug 2014
Telecommunications license					
6 True Internet (TI)	1	International Calling Card (ICC)	5 years	11 Oct 2014	10 Oct 2019
7 True Public Communication (TPC)	1	Public Phone Service	5 years	29 Jun 2014	28 Jun 2019
8 True International Gateway (TIG)	3	International Private Leased Circuit (IPLC)	15 years	11 Nov 2009	10 Nov 2024
9 True International Communication (TIC)	3	International Direct Dialing (IDD)	20 years	25 Jan 2007	24 Jan 2027
10 True Universal Convergence (TUC)	3	Fixed Line Service	20 years	8 Dec 2006	7 Dec 2026
11 True Universal Convergence (TUC)	1	Resale PSTN (GPRS, DSL) & leased circuit/ channel services	5 years	26 Aug 2014	25 Aug 2019
12 KSC Commercial Internet (KSC)	1	Resale IPLC	5 years	11 Nov 2014	10 Nov 2019
13 Real Move (RMV)	1	Resale mobile services	5 years	16 Dec 2010	15 Dec 2015
14 Real Future	3	Wireless network service	15 years	7 Dec 2012	6 Dec 2027
Broadcasting and Television license					
15 Cineplex Co., Ltd.	Broadcasting and Television Service	Subscription Television Service	2 years	21 Jan 2014	20 Jan 2016
16 Panther Entertainment Co., Ltd.	Broadcasting and Television Service	Subscription Television Service	2 years	21 Jan 2014	20 Jan 2016
17 True Visions Group Co., Ltd.	Broadcasting and Television Service	Subscription Television Service	2 years	21 Jan 2014	20 Jan 2016
18 True Visions Group Co., Ltd.	Broadcasting and Television Network	Subscription Television Network Service	15 years	21 Jan 2013	20 Jan 2028
19 True4U Station Co., Ltd.	Broadcasting and Television Service	Digital Terrestrial Television Service	15 years	25 Apr 2014	20 Apr 2029
20 Thai News Network Co.' Ltd.	Broadcasting and Television Service	Digital Terrestrial Television Service	15 years	25 Apr 2014	20 Apr 2029



Risk Factors

True Group sees significant growth opportunities in year 2015 for all core business segments after achieving key milestones, including successful recapitalization in September 2014, substantial voluntary customer migration to the Group's license-based entities, moving toward a more liberalized competition landscape, and superior nationwide network coverage. The foregoing notwithstanding, True Group and/or its subsidiaries could possibly face a variety of risks that may impact on operations as follows:

Risks related to business operations

Risks related to market competition

The Company and its subsidiaries will continue to face intensifying competition in the telecommunications market especially after the progression into a more liberalized landscape.

The competition in the cellular market continued to increase after the NBTC issued Type-3 telecom licenses and IMT 2.1GHz spectrum licenses to Real Future, a True Group subsidiary, as well as to DTAC Network Co., Ltd and Advanced Wireless Network Co., Ltd, which are subsidiaries of DTAC and AIS, respectively in December 2012. This brought new mobile operators, providing 3G and 4G services on the 2.1GHz spectrum, in the market since May 2013. These operators continued to focus on expanding network coverage, further boosting robust growth of mobile social networking, especially in the second half of 2014. This, in addition to a lower price of smart and 3G devices contributed to an intensified competition in the Thai mobile market where mobile operators introduced various campaigns and a wide range of mobile packages to facilitate subscriber acquisition and migration from 2G to 3G and 4G services. True Group, however, has a competitive edge over other operators as TrueMove H's superior 3G+ services on CAT Telecom's 850 MHz frequency, the country's largest 3G network, already reaches over 97 percent of the Thai population while its 4G network on the 2.1 GHz spectrum covers BMA and key cities in other 14 provinces. Meanwhile, TrueMove H aims to further enhance its services, complementing existing 3G+ services, by expanding 4G network to reach 80% population coverage nationwide by mid this year. This enables True Group to offer services with full-nationwide coverage and great efficiency by combining services on the 2.1GHz spectrum, which offers relatively higher capacity per area, best supports customers in cities and business areas, and the 850 MHz spectrum, which offers greater geographic coverage. This also gives True Group a competitive advantage in terms of savings on investment.

The Company's fixed-line business unit, which provides fixed-line telephone network under Joint Operation Agreement with TOT, faces growing competition from mobile phone business and VoIP services as service fees for those businesses are lower than service fees for traditional fixed-line services although the fixed-line services may have better quality.

In the broadband Internet market, True Group's major competitors are TOT and 3BB which have continued to expand their services in the BMA, which is TrueOnline's core market. However, TrueOnline's broadband Internet offerings via advanced and efficient FTTx and DOCSIS 3.0 technologies, which also support cable TV services, give it a competitive edge over other high-speed Internet providers. This enables True Group to generate a higher return on investment than its competitors while also providing customers with high-value offerings through a combination of the Group's various products and services. In addition, TrueOnline continued to expand network coverage further into provincial areas which represent a larger market and greater potential for revenue growth than the BMA alone. Its broadband network already reached 5 million households nationwide with a target to cover 10 million households by 2016.

While True Group expects overall competition across all of its businesses to remain intense, True Group has a competitive advantage given the strength of its brand and its ability to provide fully-integrated services and diverse content via its convergence strategy. These bundled offerings differentiate True Group from other operators.

Risks unique to TrueVisions

Key risks relating to TrueVisions' operations include relying on third-party suppliers for international content as well as rising competition in the pay TV and digital TV segments after the NBTC granted 24 nationwide digital terrestrial TV licenses in April 2014, resulting in operators competing on acquiring market share and key content. TrueVisions may incur higher content-acquisition expenses as a result. In addition, the unauthorized access to TrueVisions' programming signals, or piracy, also has an impact on its business. If TrueVisions is unable to obtain attractive programming or if the cost of this programming substantially increases in the future, its performance would be adversely affected. Subscribers who are interested in overseas programs typically subscribe to premium packages. At the end of 2014, there were 310,593 subscribers to these packages, representing 12.6 percent of TrueVisions' customer base. Meanwhile, TrueVisions' cost of international content in 2014 was approximately 25.8 percent of its service revenue (compared with 19.8 percent in 2013).

True Group believes that TrueVisions' superior-quality content most of which is exclusive, continued popularity of its own-produced content, and the competitive convergence campaigns are its key competitive advantages. In addition, TrueVisions' large customer base and its extensive experience in the pay TV industry assure content providers that it can provide a stable revenue stream. This has kept the business relationships content providers have established with TrueVisions attractive and reliable.

Unauthorized access to TrueVisions' programming signals is difficult to prevent and it adversely affects the business's operational results, cash flow and programming arrangements. However, the establishment of the NBTC, which was completed in October 2011, led to the promulgation of regulations governing TV broadcasting operators including terrestrial TV, satellite TV, cable TV and digital terrestrial TV operators. As a result, all operators are under the supervision of the NBTC and have to ask for licenses and engage in business under the same regulatory framework as TrueVisions. They are all required to purchase content legally, which reduces the competitiveness of many. Meanwhile, in January 2013, the Broadcasting Committee approved the issuance of non-frequency used licenses either through satellite or cable to a number of operators including TrueVisions Group, reducing the risk for TrueVisions post an expiration of its Agreement for Joint Venture for services via satellite in September 2014. These matters provide more clarity towards the regulatory environment of the TV industry.

To mitigate risks relating to the unauthorized accessing of TrueVisions' signal, the business started its initiative to upgrade to a more secure broadcasting system by introducing a campaign to incentivize premium subscribers to replace their existing set-top box for a hybrid set-top box which includes MPEG-4 compression. The new system was activated in mid July 2012, a move which not only enhances customers' viewing experience by offering HD content and supporting various value-added services such as on-demand and pre-programmed recording of content broadcast on TrueVisions, but also helps to subdue the piracy threat as all premium content is now encoded in the MPEG-4 format.

TrueVisions has invested more than Baht 2 billion to replace approximately 500,000 set-top boxes with HD-quality, hybrid set-top boxes to combat the piracy issue. The investment affects TrueVisions' cash flow. However, the new encryption and MPEG-4 technology have proven to effectively prevent the unauthorized accessing of TrueVisions' signal and encourage illegitimate viewers to subscribe to the services.



Risks of TrueVisions relating to the potential collection of royalty fees for broadcasting content with musical work

It is TrueVisions' policy to broadcast (video and/or audio) content that was produced in-house or for which it has obtained the broadcasting rights from the original publishers. It is TrueVisions' understanding that when granted broadcasting rights to any content, it also obtains rights to the accompanying musical work published as part of that content. Although TrueVisions has been notified by the Royalty Collection Organization, claiming TrueVisions' broadcasting rights did not include the separate right to broadcast musical work accompanying the content, and thus TrueVisions is liable to pay royalties totaling approximately Baht 6 million for musical work which was broadcasted with TrueVisions' content, Truevisions has successfully negotiated with the organization to settle the dispute, resulting in the organization withdrawing a case from the court on December 27, 2013.

Risks from technological change

The communications industry is characterized by rapid changes in technology, evolving customer needs which are driven by the evolution of new products and services, and regulatory changes. These changes have contributed to the opening up of the market and the introduction of new technologies. These aforementioned factors are expected to continue to affect Thailand's communications industry in the future. Due to the need to respond to new technological trends, True Group may experience significant increases in investment and operating expenses. Failing to invest in new technology may result in a decline in the Group's competitiveness and lower levels of customer satisfaction.

However, True Group believes that with diversified services, products, revenue and customer bases, it is in a better position to cope with these changes and retain revenues within the Group than operators that only provide a single service.

Risks related to the regulatory environment

Mobile Number Portability risks and limitation

In December 2010, operators launched Mobile Number Portability or MNP services, allowing customers to change their mobile carriers without changing their phone numbers. Since the MNP launch, True Mobile Group has been attracting high-ARPU postpaid subscribers who are smartphone users interested in accessing TrueMove H's 3G+ services given its superior network coverage nationwide.

The limitation of daily MNP transaction quotas at the MNP Clearing House places the cap on the rate at which True Mobile Group can acquire customers who are currently subscribing to services of other operators. Nevertheless, on November 30, 2012, the Telecom Committee announced its policy to the press that it was ready to push forward to improve the MNP services to accommodate the industry-wide launch of 3G services by carrying out the following operations:

1. Expanding the capacity of the MNP Clearing House to be able to sufficiently and efficiently accommodate consumer demands for MNP services.
2. Increasing the number of MNP service points, improving the MNP procedures to shorten the execution time (from 3 working days, currently) and adding more channels such as online applications or via SMS to enable customers to apply to the MNP service without having to visit the service point.
3. Reviewing the MNP fee, from the current Baht 99 per number, to lower the fee customers have to pay when porting.

On December 19, 2012, the Telecom Committee invited representatives from all mobile operators – AIS, DTAC, TrueMove, CAT Telecom and TOT and from the Clearing House to discuss on the 3 aforementioned issues. All the operators and the Clearing House fully support the Telecom Committee's policy and agreed to jointly draft an action plan to present to the Telecom Committee within January 2013. AIS, DTAC and TrueMove already submitted their respective revised drafts of MNP porting manuals to the NBTC's secretary-general in January 2013. On June 5, 2013, the Office of the NBTC notified the

resolution of the NTC meeting No. 19/2556 held on 21 May 2013 that the committee approved the fee for MNP services at Baht 29 per number (inclusive of VAT) and all mobile operators must implement the rate by June 30, 2013. On June 10, 2013, the NTC passed a resolution at the meeting No. 22/2556 that the SMS service shall be used for the registration pre-register to verify the identity of the subscribers and approved methods for the MNP which are: (1.) the service center of the new operator; (2.) the website of the new operator; and (3.) the call center of the new operator in order to enhance the MNP.

In addition, on June 24, 2013, the board of directors meeting No. 8/2556 of the Clearing House has passed a resolution approving the expansion of the MNP capability to be able to handle up to 300,000 transactions a day effective from July 1, 2013. The expanded capacity will be divided into five for all groups of operators equally i.e. 60,000 transactions each.

Nevertheless, the increase in the daily MNP transaction quotas may cause True Mobile Group to lose some prepaid customers, especially in the provinces, where its 2G network coverage was not as extensive as that provided by other key operators

Risks from changes in the regulatory environment which will create risks for operators

In accordance with Thailand's commitment to the World Trade Organization to liberalize its telecommunications sector by 2006, the Thai government embarked on a reform of the country's telecommunications regulatory regime with the passage of two major legislative acts: the Frequency Allocation Act B.E. 2543 on March 7, 2000; and the Telecom Business Act, on November 16, 2001.

Under the Frequency Allocation Act B.E. 2543 two regulatory bodies were to be established – the NTC and the NBC – to regulate the telecommunications and broadcasting industries, respectively. The NTC was established in October 2004 as the independent regulator of the telecommunications industry, assuming the regulatory functions previously exercised by the Telephone Organization of Thailand (transformed into TOT on July 31, 2002); the Communications Authority of Thailand (transformed into CAT Telecom on August 14, 2003), and The Post and Telegraph Department (currently, Thailand Post Co., Ltd.).

However, due to political and legal wrangling, two rounds of efforts (in 2001 and 2005) to establish the NBC failed. This led to increased regulatory confusion and delays within the telecommunications and broadcasting sectors.

On December 20, 2010, the Frequency Allocation Act came into force. This paved the way for the establishment of the NBTC to replace the NTC to regulate the radio, television and telecommunication sectors. The process was completed with the formation of the NBTC on October 7, 2011. To perform duties, the law stated that there shall be 2 sub-committees – the Broadcasting Committee and the Telecom Committee – to act on behalf of the NBTC. From the date that the NBTC assumed duty, the Broadcasting Committee and the Telecom Committee have been pushing forward for the setting up of the regulatory framework to govern the broadcasting and telecommunications industries. The Telecom Committee has also amended various regulations to be up-to-date and more conforming with current issues. However, it remains to be seen whether the new body and its 11 commissioners will be effective in driving forward the efficient liberalization and regulation of the telecommunications and broadcasting industries.

True Group will continue to play an active role in discussions with the NBTC, the Ministry of ICT, and the Ministry of Finance (CAT Telecom's and TOT's shareholder) regarding the telecommunications industry's regulatory environment and to advocate free-and-fair competition on a level playing field.

However, in 2014 the government laid down a new policy to drive Thailand's economy towards digitalization by restructuring the economy and also government departments in which will result in amending current relevant laws and regulations including the amendment of the Frequency Allocation Act and may affect the NBTC's regulating power in the future.

Risks from the allocation of frequencies for operating mobile businesses

On October 16, 2012, Real Future, a True Group subsidiary, participated in the auction for IMT 2.1GHz spectrum licenses, under Notification of NBTC Re: Criteria and Procedures for Spectrum Licensing for International Mobile Telecommunications (IMT) in the Frequency Band of 2.1GHz, B.E. 2555 and on October 18, 2012, Real Future was notified that it was one of the winning bidders for the aforementioned spectrum licensees.

In November 2012, the Ombudsman's Office filed a lawsuit against the NBTC at the Central Administrative Court seeking an injunction against the auction results and to halt the issuing of the IMT 2.1GHz spectrum licenses. It also requested that the court review whether or not the auction was conducted in a free and fair manner under Section 47 of the Constitution and Section 45, in conjunction with Paragraph 1 and 7 of the Frequency Allocation Act. On December 3, 2012, the Central Administrative Court rejected the Ombudsman's petition, on the basis that the Ombudsman lacks authority to sue and, consequently, the court dismissed the case. The NBTC, therefore, proceeded to issue the IMT 2.1GHz spectrum licenses to Real Future and other winning bidders on December 7, 2012. However, the Ombudsman later appealed the Central Administrative Court's ruling to the Supreme Administrative Court. In addition, the Supreme Administrative Court issued a final ruling, the court rejected the Ombudsman's petition and the case was struck out from the case directory.

The issuance of the IMT 2.1GHz spectrum licenses is a significant step towards the liberalization of the telecommunications and broadcasting industries that will likely result in intensifying market competition. Moreover, True Group requires additional capital expenditure to acquire the license, and to build and expand its network to support services on 2.1GHz spectrum, in addition to the capital required for the budget for the expansion of 850 MHz 3G services. Meanwhile, if Real Future is not able to expand its 2.1 GHz network in accordance with the conditions and requirements attached to the license, it might be subject to a daily fine of 0.05 percent of the highest bidding price until it can meet those requirements. Nevertheless, as mentioned in "Risks related to market competition", True Group believes that obtaining the 2.1GHz spectrum license will benefit True Group by complementing its business development and marketing plans as well as expanding its mobile subscriber base.

Risks related to the expiry of TrueMove's Agreement to Operate with CAT and the Joint Operation Agreement to operate a fixed-line service with TOT, which may result in an increase in ongoing operating expenses for the business.

To ensure the continuity of True Mobile Group's business which could be affected by the expiry of TrueMove's Agreement to Operate with CAT on the 1800MHz frequency in September 2013, on December 30, 2010, True Group signed a Share Purchase Agreement with Hutchison Group and, as a result, on January 27, 2011, True Group and CAT reached an agreement to allow Real Move to become a reseller, under the TrueMove H brand, of CAT's 3G HSPA (3G+) services nationwide until 2025. On October 16, 2012, Real Future, a True Group subsidiary, participated in the auction for IMT 2.1GHz spectrum licenses and the NBTC issued telecom licenses and IMT 2.1GHz spectrum licenses to allow Real Future to operate until 2027. This has allowed True Group to extend the period during which it is permitted to carry out its mobile business operation.

On May 16, 2013, a sub-committee set up by the Telecom Committee invited all operators to discuss necessary procedures to prevent any service interruption (which would then affect the end-users) at the expiration of the Agreement to Operate. TrueMove stands ready to take any necessary steps to ensure service continuity for its subscribers. On August 14, 2013, the NBTC subsequently approved a notification concerning protection for subscribers upon the expirations of concession agreements or the Agreement to Operate. This notification, being effective on August 30, 2013, stipulates that CAT and TrueMove need to ensure that subscribers will have continued services during the transition period until the NBTC allocates the frequency to the license holders who win the auction which shall not exceed one year from the expiration of concession agreements or the Agreement to Operate. Under this notification, CAT and TrueMove have a duty to submit a subscriber protection plan detailing a plan to communicate to all subscribers about the concession expiration, a plan to inform subscribers of their right to use MNP services and operating expenses to be used in maintaining network quality while a number of subscribers will continuously decline. In addition, the notification bars CAT and TrueMove from registering new subscribers and stipulates that CAT and TrueMove shall receive revenues for the provision of services on behalf of the state and must specifically segregate the received amount into an account; then, CAT and TrueMove must report the amount of revenues

and interest after deducting network-related expense, numbering fees, administrative expenses and other costs relating to the provision of services. The remainder must be delivered to the Office of the NBTC for its verification prior to converting the remainder into public revenue. Currently, the NBTC has set up a working committee to examine the revenues, expenses and other cost relating to the provision of services, therefore, there is a risk and uncertainty to the outcome of such examination and may result in higher cost for TrueMove. On July 17, 2014, the National Council for Peace and Order (“NCPO”) issued mandate No. 94/2557 (2014) on the postponement of the spectrum auction process for another one year, and the NBTC, as a result from such mandate, announced a notification concerning protection for subscribers upon the expirations of concession agreement pursuant to the NCPO mandate, in which resulting in an extension of the 1-year temporary measure stipulated earlier by the NBTC to July 17, 2015. There are uncertainties on whether NBTC will complete the auction process and award a license to a winning bidder by 2015. If the NBTC fails to do so and will not allow CAT Telecom or TrueMove to continue providing services to the remaining subscribers, there might be a service interruption to those subscribers.

However, True Group believes that with the notification put in place and its subsidiaries, such as Real Move and Real Future, as mobile operators will help ensure True Group’s ability to continue providing service to TrueMove’s subscribers after the concession expires.

The Joint Operation Agreement between the Company and TOT for fixed-line and value-added services will expire in October 2017. After the Joint Operation Agreement has expired the Company may face risks from losses of revenue shared from TOT. However, TUC, which is a True Group’s subsidiary (in which the Company holds a stake of 100.0 percent), has been granted a license for nationwide fixed-line and broadband Internet services. To lower True Group’s risks, TUC has continuously expanded its network. Moreover, the new broadband network via DOCSIS 3.0 and FTTx technologies, can also be utilized for providing high-quality, cost-efficient voice services.

Meanwhile, the Thai government invited a certain group of telecommunications operators to discuss on the potential transformation of the Joint Operation Agreement or the Agreement to Operate to licenses or other kinds of agreements, a move toward a more liberalized telecommunications landscape. However, True Group cannot predict the outcome of this effort and cannot be assured that the conditions attached to the transformed Joint Operation Agreement or Agreement to Operate will benefit True Group more than its existing one or its competitors’. True Group will be in a disadvantage if other telecommunications operators can negotiate for better conditions, which should negatively impact its business, financial performance, ongoing operations and growth opportunities.

Risks from the dispute with TOT regarding TOT’s call for TrueMove and CAT to pay access charges, which may result in an increase in future expenses

The Agreement to Operate with CAT allowed TrueMove to operate and provide wireless telecommunications services until its expiration on September 15, 2013. Currently, TrueMove provides services under temporary measure or notification concerning protection for subscribers upon the expirations of concession agreements or the Agreement to Operate mandated by the NBTC. In addition, TrueMove was a signatory to an AC agreement with CAT and TOT, under which TrueMove and CAT agreed to pay Baht 200 per mobile phone number per month and half of the benefits that CAT receives from TrueMove, with respect to postpaid subscribers, and 18 percent of revenue with respect to prepaid subscribers. TrueMove also agreed to make benefit payments of 25 or 30 percent (depending upon the time frame specified in the agreement) of net revenue, after the access charge payment, to CAT.

In May 2006, the NTC announced its IC regulation which stipulated that telecommunications operators who have telecommunications networks must allow other operators to access their networks on an equal basis. Should any conflicting agreement exist prior to such regulation, the IC regulation shall prevail. The regulation established a new IC system whereby IC charges would reflect actual network usage by each operator. Under the regulation, operators are also required to enter into agreements with one another to establish IC rates, based on each operator’s cost. On November 17, 2006 TrueMove signed an IC agreement with DTAC with the contract taking immediate effect. On January 16, 2007 TrueMove signed an IC agreement with AIS.

Following the entry into the IC agreement with DTAC, and in compliance with said IC regulations, TrueMove ceased paying AC under the AC agreement with CAT and TOT which conflicted with the IC Regulation in terms of equal treatment of AC payment (TOT being the only beneficiary of AC). TrueMove and CAT believe that this is in line with the law and the adoption of the new IC regime stipulated in the IC Regulation introduced by the NTC. In addition, TrueMove has notified TOT of the cancellation of the AC agreement, therefore it is no longer bound by, or legally permitted to make payments under, the AC agreements.

On November 17, 2006 TrueMove notified TOT and CAT that it would cease paying AC on the basis that the rate and collection of AC under the agreement were contrary to various aspects of the law. TrueMove also asked TOT to comply with the NTC's regulations and enter an IC contract in compliance with the law, or to temporarily apply the provisional rate announced by the NTC while negotiations on an IC agreement with TOT proceeded.

On November 23, 2006, TOT issued a letter stating that TrueMove was not entitled under the new law to use or connect its network with TOT's because TrueMove was not a telecommunications licensee, as granted by the NTC, and did not have its own telecommunications network. TOT also disputed that the AC agreement violated any law and that the rate and collection of AC under the previous AC agreement continued to apply. TrueMove considers TOT's claim contrary to the Telecommunications Business Act.

In addition, TOT threatened not to integrate TrueMove's 1.5 million new phone numbers, allocated by the NTC to its system because TrueMove did not pay the AC, which would have meant that TOT subscribers would be unable to call TrueMove subscribers who had been allocated those new phone numbers. However, TrueMove filed a lawsuit with the Central Administrative Court requesting an injunction and on January 26, 2007 the Court granted an injunction ordering TOT to include new TrueMove numbers on its network so that all subscribers of TrueMove and TOT could communicate with each other. This was in line with the NTC's regulation and public interest. On January 30, 2007, TOT appealed the injunction at the Supreme Administrative Court, which later confirmed the Central Administrative Court's ruling. Since March 2, 2007, following the Central Administrative Court's injunction, TOT has made a permanent connection to all new TrueMove numbers. In addition, on February 26, 2009 the Central Administrative Court issued a final ruling that TOT must make the connection allowing those numbers to be used to full capacity and compensate TrueMove Baht 1 million. TOT appealed this decision to the Supreme Administrative Court with the verdict still pending as at the time of writing. In addition, on October 9, 2009, the Central Administrative Court ruled against TOT in its dispute with the NTC which ordered TOT to allow 1.5 million new DTAC and TrueMove numbers to connect to its network. TOT also appealed this ruling at the Supreme Administrative Court. On March 2, 2010, TrueMove submitted information to the Supreme Administrative Court in support of the NTC's order. Likewise, the court has not yet rendered a decision on this appeal by TOT.

In June 2007, TrueMove brought the said issue of TOT's refusal to enter into an IC contract before the NTC's Dispute Resolution Committee. On November 28, 2007 the NTC issued its final decision, confirming that TrueMove has the same rights, duties and responsibilities in relation to the IC regime as the licensee. The NTC unanimously ruled on the dispute ordering TOT to negotiate with TrueMove on the IC contract. On June 23, 2008 TOT agreed to negotiate with TrueMove concerning the IC contract on the condition that the contract will only cover new numbers issued by the NTC and TrueMove agreed with this proposal. With regards to the old numbers, TrueMove is still in dispute with TOT and is awaiting the court's ruling on the matter.

On November 16, 2007 TOT filed a lawsuit against TrueMove with the Civil Court, claiming violation of the AC agreement and requesting AC payments of Baht 4,508.1 million with related interest and value-added tax. On September 16, 2009, it was ruled that the case did not fall under the Civil Court's jurisdiction and it was thus dismissed. On May 9, 2011 TOT filed a lawsuit against CAT and TrueMove with the Central Administrative Court requesting AC payment of Baht 41,540.27 million. The case is currently in the Central Administrative Court's process, and, at the time of writing, the case has not been decided.

If True Group is not successful in resolving this AC payment in its favor, in addition to a penalty equal to 100 percent of any AC that CAT may have paid to TOT on True Group's account and interest thereon, the Group may be required to pay both new IC as well as existing AC, which would result in a material increase in costs.

If a final decision requires TrueMove to pay AC, TrueMove would record additional expenses and be liable to accrue additional AC of Baht 32,344.6 million (or Baht 23,762.6 million, net of benefits paid to CAT) for the period from November 18, 2006 to September 15, 2013. Meanwhile, a provision for this item has not been set.

TrueMove may have risks from a CAT's dispute requesting TrueMove to hand over and transfer the ownership of 4,546 towers and tower equipment to CAT

On January 29, 2009, CAT filed a plea with the arbitration panel asking TrueMove to hand over and transfer to CAT the ownership rights to 4,546 towers and tower equipment (of which book value cannot be assessed as CAT has not specified to which towers it is claiming rights). It also asked that if TrueMove does not do so then, TrueMove would have to compensate CAT for damages of Baht 2,766.2 million. However, in True Group's opinion, TrueMove is not required by the Agreement to Operate, which already expired on September 15, 2013 while it currently provides services under temporary measure or notification concerning protection for subscribers upon the expirations of concession agreements or the Agreement to Operate mandated by the NBTC, to hand over and transfer its ownership rights for towers and tower equipment as requested by CAT. On September 3, 2009, TrueMove submitted a petition to the arbitration panel. In August 2013, the arbitration panel issued a unanimous decision dismissing CAT's plea on the grounds that under the Agreement to Operate with CAT, True Move is only required to deliver the possession right to CAT on the site, construction or any building in which telecommunications equipment was installed, if at all, within 60 days of the expiry or termination of the Agreement to Operate with CAT, and, as the Agreement to Operate with CAT had not expired or been terminated at the time CAT filed its plea on January 29, 2009, CAT had no legal right to file a claim for ownership of the towers. On September 12, 2013, CAT brought this to the Central Administrative Court to revoke the aforementioned ruling of the arbitrator panel. The case is currently in the Central Administrative Court's process, and, at the time of writing, the case has not been decided.

On November 12, 2013, CAT filed a plea with the arbitration panel of the Alternative Dispute Resolution Office, Office of the Judiciary, asking TrueMove to hand over and transfer to CAT the ownership rights to 59 stations of generator and equipment. It also asked that in case TrueMove fails to do so for whatever reasons, TrueMove will be obliged to pay CAT the total compensation of Baht 39.6 million. This case is currently being considered by the arbitration panel.

Risks from disputes over excise tax and revenue sharing

In January 2007, the Cabinet approved the zero-rate excise tax, ending the 2003 resolution that imposed an excise tax of 2 percent and 10 percent for fixed-line phones and mobile phones, respectively. The resolution stated that state enterprises, namely TOT and CAT, were responsible for the excise tax in order to avoid a negative impact on consumers. According to the 2003 Cabinet resolution, private telecom operators were instructed to deduct of the amount of the excise tax from the revenue sharing or benefits payable to TOT and CAT and to pay said deducted amount directly to the Ministry of Finance before remitting the remainder to the state counterparties. This resulted in a decrease in revenue sharing or benefits during that period payable to, and as agreed by, related state enterprises in line with the Cabinet resolution. Following changes in the government in 2007, the zero-rate excise tax was implemented allowing TOT and CAT to receive full revenue share or benefits. During the implementation of the excise tax regime the total amount paid by the private operators to government agencies (Ministry of Finance and TOT/CAT) remained the same. There are currently a number of disputes between private telecom firms and state counterparties relating to this issue including the shortfall in benefits payable to TOT and CAT. On a number of occasions, CAT has requested TrueMove to reimburse the shortfall in revenue sharing. In January 2008, CAT submitted a dispute against TrueMove to the arbitration panel claiming (as at the submission date) approximately Baht 9.0 billion, including interest. On September 16, 2011 the arbitrator rejected CAT's claim against TrueMove, so TrueMove will not have to pay CAT's claim. On November 25, 2011 CAT filed a dispute to the Central Administrative Court to revoke the arbitration ruling. On July 22, 2014 the Central Administrative Court made a judgment to dismiss the petition for revocation of the arbitral award of CAT. CAT later filed an appeal of the judgment of the Central Administrative Court with the Supreme Administrative Court as the black case No. Or. 850/2557 (2014). The case is now in the Supreme Administrative Court's proceedings. Moreover, in March 2012, CAT also asked TrueMove for indemnification of value added tax relating to the excise tax's part of the benefits, penalty fees and additional payments evaluated by the Excise Department, claims for which CAT had already lost the case in the tax court as well as the cost of litigation and the fees which were the damages for not

performing according to the Agreement, totaling Baht 1,302.8 million (calculated till the end of March 2012) and for which CAT may bring before the arbitration panel.

On September 1, 2011, CAT filed another arbitration case against TrueMove, requesting revenue shortfalls as a result of TrueMove deducting IC cost from the gross revenue before sharing to CAT for the 10th – 14th years of operation in the amount of Baht 11,946.15 million. On February 28, 2013, CAT filed additional arbitration case claiming for revenue shortfalls for the 15th year of operation in the amount of Baht 1,571.60 million. Both cases are currently in arbitration.

On January 22, 2008, TOT filed an arbitration case claiming shared revenue from the fixed line business from which the Company received more than its right, of Baht 1,479.6 million, including interest. The Company later on April 18, 2008 filed an appeal. The case is currently in arbitration. On February 9, 2011, TOT demanded that the money TOT provided to the Company from January, 2003 through December, 2006, to pay excise tax and additional tax to the Ministry of Interior on behalf of TOT, in the amount of Baht 1,479.6 million, including a 7.5-percent interest and value-added tax as required by law, be returned within February 15, 2011. In this case, the Company asserts that it is not bound to return the money to TOT because it had paid excise tax and additional tax to the Ministry of Interior per the direction of TOT. The Excise Department has already issued a tax invoice under TOT's tax ID. Hence, True Group neither breached the contract nor broke the law and therefore is not bound to return the money to TOT. In addition, the claim requests the same money TOT seeks in the arbitration.

Risks related to ongoing disputes between CAT and an acquired subsidiary from Hutchison Group

Hutchison CAT Wireless Multimedia Limited which was one of the companies that True Group acquired from the Hutchison Group has ongoing disputes with CAT that may result in True Group booking expenses of Baht 1,445.0 million and could have further negative impacts on other business relationships between True Group and CAT.

In late 2008 and 2009, CAT filed for arbitration against HutchCAT claiming under the Agreement for Marketing Services of Cellular Digital AMPS 800 Band A system minimum revenue assurance and excise tax together with value added tax, license fees, numbering fees, service revenue subjected to bad debt provision, litigation costs, penalties relating to the late payment of both monthly service revenue and other fees totaling Baht 1,445.0 million. While arbitration was commenced, the proceedings were temporarily suspended and removed from the case list before being reopened. The case is now in arbitration. In addition, on January 10, 2013, CAT sent a letter to the bank asking for a payment of Baht 63,002,000.0 in accordance with the bank guarantee, citing that the Hutchison Group breached the Agreement for Marketing Services of Cellular Digital AMPS 800 Band A system, the Agreement for Marketing International Roaming Services and the Agreement related to care taking of CDMA services customers. On February 21, 2014 the Civil Court ordered CAT to suspend their claim to a bank for the payment in accordance with the four bank guarantees. The Civil Court also mandated that CAT temporarily suspend receiving money per the aforementioned bank guarantees until the court rules otherwise. On March 20, 2014 CAT filed a lawsuit at the Central Administrative Court against HutchCAT, BFKT, and bank who issued letters of guarantee for the payment, citing that HutchCAT breached the Agreement for Marketing Services of Cellular Digital AMPS 800 Band A system, the Agreement for Marketing International Roaming Services and the Agreement related to care taking of CDMA services customers. The case is now at the Central Administrative Court as at the time of writing. Although the Hutchison Group believes it does not breach the contracts and CAT's petition has not been ruled by the arbitration or the court yet, there is a risk that bank will have to pay CAT in accordance with the bank guarantee, resulting in True Group paying that money back to the bank.

Risks from the dispute on collection of customer identification and records

On September 14, 2011, a True Group subsidiary, TrueMove, filed a lawsuit against the NTC, acting on behalf of the NBTC and the NBTC's secretary-general, at the Central Administrative Court on the disputes relating to the collection of data and details of prepaid customers under the NTC's Notification Re: Rules on the allocation and management of telecommunications number B.E. 2551. TrueMove requested revocation of Clause 38 and Clause 96 of the notification and of the resolution and ruling by the NTC, acting on behalf of the NBTC, to enforce the regulation against TrueMove. However, the Central Administrative Court rejected TrueMove's request for revocation of the notification on the ground that the submission of the case was made not within the statute of limitations and that the case was not considered as benefiting the public interest, given that such

notification does not affect the mobile customers. Subsequently, TrueMove submitted an appeal to the Supreme Administrative Court for the charges that were dismissed in the lower court. The Supreme Court is now considering whether to accept the appeal. In regard to the other disputes that were accepted by the Central Administrative Court, the case is proceeding.

On January 25, 2012, the NBTC's secretary-general delivered to TrueMove a warning letter and on May 30, 2012, a notification letter stating that TrueMove continued to breach, or was not in compliance with, the NBTC's secretary-general's order, the NTC's decision to uphold secretary-general's order and the warning letter. By virtue of Section 66 of the Telecom Business Act, the NBTC's secretary-general took an administrative enforcement measure to impose a fine on TrueMove of Baht 80,000 per day, starting the thirtieth day after receiving the notification letter. TrueMove, therefore, requested a stay of execution from the Central Administrative Court.

On September 19, 2012, the Central Administrative Court rejected TrueMove's request to suspend the execution of the administrative orders for TrueMove to collect customer data and usage details. This was on the ground that if the court granted the suspension of the administrative orders only with respect to TrueMove, it might create an unlevel playing field amongst telecom operators which could obstruct state operations or public services. Pursuant to the court's ruling, TrueMove has continued collecting customer data and usage details. However, the Central Administrative Court issued a before-judgment injunction which temporarily suspended the enforcement measure of the NBTC's secretary general. The court's ruling relieved TrueMove of its obligation to pay the Baht 80,000 per-day fine until ruled otherwise by the court. Nevertheless, on October 17, 2012, the NBTC and the NBTC's secretary-general submitted an appeal against the ruling by the Central Administrative Court at the Supreme Administrative Court. Whereas, subsequently, on November 21, 2013, the Supreme Administrative Court overruled the ruling of the Central Administrative Court and rejected TrueMove's request, resulting in the administrative fine being implemented, whereupon TrueMove will be obliged to pay the fine.

Furthermore, if the Supreme Court decides that the disputed notification, order, resolution and ruling were indeed lawful, TrueMove might be subject to fines and have to follow the orders of the NBTC's secretary-general. If TrueMove continues to ignore or incurs substantial risk to the public interest, the NBTC could consider suspending or confiscating TrueMove's Agreement to Operate; currently, TrueMove operates and provides services under temporary measure or notification concerning protection for subscribers upon the expirations of concession agreements or the Agreement to Operate mandated by the NBTC given its Agreement to Operate already expired on September 15, 2013. However, Section 66 of the Telecom Business Act stipulates that any wrongdoings which could lead to the suspension or the confiscation of a license would have to be as defined under the NBTC's regulation although such regulation has not yet been enacted. On March 3, 2014 TrueMove paid the fine totaling Baht 34,960,000 (for the period July 6, 2012 to September 15, 2013) to the NBTC. This payment, however, does not mean that the administrative enforcement measure on the collection of data and details of prepaid customers as well as on the fine is lawful. If the Supreme Court issues a final judgment in favor of TrueMove, TrueMove will be entitled to claim a refund of the administrative fine paid to the NBTC accordingly. The case is pending before the Central Administrative Court.

Risks from disputes on mobile prepaid services

On February 7, 2012, the NBTC's secretary-general sent a notification letter, requesting that TrueMove revise the terms and conditions of its existing prepaid promotions – so as to no longer force customers to use up their credit within the validity period – and to no longer create any promotion with a fixed validity period. On May 8, 2012, TrueMove filed a lawsuit against the NBTC and the NBTC's secretary-general with the Central Administrative Court requesting for revocation of the NBTC's order and the resolution as well as of the NBTC's secretary-general's order which prohibits cellular operators to set any marketing promotions for prepaid services in the way that require customers to exhaust their credit within the validity period. TrueMove also requested that the court issue an injunction, which is now pending. On May 31, 2012, the NBTC's secretary-general sent TrueMove a letter requesting that TrueMove pay an administrative fine of Baht 100,000 per day starting May 30, 2012. TrueMove then filed a petition with the Central Administrative Court asking for a stay of execution or an injunction. The court, however, rejected TrueMove's petition, placing TrueMove under an obligation to settle the fine. Subsequently, the Telecom Committee issued a resolution that upheld the order of the NBTC's secretary-general to impose fines on TrueMove. TrueMove, therefore, lodged a case against the Telecom Committee's resolution at the Administrative Court, seeking an injunction.

Later, the Office of the NBTC sent out letters, dated January 7, 2013, inviting all mobile operators to discuss on the matter. It notified all mobile operators to follow its administrative order by, starting from January 18, 2013, terminating all fixed validity

periods until the NBTC finalizes on the appropriate validity periods.

On January 18, 2013, TrueMove notified the Telecom Committee that as of January 18, 2013 it had begun to allow new customers and existing customers who top-up their prepaid services in any amount to continue receiving TrueMove services without discontinuation until the NBTC finalizes the matter of validity periods. On February 13, 2013, TrueMove received a letter from the NBTC notifying that the Telecom Committee agreed with TrueMove's proposed terms and conditions for prepaid services with fixed validity period. However, on January 29, 2013, the NBTC notified TrueMove that because TrueMove had been using validity periods for its services prior to January 18, 2013, TrueMove is considered to have been in breach of its order. Therefore, the Office of the NBTC requested that TrueMove settle the Baht 100,000 per day fine for the period from May 30, 2012 until January 17, 2013, totaling Baht 23,300,000. If TrueMove does not settle such fine, the NBTC's secretary-general may consider heightening the enforcement measures such as increasing the amount of daily fines. TrueMove is currently seeking revocation of the NBTC's secretary-general order by the Central Administrative Court. If the court rules that such order is legitimate, TrueMove may have to pay or settle the fines.

Risks from interconnection charges for the fixed-line business

In April 2010, the NTC approved the temporary IC rate for fixed line at Baht 0.36 per minute. This placed the Company at risk of being charged IC from other mobile operators. In terms of the Company's fixed line business, this also means the Company may incur increased expenses in the future. A certain operator has petitioned the NTC to force the Company to enter an IC agreement for fixed-line business and later petitioned for the collection of IC revenue from True Group's fixed line business. However, the Company believes it is not bound to pay the IC charges because the Joint Operation Agreement for fixed line businesses between the Company and TOT required that the Company invest, provide, install and maintain the equipment and for TOT to collect revenues from customers and share the revenues with the Company at the rate stipulated in the Joint Operation Agreement. On August 3, 2010, the Company filed an appeal with the Central Administrative Court opposing the NTC's notification of the temporary IC rate. The Central Administrative Court later overruled on December 26, 2012. The appeal process is ongoing.

On February 4, 2011, DTAC filed a petition with the Central Administrative Court asking the Company and TOT to pay network usage and telecommunications connection fees of Baht 3.28 billion. However, in the Company's opinion, DTAC has no right to charge the Company the telecommunications connection fee, and furthermore, this case should come under the jurisdiction of the Court of Justice. The Company has filed a dispute on the jurisdiction according to the Act on the Adjudication the Power and Duty of Courts B.E. 2542. The Central Administrative Court and the Civil Court are currently deciding which court has jurisdiction over the case.

Risks from a possible investigation into contracts related to the purchase of shares in Hutchison Group companies and the 3G HSPA agreements between CAT and True Group

On December 30, 2010, True Group signed a Share Purchase Agreement with Hutchison Group companies, and on January 27, 2011, True Group reached an agreement with CAT authorizing Real Move as a reseller of mobile phone services on CAT's HSPA nationwide network until 2025. In addition, BFKT, one of the companies purchased by True Group under this deal, signed a contract with CAT to be the lessor of telecommunications network equipment and accessories to CAT, and to provide maintenance services for said telecommunications network equipment and accessories with a focus on the 3G HSPA equipment for CAT's nationwide network. Subsequently, certain government agencies, such as the NBTC, the Auditor General of Thailand and the NACC, have investigated certain aspects of the deal including whether the deal falls under the Joint Venture Act and whether the deal violated Article 46 of the Frequency Allocation Act. Apart from the resolution of the NBTC's Telecom Committee which will be discussed in the following paragraph, other parties are currently investigating this matter.

True Group believes that all parties have been in compliance with the relevant laws. On February 3, 2011, CAT reported the findings of its investigation into the recent mobile business transaction between CAT and True Group to the ICT Ministry, explaining that the transaction was made in accordance with all related laws and was in line with guidance issued by the Attorney General. On February 11, 2011, the ICT Ministry discussed with the Attorney General whether CAT's report was accurate, complete and in compliance with its contractual procedures and to establish if any additional legal issues needed to be considered. On July 8, 2011, the Attorney General submitted a letter in response to a request by the ICT Minister to

investigate whether or not the agreements between CAT and True Group's subsidiaries, Real Move and BFKT (one of the four companies acquired by True Group from Hutchison Group Thailand in late 2010), were lawful. In the letter, the Attorney General clearly stated that the True-CAT transaction neither falls under the Joint Venture Act nor does it violate Article 46 of the Frequency Allocation Act. Rather, the contract between Real Move and CAT is a wholesaling and reselling contract which is in line with the NTC's regulation on wholesaling/reselling effective from December 29, 2006. As the reseller of the telecommunications services, Real Move purchases part of the packaged telecommunications services from CAT, by minutes for voice service and by megabytes for data service, to resell to customers without using properties or rights which belong to the state. The frequency and mobile phone network remain the property of CAT. BFKT, meanwhile, is the lessor of electronic telecommunications equipment to CAT. As part of its normal business operations, CAT is allowed to rent properties or equipment from other operators in accordance with CAT's procurement regulations. In June 2013, the Council of State issued a legal opinion No. 774/2556 to CAT stating that the agreements made between CAT and True Group's subsidiaries are not subject to the Joint Venture Act.

DTAC filed a lawsuit against CAT and CAT's Board of Directors at the Central Administration Court in April 2011, claiming it was unlawful for the CAT's Board to have issued a resolution for CAT to sign the contracts with True Group for new mobile business using 3G HSPA technology and also that CAT had failed to perform its duty in accordance with the law by unlawfully signing the contract. DTAC asked the Administrative Court to withdraw the resolution of the CAT Board and suspend the entire 3G HSPA project. In addition, DTAC sought an injunction along with the petitions. However, the court rejected the claim that CAT had failed to perform its legal duties and, therefore, denied DTAC's injunction request. True Group acknowledges that the result of this case may have an impact on True Group as a CAT-contract-party to the project; therefore it has requested the Administrative Court to add BFKT and Real Move as co-parties to the case. Later on, DTAC requested to withdraw the case and on October 28, 2012, the Central Administrative Court granted permission to withdraw and disposed of the proceedings from its database reasoning that it related to the protection of the plaintiff's civil rights rather than public interest protection-related disputes or the case which would benefit the public.

On October 7, 2011 the NBTC via its secretary-general sent a letter to the Company and Real Move to inform them of the resolution of the NTC, acting on behalf of the NBTC, asking that amendments be made to parts of the contract related to the merger and acquisition of shares in Hutchison Group in order to conform to the NTC's Notification on Criteria and Procedures for Mergers and Cross-holdings in Telecommunications B.E. 2553, as well as amending the parts related to the agreement with CAT regarding the provision of CDMA and HSPA mobile businesses in order to conform to the Committee's notification on Measures to Prevent Some Certain Acts which lead to Monopolies or Cause Unfair Competition in Telecommunications Business B.E. 2549 and the Frequency Allocation Act. However, it is the opinions of the Company and Real Move that the resolution of the NTC, acting on behalf of the NBTC, is unclear and unlikely to be lawful. Therefore, the Company and Real Move have appealed against the actions of the NBTC and the NBTC's secretary-general to the Central Administrative Court on December 2, 2011, asking the court to revoke the resolution and order. The case is pending before the Central Administrative Court.

Currently, certain government agencies and relevant bodies such as the Senate Standing Committee on Corruption and the Promotion of Good Governance, NACC, the ICT Ministry and the Finance Ministry are investigating the transaction. On March 26, 2012, the ICT Ministry released the findings from its investigative committee's review of the CAT-True 3G HSPA transaction. The five major claims are as follows:

1. Prior to CAT's attempts to acquire the CDMA business from Hutchison Group, efforts were made by an unnamed related party to instruct CAT that the purchase price should not exceed Baht 4 billion, which resulted in unsuccessful negotiations with Hutchison Group.
2. CAT terminated two contracts related to the CDMA project without conducting a full financial analysis of the business and assessing cost/benefits for the state prior to terminating those contracts.
3. Submission of information to the Cabinet relating to the project involved a conspiracy by outside parties to target particular individuals to utilize certain relevant steps and procedures in order to justify why the project should be presented to the Cabinet. This involved the providing of false evidence and expediting of relevant procedures in an urgent manner even though the matter was itself not urgent. All these actions were viewed as contravening governmental regulations and laws.

4. CAT terminated two contracts under the CDMA project without consulting the Office of the National Economic and Social Development Board and the Office of the Council of State.
5. CAT ignored standard codes of practice according to Article 12 (2) and Article 13 of the National Economic and Social Development Act B.E. 2521 and No. 5 of the Office of the Prime Minister's Regulation on State Enterprises Budgets B.E. 2550.

However, True Group believes that the investigation was a preliminary investigation conducted by an internal investigative committee and the investigation has not yet been concluded. The findings of the investigation apportioned blame with government officers who are not involved with the Company's subsidiaries which are CAT's contract counterparties. True Group believes that all parties (related to the True-CAT contracts) have operated within the law and that the contracts have been endorsed by the Office of the Attorney General which has direct authority to perform such an investigation. Therefore, the above investigation should not have a negative impact on True Mobile Group's 3G business operations.

On June 25, 2012, the DSI sent letters to Hutchison Multimedia Service Thailand Limited, Hutchison Telecommunications (Thailand) Limited, Hutchison CAT Wireless Multimedia Limited and BFKT (which are the four subsidiaries True Group acquired from the Hutchison Group) referring to the letter from the ICT minister to the DSI asking the department to investigate the 3G HSPA mobile business between CAT and True Group. In the letter from the DSI to the four subsidiaries, the department asked the subsidiaries to send copies of all relevant documents (including documents relating to the sale and purchase of the subsidiaries where CAT was the buyer) to the DSI as supporting evidence in the investigation. On July 4, 2012 the Company's subsidiaries sent copies of the documents and a letter of clarification to the DSI. In True Group's understanding, the DSI is investigating an issue relating to CAT's obligation under its sale and purchase agreement concerning four Hutchison Group subsidiaries, which issue arose prior to True Group's acquisition of the four subsidiaries from Hutchison Group in December 2011. True Group has checked with Hutchison Group, which was the seller, and was informed that any obligation between CAT and Hutchison Group had expired prior to the acquisition. True Group believes that the investigation by the DSI will have no significant negative impact to True Mobile Group's 3G business.

On June 20, 2012, the NBTC's Telecom Committee in the meeting No. 23/2555 reviewed a sub-committee's report on the investigation of the True-CAT transaction regarding the new mobile phone service on the 800 MHz spectrum. After considering the contracts, associated legal matters and related regulations, the Telecom Committee endorsed the findings of the sub-committee's investigation report. On June 28, 2012, the Office of the NBTC sent a letter to CAT informing it of the Telecom Committee's resolution, a summary of which is as follows:

1. The contract between CAT and the companies under True Group was an "administrative contract" and the telecommunications regulator has to take "public interest" into consideration. Therefore the NBTC ordered CAT (who is the spectrum grantee) to operate in accordance with Article 46 of the Frequency Allocation Act by amending six areas in the relevant contracts and also asked CAT to report the results back to the Telecom Committee within 30 days upon receiving the order. The six areas to be amended are:
 - 1.1 CAT shall be able to use the 800 MHz frequency band (Band V) with its own equipment or that belonging to any other third parties.
 - 1.2 CAT shall have a full control and management of the network through the NOC and must have full access to equipment installed at BFKT premises.
 - 1.3 CAT shall have full access to the CDR on its network.
 - 1.4 It must be made clear that CAT shall be able to manage its frequency via the Operation Supervision Committee.
 - 1.5 CAT shall have full control of its frequency management via BFKT's process of building and procuring capacity, especially in terms of frequency planning, network roll-out and operations. At the same time, the definition of "capacity according to the contract" in Item no. 1 of the HSPA wholesale agreement should be amended so that it would be driven by market mechanisms.
 - 1.6 CAT shall hold the full rights to manage its frequency through negotiations on inbound domestic roaming and IC agreements with other operators.

On December 4, 2012, BFKT and Real Move, which are members of True Group, and CAT executed two MOUs containing the following key provisions: 1) BFKT and CAT agree on the revised terms and conditions to be made to the HSPA network equipment leasing as directed by the Telecom Committee; 2) Real Move and CAT Telecom agree on the revised terms and conditions to be made to the HSPA wholesale agreement as directed by the Telecom Committee. The counterparties also agreed to leave other remaining issues to be discussed separately in order to get the key issues quickly resolved. On the same date, BFKT and Real Move submitted the MOUs to the Telecom Committee. The counterparties will proceed to make the amendments that have been mutually agreed to the contracts after receiving an approval from relevant authorities. True Group believes that the contractual amendments will have no significant negative impact on True Mobile Group's 3G business because of the following reasons:

- (1) CAT has always been able to manage its 800 MHz frequency band (Band V). So amendment no. 1.1 above will only serve to clarify this in the contract. Meanwhile, the amendment to clarify the contract may lead to higher competition because it is now known to all parties/public that CAT is performing this function. Nevertheless, True Group is confident that the strength of its business plan and service quality will enable it to retain customers.
- (2) Currently, CAT can fully control and manage the network via 3 sets of NOCs which were installed specifically for CAT. In addition, CAT already has full access to equipment installed at BFKT. Therefore, amendment no. 1.2 above will have no negative impact on BFKT's operations.
- (3) CAT already has full access to customer CDRs (on its network). Amendment no. 1.3 above will therefore have no negative impact on BFKT's operations.
- (4) CAT already has the ability to manage its frequency. Amendment no. 1.4 above will only make this matter clearer in the contract by specifying that the management of the frequency is done via the Operations Supervision Committee, which is part of CAT's operations. Therefore, this amendment will have no negative impact on BFKT's operations.
- (5) CAT already controls its frequency management via BFKT's process of building and procuring capacity especially in terms of frequency planning, network roll-out and operations. So amendment no. 1.5 above will serve to make it clearer in the contract and will have no negative impact on BFKT's operations. On the conditions to purchase capacity according to the HSPA wholesale agreement, the parties have already met and amended some parts of the contract. In addition, the definition of "capacity according to the contract" in Item no. 1 of the HSPA wholesale agreement may be changed from "will not exceed 80 percent of the initial (target) capacity and capacity expansion" to "according to the market mechanisms" to make it clearer that other service providers can purchase network capacity from CAT without any impact on Real Move's right to purchase capacity from CAT. Because CAT has the right to order capacity to serve all service providers' demands at all time, the negotiation to amend the contract is to make the contract clearer according to the Committee's resolution.

Currently Real Move and CAT are obligated in terms of the wholesaling and purchasing of capacity according to the HSPA wholesale agreement which already covers the target specified in the business plan. Therefore, these contract amendments will not reduce True Group's competitiveness and neither will they impact on the future expansion of numbering nor future operation plans.

- (6) CAT currently manages its frequency in terms of negotiating inbound domestic roaming and IC with other operators, therefore amendment no. 1.6 above serves to make this clearer in the contract. While the amendment to clarify the contract may lead to higher competition, because it will be known to all parties/public that CAT is managing its frequency on the above matters, True Group is confident that the strength of its business plan and service quality will enable it to retain customers.

On April 23, 2013, the Office of the NBTC issued a letter to CAT notifying a resolution of the NTC meeting No. 12/2556 held on April 3, 2013 that, having considered terms and conditions of the agreements to amend in compliance with the MOUs, the NTC had comments on two points only and ordered CAT to deliver drafts of the amended HSPA network

equipment leasing and the amended HSPA wholesale agreement in place of the MOUs. On July 16, 2013, both parties prepared the drafts of the two amended agreements and submitted to the NTC for consideration. On October 16, 2013, the NTC has resolved the approval of both draft amended agreements that the drafts are in compliance with Article 46 of the Frequency Allocation Act, and has informed CAT to execute both of the amended agreements. Accordingly, the parties have entered into both amended agreements and submitted the signed agreements to the NTC on December 12, 2013.

2. On the issue of whether the contracts for the 3G HSPA project are considered to be in line with other relevant telecommunications laws, the NBTC's Telecom Committee would not issue additional resolutions on this issue as it sees that the NTC, which has performed the duty on behalf of the NBTC, has already resolved this matter (according to the resolution from meeting no. 30/2554). Moreover, the Company and Real Move have already submitted an appeal with the NBTC and its secretary-general to withdraw the NTC's said resolution. The case is now before the Central Administrative Court.
3. On the issue of whether BFKT had violated Article 67 of Telecommunications Business Act B.E. 2544 by operating a telecommunications business without a telecom license, after the working team of the Office of the NBTC was assigned by the Telecom Committee to scrutinize whether BFKT has breached the law and submitted its report to the Telecom Committee, on July 26, 2012, BFKT's representative met the working team of the Office of the NBTC to clarify on the issue and to confirm that BFKT has not breached any laws.

On April 5, 2013 The Telecom Committee had convened a meeting No. 13/2556 to consider the finding of the Office of the NBTC's working team. Having considered the finding, the Telecom Committee had reached its resolution that BFKT had neither violated the law with regard to operating a telecommunications business without a license, nor that it failed to obtain a license to use the spectrum, which otherwise would be deemed unlawful according to Article 67 of Telecommunications Business Act B.E. 2544. As BFKT leases telecom equipment to CAT exclusively, BFKT does not fall under the scope of Article 4 that requires a telecom license for a company operating telecom business to public in general. In addition, there is no concrete evidence to prove that BFKT had violated Article 67; therefore, BFKT can continue leasing telecom equipment to CAT. However, the Telecom Committee opined that since a company leasing telecom equipment can potentially become a telecom operator if such company leases a telecom equipment to the extent that it comprises a whole telecom network element and being able to provide service to public in general, it is necessary for the Telecom Committee to regulate these companies if their telecom equipment is deemed to be part of the country's communication backbone or public service as it may significantly affect free and fair competition, and consumer benefits when it causes a temporary shutdown or a technical glitch. The Telecom Committee has assigned the Office of the NBTC to draft a rule to regulate a telecom equipment-leasing company and submit the draft rule to the Telecom Committee to consider within 30 days.

True Group believes that, if the rule were to become effective, BFKT would not be subject to the rule as BFKT only leases certain parts of telecom equipment, not an entire telecom network element. However, if the rule does apply to BFKT, it may cause BFKT to incur some regulatory fees. As it remains unclear, we are currently unable to predict the amount of such fees.

Risks of additional expenses from the delay in True-CAT's 3G HSPA project

CAT is required to follow relevant procedures such as submitting the draft contract amendments to the Attorney General and proposing the 3G HSPA project to the Cabinet for approval. During the period that CAT's budget relating to the 3G HSPA project has not been approved, CAT has maintained that it will not make payments or receive payments to settle any liabilities with BFKT or Real Move under the 3G HSPA contracts. These include the liabilities incurred between CAT and True Group's subsidiaries or other operators such as making or receiving IC payments from the traffic between TrueMove's or other operators' network and CAT's 3G HSPA network. This is despite the clear intention of True Group's subsidiaries to honor its obligations under the contracts. On October 8, 2013, the Cabinet has approved the 3G HSPA project and the project's network investment budget, including the budget associated with the lease payment and other related expenses under the 3G HSPA contracts. True Group and CAT are now verifying the liabilities before making payments.

However, prior to the approval of the budget, CAT may be liable to other operators for the interest charges applied to its accrued IC charges. And, there is a risk that CAT will seek reimbursement from Real Move for those aforementioned interest charges. However, True Group cannot estimate the amount of this potential interest burden upon CAT because the relevant IC agreements are between CAT and other operators. Also, True Group cannot predict when CAT will decide to settle the IC charges with other operators.

After the Cabinet's approval of the 3G HSPA project, CAT requested Real Move to pay the wholesale fee, for the period starting from July 28, 2011 onward. Real Move has hold the payment as it is currently investigating an accuracy of the wholesale fee amount. Thus, there is a risk that CAT will request Real Move to pay the interest associated with the late payment of the wholesale fee.

Risks related to the fact that True Group compete with TOT and CAT who are the grantors of the Joint Operation Agreement and the Agreement to Operate, respectively, a factor which has led to and could continue to lead to disputes with the grantors, which could affect True Group's operations

The Company and its subsidiary TrueMove operate under the Joint Operation Agreement and the Agreement to Operate, granted by TOT and CAT, respectively. TrueMove's Agreement to Operate with CAT already expired on September 15, 2013; TrueMove currently operates and provides services under temporary measure together with the NCPO's mandate until July 17, 2015. A dispute with either TOT or CAT over compliance and the interpretation of the law concerning either of the Joint Operation Agreement and the Agreement to Operate, or the NBTC's announcements, rules and regulations could affect the ability of the Company and its subsidiaries to conduct business. The Joint Operation Agreement could also be terminated.

In the case of the Joint Operation Agreement for the Company's fixed-line service, TOT has to submit a dispute to the arbitration panel and request an arbitration panel for adjudication should it wish to terminate the agreement. TOT can terminate the agreement only if True Group violates certain laws, is placed under receivership by a court in a bankruptcy case, or willfully and continually breaches the agreements in any material respect. Under the revenue-sharing provisions of the Joint Operation Agreement, TOT collects all fixed-line revenues from subscribers within the network and makes payment to True Group of its proportion stipulated by the Joint Operation Agreement. TOT may withhold or delay payments of revenues to the Company to offset any obligations it believes it is legally owed by the Company (although this has not occurred to date). There is a very low chance that the Company will breach the agreements in any material respect that causes TOT to terminate the Joint Operation Agreement.

The aforementioned matters could also affect TrueMove's business operations and performance. TrueMove might incur expenses related to equipment usage, according to the Agreement to Operate, for providing services to customers on the 1800 MHz spectrum during the temporary measure and NCPO's mandate; although CAT views that the temporary measure mandates that TrueMove to absorb these expenses, there is no clarity whether, according to the aforementioned measure, TrueMove has an obligation to do so.

As well as TOT and CAT being a party to the Joint Operation Agreement and the Agreement to Operate, respectively, with True Group, they are also competitors of True Group. This has led, and could continue to lead, to disputes between the Company and TOT or between TrueMove and CAT. Previously certain disputes among these entities have been brought to the courts and the Arbitration Tribunal for resolution. True Group may not be able to successfully resolve all of these disputes in its favor, and if it is unsuccessful, its business and financial situation could be affected. To date, decisions have been issued both in favor of and against cases brought by True Group, most of which have not yet been concluded.

Risks from licensing the operations of the television and/or telecommunications businesses

In December 2010 the Frequency Allocation Act was enacted resulting in the formation of the NBTC which was completed in October 2011. The NBTC is responsible for regulating the radio, television and telecommunication sectors. Currently, the NBTC has revised and improved the rules and regulations for the telecommunications sector issued and enacted by the former regulator, the NTC. At the same time, the NBTC has issued new rules and regulations as well as underlying principles and guidelines for regulating the telecommunications sector in a clearer way. True Group may face risks concerning the

application or the renewal of licenses for the operation of television and/or telecommunications businesses, or be exposed to risks from case where there may be different interpretations of laws which currently have no clear definition. If the NBTC makes a decision on not to issue the licenses or not to renew the related licenses to True Group's subsidiaries, the subsidiaries who have not received all licenses or whose licenses are expired will have to pay penalties or face legal action. Although a part of True Group's pay TV business operates under concession, which the law stipulates NBTC to issue license to the Company, currently, it is still unclear to what extent and form NBTC will consider issuing the license to True Group. True Group believes that it will be granted license in the same extent as its existing concession agreement given the protection from both constitution and related laws. In addition to True Group's pay TV business operate under concession, presently, the NBTC has granted two nationwide digital terrestrial service licenses to True Group's subsidiaries that won the spectrum auction in 2014 and granted non-spectrum used network license to TrueVisions and also granted non-spectrum used service licenses to TrueVisions and True Group's subsidiaries.

In addition, the NBTC's regulatory policy affects changes in overall business structure, resulting in an even more intensifying competitive landscape. The Company may be put at risk from inequality of the NBTC's regulation policy between the previous concessionaires that shift to become the licensees and the new licensees, resulting in an advantage and disadvantage among players in the same or related markets. Furthermore, True Group might incur incremental costs of providing services from regulations that might be imposed in the future including the risk from new regulatory and competition rules which impose on the licensees under True Group.

Risks relating to the financial situation

Risks related to True Group's highly-leveraged position and restrictions from financial agreements

The Company and its subsidiaries had long-term borrowing (including the current portion of long-term borrowing) totaling Baht 42.0 billion as of December 31, 2014, dropping from Baht 86.2 billion at the end of 2013. This strong improvement was driven by the successful capital raising totaling Baht 65 billion in the third quarter of 2014, enabling the Group to repay debt of approximately Baht 56 billion. True Group's future funding source may include additional borrowing and/or debenture issuance. As such, it may be at risk of not being able to obtain reasonable funding for principal repayments and/or interest payments and its business expansion plan could be affected. Nevertheless, the Company and/or its subsidiaries should be able to raise new borrowings to repay existing debts and adjust their principal repayments to be in line with their cash flows.

True Group may face operational limitations from some debt covenants of additional borrowing. These limitations could become obstacles to True Group in realizing business opportunities or lead to accelerated debt repayments if some of the debt ratios are not in compliance with those in the agreements, or if a contract party (e.g. TOT) under a major contract (e.g. the Joint Operation Agreement) which is vital to True Group's business operations terminates the contract. However, any termination of a contract must be done according to the terms and conditions of the contract. For example, TOT must seek an arbitration decision in order to cancel the Joint Operation Agreement and a court must render a final decision accordingly.

Risks related to the establishment of TRUEGIF

By entering into transactions with TRUEGIF, True Group will incur additional financial burden of approximately Baht 5 billion per year from leasing certain telecommunications assets under the leasing agreements with TRUEGIF and transferring the right of net revenues from certain telecommunications assets to the fund. This might impact the Company's ability to repay debt or might result in a breach of certain clauses/ conditions promised to creditors.

Under the Assets and Revenue Sale Agreements between True Group and TRUEGIF, True Group is obliged to transfer the ownership of 6,000 telecommunications towers, of which the Company will deliver or procure the delivery of 3,000 towers by December 31, 2014 ("the first lot totaling 3,000 towers") and the remaining 3,000 towers by December 31, 2015 ("the second lot totaling 3,000 towers"). In addition, True Group is obliged to lease certain slots on these 6,000 towers in accordance with the Master Lease, Operation and Management Agreement which stipulates the minimum slots and type of towers that True Group shall rent throughout the contract period. Meanwhile, True Group has until December 31, 2020 to deliver any late delivery

of 6,000 towers with penalty. In case of the late delivery, True is liable to pay TRUEGIF in an amount equal to the amount that TRUEGIF is required to refund to Real Future under the Real Future Master Lease Agreement for any unavailable New Tower Assets in relation to such year (the “Annual Rental Shortfall”), plus 15 percent per annum, calculating on December 31 of year 2015 to 2020. As Real Future, the Group’s subsidiary, will receive the aforementioned refund from TRUEGIF for the reason that Real Future is unable to use area on the 6,000 towers that True is obliged to transfer to TRUEGIF, impact to True Group should be considered from net penalty that True Group will have to pay TRUEGIF, excluding the “Annual Rental Shortfall” that TRUEGIF will have to pay Real Future.

Financial impact to True Group for late delivery of 6,000 towers is a net penalty of 15 percent per annum on top of the Annual Rental Shortfall which, from estimation, shall not, on average, exceed Baht 200 million per year, starting from year 2015 to 2020. However, True Group believes that there is a very low chance or it is almost impossible that True Group will deliver all 6,000 towers late given the Group already transferred the first lot of towers to TRUEGIF per schedule. Therefore, True Group is confident that it will be able to deliver all 6,000 towers to TRUEGIF in accordance with the agreements.

In addition, if in each delivering year, True Group makes a nonconforming delivery which are divided in to two scenarios as follows;

In the case that the number of ground-based towers (“GBTs”) delivered by True Group exceeds the number of GBTs specified in the Agreement but does not exceed 200 towers, if True Group agrees to lease such excess GBTs, TRUEGIF shall pay True Group in an amount equal to the aggregate additional rent that True Group is required to pay to TRUEGIF under the applicable lease agreement for the year 2015 and the following years until the earlier of the date on which True Group has completed delivery of all towers and 31 December 2020 (“Annual Extra Rental”). Once True Group completes delivering all 6,000 towers and there are excess GBTs but does not exceed 200 towers, TRUEGIF shall pay True Group an amount equal to 12 times the aggregate amount of the Annual Extra Rental for such year. However, if True Group delivers excess GBTs over 200 towers, TRUEGIF does not have to accept such towers.

In the case that the number of rooftop-based towers (“RBTs”) delivered by True Group exceeds the number of RBTs specified in the Agreement but does not exceed 200 towers, if True Group agrees to lease such excess RBTs, True Group shall pay TRUEGIF in an amount equal to the aggregate additional rent that TRUEGIF is required to refund to True Group under the applicable lease agreement (“Annual Rental Shortfall from Nonconforming Delivery”) plus interest at a per annum rate of 15 percent for the year 2015 and the following years until the earlier of the date on which True Group has completed delivery of all towers and 31 December 2020. Once True Group completes delivering all 6,000 towers and there are excess RBTs but does not exceed 200 towers, True Group shall pay TRUEGIF an amount equal to 12 times the aggregate amount of the Annual Rental Shortfall from Nonconforming Delivery for such year. However, if True Group delivers excess RBTs over 200 towers, TRUEGIF does not have to accept such towers.

Meanwhile, True Group used majority of the proceeds from the sales of telecommunications infrastructure assets and rights to receive future benefits from telecommunications infrastructure assets to TRUEGIF for debt prepayment. This reduces the Group’s yearly debt burden as well as its associated interest expenses.

Risks from foreign exchange rate and interest rate movements

Past financial performance of True Group was subject to significant exchange rate fluctuations, mainly because a large proportion of the Group’s liabilities were denominated in foreign currencies. However, this foreign exchange exposure was significantly reduced during 2011 with the early repayment of TrueMove’s secured loans from IFC and the scheduled prepayment of a loan from KfW in 2Q11, followed by the tender offer for all of its US Dollar bonds in September 2011. In October 2011, approximately 99 percent of the outstanding 2013 tranche and 95 percent of the 2014 tranche of US Dollar bonds were tendered and True Group settled all relevant transactions on October 12, 2011. The repurchase of US Dollar bonds has significantly reduced the Group’s foreign exchange exposure and refinancing risk.

As at December 31, 2014, approximately 1.6 percent of True Group's consolidated non-current borrowings (excluding finance leases) were denominated in foreign currencies, compared to 2.9 percent as at the end of 2013, partly from the repayment of JPY deferred payment notes and USD denominated bonds during the year. True Group no longer had USD denominated bonds by the end of 2014.

Risks from having majority shareholders holding more than a 50-percent stake in the Company

As at September 5, 2014, the group of majority shareholders in True Group comprises CP Group and affiliated companies which hold combined shares of 51.3 percent of the total allocated shares. In this regard, investors may be exposed to a risk from the circumstance in which majority shareholders hold more than a 50-percent stake in True Group. This is because the group of majority shareholders may control agendas which require majority votes, such as appointments of directors. Therefore, retail shareholders may not be able to accumulate sufficient votes to check and balance agendas proposed by the majority shareholders. However, the Board of Directors focuses on operating the business guided by the principles of corporate governance. The Company has provided the opportunity for minority shareholders to propose the Annual General Meeting's agenda and nominate candidates to be selected as directors of the Board prior to the Annual General Meeting. In regard to matters related to major shareholders and transactions that may result in a conflict of interest with the Company, the Company processes the matter in accordance with procedures set forth in the "Connected Transaction Regulation" which strictly follows the legal framework.

Corporate

and Other Significant Information

Information of True Corporation Public Company Limited

True Corporation Public Company Limited (“the Company”), with the security symbol “TRUE” on the Stock Exchange of Thailand, was established on 13th November 1990 initially under the name of CP Telecommunication Co., Ltd. with authorized capital of Baht 1,000 million to undertake a major telecommunication infrastructure project, and registered as a public company limited on 11th February 1993. The Public Company Registration No. 0107536000081.

As at 31st December 2014, the Company’s authorized capital is Baht 246,079,281,520 divided into 24,607,928,152 ordinary shares with a par value of Baht 10 per share. The Company’s paid-up capital is Baht 246,079,281,500 divided into 24,607,928,150 ordinary shares with a par value of Baht 10 per share.

The Company’s head office is located at:

18 True Tower, Ratchadapisek Road,
Huai Khwang, Bangkok 10310
Telephone: (662) 643-1111 Fax: (662) 643-1651
Website: www.truecorp.co.th

Information of the Company’s subsidiaries, associated companies and other investments

Company Name	Address	Type of Business	Paid-up Capital	% of investment
AP&J Production Co., Ltd.	105/1, Thetsaban Songkhro Road, Iadyao, Jatujak, Bangkok 10900 Tel. (662) 954-3512 Fax. (662) 954-3513	Entertainment	THB 16.67 million divided into 166,667 ordinary shares with a par value of Baht 100 each and fully paid up.	70.00
Asia DBS Public Company Limited	18 True Tower, Ratchadapisek Road, Huai Khwang, Bangkok 10310 Tel. (662) 643-1111 Fax. (662) 643-1651	DBS system operator	THB 25 million divided into 2.5 million ordinary shares with a par value of Baht 10 each and fully paid up.	100.00

Company Name	Address	Type of Business	Paid-up Capital	% of investment
Asia Wireless Communication Co., Ltd.	18 True Tower, Ratchadapisek Road, Huai Khwang, Bangkok 10310 Tel. (662) 643-1111 Fax. (662) 643-1651	PCT operator	THB 11,441.85 million divided into 1,144.18 million ordinary shares with a par value of Baht 10 each and fully paid up.	100.00
Bangkok Inter Teletech Public Company Limited	18 True Tower, Ratchadapisek Road, Huai Khwang, Bangkok 10310 Tel. (662) 643-1111 Fax. (662) 643-1651	Holding Company	THB 172,828.29 million divided into 69,131.31 million ordinary shares with a par value of Baht 2.50 each and fully paid up.	99.48
BeboydCg Co., Ltd.	18 True Tower, Ratchadapisek Road, Huai Khwang, Bangkok 10310 Tel. (662) 643-1111 Fax. (662) 643-1651	Production of animation	THB 16.52 million divided into 1.65 million ordinary shares with a par value of Baht 10 each and fully paid up.	70.00
BFKT (Thailand) Limited	18 True Tower, Ratchadapisek Road, Huai Khwang, Bangkok 10310 Tel. (662) 643-1111 Fax. (662) 643-1651	Mobile equipment Lessor	THB 27,458.32 million divided into 274.58 million ordinary shares with a par value of Baht 100 each and fully paid up	100.00
Cineplex Co., Ltd.	118/1 Tipco Tower, Rama VI Road, Samsen Nai, Phayathai, Bangkok 10400 Tel. (662) 615-9000 Fax. (662) 615-9900	Program production	THB 1,283.43 million divided into 128.34 million ordinary shares with a par value of Baht 10 each and fully paid up.	100.00
Click TV Co., Ltd.	118/1 Tipco Tower, Rama VI Road, Samsen Nai, Phayathai, Bangkok 10400 Tel. (662) 615-9000 Fax. (662) 615-9900	Interactive TV business	THB 46 million divided into 4.6 million ordinary shares with a par value of Baht 10 each and fully paid up.	99.53
Hutchison CAT Wireless MultiMedia Limited	18 True Tower, Ratchadapisek Road, Huai Khwang, Bangkok 10310 Tel. (662) 643-1111 Fax. (662) 643-1651	Dormant	THB 950 million divided into 95 million ordinary shares with a par value of Baht 10 each and fully paid up	68.02

Company Name	Address	Type of Business	Paid-up Capital	% of investment
Hutchison MultiMedia Services (Thailand) Limited	18 True Tower, Ratchadapisek Road, Huai Khwang, Bangkok 10310 Tel. (662) 643-1111 Fax. (662) 643-1651	Dormant	THB 230 million divided into 23 million ordinary shares with a par value of Baht 10 each and fully paid up	100.00
Hutchison Telecommunications (Thailand) Co., Ltd.	18 True Tower, Ratchadapisek Road, Huai Khwang, Bangkok 10310 Tel. (662) 643-1111 Fax. (662) 643-1651	Dormant	THB 54 million divided into 3.6 million ordinary shares with a par value of Baht 15 each and fully paid up	100.00
Hutchison Wireless MultiMedia Holdings Limited	18 True Tower, Ratchadapisek Road, Huai Khwang, Bangkok 10310 Tel. (662) 643-1111 Fax. (662) 643-1651	Holding company	THB 10 million divided into 590,000 ordinary shares and 410,000 preference shares with a par value of Baht 10 each and fully paid up	92.02
Internet Knowledge Service Center Co., Ltd.	2/4 Siam Commercial Samaggi Insurance Tower, 10th Floor, Vibhavadee-Rangsit Road, Thungsonghong, Laksi, Bangkok 10210 Tel. (662) 979-7000 Fax. (662) 979-7111	Non-government telecommuni-cation	THB 50 million divided into 12 million ordinary shares with a par value of Baht 10 each, 2.67 million ordinary shares fully paid up and 9.33 million ordinary shares call-up Baht 2.50 each	56.93
K.I.N. (Thailand) Co., Ltd.	18 True Tower, Ratchadapisek Road, Huai Khwang, Bangkok 10310 Tel. (662) 643-1111 Fax. (662) 643-1651	Holding company	THB 192.70 million divided into 11.75 million ordinary shares with a par value of Baht 16.40 each and fully paid up.	100.00
KOA Co., Ltd.	18 True Tower, Ratchadapisek Road, Huai Khwang, Bangkok 10310 Tel. (662) 643-1111 Fax. (662) 643-1651	Assets Management	THB 2.5 million divided into 1 million ordinary shares with a par value of Baht 10 each and call-up Baht 2.50 each.	100.00
KSC Commercial Internet Co., Ltd.	2/4 Siam Commercial Samaggi Insurance Tower, 10 th Floor, Vibhavadee-Rangsit Road, Thungsonghong, Laksi, Bangkok 10210 Tel. (662) 979-7000 Fax. (662) 979-7111	Internet services provider	THB 153.04 million divided into 15.30 million ordinary shares with a par value of Baht 10 each and fully paid up.	56.83

Company Name	Address	Type of Business	Paid-up Capital	% of investment
MKSC World Dot Com Co., Ltd.	2/4 Siam Commercial Samaggi Insurance Tower, 10 th Floor, Vibhavadee-Rangsit Road, Thungsonghong, Laksi, Bangkok 10210 Tel. (662) 979-7000 Fax. (662) 979-7111	Internet services and distributor	THB 139.64 million divided into 13.95 million ordinary shares and 0.01 million preference shares with a par value of Baht 10 each fully paid up.	91.08
Panther Entertainment Co., Ltd.	118/1 Tipco Tower, Rama VI Road, Samsen Nai, Phayathai, Bangkok 10400 Tel. (662) 725-7400 Fax. (662) 725-7401	Artist management and related business	THB 155 million divided into 15.50 million ordinary shares with a par value of Baht 10 each and fully paid up.	99.92
Real Move Co., Ltd.	18 True Tower, Ratchadapisek Road, Huai Khwang, Bangkok 10310 Tel. (662) 643-1111 Fax. (662) 643-1651	Reseller of mobile phone service	THB 7,000 million divided into 70 million ordinary shares with a par value of Baht 100 each and fully paid up.	99.48
Samut Pakan Media Corporation Co., Ltd.	18 True Tower, Ratchadapisek Road, Huai Khwang, Bangkok 10310 Tel. (662) 643-1111 Fax. (662) 643-1651	Dormant	THB 1 million divided into 10,000 ordinary shares with a par value of Baht 100 each and fully paid up.	99.42
Sattellite Service Co., Ltd.	118/1 Tipco Tower, Rama VI Road, Samsen Nai, Phayathai, Bangkok 10400 Tel. (662) 615-9000 Fax. (662) 615-9900	Sales and rental of equipment related to Pay Television	THB 1,338 million divided into 223 million ordinary shares with a par value of Baht 6 each and fully paid up.	99.53
SM True Co., Ltd.	118/1 Tipco Tower, Rama VI Road, Samsen Nai, Phayathai, Bangkok 10400 Tel. (662) 615-9000 Fax. (662) 615-9900	Artist management and related business	THB 20 million divided into 0.2 million ordinary shares with a par value of Baht 100 each and fully paid up.	51.00
Song Dao Co., Ltd.	18 True Tower, Ratchadapisek Road, Huai Khwang, Bangkok 10310 Tel. (662) 643-1111 Fax. (662) 643-1651	Dormant	THB 1 million divided into 10,000 ordinary shares with a par value of Baht 100 each and fully paid up.	99.41

Company Name	Address	Type of Business	Paid-up Capital	% of investment
Tele Engineering and Services Co., Ltd.	18 True Tower, Ratchadapisek Road, Huai Khwang, Bangkok 10310 Tel. (662) 643-1111 Fax. (662) 643-1651	Content provider	THB 25 million divided into 2.5 million ordinary shares with a par value of Baht 10 each and fully paid up.	100.00
Telecom Asset Management Co., Ltd.	18 True Tower, Ratchadapisek Road, Huai Khwang, Bangkok 10310 Tel. (662) 643-1111 Fax. (662) 643-1651	Marketing Management	THB 2.5 million divided into 1 million ordinary shares with a par value of Baht 10 each and call-up Baht 2.50 each.	100.00
Telecom Holding Co., Ltd.	18 True Tower, Ratchadapisek Road, Huai Khwang, Bangkok 10310 Tel. (662) 643-1111 Fax. (662) 643-1651	Holding Company	THB 34,290.25 million divided into 4,332.62 million ordinary shares with a par value of Baht 10 each, 2,132.62 million ordinary shares fully paid up and 1,200 million ordinary shares call-up Baht 8.72 each and 1,000 million ordinary shares call-up Baht 2.50 each.	100.00
Telecom KSC Co., Ltd.	2/4 Siam Commercial Samaggi Insurance Tower, 10 th Floor, Vibhavadee-Rangsit Road, Thungsonghong, Laksi, Bangkok 10210 Tel. (662) 979-7000 Fax. (662) 979-7111	Dormant	THB 250,000 divided into 100,000 ordinary shares with a par value of Baht 10 each and call-up Baht 2.50 each	34.39
Thai News Network (TNN) Co., Ltd.	118/1 Tipco Tower, Rama VI Road, Samsen Nai, Phayathai, Bangkok 10400 Tel. (662) 615-9000 Fax. (662) 615-9900	News Channel	THB 645 million divided into 10 million ordinary shares with a par value of Baht 100 each, 5 million ordinary shares fully paid up and 5 million ordinary shares call-up Baht 29 each.	100.00
True Digital Media Co., Ltd.	118/1 Tipco Tower, Rama VI Road, Samsen Nai, Phayathai, Bangkok 10400 Tel. (662) 615-9000 Fax. (662) 615-9900	Advertising sale and agency	THB 25 million divided into 2.5 million ordinary shares with a par value of Baht 10 each and fully paid up.	100.00

Company Name	Address	Type of Business	Paid-up Capital	% of investment
True Distribution & Sales Co., Ltd.	18 True Tower, Ratchadapisek Road, Huai Khwang, Bangkok 10310 Tel. (662) 643-1111 Fax. (662) 643-1651	Distribution Center Services	THB 6,501 million divided into 65.01 million ordinary shares with a par value of Baht 100 each and fully paid up.	99.44
True4U Station Co., Ltd. (formerly "True DTT Co., Ltd.")	118/1 Tipco Tower, Rama VI Road, Samsen Nai, Phayathai, Bangkok 10400 Tel. (662) 615-9000 Fax. (662) 615-9900	Television and related business	THB 699.50 million divided into 10 million ordinary shares with a par value of Baht 100 each, 100,000 ordinary shares fully paid up and 9.90 million ordinary shares call-up Baht 69.65 each.	100.00
True Icontent Co., Ltd.	18 True Tower, Ratchadapisek Road, Huai Khwang, Bangkok 10310 Tel. (662) 643-1111 Fax. (662) 643-1651	Contents provider	THB 51 million divided into 20.10 million ordinary shares with a par value of Baht 10 each, 100,000 ordinary shares fully paid up and 20 million ordinary shares call-up Baht 2.50 each.	100.00
True Information Technology Co., Ltd.	18 True Tower, Ratchadapisek Road, Huai Khwang, Bangkok 10310 Tel. (662) 643-1111 Fax. (662) 643-1651	IT services and training	THB 1,278 million divided into 134.70 million ordinary shares with a par value of Baht 10 each, 84.70 million ordinary shares fully paid up and 50 million ordinary shares call-up Baht 8.62 each.	100.00
True International Communication Co., Ltd.	18 True Tower, Ratchadapisek Road, Huai Khwang, Bangkok 10310 Tel. (662) 643-1111 Fax. (662) 643-1651	Telecommuni- cation services	THB 22 million divided into 850,000 ordinary shares with a par value of Baht 100 each, 10,000 ordinary shares fully paid up and 840,000 ordinary shares call-up Baht 25 each.	99.43
True International Gateway Co., Ltd.	1 Fortune Town Building, 15 th Floor, Ratchadapisek Road, Din Dang, Bangkok 10400 Tel. (662) 641-1800	Telecommuni- cation and internet service	THB 436 million divided into 4.36 million ordinary shares with a par value of Baht 100 each and fully paid up.	100.00

Company Name	Address	Type of Business	Paid-up Capital	% of investment
True Internet Co., Ltd.	1 Fortune Town Building, 14 th Floor, 27 th Floor Ratchadapisek Road, Din Dang, Bangkok 10400 Tel. (662) 641-1800	Internet solution provider	THB 2,212.80 million divided into 275.28 million ordinary shares with a par value of Baht 10 each, 75.28 million ordinary shares fully paid up and 200 million ordinary shares call-up Baht 7.30 each	100.00
True Life Plus Co., Ltd.	18 True Tower, Ratchadapisek Road, Huai Khwang, Bangkok 10310 Tel. (662) 643-1111 Fax. (662) 643-1651	Telecommunication services reseller	THB 1,775 million divided into 257.50 million ordinary shares with a par value of Baht 10 each, 97.50 million ordinary shares fully paid up and 160 million ordinary shares call-up Baht 5 each	100.00
True Move Co., Ltd.	18 True Tower, Ratchadapisek Road, Huai Khwang, Bangkok 10310 Tel. (662) 643-1111 Fax. (662) 643-1651	Cellular operator	THB 71,306.49 million divided into 7,130.65 million ordinary shares with a par value of Baht 10 each and fully paid up.	99.44
True Move H Universal Communication Co., Ltd. (formerly "Real Future Co., Ltd.")	18 True Tower, Ratchadapisek Road, Huai Khwang, Bangkok 10310 Tel. (662) 643-1111 Fax. (662) 643-1651	Wireless Telecommunication services	THB 84,844.39 million divided into 8,484.44 million ordinary shares with a par value of Baht 10 each and fully paid up.	100.00
True Multimedia Co., Ltd.	18 True Tower, Ratchadapisek Road, Huai Khwang, Bangkok 10310 Tel. (662) 643-1111 Fax. (662) 643-1651	NON-POTS and multimedia services	THB 6,562 million divided into 656.20 million ordinary shares with a par value of Baht 10 each and fully paid up.	91.08
True Music Co., Ltd.	18 True Tower, Ratchadapisek Road, Huai Khwang, Bangkok 10310 Tel. (662) 643-1111 Fax. (662) 643-1651	Content provider	THB 200,000 divided into 20,000 ordinary shares with a par value of Baht 10 each and fully paid up.	99.40
True Music Radio Co., Ltd.	23/6-7, 2 nd - 4 th Floor, Soi Soonwijai, Rama 9 Road, Bangkapi, Bangkok Tel. (662) 641-4838-9 Fax. (662) 641-4840	Trading and production of advertising media	THB 1 million divided into 10,000 ordinary shares with a par value of Baht 100 each and fully paid up.	69.94

Company Name	Address	Type of Business	Paid-up Capital	% of investment
True Public Communication Co., Ltd.	18 True Tower, Ratchadapisek Road, Huai Khwang, Bangkok 10310 Tel. (662) 643-1111 Fax. (662) 643-1651	Telecommuni- cation services	THB 86 million divided into 860,000 ordinary shares with a par value of Baht 100 each and fully paid up.	100.00
True Touch Co., Ltd.	18 True Tower, Ratchadapisek Road, Huai Khwang, Bangkok 10310 Tel. (662) 643-1111 Fax. (662) 643-1651	Call centre services	THB 193 million divided into 1.93 million ordinary shares with a par value of Baht 100 each and fully paid up.	100.00
True United Football Club Co., Ltd.	18 True Tower, Ratchadapisek Road, Huai Khwang, Bangkok 10310 Tel. (662) 643-1111 Fax. (662) 643-1651	Football Club and related activities management	THB 20 million divided into 2 million ordinary shares with a par value of Baht 10 each and fully paid up.	70.00
True Universal Convergence Co., Ltd.	18 True Tower, Ratchadapisek Road, Huai Khwang, Bangkok 10310 Tel. (662) 643-1111 Fax. (662) 643-1651	Telecommuni- cation services	THB 10,000 million divided into 100 million ordinary shares with a par value of Baht 100 each and fully paid up.	100.00
True Visions Public Company Limited	118/1 Tipco Building, Rama VI Road, Samsen Nai Phayathai, Bangkok 10400 Tel. (662) 615-9000 Fax. (662) 615-9900	Pay Television	THB 2,266.72 million divided into 755.57 million ordinary shares with a par value of Baht 3 each and fully paid up.	99.53
True Visions Cable Public Company Limited	118/1 Tipco Building, Rama VI Road, Samsen Nai Phayathai, Bangkok 10400 Tel. (662) 615-9000 Fax. (662) 615-9900	Pay television via cable system	THB 7,608.65 million divided into 760.86 million ordinary shares with a par value of Baht 10 each and fully paid up.	99.10
True Visions Group Co., Ltd.	118/1 Tipco Building, Rama VI Road, Samsen Nai Phayathai, Bangkok 10400 Tel. (662) 615-9000 Fax. (662) 615-9900	Holding Company	THB 17,326.70 million divided into 225.17 million ordinary shares with a par value of Baht 100 each, 75.17 million ordinary shares fully paid up and 150 million ordinary shares call-up Baht 65.40 each.	100.00

Company Name	Address	Type of Business	Paid-up Capital	% of investment
True Vistas Co., Ltd.	18 True Tower, Ratchadapisek Road, Huai Khwang, Bangkok 10310 Tel. (662) 643-1111 Fax. (662) 643-1651	Production and distribution of movies films	THB 23.50 million divided into 2.35 million ordinary shares with a par value of Baht 10 each and fully paid up.	100.00
True Voice Co., Ltd.	18 True Tower, Ratchadapisek Road, Huai Khwang, Bangkok 10310 Tel. (662) 643-1111 Fax. (662) 643-1651	Provide voice recognition-related hardware and software products and services	THB 24 million divided into 240,000 ordinary shares with a par value of Baht 100 each and fully paid up.	55.00
K.I.N. (Thailand) Company Limited	P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands	Holding Company	USD 1 divided into 1 ordinary share with a par value of USD 1 each and fully paid up.	100.00
Gold Palace Logistics Limited	P.O. Box 71, Craigmuir Chambers, Road Town, Tortola, British Virgin Island	Holding Company	USD 8,000 divided into 8,000 ordinary shares with a par value of USD 1 each and fully paid up.	100.00
Dragon Delight Investments Limited	P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands	Holding Company	USD 4.97 divided into 4.97 million ordinary shares with a par value of USD 1 each and fully paid up.	100.00
Gold Palace Investments Limited	P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands	Holding Company	USD 14.36 million divided into 14.36 million ordinary shares with a par value of USD 1 each and fully paid up.	100.00
Golden Light Company Limited	Suite 308, St James Court, St Denis Street, Port Louis, Republic of Mauritius	Holding Company	USD 16.86 million divided into 16.86 million ordinary shares with a par value of USD 1 each and fully paid up.	100.00
Goldsky Company Limited	Suite 308, St James Court, St Denis Street, Port Louis, Republic of Mauritius	Holding Company	USD 4.97 divided into 4.97 million ordinary shares with a par value of USD 1 each and fully paid up.	100.00
Golden Pearl Global Limited	P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands	Holding Company	USD 50,000 divided into 50,000 ordinary shares with a par value of USD 1 each and fully paid up.	100.00

Company Name	Address	Type of Business	Paid-up Capital	% of investment
GP Logistics Company Limited	P.O.Box71, Craigmuir Chambers, Road Town, Tortola, British Vergin Island	Holding Company	USD 1 divided into 1 ordinary share with a par value of USD 1 each and fully paid up.	100.00
Rosy Legend Limited	P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands	Holding Company	USD 1 divided into 1 ordinary share with a par value of USD 1 each and fully paid up.	99.48
Prospect Gain Limited	P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands	Holding Company	USD 1 divided into 1 ordinary share with a par value of USD 1 each and fully paid up.	100.00
True Internet Technology (Shanghai) Company Limited	Room 2202-05, Johnson Building, No.145 Pujian Road, Shanghai 200127, P.R.China Tel. (86) 21 5889 0800 - 8049 Fax. (86) 21 5889 0800 - 8033	Developing, designing, producing and sale of software products	USD 14.93 million divided into 14.93 million ordinary shares with a par value of USD 1 each and fully paid up.	100.00
Asia Infonet Co., Ltd.	1 Fortune Town, 14 th , 17 th Floors, Ratchadapisek Road, Din Dang, Bangkok 10400 Tel. (662) 641-1800	Internet services provider	THB 15 million divided into 1.5 million ordinary shares with a par value of Baht 10 each and fully paid up.	65.00
BEC-TERO True Visions Co., Ltd.	3199 Maleenont Tower, 28 th Floor, Rama 4 Rd., Klongton, Klongtoey, Bangkok 10110 Tel. (662) 204-3333 Fax.(662) 204-1384	Sport and Entertainment	THB 50 million divided into 500,000 ordinary shares with a par value of Baht 100 each and fully paid up.	50.00
Transformation Films Co., Ltd.	6, Soi Nak Niwat 12 , Nak Niwat Road, Lat Phrao ,Lat Phrao, Bangkok 10230 Tel. (662) 932-5600 Fax. (662) 932-5600	Manufacturing and filmmaker	THB 87.50 million divided into 1.75 million ordinary shares with a par value of Baht 100 each and call-up Baht 50 each.	28.57
True GS Co., Ltd.	18 True Tower, Ratchadapisek Road, Huai Khwang, Bangkok 10310 Tel. (662) 643-1111 Fax. (662) 643-1651	Home shopping	THB 240 million divided into 2.4 million ordinary shares with a par value of Baht 100 each and fully paid up.	45.00

Company Name	Address	Type of Business	Paid-up Capital	% of investment
NEC Corporation (Thailand) Co., Ltd.	159 Sermmit Tower, 2 nd and 24 th Floor, Sukumvit 21, Klongtoey Nua, Wattana, Bangkok 10110	Telecommuni- cation equipment manufacturer	THB 343 million divided into 343,000 ordinary shares with a par value of Baht 1,000 each and fully paid up.	9.62
Thai Smart Card Co., Ltd.	191 Silom Complex Building, 27 th Floor, Room No. 2, Silom Road, Bangrak, Bangkok 10500	Central Service Bureau for clearing electronic payment transactions	THB 1,600 million divided into 160 million ordinary shares with a par value of Baht 10 each and fully paid up.	15.76
Clearing House for Number Portability Co., Ltd.	598, 6 th Floor, Q House Ploenchit, Ploenchit, Lumpini, Pathumwan, Bangkok 10330	provide mobile number portability service	THB 2 million divided into 20,000 ordinary shares with a par value of Baht 100 each and fully paid up.	19.94

References

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Website: <http://www.tsd.co.th>

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Debenture Registrar/ Debentureholders' Representative : Bank of Ayudhya Public Company Limited
1222 AA Floor Rama III Road, Bang Phongphang,
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Telephone: (662) 296-2030, (662) 296-4494, (662) 296-5715,
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Other Significant Information

1. The disposal of additional telecommunications infrastructure business assets owned by True's subsidiaries to TRUE Telecommunications Growth Infrastructure Fund

In March 2015, True Corporation Public Company Limited (the "Company")'s subsidiaries, namely Asia Wireless Communication Co., Ltd. ("AWC") and/or any other subsidiaries within the Company group disposed additional telecommunications infrastructure business assets to TRUE Telecommunications Growth Infrastructure Fund (the "Fund"), which is not the Company's connected person. The aforementioned assets comprise (a) fibre optic cables (FOC) for a length of up to 7,981 kilometers; and (b) telecommunications towers of 338 towers and other relevant passive telecommunications infrastructure (if any), collectively referred the assets to as the "Additional Telecom Infrastructure Assets". The assets disposed may be in a form of sale in ownership and/or possession right and/or long-term leasehold in the Additional Telecom Infrastructure Assets, and/or right to receive future revenue arising out of management of infrastructure business in relation to the Additional Telecom Infrastructure Assets, including leasing of assets, and/or any other forms of investment as permitted by the laws. The total value of consideration was approximately Baht 12,000 - 14,000 million. The maximum calculated size was 6.03% of the total assets of the Company based on the total value of consideration criteria calculated based on the Company's consolidated financial statements as of 30th September 2014 according to the Notification of the Capital Market Supervisory Board No. Tor. Jor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets and Notification of the Board of Governors of the Stock exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies concerning the Acquisition and Disposal of Assets, 2004 ("Notification of Acquisition and Disposal of Assets").

Such transaction was not considered as a connected transaction and the size of transaction was not considered as material transaction deemed as acquisition or disposal of assets under the Notification of Acquisition and Disposal of Assets.

2. Summary of Agreements in Relation to the Businesses Operation of the Group

(1) The Joint Operation and Investment Agreement (the "Agreement"), entered into by TOT Public Company Limited (then the Telephone Organization of Thailand) and True Corporation Public Company Limited (then C.P. Telecommunications Company Limited) on 2nd August 1991, and amended on 8th September 1995. Such Agreement has a term of 25 years, commencing from 31st December 1992, or the date TOT received the first delivery of system equipment from the Company, whichever is earlier (29th October 1992 - 29th October 2017)

The Agreement's objective is to expand the fixed-line telephone service within the metropolitan telephone area by two million numbers and 600,000 numbers (respectively in accordance with the consequences of the aforementioned Agreement). The nature of the Agreement is Build-Transfer-Operate (BTO), where True Corporation Public Company Limited (the "Company") has a duty to provide and transfer the ownership of the equipment in the system to TOT Public Company Limited ("TOT"). Such equipment in the system under the Agreement is defined in the definitions under clause 1 therein as "System Equipment," which means any equipment in the Company network which is part of the telecommunications systems and other equipment used jointly in the system, such as telephone exchange equipment, outside plant, local area network, which the Company will provide and will transfer the ownership of to TOT in accordance with appendix 5 and the parties' agreement to amend it from time to time. The Company must deliver the system equipment which has been completely installed to TOT and cause the ownership of such system equipment to be vested in TOT immediately. In addition, during the term of this Agreement, the Company shall maintain the system equipment which had been vested in TOT to be in good operable condition at all times at a standard no lower than the standard used by TOT in its network.

Under such Agreement, the Company has the following rights:

- the right to use, possess, and maintain the system equipment, land, buildings and other properties which the Company has supplied and transferred the ownership thereof to TOT or transferred the leasehold right to TOT, as the case may be, and the right to seek benefits from the system equipment, land, buildings and other properties under the Agreement;
- the right to receive the benefits as agreed upon by the Company and TOT where a third-party uses a special service through the network of the Company;
- the right to receive the benefits as agreed upon by the Company and TOT, where TOT uses a special service through the network of the Company;
- the right to receive damages or compensation where TOT restricts the rights of the Company; and
- the right to use the land, buildings, materials and equipment of TOT to the extent authorized by TOT without any charges

Based on the operations under the Agreement, TOT shall be responsible for collecting charges from lessees (service users). With regard to the service charges with respect to the two million telephone numbers, TOT will share the revenue actually received before deducting the costs to the Company at the rate of 84%; and with regard to the services charged with respect to the 600,000 telephone numbers, TOT will share the revenue actually received before deducting the costs to the Company at the rate of 79%.

The Right to terminate the Joint Operation and Investment Agreement

- TOT is entitled to terminate the Agreement in the cases described below. Before exercising the right to termination, TOT will give one-month's prior written notice to the Company, but if it is a case that can be rectified, TOT will give the Company a written notice to take appropriate action or make improvement within the period as specified by TOT, which shall not be less than six months. If the Company is unable to make improvement within such period, TOT is entitled to terminate the Agreement.
 - The Company violates the law on public disaster prevention or the law on state security.
 - The Company is placed under absolute receivership by a court's order in a bankruptcy case.
 - The Company willfully and continuously breaches the Agreement in any material respects.
- The Company is not entitled to terminate the Agreement, except in the cases described below. Before exercising the right to termination, the Company shall give TOT written notice to take remedial or appropriate action within the period specified by the Company, which shall not be less than six months. If TOT is unable to make improvement or correction, the Company will give TOT written notice of termination.
 - TOT willfully and continuously breaches the Agreement in any material respects, causing the Company to be unable to comply with the Agreement.
 - The government, any state agency or TOT revokes the right or undertakes any act which prejudices the right of the Company, considerably affecting the operations of the Company to the extent that it is unable to operate the business under the Agreement.
 - The Company did not receive the relevant revenue share or other money as specified in the Agreement.

(2) The Agreement for the Operation of a Service Business of Leasing High-Speed Signal Transmission Circuits via a Multimedia Network (the “Agreement”), entered into between TOT Public Company Limited (then the Telephone Organization of Thailand) and True Multimedia Company Limited (then Asia Multimedia Company Limited). This Agreement was entered into on 20th October 1997, with a term of 20 years, effective from the date of execution of the Agreement.

The objective of this Agreement is to operate a service business of leasing high-speed signal transmission circuits, both in digital and analog systems, to provide services to general users or entitled persons and/or persons granted the right to be a provider of services through the multimedia network. The nature of the Agreement is Build-Transfer-Operate (BTO), where True Multimedia Company Limited (the “Company”) has a duty to transfer the ownership of the equipment and accessories in the system, which the Company installed in addition to the multimedia network used in the provision of services under the Agreement, to TOT. The Company must provide maintenance for all system equipment and accessories which are owned by TOT to ensure they are in good and functional condition at all times. If any equipment or part is lost or damaged to the extent it is not functional, the Company shall replace or repair the same to its functional state. In operating under this Agreement, the Company has allocated its 18,525,000 shares to TOT, which does not have to pay for such shares.

Under the Agreement, the Company has the following right:

- the exclusive right to possess the assets of which the title is vested in TOT;
- the right to use TOT’s indoor space where a high-speed circuit will be installed;
- the right to lease TOT’s network at the rate specified by TOT in order to use such network for provision of services; and
- the right to connect the network to TOT’s exchange and telecommunications network.

With regard to the right to termination, under the Agreement, TOT is entitled to terminate the Agreement if the Company is unable to habitually operate the business under the Agreement or breaches any of the provisions of the Agreement.

(3) The Joint Operation Agreement for the Provision of Subscription Cable Television Services (the “Agreement”), entered into between MCOT Public Company Limited (then the Mass Communication Organization of Thailand) and True Visions Cable Public Company Limited (then Thai Cable Vision Public Company Limited), with a term of 25 years, commencing from 1st January 1995 to 31st December 2019, with the first amendment on 7th September 1994, second amendment on 9th November 1994, third amendment on 17th April 1998, and fourth amendment on 8th October 2009, and the Memorandum of Agreement between MCOT Public Company Limited and True Visions Cable Public Company Limited, dated 8th October 2009

The objective of this Agreement is to jointly operate a business providing subscription cable television services, where True Visions Cable Public Company Limited (the “Company”) is granted the right to operate a business of providing subscription cable television services.

The Company has a duty to comply with the Agreement by delivering all assets and delivering all receiver equipment to MCOT Public Company Limited (“MCOT”), namely the transmission equipment such as the head-end equipment and broadcast studio equipment. The delivery of such equipment, which is worth no less than Baht 50 million, shall be made to MCOT by 1st January 1995, and the equipment, which is worth no less than Baht 120 million, shall be delivered to MCOT within five years from the date of the second amendment (9th November 1994). The ownership of the receiver equipment, namely the Set-Top Converter system of the members, shall be vested in MCOT upon the expiry of the Agreement. In this regard, the Company shall invest a total of no less than Baht 100 million for use in the business operation, which are expenses in relation to the supply of equipment and accessories. The Company has a duty to maintain the equipment and tools to ensure they are in good functional condition at all times. In operating under this Agreement, the Company agrees to pay consideration for the joint operation in the amount of 6.5% of gross revenue in each year before the deduction of any expenses.

With regard to the termination of the Agreement, it is specified that if the Company fails to comply with any of the provisions therein, MCOT shall give written notice to the Company to comply with the Agreement within a reasonable time. Should the Company fail to take appropriate action in the specified period, the Company must give written clarification to MCOT. Upon considering the clarification, MCOT shall once again notify the Company to take appropriate action within a reasonable time. If the Company fails to comply within this specified time, MCOT is entitled to demand damages or order the suspension of the provision of services and/or is entitled to immediately terminate the Agreement. Where the Cabinet resolved that termination is necessary for state security, MCOT is entitled to terminate the Agreement in whole or in part by giving at least 180-days' prior notice to the Company.

- (4) The Joint Operation Agreement for the Provision of Subscription Television Services (the “Agreement”), entered into between MCOT Public Company Limited (then the Mass Communication Organization of Thailand) and True Visions Public Company Limited (then International Broadcasting Corporation Public Company Limited), with a term of 25 years, commencing from 1st October 1989 to 30th September 2014, with the first amendment on 19th May 1994, second amendment on 17th April 1998, and third amendment on 8th October 2009, and the Memorandum of Agreement between MCOT Public Company Limited and True Visions Public Company Limited, dated 8th October 2009.**

The objective of this Agreement is to jointly operate a business providing subscription television services. True Visions Public Company Limited (the “Company”) is granted the right to operate a business of providing subscription television services with the duty to make an investment for the operation of the business in a total of no less than Baht 50 million, which are expenses for procuring equipment and accessories. The Company shall deliver all assets, including all the receiver equipment, to MCOT, namely the transmission equipment, such as transmitters, broadcast studio equipment and transmission antennas for the operation of the MMDS system. Such delivery, with a total value of no less than Baht 50 million, shall be made to MCOT within 180 days from the date of the Agreement execution (17th April 1989). The Company shall deliver equipment from the expansion of services under the first amendment to the Agreement, with a total value of no less than Baht 120 million, to MCOT within three years from the date of execution (19th May 1994), and the receiver equipment, such as the members antenna subsystem (Down Converter), including the equipment to prevent non-members from receiving the signal, shall be delivered to be under the ownership of MCOT upon the expiry of the Agreement. In addition, the Company has a duty to assign the right in the 2507-2517 MHz and 2521-2528 MHz frequencies granted to the Company by the National Radio Frequency Management Board and another frequency granted by the Frequency Allocation and Management Board to MCOT within 180 days (from 17th April 1989). With regard to the operation under this Agreement, the Company agrees to pay consideration for the joint operation in the amount of 6.5% of gross revenue in each year before the deduction of any expenses.

With regard to the termination of the Agreement, it is specified that if the Company fails to comply with any of the provisions therein, MCOT shall give written notice to the Company to comply with the Agreement within a reasonable time. Should the Company fail to take appropriate action in the specified period, the Company must give written clarification to MCOT. Upon considering the clarification, MCOT shall once again notify the Company to take appropriate action within a reasonable time. If the Company fails to comply within this specified time, MCOT is entitled to demand damages or order the suspension of the provision of services and/or is entitled to immediately terminate the Agreement. Where there is a Cabinet resolution that termination is necessary for state security, MCOT is entitled to terminate the Agreement in whole or in part by giving at least 180-days' prior notice to the Company.

- (5) HSPA Equipment-leasing agreement to provide mobile service (the “HSPA Equipment-Leasing Agreement”) between CAT Telecom as the Lesser and BFKT as the Lessor dated 27th January 2011, for the period of 14.5 years (27th January 2011 - 3rd August 2025) and the attached MOU dated 27th January 2011 and dated 17th February 2011.**

The Objective of HSPA Equipment-Leasing Agreement is for CAT Telecom to lease HSPA equipment from BFKT and BFKT will also install the equipment on CAT Telecom Network and telecommunication tower in central and provincial area. BFKT agrees to rent out and agree to manage, change, fix and maintain the leasing HSPA equipment around the country for 14.5 years (in accordance with the duration of CAT Telecom's type 3 license). BFKT receives the

rental fee in return from CAT Telecom calculated based on the number of the sites ready for the commercial service and in accordance with the criteria and calculation method stated in the Agreement. However, BFKT or CAT Telecom may adjust or make change to the rental fee from time to time as per the terms and conditions specified in the HSPA Equipment-Leasing Agreement.

(6) The Wholesaling of Mobile Service Agreement (HSPA) (the “Agreement”) between CAT Telecom as the wholesaler and Real Move as a reseller for the period of 14.5 years (27th January 2011 - 3rd August 2025) and the attached MOU dated 27th January 2011 and dated 17th February 2011.

The agreement is made in accordance with the NTC’s Rule on the Operation of Telecommunication Business by Wholesaling and Reselling which is announced in the Royal Gazette, number 123 special part 136 NG, dated December 29, 2006 including other rules relating to the reselling of mobile service to be announced in the future. By the above mentioned wholesale of mobile service, CAT Telecom agrees to wholesale its mobile service to Real Move or other resellers obtaining a license to resale from the NBTC.

Real Move has agreed to buy mobile capacity from CAT Telecom as stipulated in the Agreement and the volume of the wholesale capacity can be mutually agreed from time to time. At present, the purchased mobile capacity can support approximately 13.3 million nominal subscribers within 31st December 2012. By this, the conditions and terms of the Agreement will be used as a standard wholesaling agreement and apply to every reseller. CAT Telecom has the right to utilize capacity by wholesaling to other resellers. Furthermore, CAT Telecom will inquire Real Move or other resellers their need of buying additional capacity every year so that CAT Telecom can extend its network capacity accordingly in the future.

(7) Asset and Revenue Sale and Transfer Agreement

(7.1) Asset and Revenue Sale and Transfer Agreement between BFKT (Thailand) Limited (“BFKT”) as a seller and TRUE Telecommunications Growth Infrastructure Fund (“TRUEGIF”) as a purchaser (“BFKT Asset and Revenue Sale and Transfer Agreement”) for the period of 12 years (24th December 2013 - 3rd August 2025)

The objective of BFKT Asset and Revenue Sale and Transfer Agreement is to sell and transfer to TRUEGIF

- (i) the rental of the BFKT Telecom Assets being 1,485 telecommunications towers and 9,169 links of FOC grid and transmission equipment pursuant to the HSPA Equipment-Leasing Agreement, (including all claims and other rights arising out such revenue as specified in the relevant Asset and Revenue Sale and Transfer Agreement) from the Commencement Date until the Expiry Date; and
- (ii) the rental of up to 50 telecommunications towers of BFKT from the date following the earlier of the Expiry Date and the date on which the HSPA Equipment-Leasing Agreement is terminated prior to its term or extended term (the “HSPA Termination Date”), until the 10th anniversary of such date

In each case less certain costs and expenses for operation and maintenance, rental payments under land leases (including property tax) insurance premiums and costs associated with securing rights of way (the “BFKT Relevant Costs”), provided that the BFKT Relevant Costs will be subject to applicable annual escalation, (collectively, the “BFKT Sale Revenue”).

BFKT irrevocably grants to TRUEGIF the option to purchase certain BFKT Telecom Assets (the “BFKT Main Specified Assets”) at Baht 10 million (the “Option Price”) exercisable upon the earlier of the Expiry Date and the HSPA Termination Date (the “Option”) consisting of 1,435 telecommunications towers and 9,169 links of FOC grid and transmission equipment comprising 47,250 km of FOC.

Upon TRUEGIF exercising the Option and making payment of the Option Price, if there are any BFKT Main Specified Assets that cannot be transferred and delivered to TRUEGIF on the closing of the transfer of the BFKT Main Specified Assets (the “BFKT Main Specified Asset Closing Date”), BFKT shall pay to TRUEGIF the terminal value of such BFKT Main Specified Assets. Upon the payment of such terminal value in full, BFKT shall be relieved from its obligation to deliver and transfer the relevant BFKT Main Specified Assets to TRUEGIF.

The terminal value in relation to any BFKT Main Specified Assets shall be an amount equal to 18 times the aggregate amount of the BFKT Monthly Sale Revenue (as defined below) for the 12 months preceding the month in which the BFKT Main Specified Asset Closing Date occurs (the “BFKT Terminal Value”).

On or prior to the earlier of the Expiry Date and the HSPA Termination Date, BFKT shall enter into a lease agreement to lease to any True Group entity one slot on the remaining BFKT Towers that are not the BFKT Main Specified Assets (the “BFKT Remaining Specified Asset Leasing Agreement”), having a term of at least ten years from the date following the earlier of the Expiry Date and the HSPA Termination Date, (the “BFKT Final Long Stop Date”) and shall procure and deliver to TRUEGIF the monthly net revenue generated from the rental of the BFKT Remaining Specified Assets until the BFKT Final Long Stop Date or, if earlier, the transfer of the BFKT Remaining Specified Asset to TRUEGIF, each in accordance with the terms and conditions of the BFKT Asset and Revenue Sale and Transfer Agreement.

Subject to the terms and conditions set out in the BFKT Asset and Revenue Sale and Transfer Agreement, BFKT shall, at any time during the term of the BFKT Remaining Specified Asset Leasing Agreement and upon it obtaining evidence of the legal and valid land rights and/or leases in relation to the sites where any BFKT Remaining Specified Assets are located or operated, sell and transfer to TRUEGIF and TRUEGIF shall purchase and accept such BFKT Remaining Specified Assets at a price (the “BFKT Remaining Specified Asset Purchase Price”) to be agreed between TRUEGIF and BFKT in accordance with the BFKT Asset and Revenue Sale and Transfer Agreement.

Title and risk of loss or damage to the BFKT Sale Revenue, BFKT Main Specified Assets and BFKT Remaining Specified Assets shall pass to TRUEGIF upon the relevant closing, except as otherwise provided in the BFKT Asset and Revenue Sale and Transfer Agreement.

Prior to the BFKT Main Specified Asset Closing Date, if a trigger event as specified in the BFKT Asset and Revenue Sale and Transfer Agreement occurs, TRUEGIF may demand BFKT to make payment of the net present value of all remaining BFKT Sale Revenue owed under the BFKT Asset and Revenue Sale and Transfer Agreement plus the BFKT Terminal Value of the BFKT Main Specified Assets (the “BFKT Outstanding Sale Revenue”) and exercise or enforce all or any part of the rights of TRUEGIF available under the BFKT Asset and Revenue Sale and Transfer Agreement.

BFKT shall be liable in respect of any claim in relation to the BFKT Transferred Specified Assets if a notice of such claim is given by TRUEGIF within two years from the relevant BFKT Asset Closing Date, except for claims arising out of certain material matters as set out in the BFKT Asset and Revenue Sale and Transfer Agreement

for which there shall be no time limitation for giving notice of claims (other than pursuant to applicable law). Such matters include, among others, BFKT's warranties on its authority and capacity, ownership of the BFKT Transferred Specified Assets and breach of material undertakings.

The aggregate liability of BFKT in respect of (i) the BFKT Sale Revenue in relation to the HSPA Equipment-Leasing Agreement shall not exceed the BFKT Outstanding Sale Revenue; (ii) the BFKT Main Specified Assets transferred to TRUEGIF shall not exceed their BFKT Terminal Value; (iii) the BFKT Remaining Specified Assets transferred to TRUEGIF shall not exceed the purchase price of the BFKT Remaining Specified Assets paid by TRUEGIF; (iv) the BFKT Sale Revenue in relation to the BFKT Remaining Specified Assets Leasing Agreement shall not exceed the net present value of all remaining net rental revenue owed; and (v) all other breaches the aggregate liabilities shall not exceed 50 percent of the BFKT Purchase Price. BFKT shall be liable for any actual damages, losses, claims, taxes (other than VAT), stamp duty, liabilities and related costs and expenses, arising out of or resulting from the entry into, exercise and enforcement under the BFKT Asset and Revenue Sale and Transfer Agreement.

Insurance: BFKT undertakes (a) to procure that, within 45 days from the BFKT Revenue Closing Date, TRUEGIF shall be named as co-insured and co-beneficiary under all True Group's insurance policies in relation to the BFKT Telecom Assets; (b) to procure that all True Group's insurance policies in relation to the BFKT Telecom Assets are maintained in accordance with the terms set out in the BFKT Asset and Revenue Sale and Transfer Agreement; (c) upon the relevant BFKT Asset Closing Date, to arrange for an insurance policy for the BFKT Transferred Specified Assets under the name of TRUEGIF, provided that TRUEGIF shall be responsible for the insurance premiums with respect to such insurance policy; (d) not to modify any term of True Group's insurance policies in relation to the BFKT Transferred Specified Assets without the prior written consent of TRUEGIF, which shall not be unreasonably withheld; and (e) to ensure that all insurance proceeds are used to repair, reinstate or otherwise replace the assets which are the subject of an insurance claim giving rise to such insurance proceeds.

(7.2) Asset and Revenue Sale and Transfer Agreement between Asia Wireless Communication Company Limited ("AWC") as a seller and TRUEGIF ("AWC Asset and Revenue Sale and Transfer Agreement") as a purchaser for the period of 12 years (24th December 2013 - 3rd August 2025)

The objective of AWC Asset and Revenue Sale and Transfer Agreement is to sell and transfer to TRUEGIF

- (i) the rental of the AWC Towers being 4,360 telecommunications towers pursuant to the AWC Leasing Agreement, (including all claims and other rights arising out of such revenue as specified in the relevant Asset and Revenue Sale and Transfer Agreement) from the Commencement Date until the date on which the AWC Leasing Agreement expires (the "AWC Expiry Date"); and
- (ii) the rental of up to 392 telecommunications towers of AWC from the date following the earlier of the AWC Expiry Date and the date on which the AWC Leasing Agreement is terminated prior to its term or extended term (the "AWC Termination Date"), until the 10th anniversary of such date.

In each case less certain costs and expenses for operation and maintenance, rental payments under land leases (including property tax) and insurance premiums (the "AWC Relevant Costs"), provided the AWC Relevant Costs will be subject to applicable annual escalation, (collectively, the "AWC Sale Revenue") and

Upon the earlier of the AWC Expiry Date and the AWC Termination Date, AWC shall transfer to TRUEGIF, and TRUEGIF shall accept, certain AWC Towers being 3,968 telecommunications towers (the "AWC Main Specified Assets") on the date which is scheduled to be the closing date for the transfer and delivery of the AWC Main Specified Assets (the "AWC Main Specified Asset Closing Date"), (the AWC Sale Revenue and the AWC Main Specified Assets are collectively, the "AWC Sale Assets").

For the AWC Main Specified Assets that cannot be transferred and delivered on the AWC Main Specified Asset Closing Date, AWC shall pay TRUEGIF the terminal value of the relevant AWC Main Specified Assets on the AWC Main Specified Asset Closing Date. Upon the payment of such terminal value in full, AWC shall be relieved from its obligations to deliver and transfer the relevant AWC Main Specified Assets to TRUEGIF. The terminal value in relation to any AWC Main Specified Assets shall be an amount equal to 14 times the aggregate amount of the AWC Monthly Sale Revenue (as defined below) for the 12 months preceding the month in which the AWC Main Specified Assets Closing Date occurs (the “AWC Terminal Value”).

AWC undertakes that it shall enter into a lease agreement to lease to any True Group entity one slot on the remaining AWC Towers that are not the AWC Main Specified Assets (the “AWC Remaining Specified Asset Leasing Agreement”) which include up to 392 telecommunications towers (the “AWC Remaining Specified Assets”), having a term of at least ten years from the earlier of the date following the AWC Expiry Date and the AWC Termination Date, (the “AWC Final Long Stop Date”) and shall procure and deliver to TRUEGIF the monthly net revenue generated from the rental of the AWC Remaining Specified Assets until the AWC Final Long Stop Date or, if earlier, the transfer of the AWC Remaining Specified Asset to TRUEGIF, each, in accordance with the terms and conditions of the AWC Asset and Revenue Sale and Transfer Agreement.

AWC undertakes that it shall enter into a lease agreement to lease to any True Group entity one slot on the remaining AWC Towers that are not the AWC Main Specified Assets (the “AWC Remaining Specified Asset Leasing Agreement”) which include up to 392 telecommunications towers (the “AWC Remaining Specified Assets”), having a term of at least ten years from the earlier of the date following the AWC Expiry Date and the AWC Termination Date, (the “AWC Final Long Stop Date”) and shall procure and deliver to TRUEGIF the monthly net revenue generated from the rental of the AWC Remaining Specified Assets until the AWC Final Long Stop Date or, if earlier, the transfer of the AWC Remaining Specified Asset to TRUEGIF, each, in accordance with the terms and conditions of the AWC Asset and Revenue Sale and Transfer Agreement.

Subject to the terms and conditions set out in the AWC Asset and Revenue Sale and Transfer Agreement, AWC shall, at any time during the term of the AWC Remaining Specified Asset Leasing Agreement and upon it obtaining evidence of the legal and valid land rights and/or leases in relation to the sites where any AWC Remaining Specified Assets are located, sell and transfer to TRUEGIF and TRUEGIF shall purchase and accept such AWC Remaining Specified Assets at a price to be agreed between TRUEGIF and AWC in accordance with the AWC Asset and Revenue Sale and Transfer Agreement.

Title and risk of loss or damage to the AWC Sale Revenue, AWC Main Specified Assets and AWC Remaining Specified Assets shall pass to TRUEGIF upon the relevant closing, except as otherwise provided in the AWC Asset and Revenue Sale and Transfer Agreement.

The aggregate liability of AWC in respect of (i) the AWC Sale Revenue in relation to the AWC Leasing Agreement shall not exceed the AWC Outstanding Sale Revenue; (ii) the AWC Main Specified Assets transferred to TRUEGIF shall not exceed their AWC Terminal Value; (iii) the AWC Remaining Specified Assets transferred to TRUEGIF shall not exceed the purchase price of the AWC Remaining Specified Assets paid by TRUEGIF; (iv) the AWC Sale Revenue in relation to the AWC Remaining Specified Assets Leasing Agreement shall not exceed the net present value of all remaining net rental revenue owed; and (v) all other breaches the aggregate liabilities shall not exceed 50 percent. of the AWC Purchase Price. AWC shall be liable for any actual damages, losses, claims, taxes (other than VAT), stamp duty, liabilities and related costs and expenses, arising out of or resulting from the entry into, exercise and enforcement under the AWC Asset and Revenue Sale and Transfer Agreement.

Insurance: AWC undertakes: (a) to procure that, within 45 days from the AWC Revenue Closing Date, TRUEGIF shall be named co-insured and co-beneficiary under all True Group’s insurance policies in relation to the AWC

Towers; (b) to procure that all True Group's insurance policies in relation to the AWC Towers are maintained in accordance with the terms set out in the AWC Asset and Revenue Sale and Transfer Agreement; (c) upon the relevant AWC Asset Closing Date, to arrange for an insurance policy for the AWC Transferred Specified Assets under the name of TRUEGIF, provided that TRUEGIF shall be responsible for the insurance premiums with respect to such insurance policy; (d) not to modify any term of True Group's insurance policies in relation to the AWC Towers without the prior written consent of TRUEGIF, which shall not be unreasonably withheld; and (e) to ensure that all insurance proceeds are used to repair, reinstate or otherwise replace the assets which are the subject of an insurance claim giving rise to such insurance proceeds.

(8) Asset Sale and Transfer Agreement

(8.1) Asset Sale and Transfer Agreement between True Corporation Public Company Limited ("True") as a seller and TRUEGIF as a purchaser ("True Asset Sale and Transfer Agreement")

The objective of True Asset Sale and Transfer Agreement is to sell and transfer to TRUEGIF, and TRUEGIF shall purchase the following New Tower Assets:

3,000 towers by 31st December 2014; and
3,000 towers by 31st December 2015 (each, the "Scheduled Delivery Date")

From the date following each Scheduled Delivery Date until 31st December 2020 (the "True Final Long Stop Date"), if, on 31st December of each year, there are any New Tower Assets which cannot be delivered to TRUEGIF, True shall pay delay damages to TRUEGIF in an amount equal to the amount that TRUEGIF is required to refund to Real Future under the Real Future Master Lease Agreement for any unavailable New Tower Assets in relation to such year (the "Annual Rental Shortfall"), plus 15 per cent per annum.

On the True Final Long Stop Date, if there are any New Tower Assets which cannot be delivered to TRUEGIF, True shall pay to TRUEGIF an amount equal to 12 times the Annual Rental Shortfall for the year 2020 in accordance with the terms and conditions of the True Asset Sale and Transfer Agreement.

Upon the earlier of the date True delivers all New Tower Assets to TRUEGIF and the True Final Long Stop Date, if any New Tower Asset delivered by True to TRUEGIF is not in accordance with the applicable specifications in the True Asset Sale and Transfer Agreement, the applicable party will be entitled to receive compensation from the other party for any difference in such specifications, subject to the terms of the True Asset Sale and Transfer Agreement.

Title to and risk of loss or damage to the New Tower Assets shall pass to TRUEGIF upon each delivery of the relevant New Tower Assets (a "Delivery") which shall be in accordance with the process specified in the True Asset Sale and Transfer Agreement.

Prior to each relevant Delivery, True shall warrant and represent to the Purchaser that, among others, the New Tower Assets to be delivered shall be legally and beneficially owned by True and shall be free from all encumbrances.

Key obligation of True from each relevant Delivery and in respect of the delivered New Tower Assets, True shall at its own expense in relation to any land and/or property leases which cannot be assigned or novated to TRUEGIF, procure that each of TRUEGIF, the lessees of the New Tower Assets, the Telecom Asset Manager and their designated persons has the right to access and to use the relevant sites;

The aggregate liability of True in respect of all breaches under the True Asset Sale and Transfer Agreement shall not exceed the True Purchase Price. True shall be liable for any actual damages, losses, claims, taxes (other than VAT), stamp duty, liabilities and related costs and expenses, arising out of or resulting from the entry into, exercise and enforcement under the True Asset Sale and Transfer Agreement.

True undertakes from the relevant Delivery: (a) to procure that, until TRUEGIF's relevant insurances are put in place, all True Group's insurance policies in relation to the True Transferred Specified Assets are maintained in accordance with the terms set out in the True Asset Sale and Transfer Agreement; (b) to arrange a policy for the True Transferred Specified Assets under the name of TRUEGIF, provided that TRUEGIF shall be responsible for the insurance premiums with respect to such insurance policy; (c) not to modify any term of True Group's insurance policies in relation to the True Transferred Specified Assets without the prior written consent of TRUEGIF, which shall not be unreasonably withheld; and (d) to ensure that all insurance proceeds are used to repair, reinstate or otherwise replace the assets which are the subject of an insurance claim giving rise to such insurance proceeds.

True shall be liable in respect of any claim in relation to the True Transferred Specified Assets if a notice of such claim is given by TRUEGIF within two years from the relevant Delivery, except for claims arising out of certain material matters as set out in the True Asset Sale and Transfer Agreement for which there shall be no time limitation for giving notice of claims. Such matters include, among others (other than pursuant to applicable law), True's warranties on its authority and capacity, ownership of the New Tower Assets and breach of material undertakings;

The obligation of True in relation to the relocation and repurchase of the True Affected Assets on the site (or part of a site) which has been assigned or novated to TRUEGIF, in relation to any True Transferred Specified Asset being seized, taken into custody or otherwise rendered unusable by any tenant due to any illegality to access or to use such site or any part thereof shall be limited to five years after the date of the assignment or novation of such site to TRUEGIF.

(8.2) Asset Sale and Transfer Agreement between True Universal Convergence Company Limited ("TUC") as a seller and TRUEGIF as a purchaser ("TUC Asset Sale and Transfer Agreement")

The objective of TUC Asset Sale and Transfer Agreement is to sell and transfer (i) 5,112 km of core FOC grid (including transmission equipment) located in the upcountry region of Thailand; and (ii) the upcountry broadband system with a capacity of approximately 1.2 million ports (the "TUC Sale Assets").

Title and risk of loss or damage to the TUC Sale Assets shall pass to TRUEGIF upon the closing of the sale and transfer, except as otherwise provided in the TUC Asset Sale and Transfer Agreement, provided that the risk of loss or damage to the TUC Sale Assets that are under construction shall pass to TRUEGIF upon the delivery of such under construction assets which shall be in accordance with the process specified in the TUC Asset Sale and Transfer Agreement.

From the Asset Closing Date, TUC shall at its own expense, procure that each of TRUEGIF, the lessees of the TUC Sale Assets, the Telecom Asset Manager and their designated persons has the right to access and to use the relevant right of way with respect to such assets in accordance with the terms and conditions of the TUC Asset Sale and Transfer Agreement.

In relation to any contracts with respect to the TUC Sale Assets which cannot be assigned or novated to TRUEGIF, procure that TRUEGIF can enjoy the rights and benefits of TUC under such contracts.

From the Asset Closing Date, TUC shall be liable in respect of any claim in relation to the TUC Transferred Specified Assets if a notice of such claim is given by TRUEGIF within two years from the Asset Closing Date, except for claims arising out of certain material matters as set out in the TUC Asset Sale and Transfer Agreement for which there shall be no time limitation for giving notice of claims (other than pursuant to applicable law). Such matters include, among others, TUC's warranties on its authority and capacity, ownership of the TUC Sale Assets and breach of relevant material undertakings.

The aggregate liability of TUC in respect of all breaches under the TUC Asset Sale and Transfer Agreement shall not exceed the TUC Purchase Price. TUC shall be liable for any actual damages, losses, claims, taxes (other than VAT), stamp duty, liabilities and related costs and expenses, arising out of or resulting from the entry into, exercise and enforcement under the TUC Asset Sale and Transfer Agreement.

TUC undertakes to procure that: (a) until TRUEGIF's relevant insurances are put in place, all True Group's insurance policies in relation to the TUC Sale Assets are maintained in accordance with the terms set out in the TUC Asset Sale and Transfer Agreement; (b) to arrange relevant insurance policies in relation to the TUC Sale Assets under the name of TRUEGIF, provided that TRUEGIF shall be responsible for the insurance premiums with respect to such insurance policies; and (C) not to modify any term of True Group's relevant insurance policies for the TUC Sale Assets without the prior written consent of TRUEGIF, which shall not be unreasonably withheld and delayed.

(9) Master Lease, Operation and Management Agreements

(9.1) Master Lease, Operation and Management Agreement between Real Future Company Limited ("Real Future") as a lessee and TRUEGIF as a lessor ("Real Future Master Lease, Operation and Management Agreement") for the period of 14 years (24th December 2013 - 31st December 2027)

The objective of Real Future Master Lease, Operation and Management Agreement is to lease slots on telecommunications towers and lease passive facilities in relation to certain towers, (collectively, the "Leased Properties") including operates and manages Leased Properties until 31st December 2027.

The Leased Properties will consist of at least (the "Minimum Leased Properties"):

- (a) 6,619 slots on 3,000 towers commencing from 1st January 2015;
- (b) 13,993 slots on 6,000 towers commencing from 1st January 2016; and
- (c) 15,249 slots on 6,000 towers commencing from 1st January 2017

The rental rates for the Leased Property are divided into 3 types as listed below and are subject to applicable discounts and/or adjustments as described below:

Type I: ground-based towers: Baht 25,400 per month per slot;
Type II: rooftop-based towers: Baht 23,200 per month per slot; and
Type III: IBC/DAS: Baht 39,400 per month per slot

The following adjustments/discounts to the rental rate apply under the conditions described below:

- (a) founder tenant discount: 32%
- (b) volume discount (regardless of which type):
 - 1 - 3,000 slots: no discount;
 - 3,001 - 5,000 slots: 30% discount;
 - 5,001 - 10,000 slots: 35% discount; and
 - 10,001 slots and more: 40% discount

If Real Future or other founder tenants, at any time during the terms of the lease, wishes to lease, operate and manage additional slots, Real Future/or other founder tenants will be entitled to both founder tenant discount and volume discount for the rental rates. Annual escalation at a fixed rate of 2.7% per annum applies from January 2015.

Real Future will make net rental payments for the lease, operation and management of the Leased Properties in advance on the 7th (or the next business day) of each month starting from January 2014. Real Future will make the net rental payments to TRUEGIF in advance on a monthly basis for the Minimum Leased Properties – one year in advance for slots on the first batch of 3,000 towers to be delivered by 31st December 2014 and two years in advance for slots on the second batch of 3,000 towers to be delivered by 31st December 2015.

At the end of each year starting from 2015 until 2020, TRUEGIF will return to Real Future the respective part of the advance payment proceeds should the number of towers available for Real Future to lease, operate and manage falls below the respective Minimum Leased Properties in relation to such year. TRUEGIF shall return such advance payment proceeds to Real Future within the next Business Day from the date True has made payment in respect of the delay damages for late and/or non delivery of the relevant New Tower Assets to TRUEGIF pursuant to the terms of True Asset Sale and Transfer Agreement.

Upon the earlier of the date True delivers all New Tower Assets to TRUEGIF and 31st December 2020, if any New Tower Asset delivered by True to TRUEGIF does not satisfy the specifications in the True Asset Sale and Transfer Agreement causing the advance rental payments made by Real Future to be different from the actual rental payments Real Future is obligated to pay to TRUEGIF for the lease of the Leased Properties, such differences will be paid to the applicable party by the other party in accordance with the terms of the Real Future Master Lease, Operation and Management Agreement.

TRUEGIF shall be responsible for the rental payments under the land leases in respect of the site where the Leased Properties are located whereby (a) during the term of the lease, Real Future shall be the person making the rental payments under the land leases in respect of the site where the Leased Properties are located which such method has been reflected in the amount of the net advance annual rental payments in the table attached to the summary of the Real Future Master Lease, Operation and Management Agreement and (b) for the renewal term, TRUEGIF shall be the person making the rental payments under the land leases in respect of the site where the Leased Properties are located.

TRUEGIF shall be responsible for obtaining and maintaining, in respect of any Leased Properties, adequate insurance (including third party liability insurance and any other coverage) customary for the Leased Properties, and paying for relevant insurance premiums and Real Future shall be responsible for obtaining and maintaining, in respect of any telecommunications equipment that Real Future installs or places on any Leased Property, adequate insurance, including third party liability insurance and any other coverage, customary for such telecommunications equipment.

Each of TRUEGIF and Real Future agrees to indemnify each other for all losses and damages arising from breaches of their respective representations, warranties and covenants under the Real Future Master Lease, Operation and Management Agreement, subject to customary carve-outs.

Real Future is allowed to sublease the slots that it leases, operates and manages under the Real Future Master Lease, Operation and Management Agreement, without prior consent of TRUEGIF, as follows:

- (i) the Minimum Leased Properties to any third party;
- (ii) any slots (in addition to the Minimum Leased Properties) to (a) any other founder tenants, (b) True or any of its existing or future subsidiaries and/or any non-True entity awarded to operate telecommunications business using 1800 MHz frequency, (c) CAT, (d) TOT and (e) other telecommunications operators by exchanging for use of other telecommunications operator's slots without consideration; and
- (iii) any slots (in addition to the Minimum Leased Properties) to any third party other than those listed in (ii) above whereby the rental rate that Real Future pays to TRUEGIF for such slots shall be calculated by applying the discount that is applicable to the sub-lessee if such sub-lessee were to directly lease, operate

and manage the Leased Properties from TRUEGIF without the founder tenant discount; provided that TRUEGIF may agree to give additional discounts to Real Future in case Real Future leases such slots for the purpose of subleasing to other third party.

If any reinforcement or enhancement of any towers that TRUEGIF acquired from Real Future or True and/or its subsidiaries which are subject to the lease, operation and management under the Real Future Master Lease, Operation and Management Agreement, is required or necessary (either due to Real Future's and/or third party tenant's request), Real Future will perform such reinforcement or enhancement in all cases but at TRUEGIF's cost plus a reasonable margin. If TRUEGIF lacks funding for such reinforcement or enhancement, Real Future will advance the costs of such reinforcement or enhancement. TRUEGIF will reimburse Real Future for such costs together with the applicable margin within 30 days from the date of invoice by Real Future. If it fails to do so, TRUEGIF agrees to pay Real Future interest on the outstanding but unpaid amount at the rate of 7.5% per annum from the due date until such payment is made in full. If TRUEGIF fails to reimburse Real Future within the specified period, Real Future is permitted to off-set such costs together with the applicable margin and interest against the monthly rental payment due and payable by Real Future to TRUEGIF.

(9.2) Master Lease, Operation Maintenance and Management Agreement between TUC as a lessee and TRUEGIF as a lessor ("TUC Master Lease Agreement") for the period of 13 years and 5 years, as the case may be, starting from 24th December 2013

The objective of TUC Master Lease Agreement is to lease, operates, and manages (i) approximately 5,112 km of core FOC grid, whereby TUC will lease, operate and manage, for each year, at least the minimum as shown in the table attached to the summary of the TUC Master Lease, Operation and Management Agreement; (ii) transmission equipment related to the core FOC grid; (iii) upcountry broadband system which comprises passive telecommunications equipment (for exclusive use by TUC unless agreed otherwise by TUC after the initial 5 years); and (iv) upcountry broadband system which comprises active telecommunications equipment (for exclusive use by TUC), (collectively, the "Leased Properties"). The term of the lease, operation and management is:

- (1) until 2026, for core FOC grid and upcountry broadband system which are passive telecommunications equipment; and
- (2) until 2018, for transmission equipment that is related to the core FOC grid and upcountry broadband system which are active telecommunications equipment.

The rental rates for the leased property are equal to:

(a) Core FOC grid:

- (1) up to 76% of the core FOC grid (i.e. 93,370 core km): Baht 350 per month per core km; and
- (2) in excess of 76% to 100% of the core FOC grid: Baht 1,100 per month per core km,

whereby, the annual net rental revenue for the core FOC grid that TRUEGIF will receive will be calculated based on the above rate less operation and maintenance fee for core FOC grid at the rate of Baht 186 million per annum.

(b) Transmission equipment related to the core FOC grid: Baht 38 million per annum.

(c) Upcountry broadband system which comprises passive telecommunications equipment: Baht 791 million per annum (subject to future rate adjustments to be agreed, in case TUC agrees to release its right to exclusive use after year 5).

(d) Upcountry broadband system which comprises active telecommunications equipment: Baht 317 million per annum.

The following adjustments/discounts to the rental rate apply under the conditions described below:

- (1) annual escalation for rental rate of upcountry broadband system (both active and passive telecommunications equipment) at 5% in 2015; and
- (2) at the rate equal to the Consumer Price Index (CPI) announced by the Ministry of Commerce of Thailand for the previous year and beginning from January 2016, such rate shall not exceed 3.5%; and
- (3) no escalation for rental rate of core FOC grid and transmission equipment.

TRUEGIF shall be responsible for obtaining and maintaining third party liability insurance for the Leased Property, and paying for relevant insurance premiums.

If any upgrade of any Leased Properties or relevant assets that TRUEGIF acquired from TUC or True or any of its subsidiaries which are subject to lease, operation and management under the TUC Master Lease, Operation and Management Agreement, is required or necessary, TUC will perform such upgrade at its own cost, whereby such upgrades shall become additional assets which if TUC wishes to sell to any person, TUC must first offer to sell such assets to TRUEGIF.

Shareholders

True Corporation Public Company Limited

Major Shareholders ^{1/}

(as of 5th August 2014)

Name	No. of Shares (Million Shares)	% of Total Issued Shares ^{2/}
1. CP Group ^{3/}	9,077.87	62.48
2. THAI NVDR COMPANY LIMITED ^{4/}	876.24	6.03
3. UOB KAY HIAN (HONG KONG) LIMITED - Client Account ^{5/}	782.10	5.38
4. HSBC (SINGAPORE) NOMINEES PTE LTD ^{6/}	150.76	1.04
5. UBS AG HONG KONG BRANCH ^{7/}	136.23	0.94
6. STATE STREET BANK EUROPE LIMITED ^{8/}	110.79	0.76
7. MR. SIRISAK SONSOPON	101.00	0.70
8. CORE PACIFIC-YAMAICHI INTERNATIONAL (H.K.) LIMITED-CLIENT ^{5/}	91.91	0.63
9. MRS. WORAPHAN JUNGSAAPPAISARN	70.00	0.48
10. MR. PICHIT CHINWITTHAYAKUL	61.74	0.42

^{1/} There is no cross-shareholding between the Company and its major shareholders.

^{2/} As at 5th August 2014, the Company's paid-up capital was Baht 145,302,152,660 divided into 14,530,215,266 ordinary shares.

The Company had subsequently registered the change in the Company's paid-up capital with the Ministry of Commerce on 5th September 2014 to Baht 246,079,281,500 divided into 24,607,928,150 ordinary shares which is caused by the capital increase offered to existing shareholders in proportion to their respective shareholding and to China Mobile International Holdings Limited ("China Mobile") under the private placement according to the resolution of the Extraordinary General Meeting No.1/2557 held on 25th July 2014. As a result, China Mobile became the second major shareholders of the Company holding 4,429,427,068 shares equivalent to 18.00%.

^{3/} Consisting of

- (1) Charoen Pokphand Group Company Limited ("CPG") which operates businesses in investment, chemical products import and distribution, and providing technical services, where the Chearavanont Family is a major shareholder (The first ten shareholders are Mr. Sumet Jiaravanon 12.96%, Mr. Dhanin Chearavanont 12.96%, Mr. Jaran Chiaravanont 12.75%, Mr. Montri Jiaravanont 12.63%, Mr. Kiat Chiaravanont 5.76%, and Mr. Phongthep Chiaravanont 3.65% with the following shareholders each holding 3.62%: Mrs. Yupa Chearavanont, Mr. Prathip Chiaravanont, Mrs. Phatanee Leksisompong, Mr. Watcharachai Chiaravanond, Mr. Manu Chiaravanond and Mr. Manas Chiaravanond), held 34.05% of TRUE's shares
- (2) Unique Network Company Limited which operates business in investment (41.06% held by Thana Holding Company Limited and 58.94% held by Art Telecom Service Company Limited), held 9.22% of TRUE's shares
- (3) Wide Broad Cast Company Limited which operates business in investment (58.55% held by Thana Holding Company Limited and 41.45% held by Telecommunication Network Company Limited), held 6.70% of TRUE's shares
- (4) C.P. Interfood (Thailand) Company Limited which operates businesses in production and wholesale of ready-made meat products (99.99% held by CPG), held 4.07% of TRUE's shares
- (5) Worth Access Trading Limited which operates business in investment (100% held by CPG Overseas Company Limited), held 2.32% of TRUE's shares.
- (6) Bangkok Produce Merchandising Public Company Limited which operates businesses in buying and selling of animal feed raw materials (99.44% held by Charoen Pokphand Foods Public Company Limited ("CPF"), held 1.75% of TRUE's shares
- (7) Bangkok Telecom Holding Company Limited which operates business in investment (99.99% held by Charoen Pokphand Holding Company Limited), held 1.73% of TRUE's shares
- (8) Charoen Pokphand Holding Company Limited which operates business in investment (99.99% held by CPG), held 1.42% of TRUE's shares and
- (9) Kasetphand Industry Company Limited which operates businesses in production and distribution of livestock farming equipment products (99.99% held by CPG), held 1.23% of TRUE's shares

(All 9 companies do not undertake the same business and compete with TRUE GROUP)

^{4/} A subsidiary wholly owned by the SET. The NVDR is a security automatically listed by the SET. By investing in NVDRs, the investor will receive the same financial benefits, as those who invest directly in the company's ordinary shares. The only difference between investing in the NVDR and the company's ordinary shares is that NVDR holders do not have the rights to vote.

^{5/} The company registered under the Law of Hong Kong invests in the SET without disclosing that its investment is neither for itself nor for others. True is not authorised to request for the aforementioned disclosure.

^{6/} The company registered under the Law of Singapore invests in the SET without disclosing that its investment is neither for itself nor for others. True is not authorised to request for the aforementioned disclosure.

^{7/} The company registered under the Law of Switzerland invests in the SET without disclosing that its investment is neither for itself nor for others. True is not authorised to request for the aforementioned disclosure.

^{8/} The company registered under the Law of Britain invests in the SET without disclosing that its investment is neither for itself nor for others. True is not authorised to request for the aforementioned disclosure.



Dividend Policy

The Company has a policy to declare dividend at least 50% of its net profits from the Company's Financial Statements subject to statutory reserves and availability of cash and in accordance with the relevant regulations and conditions of its credit facilities.

However, there has been no dividend payment since the establishment of the Company because the Company still has an accumulated loss. Pursuant to the law, if the Company still has an accumulated loss, no dividend shall be distributed.

For the dividend policy of subsidiary companies, Board of Directors will consider the dividend payment from the balance of cash flows taking into account the capital expenditure requirements. Subject to the availability of cash flows and a legal reserves, the Board of Directors shall consider the payment of dividends on a case-by-case basis.



M Management Structure

1. The Board of Directors

The Company's Articles of Association stipulates that the Board of Directors shall consist of not less than 5 directors and not less than one half of whom shall reside within the Kingdom. The qualifications of the Company's directors shall be as prescribed by law.

As of 31st December 2014, the Company's Board of Directors consists of 18 directors as follows:

- (1) 4 Executive Directors
- (2) 14 Non-Executive Directors consisted of:
 - 6 Independent Directors accounting for one-third of the total numbers of the board which is in compliance with the regulation of the Capital Market Supervisory Board
 - 8 Directors from various organizations irrelevant to the Company's business management, including representatives of the major shareholders

Definitions:

Executive Director means

A director who holds a management position and engages in the Company's business management.

Non-Executive Director means

A director who does not hold a management position and does not engage in the Company's business management, whether or not he or she is an Independent Director.

Independent Director means

A director who is independent of any major shareholder, the group of major shareholders and the management of any juristic person who is the major shareholder of the Company including any relationship that would interfere with the exercise of independent judgment and have qualification as prescribed by the regulations of Capital Market Supervisory Board and the Corporate Governance Policy of the Company.

The Board of Directors of the Company (as of 31st December 2014) is as follows:

Name	Position	Board of Director Meeting	
		Number of Meeting ^{1/}	Number of Attendance
1. Mr. Vitthya Vejjajiva	Independent Director, Chairman of the Audit Committee and Member of the Corporate Governance Committee	9	8
2. Dr. Kosol Petchsuwan	Independent Director, Member of the Audit Committee and Chairman of the Corporate Governance Committee	9	8
3. Mr. Joti Bhokavanij	Independent Director, Member of the Audit Committee, Member of the Finance Committee and Member of the Compensation and Nominating Committee	9	9
4. Mr. Harald Link	Independent Director	9	7
5. Prof. Rawat Chamchalern	Independent Director	9	8
6. Mr. Xu Genluo ^{2/}	Independent Director	4 ^{3/}	4
7. Mr. Dhanin Chearavanont	Chairman of the Board and Chairman of the Compensation and Nominating Committee	9	7
8. Dr. Ajva Taulananda	Vice Chairman of the Board, Chairman of the Finance Committee and Member of the Corporate Governance Committee	9	7
9. Prof. Athueck Asvanund	Vice Chairman of the Board and Group General Counsel	9	7
10. Mr. Li Zhengmao ^{2/}	Vice Chairman of the Board and Member of the Compensation and Nominating Committee	4 ^{3/}	2
11. Prof. Dr. Warapatr Todhanakasem	Director and Member of the Finance Committee	9	8
12. Mr. Umroong Sanphasitvong	Director, Member of the Finance Committee and Member of the Compensation and Nominating Committee	9	9
13. Mr. Vichaow Rakphongphairoj	Director and Group Chief Operating Officer - Network Quality and Operation & Maintenance Broadband, Mobile, CATV	9	6
14. Mr. Chatchaval Jiaravanon	Director and Managing Director - Group Investment	9	6
15. Mr. Soopakij Chearavanont	Director and Member of the Compensation and Nominating Committee	9	4
16. Mr. Narong Chearavanont	Director	9	7
17. Mr. Gao Nianshu ^{2/}	Director and Member of the Finance Committee	4 ^{3/}	2
18. Mr. Suphachai Chearavanont	Director, President and Chief Executive Officer	9	9

Remark :

^{1/} In the year 2014, the Board of Directors held totally 9 meetings.

Furthermore, the Company has stated in its Policy on Corporate Governance that the Company allows non-executive directors to hold meetings for discussing management issues or any issues they are interested in without presence of executive directors and management. In 2014, non-executive directors had such meetings, in an unofficial form, after finishing the Board meeting.

^{2/} The Board of Directors Meeting No.5/2014 held on 2nd September 2014 passed a resolution to appoint Mr. Xu Genluo as an Independent Director, Mr. Li Zhengmao as a Vice Chairman of the Board and Mr. Gao Nianshu as a Director. The appointment was effective on 2nd September 2014.

^{3/} The Company held 4 Board of Directors Meetings before Mr. Xu Genluo, Mr. Li Zhengmao and Mr. Gao Nianshu were appointed.

All Directors have qualifications as prescribed by law. None is prohibited persons under the laws and shall possess any untrustworthy characteristics under regulations of the Securities and Exchange Commission (“SEC”).

All Directors perform their duties with dedications and take their responsibilities very seriously. They cooperate on all decisions affecting the Company, entailing major work and responsibility. They attend all meetings except in unavoidable circumstances. Any director who is unable to attend the meetings will notify the Board of their absence in advance while providing their comments on the major agenda items. In addition, the Board of Directors gives priority to attend training courses organized by the Thai Institute of Directors Association (“IOD”).

Authorized Directors

Any two of five directors, namely Mr. Soopakij Chearavanont, Mr. Suphachai Chearavanont, Mr. Chatchaval Jiaravanon, Prof. Athueck Asvanund, Mr. Vichaow Rakphongphairoj, jointly sign with the Company’s seal affixed. In case of signing the Financial Statements, certified letter of Financial Statements and other documents relating thereto, anyone of the above-mentioned five directors signs with the Company’s seal affixed.

Authorities and Responsibilities of the Board of Directors

- Oversee compliance of the conducting of the Company’s business with the applicable laws, objectives and Articles of Association of the Company and resolutions of shareholders’ meetings. In this regard, the Board shall perform their duty with prudence, due care, in good faith to preserve the interests of the Company and shareholders, and disclose information to the shareholders in an accurate, adequate, transparent and timely manner
- approve visions, strategy, missions, business plans and financial target
- evaluate the operation of the Company and performance of the Chief Executive Officer (the “CEO”)
- ensure senior management succession
- adopt policies regarding business ethics and codes of conduct, disclosure, related party transactions and insider trading, and monitor compliance with those policies adhering to moderation, reasonableness and self-immunity system
- oversee compliance with accounting, risk management, financial and other controls and applicable laws
- provide the process on receiving any complaints and information concerning fraud
- recommend to shareholders Board nominees

With regard to the management of the Company, the Board of Directors has the authority to make any decision related to the Company’s regular operations except for matters that require the approval of the shareholder meeting as specified by law. In addition, the Board of Directors may grant authorization to one or more directors, or any other person, to perform any acts on its behalf. However, for any decision on major operations such as a major investment or a major loan procurement, the management team shall propose the said transactions to the Board of Directors for approval.

Authorities and Responsibilities of the Chairman of the Board

- The Chairman as the chief of the Board of Directors has the duties and responsibilities to supervise, follow up and monitor the due performance of the Board of Directors and other Board-committees to achieve the business objectives and plans
- Preside over the Board of Directors meeting
- Preside over the Shareholders meeting and conducting the meeting in compliance with the Company’s Articles of Association and following the sequence of the Agenda
- Perform the duty specified by law as the duty to be performed by the Chairman

2. The Executive Officers

As of 31st December 2014, the Executive Officers ^{1/} of the Company are as follows:

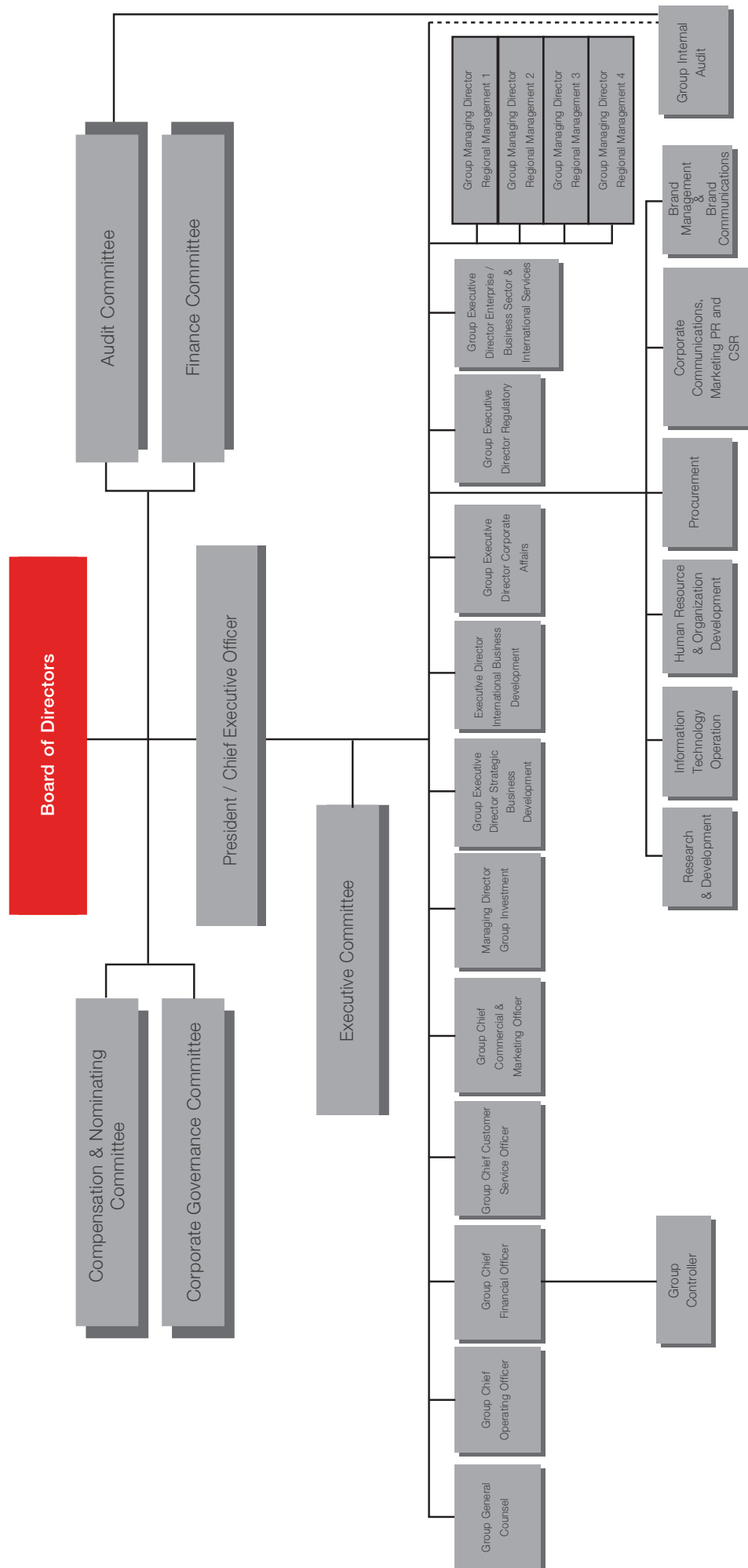
Name	Position
1. Mr. Suphachai Chearavanont	Director, President and Chief Executive Officer
2. Prof. Athueck Asvanund	Vice Chairman and Group General Counsel
3. Mr. Vichaow Rakphongphairoj	Director and Group Chief Operating Officer - Network Quality and Operation & Maintenance Broadband, Mobile, CATV
4. Mr. Chatchaval Jiaravanon	Director and Managing Director - Group Investment
5. Mr. Noppadol Dej-Udom	Group Chief Financial Officer
6. Mr. William Harris	Executive Director - International Business Development and Assistant to CEO
7. Mr. Kachorn Chiaravanont	Group Executive Director - Corporate Affairs
8. Mr. Thiti Nantapatsiri	Group Executive Director - Regulatory
9. Mr. Adhiruth Thothaveesansuk ^{2/}	Group Managing Director - Regional Management and Group Executive Director
10. Mr. Songtham Phianpattanawit	Group Executive Director - Enterprise / Business Sector & International Services
11. Mr. Anat Mekpaiboonvatana	Group Managing Director - Regional Management and Group Executive Director
12. Mr. Chareon Limkangwanmongkol	Group Managing Director - Regional Management and Group Executive Director
13. Dr. Papon Ratanachaikanont	Group Executive Director - Strategic Business Development and Executive Assistant to CEO
14. Mr. Carl Goodier	Group Chief Customer Service Officer
15. Mr. Siripoj Kunakomphan	Group Managing Director - Regional Management and Group Executive Director

Remark: ^{1/} "The term "Executive Officers" referred in the notification of the Office of Securities and Exchange Commission (the "SEC") means the President; persons with managerial authority who are among the top four ranked individuals in the Company, after the President; and all other persons who occupy a position equivalent to a top four ranking.

^{2/} On 3rd February 2015, the Company had re-organized management structure and appointed new executive. As a result, the management position of Mr. Adhiruth Thothaveesansuk was changed to be Group Chief Information Officer and Group Managing Director - Regional Management and Group Executive Director.

In this regard, all Executive Officers have qualifications as prescribed by law and are not prohibited under the laws and shall not possess any untrustworthy characteristics under regulations of the SEC.

Management Structure



Authorities and Responsibilities of the CEO and President

The Chief Executive Officer (“CEO”) and President is the highest management position of the Company and appointed by the Board of Directors.

The relationship between the Board of Directors and the management is in the form of collaboration. The Board of Directors acts as the regulator in terms of providing consultation, comments and suggestions to the management, as well as providing support to the operation of the Company’s business, and monitoring the management and the Company’s performance without interfering with the operation of the Company’s business. The CEO and President is responsible for implementing the Board of Directors’ policy, and managing and supervising the operation of the Company’s business in accordance with the Articles of Association of the Company, the shareholder’s resolutions, the Board of Directors’ resolutions, the Company’s business direction and relevant legislations.

The authorities and responsibilities of the CEO and President are as follows:

- Establish the business direction, mission, business plan and budget of the Company and submit to the Board of Directors for approval
- Formulate business strategies and action plans for the Company according to the Company’s business direction and mission as approved by the Board of Directors
- Ensure the strategic alignment of the Company and the effective implementation of the Company’s business plan
- Direct, control and monitor the Company’s day-to-day business and risk management according to the Company’s business direction, business plan and budget as approved by the Board of Directors
- Ensure the Company’s business be conducted in accordance with relevant laws and regulations
- Submit reports on the Company’s business activities and operating performance to the Board of Directors on a regular basis. If the Board of Directors provides comments or suggestions to management, the CEO and President would be responsible for executing those comments or suggestions in order to achieve an effective outcome
- Engage in any contract or agreement and approve any expenses as a delegation of authority as defined in the Company’s policy and guideline on Signing Authority. However, in the case of entering into any related party transaction or transaction which may have conflicts of interest with the Company or its subsidiaries, such transaction must be carried out according to relevant laws and regulations
- Execute any other tasks assigned by the Board of Directors

3. Company Secretary

The Board of Directors appointed Mrs. Rangsinnee Sujaritsunchai as a Company Secretary since 27th February 2009. The Company Secretary is responsible for providing advice on laws and regulations related to the Board, helping organize the Board’s activities, monitoring compliance with the Board’s resolutions and undertaking duties as prescribed in the Securities and Exchange Act B.E. 2535 and its amendment. The Company discloses information regarding the Company Secretary in the “Information of the Company Secretary”.

4. Remuneration of the Company's Directors and Executive Officers

(1) Monetary Remuneration

(1.1) Remuneration of Directors

During 1st January - 31st December 2014, the remuneration of 19 directors of the Company were Baht 27,574,409 details are as follows:

	Remuneration per person (Baht)	Total (Baht)
Group 1		
- Chairman Mr. Dhanin Chearavanont	3,600,000	
- Independent Directors who are the Chairman of the Committee Mr. Vitthya Vejjajiva and Dr. Kosol Petchsuwan	3,600,000	
Total		10,800,000
Group 2		
- Independent Directors who are Committee members Mr. Joti Bhokavanij	2,400,000	
Total		2,400,000
Group 3		
- Vice Chairman Dr. Ajva Taulananda and Professor Athueck Asvanund	1,800,000	
Total		3,600,000
Group 4		
- Independent Directors Mr. Harald Link and Professor Rawat Chamchalerms	1,200,000	
Mr. Xu Genluo (2 September 2014 - 31 December 2014)	396,667	
- Directors Mr. Suphachai Chearavanont (1 January 2014 - 30 April 2014)	400,000	
Mr. Soopakij Chearavanont, Mr. Chatchaval Jiaravanon, Mr. Vichaow Rakphongphairoj, Mr. Umroong Sanphasitvong, Mr. Narong Chearavanont and Professor Dr. Warapatr Todhanakasem	1,200,000	
Mr. Noppadol Dej-Udom, Mr. William Harris and Dr. Kantima Kunjara (25 July 2014 - 1 September 2014)	125,914	
Total		10,774,409
Grand Total		27,574,409

In addition, Mr. Joti Bhokavanij, Independent Director and Member of the Audit Committee of the Company, also holds a position of Director in two subsidiaries of the Company as a representative of the Company's Audit Committee. He received

remuneration from the Company's subsidiaries in 2014 as follows:

	Total remuneration (1 st Jan - 31 st Dec 2014)	
1) Director of Bangkok Inter Teletech Public Company Limited	-	Baht
2) Director of True Move Company Limited	<u>600,000</u>	Baht
Total remuneration	<u>600,000</u>	Baht

(1.2) Remuneration of Executive Officers

The top 15 executives received remuneration totaling Baht 218.12 million in the Year 2014 (from 1st January 2014 to 31st December 2014) comprising of salary, performance pay and other benefits.

(2) Other Remuneration

(2.1) Directors' Remuneration

- None -

(2.2) Executive Officers' Remuneration

(2.2.1) Provident Fund

The Company provides provident fund plan for its Executive officers which require the Company to make monthly contribution to the fund at 3-7% of the Executive Officers' salary. In 2014, the Company made contributions for 15 Executive Officers in the aggregate amount of Baht 10.95 million.

(2.2.2) Employee Joint Investment Program Year 2014 – 2017 ("EJIP")

The Company has implemented the EJIP which is a long-term incentive plan with a period of 4 years (including Silent Period), starting from 1st January 2014 to 31st December 2017. Eligible Executive Officers must have working period until the initial contribution date of not less than 3 years. The Company will deduct from payroll of eligible Executive Officer who voluntarily joins the program at the rate of 5% of the Executive officers base salary and the Company will contribute 10% of the Executive officers base salary. In 2014, 14 Executive Officers joined the program and the Company made contributions in the aggregate amount of Baht 13.95 million.

5. Personnel

As of 31st December 2014, the total number of employees was as follows:

Work Group and Classification	Number of Employees
Management	93
Service Area & Network Operation	1,043
Marketing & Sales	448
Information Technology	90
Customer Services	166
Finance & Accounting	103
Support	510
Total	2,453

Source: The Company

Employees' Remuneration and Welfare

(1) Monetary Remuneration

- Monthly Salary
- Annual Performance Pay: between zero and 4 times the monthly salary, subject to the Company's performance and financial status.
- Retirement: the employee must be aged 60 years or can take early retirement with agreement between the Company and the employee. Severance pay will be paid according to the labor law.

Since 1st January - 31st December 2014, the total remuneration for employees was approximately Baht 2,332.43 million comprising wages, salaries, social security fund, provident fund and other benefits.

(2) Welfare

- **Health Plans and Employee Welfare**

- In-house clinic
- Annual Medical Check-up
- New Employees' Medical Check-up
- Group Health Insurance
- Group Accident Insurance
- Group Life Insurance
- Social Security Fund
- Provident Fund

- **Annual Leave**

The employee shall be entitled to paid annual leave of 10, 12 or 15 working days per calendar year depending on the seniority of their position or their number of years of service as follows:

- Assistant Director or equivalent level and upwards: 15 working days
- Below Assistant Director or equivalent level:
 - a) Past probation to less than 3 years 10 working days
 - b) 3 years upwards to less than 5 years 12 working days
 - c) 5 years upwards 15 working days

6. Employee Training and Developments

The Company places great emphasis on the training and developments of its employees. Therefore, it has established the "Capability Development & Learning Center" (CD&LC) whose primary objective is to build the employees' competence, which will be the cornerstone of individual and professional development and career opportunities for employees. The Capability Development & Learning Center provides various learning options for the continual development of employees to help them fulfill their current assignments and achieve their career goals. People development will ultimately strengthen organizational performance.

The other major roles of the Capability Development & Learning Center, beyond being an employee training and development programs provider, are those of change agent and business partner for every department.

The Capability Development & Learning Center acts as the change agent by being the change facilitator, who supports the Company's new strategies and directions and encourages all employees to prepare themselves for more complicated challenges.

The Company has opened a new training center at True Tower 2 on Pattanakarn Road, that has been designed to provide an ideal learning atmosphere. The new center also features modern systems for displaying information of company developments and for training registrations. Moreover, a stimulator has been installed to aid in job training so that the employees will have the proper skills to succeed in their tasks.

At the same time, the Capability Development & Learning Center is a business partner for every department which works closely with them, designing and developing appropriate training and development programs to match each department's business roadmap and providing all necessary support.

Presently, the Capability Development & Learning Center has prepared a number of platforms in order to add more learning channels to facilitate their sustainable and continual career development. These include a VDO conference long-distance learning platform for employees who work outside Bangkok; a self-E-learning system; and True-iBook, an electronic journal system.

The Company offers approximately 300 training courses per year. In 2014, the total Training Man-days was 31,200 with an expenditure of THB 44 million. There were developmental courses for employees of all levels; for example, Organization Culture 4C, Effective Communications, Planning and Organizing, and Effective Self Development.

In 2014, the Company focused on Customer Centric Organization & High Productivity along with leadership development of all levels in accordance with the Leader Developing Leader Cascade Program. There were over 3,500 attendees in various management skills courses, including Effective Communications, Problem Solving and Decision Making, Negotiations, Project Management, Risk Management, Finance for Non-Finance Manager and Operation Management. The core business, business and product development and new technologies program includes courses such as 4G Technology, FTTx, Digital TV, Broadband Network, and NGN Network & Application. In addition, the Company provided a safety program for technicians and engineers as well as introducing the Teletech system, which combines traditional lectures with E-learning to develop supervisors. Moreover, the Company provided the commercial and customer services development courses for salesman, customer service officers, and technicians, there are True Products & Services, Service Excellence, Managing Your Image, Presentation Excellence, True Dialogue and Information Technology Trainings. These included the customer service and all supporting systems for the company such as data communication network systems and information technology security systems.

Furthermore, the Capability Development and Learning Center cooperated with the both public and private universities / academic institutes to provide courses in ICT and related technology, such as Master of Engineering in Enterprise Architecture with Mahidol University, Master of Business Administration in Retail Management with Assumption University, Master of Business Administration in Content Management and Value Creation with Bangkok University, and Bachelor of Business Administration in Customer Management with Suan Dusit Rajabhat University. Beyond this, the Capability Development & Learning Center also arranged training for undergraduates. These are parts of Corporate Social Responsibility and Social Enterprise and good model for the large enterprises to create value for society and country.

Directors

Name	Mr. Vitthya Vejjajiva
Position	Independent Director, Chairman of the Audit Committee and Member of the Corporate Governance Committee
Age (year)	78
Date of the First Appointment as a Director	4 th January 1999
True Share Ownership 31 st December 2014	Individual : - None - Spouse : - None -
Family Relationship	- None -
Education	Master Degree of Laws, Harvard University, USA Master Degree of Arts, University of Cambridge, England Bachelor of Laws, University of Cambridge, England Barrister-at-law, Gray's Inn
Related training programs held by the Thai Institute of Directors Association (IOD)	- Director Accreditation Program (DAP) - Audit Committee Program (ACP) - Chairman 2000
Major Experience	<p><u>Companies Listed on the Stock Exchange of Thailand</u></p> <p>1999-Present Independent Director and Chairman of the Audit Committee, True Corporation Public Company Limited</p> <p>Present Member of the Corporate Governance Committee, True Corporation Public Company Limited Independent Director and Member of the Audit Committee, Glow Energy Public Company Limited</p> <p>2002-Present Independent Director and Chairman of the Audit Committee, Finansia Public Company Limited</p> <p><u>Non - listed Companies</u></p> <p>2013-Present Independent Director, Bangkok Glass Public Company Limited</p> <p>1998-Present Chairman, K Line (Thailand) Company Limited and its subsidiaries</p> <p>1991-1992 Permanent Secretary of the Ministry of Foreign Affairs</p> <p>1988 Ambassador Extraordinary and Plenipotentiary of the United States of America</p> <p>1984 Ambassador Extraordinary and Plenipotentiary of Belgium and the European Community</p> <p>1981 Ambassador Extraordinary and Plenipotentiary of Canada</p> <p>1979 Director - General of Department of International Economic Affairs</p>

Name		Dr. Kosol Petchsuwan
Position	Independent Director, Member of the Audit Committee and Chairman of the Corporate Governance Committee	
Age (year)	75	
Date of the First Appointment as a Director	11 th February 1993	
True Share Ownership 31 st December 2014	Individual : - None - Spouse : - None -	
Family Relationship	- None -	
Education	Doctor of Philosophy (Engineering), Imperial College London Bachelor of Engineering, Imperial College London	
Related training programs held by the Thai Institute of Directors Association (IOD)	<ul style="list-style-type: none"> - Director Accreditation Program (DAP) - Director Certification Program (DCP) - Audit Committee Program (ACP) - Role of the Chairman Program (RCP) - Financial Institutions Governance Program (FGP) - Finance for Non-Finance Directors (FND) - Monitoring Fraud Risk Management (MFM) - Monitoring of the Quality of Financial Reporting (MFR) - Monitoring the Internal Audit Function (MIA) - Monitoring the System of Internal Control and Risk Management (MIR) - Chartered Director Class (R-CDC) - Audit Committee Effectiveness Seminar: What Works Best – Global Practices vs. Practices in Thailand - 2012 Theme: Innovative Approaches to Create Value for Business and Society - IOD Director Briefing 1/2013 Thailand's Economic Outlook 2013 - IOD Tea Talk : “Effective Regulation and Corporate Governance in Asia” - The 2nd National Director Conference 2013 “Board Leadership Evolution” - IOD Director Briefing 2/2014 : The Four Pillars of Board Effectiveness - Directors Forum 2014 : Family Business Governance of Sustainability - Improving Corporate Governance Key to Advancing Thailand (the 3rd National Director Conference 2014) 	
Major Experience	<u>Companies Listed on the Stock Exchange of Thailand</u> Present Independent Director and Member of the Audit Committee, True Corporation Public Company Limited 2011-Present Chairman of the Corporate Governance Committee, True Corporation Public Company Limited <u>Non - listed Companies</u> 2014-Present Member of the National Legislative Assembly 2004-Present Independent Director and Chairman of the Audit Committee, Industrial and Commercial Bank of China (Thai) Public Company Limited (Formerly named ACL Bank Public Company Limited) 2001-2009 Director, Mahidol Wittayanusorn School (Public Organization) 2001-2005 President, The Telecommunications Association of Thailand under Royal Patronage 2000-2001 Chairman, The Aeronautical Radio of Thailand Limited 1986-1992 Rector, King Mongkut's Institute of Technology Ladkrabang	

Name	Mr. Joti Bhokavanij																										
Position	Independent Director, Member of the Audit Committee, Member of the Finance Committee and Member of the Compensation and Nominating Committee																										
Age (year)	72																										
Date of the First Appointment as a Director	22 nd December 1999																										
True Share Ownership 31st December 2014	Individual : - None - Spouse : - None -																										
Family Relationship	- None -																										
Education	Fellow of the Association of Chartered Certified Accountants, England Programme for Management Development, Harvard Business School, USA Marketing Management Programme, Stanford University, Graduate School of Business, USA																										
Related training programs held by the Thai Institute of Directors Association (IOD)	<ul style="list-style-type: none"> - Director Accreditation Program (DAP) - Chairman 2000 - Director Certification Program (DCP) - IOD National Director Conference 2012 - Moving Corporate Governance Forward : Challenge for Thai Directors - Monitoring the Quality of Financial Reporting (MFR) - Successful Formulation & Execution of Strategy (SFE) - How to Measure the Success of Corporate Strategy (HMS) - Monitoring Fraud Risk Management (MFM) - Monitoring the Internal Audit Function (MIA) - Monitoring the System of Internal Control and Risk Management (MIR) 																										
Major Experience	<p><u>Companies Listed on the Stock Exchange of Thailand</u></p> <table border="0"> <tr> <td>1999-Present</td><td>Independent Director and Member of the Audit Committee, True Corporation Public Company Limited</td></tr> <tr> <td>Present</td><td>Member of the Finance Committee and Member of the Compensation and Nominating Committee, True Corporation Public Company Limited</td></tr> <tr> <td>2013-Present</td><td>Independent Director and Member of the Audit Committee, Siam Makro Public Company Limited</td></tr> <tr> <td>2012-Present</td><td>Independent Director and Member of the Audit Committee, Loxley Public Company Limited</td></tr> <tr> <td>2000-2001</td><td>Executive Chairman, TISCO Finance Public Company Limited (Presently known as TISCO Bank Public Company Limited)</td></tr> <tr> <td>1994-1997</td><td>President & CEO, Thai Wah Group of Companies</td></tr> <tr> <td>1992-1994</td><td>Managing Director and Consul-General of Denmark for Bangkok, The East Asiatic (Thailand) Public Company Limited</td></tr> </table> <p><u>Non - listed Companies</u></p> <table border="0"> <tr> <td>2013-Present</td><td>Chairman, Bangkok Ranch Public Company Limited</td></tr> <tr> <td>2002-Present</td><td>Director, True Move Company Limited</td></tr> <tr> <td></td><td>Director, Bangkok Inter Teletech Public Company Limited</td></tr> <tr> <td>1999-Present</td><td>Director, Kingfisher Holdings Limited</td></tr> <tr> <td>2009-Present</td><td>Director, Thai Smart Card Company Limited</td></tr> <tr> <td>2004-2006</td><td>Chief Executive Officer, ACL Bank Public Company Limited (Presently known as Industrial and Commercial Bank of China (Thai) Public Company Limited)</td></tr> </table>	1999-Present	Independent Director and Member of the Audit Committee, True Corporation Public Company Limited	Present	Member of the Finance Committee and Member of the Compensation and Nominating Committee, True Corporation Public Company Limited	2013-Present	Independent Director and Member of the Audit Committee, Siam Makro Public Company Limited	2012-Present	Independent Director and Member of the Audit Committee, Loxley Public Company Limited	2000-2001	Executive Chairman, TISCO Finance Public Company Limited (Presently known as TISCO Bank Public Company Limited)	1994-1997	President & CEO, Thai Wah Group of Companies	1992-1994	Managing Director and Consul-General of Denmark for Bangkok, The East Asiatic (Thailand) Public Company Limited	2013-Present	Chairman, Bangkok Ranch Public Company Limited	2002-Present	Director, True Move Company Limited		Director, Bangkok Inter Teletech Public Company Limited	1999-Present	Director, Kingfisher Holdings Limited	2009-Present	Director, Thai Smart Card Company Limited	2004-2006	Chief Executive Officer, ACL Bank Public Company Limited (Presently known as Industrial and Commercial Bank of China (Thai) Public Company Limited)
1999-Present	Independent Director and Member of the Audit Committee, True Corporation Public Company Limited																										
Present	Member of the Finance Committee and Member of the Compensation and Nominating Committee, True Corporation Public Company Limited																										
2013-Present	Independent Director and Member of the Audit Committee, Siam Makro Public Company Limited																										
2012-Present	Independent Director and Member of the Audit Committee, Loxley Public Company Limited																										
2000-2001	Executive Chairman, TISCO Finance Public Company Limited (Presently known as TISCO Bank Public Company Limited)																										
1994-1997	President & CEO, Thai Wah Group of Companies																										
1992-1994	Managing Director and Consul-General of Denmark for Bangkok, The East Asiatic (Thailand) Public Company Limited																										
2013-Present	Chairman, Bangkok Ranch Public Company Limited																										
2002-Present	Director, True Move Company Limited																										
	Director, Bangkok Inter Teletech Public Company Limited																										
1999-Present	Director, Kingfisher Holdings Limited																										
2009-Present	Director, Thai Smart Card Company Limited																										
2004-2006	Chief Executive Officer, ACL Bank Public Company Limited (Presently known as Industrial and Commercial Bank of China (Thai) Public Company Limited)																										

Name	Mr. Harald Link										
Position	Independent Director										
Age (year)	60										
Date of the First Appointment as a Director	1 st March 2010										
True Share Ownership 31 st December 2014	Individual: 198,883 shares (0.00%) Spouse : - None -										
Family Relationship	- None -										
Education	MBA, St. Gallen University, Switzerland										
Related training programs held by the Thai Institute of Directors Association (IOD)	- None -										
Major Experience	<p><u>Companies Listed on the Stock Exchange of Thailand</u></p> <table> <tr> <td>Mar 2010-Present</td><td>Independent Director, True Corporation Public Company Limited</td></tr> <tr> <td>2000-Feb 2010</td><td>Director, True Corporation Public Company Limited</td></tr> <tr> <td>1998-Present</td><td>Independent Director, Siam City Cement Public Company Limited</td></tr> </table> <p><u>Non - listed Companies</u></p> <table> <tr> <td>2010-Present</td><td>Director, G&L Beijer AB (Listed in the Stock Market of Sweden)</td></tr> <tr> <td>1987-Present</td><td>Chairman, B. Grimm Group of Companies</td></tr> </table>	Mar 2010-Present	Independent Director, True Corporation Public Company Limited	2000-Feb 2010	Director, True Corporation Public Company Limited	1998-Present	Independent Director, Siam City Cement Public Company Limited	2010-Present	Director, G&L Beijer AB (Listed in the Stock Market of Sweden)	1987-Present	Chairman, B. Grimm Group of Companies
Mar 2010-Present	Independent Director, True Corporation Public Company Limited										
2000-Feb 2010	Director, True Corporation Public Company Limited										
1998-Present	Independent Director, Siam City Cement Public Company Limited										
2010-Present	Director, G&L Beijer AB (Listed in the Stock Market of Sweden)										
1987-Present	Chairman, B. Grimm Group of Companies										

Name	Prof. Rawat Chamchalerm
Position	Independent Director
Age (year)	70
Date of the First Appointment as a Director	1 st March 2010
True Share Ownership 31 st December 2014	Individual: 84,471 shares (0.00%) Spouse: 75,595 shares (0.00%)
Family Relationship	- None -
Education	Master Degree of Laws, Chulalongkorn University Bachelor of Laws, Thammasat University Barrister at Law, Thai Bar Association Degree : National Defence College, Joint Public-Private Course (Class 1)
Related training programs held by the Thai Institute of Directors Association (IOD)	- Director Accreditation Program (DAP)
Major Experience	<u>Companies Listed on the Stock Exchange of Thailand</u> Mar 2010-Present Independent Director, True Corporation Public Company Limited 2010-Present Chairman of the Board, Sino-Thai Engineering and Construction Public Company Limited Present Independent Director, Serm Suk Public Company Limited Advisor, Bangkok Airways Public Company Limited 2004-2006 Chairman and Independent Director, MCOT Public Company Limited 2003-2005 Director, Krung Thai Bank Public Company Limited Legal Counsel, Thai Airways International Public Company Limited <u>Non - listed Companies</u> Present Vice Chairman, Don Muang Tollway Public Company Limited Vice Chairman, Siam City Leasing Factoring Public Company Limited Adjunct Professor, Faculty of Law, Chulalongkorn University Adjunct Professor, Institute of Legal Education Thai Bar Association Adjunct Professor, Master Degree, Mahidol University Adjunct Professor, Doctoral, Bangkokthonburi University Adjunct Professor, Faculty of Law, Mae Fah Luang University Advisor, National Education Standards and Quality Assessment

	Director, National Commission for Justice Administration Development, the Ministry of Justice
	Lecturer in Justice Affairs, the Ministry of Justice
	Lecturer in Department of Special Investigation, the Ministry of Justice
	Lecturer in Administration Development, the Ministry of Interior of Thailand
	Honored Director, Office of Small and Medium Enterprise Promotion
2004-Present	Special Lectuer, Office of the Attorney General, (Ministry of Interior of Thailand)
	Advisor, Athletic Association of Thailan Patron : His Majesty the King
	Expert Member in Law, Special Committee in the Council of State
	Expert Member, Sub-committee in the Office of Council Service Committee, Ministry of Agriculture and Cooperatives
2002-Present	Expert Member, Board of Special Case, Department of Special Investigation (DSI)
	Director, The Officer of Board of Royal Thai Police
	Expert Director, Ministry of Public Health
	Expert Director, Ministry of Agriculture and Cooperatives
	Director, Thai National Food Commission
	Executive Director, National Science and Technology Development Agency
	Chairman of the Ethics Committee,
	National Bureau of Agricultural Commodity and Food Standards
2001-Present	Director, Board of Directors on Disclosure of Information
	Member of the Council of State, Office of the Council of State
1995-Present	Director, National Olympic Committee of Thailand
2003-2004	Vice Chairman, Thai Bar Association
	Attorney General, Office of the Attorney General
2001-2004	Director, Government Pension Fund
2000-2003	Deputy Attorney General, Office of the Attorney General
2002-2004	Chairman and Independent Director,
	The Mass Communication Organization of Thailand
2000-2002	Board of Director, The Mass Communication Organization of Thailand
1996-2000	Director General, Technical Affairs Department, Office of the Attorney General
1996	Director General, Training and Development Institute, Office of the Attorney General
2000-2006	Director, Provincial Waterworks Authority
1996-2009	Director, Saengchai Sunthornwat Foundation
1987-1993	Legal Adviser, Commander of the Royal Thai Army
	Legal Adviser, Supreme Commander
1993-1996	Director, The Communications Authority of Thailand (Presently known as CAT Telecom Public Company Limited)
1985-1997	Director, Metropolitan Waterworks Authority

Name	Mr. Xu Genluo
Position	Independent Director
Age (year)	56
Date of the First Appointment as a Director	2 nd September 2014
True Share Ownership 31 st December 2014	Individual : - None - Spouse : - None -
Family Relationship	- None -
Education	Electronics Major, Hangzhou Institute of Electronic Engineering
Related training programs held by the Thai Institute of Directors Association (IOD)	- None -
Major Experience	<p><u>Companies Listed on the Stock Exchange of Thailand</u></p> <p>Present Independent Director, True Corporation Public Company Limited</p> <p><u>Non - listed Companies</u></p> <p>Present President, Thai - Chinese Rayong Industrial Realty Development Co., Ltd. Vice-Chairman, Chinese – Thai Enterprise Association</p>

Name	Mr. Dhanin Chearavanont
Position	Chairman of the Board and Chairman of the Compensation and Nominating Committee
Age (year)	75
Date of the First Appointment as a Director	11 th February 1993
True Share Ownership 31 st December 2014	Individual : - None - Spouse : - None -
Family Relationship	Mr. Soopakij's, Mr. Narong's and Mr. Suphachai's father
Education	Commercial School Hong Kong Shantou Secondary School The People's Republic of China The National Defence College of Thailand
Related training programs held by the Thai Institute of Directors Association (IOD)	- Director Accreditation Program (DAP)
Major Experience	<p><u>Companies Listed on the Stock Exchange of Thailand</u></p> <p>Present Chairman of the Board and Chairman of the Compensation and Nominating Committee, True Corporation Public Company Limited Chairman, Charoen Pokphand Foods Public Company Limited Chairman, CP All Public Company Limited</p> <p><u>Non - listed Companies</u></p> <p>Present Honorary Chairman, True Move Company Limited Director, Bangkok Inter Teletech Public Company Limited Director, Telecom Holding Company Limited Chairman and Chief Executive Officer, Charoen Pokphand Group Company Limited and its subsidiaries</p>

Name	Dr. Ajva Taulananda												
Position	Vice Chairman of the Board, Chairman of the Finance Committee and Member of the Corporate Governance Committee												
Age (year)	76												
Date of the First Appointment as a Director	11 th February 1993												
True Share Ownership 31st December 2014	Individual : - None - Spouse : - None -												
Family Relationship	- None -												
Education	Honorary Doctorate of Management, The University of Thai Chamber of Commerce Honorary Doctorate of Engineering, Ramkhamhaeng University Honorary Doctorate of Engineering, Chulalongkorn University Doctorate of Industrial Engineering and System, Illinois Institute of Technology, USA Master Degree of Industrial Engineering, Iowa State of University, USA Bachelor of Industrial Engineering, Chulalongkorn University Special Certificate: Public – Private joint defence curriculum, Class 1, The National Defence College of Thailand												
Related training programs held by the Thai Institute of Directors Association (IOD)	- Director Accreditation Program (DAP) - Chairman 2000 - Director Certification Program (DCP)												
Major Experience	<u>Companies Listed on the Stock Exchange of Thailand</u> <table> <tr> <td data-bbox="519 1301 666 1328">Present</td><td data-bbox="697 1301 1420 1469"> Vice Chairman of the Board, True Corporation Public Company Limited Chairman of the Finance Committee and Member of the Corporate Governance Committee, True Corporation Public Company Limited </td></tr> <tr> <td data-bbox="519 1476 666 1503">1993-1999</td><td data-bbox="697 1476 1420 1541"> Director and President, True Corporation Public Company Limited </td></tr> </table> <u>Non - listed Companies</u> <table> <tr> <td data-bbox="519 1617 666 1644">1992-Present</td><td data-bbox="697 1617 1420 1644">Vice Chairman, Charoen Pokphand Group</td></tr> <tr> <td data-bbox="519 1650 666 1677">2001-2004</td><td data-bbox="697 1650 1420 1715"> Chairman, Thai Chamber of Commerce and Board of Trade of Thailand </td></tr> <tr> <td data-bbox="519 1722 666 1749">1991-1992</td><td data-bbox="697 1722 1420 1749">Deputy Minister, Ministry of Agriculture and Cooperatives</td></tr> <tr> <td data-bbox="519 1756 666 1783">Present</td><td data-bbox="697 1756 1420 1854"> Director, Subsidiaries of True Corporation Public Company Limited Chairman, Board of Trustee of Thailand Management Association Director, Office of the National Economic and Social Development Board </td></tr> </table>	Present	Vice Chairman of the Board, True Corporation Public Company Limited Chairman of the Finance Committee and Member of the Corporate Governance Committee, True Corporation Public Company Limited	1993-1999	Director and President, True Corporation Public Company Limited	1992-Present	Vice Chairman, Charoen Pokphand Group	2001-2004	Chairman, Thai Chamber of Commerce and Board of Trade of Thailand	1991-1992	Deputy Minister, Ministry of Agriculture and Cooperatives	Present	Director, Subsidiaries of True Corporation Public Company Limited Chairman, Board of Trustee of Thailand Management Association Director, Office of the National Economic and Social Development Board
Present	Vice Chairman of the Board, True Corporation Public Company Limited Chairman of the Finance Committee and Member of the Corporate Governance Committee, True Corporation Public Company Limited												
1993-1999	Director and President, True Corporation Public Company Limited												
1992-Present	Vice Chairman, Charoen Pokphand Group												
2001-2004	Chairman, Thai Chamber of Commerce and Board of Trade of Thailand												
1991-1992	Deputy Minister, Ministry of Agriculture and Cooperatives												
Present	Director, Subsidiaries of True Corporation Public Company Limited Chairman, Board of Trustee of Thailand Management Association Director, Office of the National Economic and Social Development Board												

Name	Prof. Athueck Asvanund*
Position	Vice Chairman of the Board and Group General Counsel
Age (year)	63
Date of the First Appointment as a Director	22 nd August 1997
True Share Ownership 31st December 2014	Individual: 3,241,895 shares (0.01%) Spouse : - None -
Family Relationship	- None -
Education	Master Degree of Laws, specialized in International Legal Studies, New York University, USA Bachelor of Laws (Honours), Thammasat University
Training	Capital Market Academy Leader Program
Related training programs held by the Thai Institute of Directors Association (IOD)	- Director Accreditation Program (DAP)
Major Experience	<p><u>Companies Listed on the Stock Exchange of Thailand</u></p> <p>1997-Present Vice Chairman of the Board and Group General Counsel, True Corporation Public Company Limited Advisor to the Board of Directors, CP All Public Company Limited</p> <p>Aug-Dec 2011 Independent Director, Thoresen Thai Agencies Public Company Limited</p> <p>2008-Feb 2009 Company Secretary, True Corporation Public Company Limited</p> <p><u>Non - listed Companies</u></p> <p>1997-Present Director, Subsidiaries of True Corporation Public Company Limited Group General Counsel, Charoen Pokphand Group Company Limited and its subsidiaries</p> <p>2002-Present Director, True Move Company Limited Director, Bangkok Inter Teletech Public Company Limited</p> <p>Present Lecturer, Business Law, Faculty of Law, Chulalongkorn University</p> <p>2001-2006 Associate Judge, Central Intellectual Property and International Trade Court</p> <p>1978-1997 Baker & McKenzie</p>

* Authorized Signatory



Name	Mr. Li Zhengmao
Position	Vice Chairman of the Board and Member of the Compensation and Nominating Committee
Age (year)	52
Date of the First Appointment as a Director	2 nd September 2014
True Share Ownership 31st December 2014	Individual : - None - Spouse : - None -
Family Relationship	- None -
Education	PhD in Radio Engineering Department, Southeast University of China
Related training programs held by the Thai Institute of Directors Association (IOD)	- None -
Major Experience	<p><u>Companies Listed on the Stock Exchange of Thailand</u></p> <p>Present Vice Chairman of the Board and Member of the Compensation and Nominating Committee, True Corporation Public Company Limited</p> <p><u>Non - listed Companies</u></p> <p>2009-Present Vice President, China Mobile Communications Corporation</p>

Name	Prof. Dr. Warapatr Todhanakasem
Position	Director and Member of the Finance Committee
Age (year)	65
Date of the First Appointment as a Director	1 st March 2012
True Share Ownership 31st December 2014	Individual: 10,484 shares (0.00%) Spouse : - None -
Family Relationship	- None -
Education	Ph.D. in Business Economics, University of Illinois, Urbana-Champaign, USA M.S. in Economics, University of Illinois, Urbana-Champaign, USA M.B.A. in Finance, Kellogg School of Management, Northwestern University, Evanston, Illinois, USA B.Econ. (1 st Class Honor), Thammasat University LL.B., Thammasat University
Related training programs held by the Thai Institute of Directors Association (IOD)	- Director Certification Program (DCP) - Director Accreditation Program (DAP) - The Role of Chairman (RCM) - Role of the Compensation Committee (RCC)
Major Experience	<u>Companies Listed on the Stock Exchange of Thailand</u> 2012-Present Director, True Corporation Public Company Limited 2010-Present Independent Director, Khon Kaen Sugar Industry Public Company Limited 2009-Present Chairman and Independent Director, Prinsiri Public Company Limited <u>Non - listed Companies</u> 2012-Present Director, Amata Vn Public Company Limited June 2012-Present Director, Institute of Research and Development for Public Enterprises of Thailand (IRDP) 2012-Present Member of Sub-Committee on Performance Assessment of Electricity Development Funds, The Office of the Energy Regulatory Commission of Thailand 2010-Present Chairman, Pantavanij Company Limited Member of the Audit Committee, Ministry of Transportation Expert Director, Faculty of Commerce and Accountancy, Thammasat University 2007-Present Arbitrator, The Securities and Exchange Commission

Experience

- President, TRIS Corporation Limited (TRIS)
- President, TRIS Rating Company Limited
- First Senior Vice President, Kasikorn Bank Public Company Limited
- Member of Committee on Drafting Securitization Act, Ministry of Finance
- Member of Committee on Independent Supervisory Agencies Bureau of State Enterprises and Government Securities, Ministry of Finance
- Member of Search Committee for Managing Director, The Stock Exchange of Thailand
- Member of Corporate Governance Promotion Sub-Committee, The Stock Exchange of Thailand
- Member of Committee on Manpower Management in Public Sector, The Office of the Civil Service Commission
- External Quality Assessor, The Office for National Education Standards and Quality Assessment (Public Organization)
- Chairman of Executive MBA Program, Thammasat University
- Member of Committee on Development of Corporate Governance Course, Faculty of Commerce and Accountancy, Thammasat University
- Expert Member, Education Quality Assurance National Institute of Development Administration

Name	Mr. Umroong Sanphasitvong
Position	Director, Member of the Finance Committee and Member of the Compensation and Nominating Committee
Age (year)	62
Date of the First Appointment as a Director	16 th November 2001
True Share Ownership 31st December 2014	Individual: 1,022,225 shares (0.00%) Spouse: 3,888 shares (0.00%)
Family Relationship	- None -
Education	Master Degree of Accounting, Thammasat University Bachelor of Accounting, Thammasat University
Related training programs held by the Thai Institute of Directors Association (IOD)	- Director Certification Program (DCP) - IOD National Director Conference 2012 – Moving Corporate Governance Forward : Challenge for Thai Directors
Major Experience	<u>Companies Listed on the Stock Exchange of Thailand</u> 2001-Present Director, True Corporation Public Company Limited Present Member of the Finance Committee and Member of the Compensation and Nominating Committee, True Corporation Public Company Limited Director, CP All Public Company Limited Director, Allianz C.P. General Insurance Public Company Limited Director, Siam Makro Public Company Limited <u>Non - listed Companies</u> Present Deputy Group CFO, Charoen Pokphand Group Company Limited Director, CPPC Public Company Limited Director, VinaSiam Bank Director, C.P. Lotus Corporation Director, Thai Smart Card Company Limited Director, Grand River Place Corporation Company Limited Director, Grand River Front Corporation Company Limited Director, Grand River Park Corporation Company Limited Director, True Leasing Company Limited Director, Wire & Wireless Company Limited Director, True Money Company Limited Director, True Lifestyle Retail Company Limited Director, True Properties Company Limited Director, True Digital Content and Media Company Limited Director, True Digital Plus Company Limited

Name	Mr. Vichaow Rakphongphairoj*
Position	Director and Group Chief Operating Officer - Network Quality and Operation & Maintenance Broadband, Mobile, CATV
Age (year)	57
Date of the First Appointment as a Director	30 th November 2000
True Share Ownership 31st December 2014	Individual: 430,813 shares (0.00%) Spouse : - None -
Family Relationship	- None -
Education	Master Degree of Business Administration Pepperdine University, USA Master Degree of Electrical Engineering University of Wisconsin, USA Bachelor of Electrical Engineering Arizona State University, USA
Training	Senior Executives on Justice Administration Program (No. 15) Capital Market Academy Leader Program (No. 14)
Related training programs held by the Thai Institute of Directors Association (IOD)	- Director Certification Program (DCP No. 16)
Major Experience	<u>Companies Listed on the Stock Exchange of Thailand</u> True Corporation Public Company Limited 2014-Present Director and Group Chief Operating Officer - Network Quality and Operation & Maintenance Broadband, Mobile, CATV 2012-2013 Director and Group Chief Operating Officer – Network Quality and Operation and Maintenance 2000-2012 Director, Managing Director and Group Chief Operating Officer - Network Quality and Operation & Maintenance 1998-2000 E.V.P., Business & Enterprise 1997-1998 E.V.P., Central Operation & Information Technology 1996-1997 Region Director, Bangkok-Southeast Region 1995-1996 Region Director, Bangkok-West Region <u>Non - listed Companies</u> Present Chairman of Executive Committee, Pantavanij Company Limited Chairman of Executive Committee, Freewill Solutions Company Limited President, True Universal Convergence Company Limited Director, Asia Infonet Company Limited Director, Telecom Holding Company Limited

* Authorized Signatory

Director, K.I.N. (Thailand) Company Limited
Director, True Information Technology Company Limited
Director, True Touch Company Limited
Director, Asia DBS Public Company Limited
Director, Bangkok Inter Teletech Public Company Limited
Director, True Move Company Limited
Director, Thai Smart Card Company Limited
Director, Cineplex Company Limited
Director, Real Future Company Limited
Director, True Visions Group Company Limited
Director, Telecom Asset Management Company Limited

* Authorized Signatory

Name	Mr. Chatchaval Jiaravanon*
Position	Director and Managing Director- Group Investment
Age (year)	52
Date of the First Appointment as a Director	11 th February 1993
True Share Ownership 31st December 2014	Individual: 304,103 shares (0.00%) Spouse : - None -
Family Relationship	- None -
Education	Bachelor of Business Administration University of Southern California, USA
Related training programs held by the Thai Institute of Directors Association (IOD)	- Director Accreditation Program (DAP)
Major Experience	<u>Companies Listed on the Stock Exchange of Thailand</u> 1993-Present Director and Managing Director-Group Investment, True Corporation Public Company Limited 2013-Present Director, SVI Public Company Limited 2007-Present Chairman of Board and Chairman of the Executive Board, Finansia Syrus Securities Public Company Limited 2001-Present Independent Director and Member of the Audit Committee, Ticon Industrial Connection Public Company Limited 2000-Present Director, AEON Thana Sinsap (Thailand) Public Company Limited 2005-2013 Director, Amanah Leasing Public Company Limited <u>Non - listed Companies</u> 2000-Present President and CEO, Telecom Holding Company Limited 1997-Present CEO, True Multimedia Company Limited CEO, True Internet Company Limited 2006-Present Chairman, Thai Kodama Company Limited 1990-Present Director, Metro Machinery Company Limited Present Director, Subsidiaries of True Corporation Public Company Limited 1992-2005 Director, Thai Kodama Company Limited

* Authorized Signatory

Name	Mr. Soopakij Chearavanont *
Position	Director and Member of the Compensation and Nominating Committee
Age (year)	51
Date of the First Appointment as a Director	11 th February 1993
True Share Ownership 31 st December 2014	Individual: 2,732,250 shares (0.01%) Spouse: 3,000 shares (0.00%)
Family Relationship	Mr. Dhanin's son, Mr. Narong's and Mr. Suphachai's elder brother
Education	Bachelor of Science Degree in the College of Business and Public Administration of New York University, USA
Related training programs held by the Thai Institute of Directors Association (IOD)	- Director Accreditation Program (DAP) 92/2011
Major Experience	<u>Companies Listed on the Stock Exchange of Thailand</u> Present Director and Member of the Compensation and Nominating Committee, True Corporation Public Company Limited Director, C.P. All Public Company Limited Director, Siam Makro Public Company Limited <u>Non - listed Companies</u> Present Executive Chairman, True Visions Group Company Limited Executive Vice Chairman, Charoen Pokphand Group Company Limited Executive Chairman, Telecom Holding Company Limited Chairman, Chia Tai Land Holding Company Limited Chairman, Chia Tai Land Property Management Company Limited Chairman, Chia Tai Real Estate Group Company Limited Chairman, Chia Tai Lotus (Shanghai) Company Limited Chairman, Fortune Leasing Company Limited Chairman, Mass Gain Investment Limited Chairman, Beijing Lotus Supermarket Chain Store Company Limited Chairman, SM True Company Limited Co-Chairman, Shanghai Kinghill Limited – Super Brand Mall Chief Executive Officer & Executive Vice Chairman, Marketing and Distribution Business (China), Charoen Pokphand Group Company Limited Chief Executive Officer, Real Estate & Land Development Business (China), Charoen Pokphand Group Company Limited Executive Chairman & Chief Executive Officer, C.P. Lotus Corporation Executive Vice Chairman & Chief Executive Officer, Shaghai Lotus Supermarket Chain Store Company Limited Vice Chairman, Marketing and Distribution Business (Thailand),

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Charoen Pokphand Group Company Limited
 Vice Chairman, Real Estate and Land Development Business (Thailand),
 Charoen Pokphand Group Company Limited
 Vice Chairman, Telecommunication Business,
 Charoen Pokphand Group Company Limited
 Vice Chairman, Automotive Industrial Business (China),
 Charoen Pokphand Group Company Limited
 Vice Chairman, Chia Tai Trading (Beijing) Company Limited
 Vice Chairman, Chia Tai Vision Limited
 Vice Chairman, Chia Tai International Finance Company Limited
 Vice Chairman,
 Shanghai Fortune World Development Company Limited
 Director, Chia Tai Development Investment Company Limited
 Director, Chia Tai Group Company Limited
 Director, CP Pokphand Company Limited
 Director, True Move Company Limited
 Director, Fortune Shanghai Limited
 Director, Lotus-CPF (PRC) Investment Company Limited
 Director, Ping An Insurance (Group) Company of China Limited
 Director, Bangkok Inter Teletech Public Company Limited
 Director, True Universal Convergence Company Limited
 Director, Asia DBS Public Company Limited
 Director, True Internet Company Limited
 Director, True Information Technology Co., Ltd.

Community Service

2014	Advisor to the Deputy Minister of Defence Advisor to the Deputy Minister of Ministry of Education
2013	Advisor to Minister of Culture Advisor to the Deputy Minister of Defence
2012	Expert to the Committee on Labour and Social Welfare Group
2011	Vice Chairman of Youth Committee of China Overseas Chinese Investment Enterprises Association
2010	Chairman of China Thailand Chamber of Commerce
2009	Committee Members of the Build Foundation Advisor to the Committee on Education, The House of Representatives Advisor to Minister of Culture
2008	Honorary Consul of the Russian Federation for the provinces of Phuket, Krabi and Phang-nga Committeeman of Chinese People's Government Consultant Committee - Wuhan Province No. 10 th
2006	Award of Bai Yu Lan from Shanghai Government Member of Fudan Incentive Management Fund Committee of Fudan University Management Committee of Chia Tai International Center of Peking University Advisor of the Standing Committee on Public Health, The House of Representatives
2005	Member of Young Thai Entrepreneurs Association (YTEA)

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	Vice President of Thai-Chinese Promotion of Investment and Trade Association
2004	Committee on Cultural Promotion Fund of Office of the National Cultural Commission
	Vice President of Thailand Equestrian Federation
2002	Member of Young Thai Entrepreneurs Assembly
	Vice Chairman of Thailand-China Business Council
1995	Honorary Advisor to the Senate Standing Committee on Sports, The House of Representatives
1993	Member of Thai-Chinese Culture and Economy Association
	Committee on Children Youth, Women and the Elderly

Royal Decorations

2013	Knight Grand Cross (First Class) of the Most Noble Order of the Crown of Thailand
2012	Companion (Fourth Class) of the Most Exalted Order of the White Elephant
2010	Companion (Fourth Class) of the Most Noble Order of the Crown of Thailand
2008	Companion (Fifth Class) of the Most Exalted Order of the White Elephant

Name	Mr. Narong Chearavanont
Position	Director
Age (year)	50
Date of the First Appointment as a Director	29 th April 2008
True Share Ownership 31 st December 2014	Individual: 224,386 shares (0.00%) Spouse : - None -
Family Relationship	- None -
Education	Mr. Dhanin's son, Mr. Soopakij's younger brother and Mr. Suphachai's elder brother Honorary Doctor of Business Administration Program, Ramkhamhaeng University Bachelor of Science, Major Business Administration, New York University, USA Advance Management Program: Transforming Proven Leaders into Global Executives, Harvard Business School, Harvard University
Related training programs held by the Thai Institute of Directors Association (IOD)	- Director Accreditation Program (DAP) (2550)
Major Experience	<u>Companies Listed on the Stock Exchange of Thailand</u> 2008-Present Director, True Corporation Public Company Limited 2013-Present Director, Siam Makro Public Company Limited 1999-Present Director, CP All Public Company Limited <u>Non - listed Companies</u> Present Director, Shanghai Changfa Shopping Center Company Limited Director, Shanghai Yalian Supermarket Company Limited Director, Shanghai Jialian Supermarket Company Limited Director, Zhengzhou Lotus Supermarket Chain Store Company Limited Director, Foshan Nanhai Huanantong Trading Development Company Limited Director, Guangdong Huanantong Trading Development Company Limited Director, Zhanjing C.P. Lotus Supermarket Company Limited Director, Shanghai Xinlian Supermarket Company Limited Governance Committee, Leadership Development Institute 2013-Present Director, Shanghai Yilian Supermarket Company Limited Director, Shanghai Ailian Supermarket Company Limited Director, Shanghai Songlian Supermarket Company Limited Director, Wenzhou Yichu Ailian Supermarket Company Limited 2012-Present Director, Shanghai Cailian Supermarket Company Limited Director, Nantong Tonglian Supermarket Company Limited Director, Kunshan Tailian Supermarket Company Limited Director, C.P. Zonglian (Shanghai) Management Company Limited Chief Executive Officer, Shanghai Litai Logistics Company Limited

Mr. Narong Chearavanont (Continued)

	Director, Shantou Lotus Supermarket Chain Store Co., Ltd.
	Director, Guangzhou Lotus Supermarket Chain Store Co., Ltd.
	Director, Beijing Lotus Supermarket Chain Store Co., Ltd
2011-Present	Executive Vice Chairman, Chia Tai Qingdao Holdings (Hongkong) Limited
	Executive Vice Chairman, Chia Tai Xiangyang Holdings (Hongkong) Limited
	Executive Vice Chairman, Chia Tai Qingdao Holdings Limited
	Executive Vice Chairman, Chia Tai Xiangyang Holdings Limited
	Executive Director, The ICONSIAM Superlux Residences Corporation Limited (formerly : Grand River Park Company Limited)
	Executive Director, The ICONSIAM Residences Corporation Limited (formerly : Grand River Place Company Limited)
	Executive Director, The ICONSIAM Corporation Limited (formerly : Grand River Front Company Limited)
	Vice Chairman, SM True Company Limited
	Senior Executive Assistant to Chairman, Charoen Pokphand Group “Global Talent Recruitment”
2010-Present	President, CP Corporate University
	Vice Chairman, Panther Entertainment Company Limited
	Vice Chairman, Marketing and Distribution Business (Thailand)
	Vice Chairman, Marketing and Distribution Business (China)
	Vice Chairman, Real Estate & Land Development Business (China)
	Vice Chairman, Shanghai Kinghill Limited
2009-Present	Director, Cineplex Company Limited
	Director, Satellite Service Company Limited
	Director, Wuxi Ailian Supermarket Chain Store Company Limited
	Director, Wuxi Yilian Supermarket Company Limited
	Director, Taizhou Yilian Supermarket Company Limited
	Director, Hefei Ailian Supermarket Company Limited
	Director, Changsha Chulian Supermarket Co., Ltd.
	Director, Wuhan Yichu Ailian Supermarket Co., Ltd.
	Director, Changsha Ailian Supermarket Company Limited.
	Director, Guangzhou Lotus Supermarket Chain Store Company Limited
2008-Present	Director, CPPC Company Limited
	Director, Beston Action Utility Wear (Lianyungang) Company Limited
	Director, Jiangsu CP Lotus Supermarket Chain Store Company Limited
	Director, Beijing CP Lotus Supermarket Chain Store Company Limited
	Director, Zhejiang CP Trading Company Limited
	Director, Foshan C.P. Lotus Management Consulting Company Limited
2007-Present	Executive Vice Chairman, CP Lotus Corporation Company Limited
	Executive Vice Chairman, Chia Tai (China) Investment Company Limited
2007-2010	Director, C.P. Pokphand Company Limited
2005-Present	Director, Qingdao Lotus Supermarket Chain Store Company Limited
2004-Present	Director, Xi'an Lotus Supermarket Chain Store Company Limited
	Director, Shantou Lotus Supermarket Chain Store Company Limited
2003-Present	Director, Tai'an Lotus Supermarket Chain Store Company Limited
	Director, Beijing Lotus Supermarket Chain Store Company Limited
2002-Present	Director, Business Development Bank
2001-Present	Chairman, Yangtze Supermarket Investment Company Limited
	Director, Wuhan Lotus Supermarket Chain Store Company Limited
2000-Present	Director, Shanghai Lotus Supermarket Chain Store Company Limited
1997-2002	President, Ex-Chor Trading (Shanghai) Co., Ltd.
1995-1997	President, Ex-Chor Distribution (Thailand) Co., Ltd.

Name	Mr. Gao Nianshu
Position	Director and Member of the Finance Committee
Age (year)	51
Date of the First Appointment as a Director	2 nd September 2014
True Share Ownership 31st December 2014	Individual : - None - Spouse : - None -
Family Relationship	- None -
Education	- MBA, Guanghua School of Management of Peking University - Master of Engineering, Institute of Computing Technology of Chinese Academy of Sciences - B.S. in Computer Mathematics, Jilin University
Related training programs held by the Thai Institute of Directors Association (IOD)	- None -
Major Experience	<u>Companies Listed on the Stock Exchange of Thailand</u> Present Director and Member of the Finance Committee, True Corporation Public Company Limited <u>Non - listed Companies</u> 2012-Present General Manager of Marketing Department, China Mobile Communications Corporation 2005-2012 General Manager of Data Department, China Mobile Communications Corporation

Name	Mr. Suphachai Chearavanont*
Position	Director, President and Chief Executive Officer
Age (year)	47
Date of the First Appointment as a Director	11 th February 1993
True Share Ownership 31 st December 2014	Individual: 3,983,755 shares (0.01%) Spouse: 1,901,710 shares (0.01%)
Family Relationship	Mr. Dhanin's son, Mr. Soopakij's and Mr. Narong's younger brother
Education	Bachelor of Business Administration in Financial Management Boston University, USA
Related training programs held by the Thai Institute of Directors Association (IOD)	- Director Accreditation Program (DAP) 92/2011
Major Experience	<p><u>Companies Listed on the Stock Exchange of Thailand</u></p> <p>True Corporation Public Company Limited</p> <p>1999-Present President and Chief Executive Officer</p> <p>1997 Senior Executive Vice President</p> <p>1996 Executive Vice President, Business Operations</p> <p>1995 General Manager, East Region</p> <p>1994 Senior Vice President, Planning and Project Coordination & Support</p> <p>1993 Vice President, the Operation Room</p> <p>1992 Senior Officer, the President's Office</p> <p><u>Non - listed Companies</u></p> <p>Present Director and Chief Executive Officer, True Visions Group Company Limited</p> <p>2001-Present Chief Executive Officer, True Move Company Limited Director, Bangkok Inter Teletech Public Company Limited</p> <p>2000-Present Chairman, Freewill Solutions Company Limited</p> <p>2005-Present Director, K.I.N. (Thailand) Company Limited</p> <p>1999-2013 Chairman, Wire & Wireless Company Limited</p> <p>2001-2010 Chairman, Pantavanij Company Limited</p> <p>1996 President, Asia Multimedia Company Limited</p> <p>1995 Managing Director, Wire & Wireless Company Limited</p> <p>1991 2 Years with Vinythai Company Limited</p> <p>1990 1 Year with Soltex Federal Credit Union, USA</p> <p>1989 1 Year with Siam Makro Company Limited</p>

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**Major Experience
(Continued)**

Directorships

- True Corporation Public Company Limited
- True Move Company Limited
- Other subsidiaries of True Corporation Public Company Limited
- Pantavanij Company Limited
- CPPC Public Company Limited
- C.P. Lotus Corporation
- Asia Freewill Company Limited
- Freewill Solutions Company Limited
- C.P. Pokphand Company Limited

Social Contributions & Other Experience

- | | |
|--------------|---|
| 2010-Present | Director and Advisor of Master of Science Program and Doctor of Philosophy Program in Technopreneurship and Innovation Management (TIP), Chulalongkorn University |
| 2010-2011 | Director of The National Electronics and Computer Technology Center |
| 2010-Present | Advisor to Executive Chairman of Rajaprajanugroh Foundation
Director of Ramathibodi Foundation
The Bangkok Art and Culture Centre Foundation Committee |
| 2009-Present | Board Member of Board of Trustees, Bangkok University |
| 2008-2009 | Member of Fund Raising and Public Relations Committee for the Construction of a Medical Facility in Honor of HM the King and the Purchase of Medical Equipments |
| 2008-Present | Member of Management Committee on Nation-wide Strategic Approach Eye Provisioning Project |
| 2006-Present | Chairman of the Sub Committee for Fund Raising
Thai Red Cross Eye Bank
Member of the Thai Red Cross Eye Bank Committee |
| 1999-Present | Director & Advisor of the Telecommunications Association of Thailand under the Royal Patronage (TCT) |
| 2005-2007 | Member of the Listed Companies Association (LCA) |

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Executive Officers

Name	Mr. Noppadol Dej-Udom
Position	Group Chief Financial Officer
Age (year)	47
Date of the First Appointment	1 st January 2008
True Share Ownership 31 st December 2014	Individual: 1,559,818 shares (0.01%) Spouse : - None -
Family Relationship	- None -
Education	Master Degree in Business Administration, Sasin Graduate Institute of Business Administration of Chulalongkorn University Bachelor Degree in Mechanical Engineering, Rensselaer Polytechnic Institute, USA
Related training programs held by the Thai Institute of Directors Association (IOD)	- Director Certification Program 101/2008
Major Experience	<p><u>Companies Listed on the Stock Exchange of Thailand</u></p> <p>True Corporation Public Company Limited</p> <p>2008-Present Group Chief Financial Officer</p> <p>2003-2007 Director & General Manager - Online</p> <p>2000-2003 Senior Vice President - Corporate Finance</p> <p><u>Non - listed Companies</u></p> <p>Present Director, True Internet Company Limited</p> <p>Director, True International Communication Company Limited</p> <p>Director, True Music Company Limited</p> <p>Director, Real Move Company Limited</p> <p>Director, Real Future Company Limited</p> <p>Director, True Visions Group Company Limited</p> <p>Director, Telecom Holding Company Limited</p> <p>Director, Telecom Asset Management Company Limited</p> <p>Director, TRUE4U Station Company Limited</p> <p>Director, Gold Palace Investment Limited</p> <p>Director, Golden Light Company Ltd.</p> <p>Director, True Internet Technology (Shanghai) Company Limited</p> <p>Director, Goldsky Company Ltd.</p> <p>Director, Gold Palace Logistics Limited</p> <p>Director, GP Logistics Limited</p> <p>Director, Golden Pearl Global Limited</p> <p>2009-Present Director, True Information Technology Company Limited</p> <p>2004-Present Director, Asia DBS Public Company Limited</p>

Name	Mr. William Harris
Position	Executive Director - International Business Development and Senior Assistant to CEO
Age (year)	53
Date of the First Appointment	7 th October 2009
True Share Ownership 31 st December 2014	Individual: 1,109,240 shares (0.00%) Spouse : - None -
Family Relationship	- None -
Education	Master Degree of Business Administration, Major in Finance and Marketing, Wharton School of the University of Pennsylvania Bachelor of Science in Economics, Wharton School of the University of Pennsylvania
Related training programs held by the Thai Institute of Directors Association (IOD)	- None -
Major Experience	<u>Companies Listed on the Stock Exchange of Thailand</u> True Corporation Public Company Limited Present Executive Director - International Business Development and Senior Assistant to CEO 2009-2014 Executive Director - International Business Development and Assistant to CEO 2001-2007 Chief Financial Officer 1999-2000 Executive Vice President - Corporate Finance <u>Non - listed Companies</u> 2014-Present Director, True Visions Group Company Limited Director, True Vistas Company Limited 2013-Present Director, Golden Pearl Global Limited 2012-Present Director, GP Logistics Company Limited 2011-Present Director, Rosy Legend Limited Director, Prospect Gain Limited Director, True Internet Technology (Shanghai) Company Limited 2010-Present Director, Dragon Delight Investments Limited Director, Gold Palace Investments Limited Director, Golden Light Company Ltd. Director, Gold Palace Logistics Limited 2006-Present Director, True Move Company Limited Director, Bangkok Inter Teletech Public Company Limited 1993-1999 Director, Credit Policy, Verizon Communications, Philadelphia

Name	Mr. Kachorn Chiaravanont
Position	Group Executive Director - Corporate Affairs
Age (year)	48
Date of the First Appointment	21 st February 2012
True Share Ownership 31 st December 2014	Individual: 301,271 shares (0.00%) Spouse : - None -
Family Relationship	- None -
Education	Bachelor Degree in Management, Fairleigh Dickinson University in New Jersey, USA
Related training programs held by the Thai Institute of Directors Association (IOD)	- None -
Major Experience	<p><u>Companies Listed on the Stock Exchange of Thailand</u></p> <p>Present Group Executive Director - Corporate Affairs True Corporation Public Company Limited</p> <p><u>Non - listed Companies</u></p> <p>Present Director, Allianz C.P. General Insurance Company Limited Director, CPPC Public Company Limited Director, Pokphand Enterprise Company Limited Director, Bangkok Inter Teletech Public Company Limited Director, True Information Technology Company Limited Director, True Move Company Limited Director, True Distribution & Sales Company Limited Director, Song Dao Company Limited Director, True Universal Convergence Company Limited Director, Cineplex Company Limited Director, Click TV Company Limited Director, True Digital Media Company Limited Director, Satellite Service Company Limited Director, Panther Entertainment Company Limited Director, Telecom Holding Company Limited Director, True Leasing Company Limited Director, True Properties Company Limited Director, True Visions Group Company Limited Director, SAIC Motor-CP Company Limited Director, MG Sales (Thailand) Company Limited Director, Echo Autoparts (Thailand) Company Limited Director, True United Football Club Company Limited</p>

Name	Mr. Thiti Nantapatsiri
Position	Group Executive Director - Regulatory
Age (year)	60
Date of the First Appointment	1 st June 2003
True Share Ownership 31st December 2014	Individual: 371,053 shares (0.00%) Spouse : - None -
Family Relationship	- None -
Education	Bachelor Degree of Engineering (Electrical), King Mongkut's Institute of Technology, Ladkrabang Campus
Related training programs held by the Thai Institute of Directors Association (IOD)	- None -
Major Experience	<u>Companies Listed on the Stock Exchange of Thailand</u> <div> <div>Feb 2012-Present</div> <div>Group Executive Director - Regulatory, True Corporation Public Company Limited</div> </div> <div> <div>2008-Jan 2012</div> <div>Group Executive Director - Pay TV Business True Corporation Public Company Limited</div> </div> <div> <div>Jun 2003-2007</div> <div>Group Executive Director - Home / Consumer Solution & Highspeed Access, True Corporation Public Company Limited</div> </div> <div> <div>1999-2003</div> <div>Executive Vice President, Loxley Public Company Limited</div> </div> <div> <div>1997-1999</div> <div>First Senior Vice President, Loxley Public Company Limited</div> </div> <u>Non - listed Companies</u> <div> <div>Present</div> <div> Director, Telecom Holding Company Limited Director, Tele Engineering and Services Company Limited Director, BFKT (Thailand) Limited Director, SM True Company Limited </div> </div> <div> <div>2008-Present</div> <div>Director, Panther Entertainment Company Limited</div> </div> <div> <div>2007-Present</div> <div>Director, True Music Radio Company Limited</div> </div> <div> <div>2006-Present</div> <div> Director, True Internet Company Limited Director, Samut Pakan Media Corporation Company Limited Director, Cineplex Company Limited Director, Click TV Company Limited Director, True Digital Media Company Limited Director, Satellite Service Company Limited Director, True Music Company Limited </div> </div> <div> <div>2001-2002</div> <div> President & CEO, Hutchison CAT Wireless Multimedia Company Limited </div> </div> <div> <div>1992-2000</div> <div> President & CEO, Hutchison Telecommunications (Thailand) Company Limited </div> </div>

Name	Mr. Adhiruth Thothaveesansuk																		
Position	Group Managing Director - Regional Management																		
Age (year)	51																		
Date of the First Appointment	13 th January 1998																		
True Share Ownership 31 st December 2014	Individual: 2,840,053 shares (0.01%) Spouse : - None -																		
Family Relationship	- None -																		
Education	Master Degree of Finance & Marketing, Indiana University of Pennsylvania, USA Bachelor of Industrial Management, Thammasat University																		
Training	- Capital Market Academy Leader Program (CMA16)																		
Related training programs held by the Thai Institute of Directors Association (IOD)	- Director Certification Program (DCP) - Director Diploma of Australian Institution of Director 2005																		
Major Experience	<p><u>Companies Listed on the Stock Exchange of Thailand</u></p> <table> <tr> <td>Present</td><td>Group Managing Director – Regional Management True Corporation Public Company Limited</td></tr> <tr> <td>2012-2014</td><td>Managing Director – Mobile Business True Corporation Public Company Limited</td></tr> <tr> <td>2001</td><td>Executive Vice President, True Corporation Public Company Limited</td></tr> </table> <p><u>Non - listed Companies</u></p> <table> <tr> <td>Present</td><td>Director, True Life Plus Company Limited Director, BFKT (Thailand) Limited Director, Gold Palace Investments Limited Director, Satellite Service Company Limited Director, Panther Entertainment Company Limited Director, True Music Company Limited Director, Bangkok Inter Teletech Public Company Limited Director, Telecom Holding Company Limited Director, True Move Company Limited Director, Golden Light Company Ltd. Director, Gold Palace Logistics Limited Director, True Internet Technology (Shanghai) Company Limited</td></tr> <tr> <td>2006-Present</td><td>Director, True Public Communication Company Limited</td></tr> <tr> <td>2003-Present</td><td>President, Asia Wireless Communication Company Limited</td></tr> <tr> <td>2002</td><td>Chief Commercial Officer, True Move Company Limited</td></tr> <tr> <td>1998-2002</td><td>General Manager, Wire & Wireless Company Limited</td></tr> <tr> <td>1998-2001</td><td>President, Asia Wireless Communication Company Limited</td></tr> </table>	Present	Group Managing Director – Regional Management True Corporation Public Company Limited	2012-2014	Managing Director – Mobile Business True Corporation Public Company Limited	2001	Executive Vice President, True Corporation Public Company Limited	Present	Director, True Life Plus Company Limited Director, BFKT (Thailand) Limited Director, Gold Palace Investments Limited Director, Satellite Service Company Limited Director, Panther Entertainment Company Limited Director, True Music Company Limited Director, Bangkok Inter Teletech Public Company Limited Director, Telecom Holding Company Limited Director, True Move Company Limited Director, Golden Light Company Ltd. Director, Gold Palace Logistics Limited Director, True Internet Technology (Shanghai) Company Limited	2006-Present	Director, True Public Communication Company Limited	2003-Present	President, Asia Wireless Communication Company Limited	2002	Chief Commercial Officer, True Move Company Limited	1998-2002	General Manager, Wire & Wireless Company Limited	1998-2001	President, Asia Wireless Communication Company Limited
Present	Group Managing Director – Regional Management True Corporation Public Company Limited																		
2012-2014	Managing Director – Mobile Business True Corporation Public Company Limited																		
2001	Executive Vice President, True Corporation Public Company Limited																		
Present	Director, True Life Plus Company Limited Director, BFKT (Thailand) Limited Director, Gold Palace Investments Limited Director, Satellite Service Company Limited Director, Panther Entertainment Company Limited Director, True Music Company Limited Director, Bangkok Inter Teletech Public Company Limited Director, Telecom Holding Company Limited Director, True Move Company Limited Director, Golden Light Company Ltd. Director, Gold Palace Logistics Limited Director, True Internet Technology (Shanghai) Company Limited																		
2006-Present	Director, True Public Communication Company Limited																		
2003-Present	President, Asia Wireless Communication Company Limited																		
2002	Chief Commercial Officer, True Move Company Limited																		
1998-2002	General Manager, Wire & Wireless Company Limited																		
1998-2001	President, Asia Wireless Communication Company Limited																		

Name	Mr. Songtham Phianpattanawit
Position	Group Executive Director - Enterprise/Business Sector and International Services
Age (year)	56
Date of the First Appointment	1 st April 2003
True Share Ownership 31st December 2014	Individual: 850,611 shares (0.00%) Spouse : - None -
Family Relationship	- None -
Education	Bachelor of Science (Computer Science), University of South Alabama, USA
Training	Capital Market Academy Leader Program (CMA 15)
Related training programs held by the Thai Institute of Directors Association (IOD)	- Director Certification Program (DCP no.54)
Major Experience	<u>Companies Listed on the Stock Exchange of Thailand</u> Present Group Executive Director – Enterprise / Business Sector & International Services, True Corporation Public Company Limited
	<u>Non - listed Companies</u> Present Director, Hutchison Telecommunications (Thailand) Company Limited President, True Information Technology Company Limited Director and Group Executive Director Enterprise / Business Sector & International Service, True Move Company Limited Executive Committee, Pantavanij Company Limited Director, Freewill Solutions Company Limited Director, Telecom Holding Company Limited Director, Wire & Wireless Company Limited 2006-Present President, True International Gateway Company Limited Director, Bangkok Inter Teletech Public Company Limited 2003-2008 Director, True Multimedia Company Limited 2001-2003 Country General Manager / MD, IBM Thailand Company Limited Chairman, IBM Solution Delivery Company Limited 2001-2002 Director, IBM Storage Product Thailand Company Limited 2000 Director, Sales & Marketing, IBM Thailand Company Limited Country Manager System Sales, IBM Thailand Company Limited 1998 Country Manager Finance & Administration and CFO, IBM Thailand Company Limited 1997 Service Business Executive, IBM Thailand Company Limited

Name	Mr. Anat Mekpaiboonvatana
Position	Group Managing Director - Regional Management
Age (year)	54
Date of the First Appointment	21 st February 2012
True Share Ownership 31 st December 2014	Individual: 827,724 shares (0.00%) Spouse : - None -
Family Relationship	- None -
Education	Master Degree of Marketing Management, West Coast University, USA Bachelor of Mechanical Engineering, King Mongkut's University of Technology Thonburi
Related training programs held by the Thai Institute of Directors Association (IOD)	- None -
Major Experience	<u>Companies Listed on the Stock Exchange of Thailand</u> Present Group Managing Director - Regional Management True Corporation Public Company Limited <u>Non- listed Companies</u> Present Director, True Distribution & Sales Company Limited Director, Samut Pakan Media Corporation Company Limited Director, Hutchison MultiMedia Services (Thailand) Limited Director, Tele Engineering and Services Company Limited Director, Cineplex Company Limited Director, True Digital Media Company Limited Director, Satellite Service Company Limited Director, Panther Entertainment Company Limited Director, True GS Company Limited Director, Telecom Holding Company Limited 2012-2014 Managing Director, True Visions Public Company Limited 2009-2012 Deputy Group Chief Commercial Officer, True Corporation Public Company Limited 2002-2009 Director & General Manager, True Corporation Public Company Limited 1998-2002 President, Wire & Wireless Company Limited 1997-1998 General Manager, Tele Engineering and Services Company Limited 1996-1997 Vice President, Asia Multimedia Company Limited 1995-1996 General Manager, Unet Company Limited 1995 Vice President, UBC Cable TV Network Company Limited 1994 Vice President, Telecom Holding Company Limited

Name	Mr. Charoen Limkangwanmongkol
Position	Group Managing Director - Regional Management
Age (year)	51
Date of the First Appointment	26 th October 2012
True Share Ownership 31 st December 2014	Individual: 233,789 shares (0.00%) Spouse: 278,139 shares (0.00%)
Family Relationship	- None -
Education	Mini MBA, Chulalongkorn University Bachelor Degree Business Administration, Assumption University
Related training programs held by the Thai Institute of Directors Association (IOD)	- None -
Major Experience	<u>Companies Listed on the Stock Exchange of Thailand</u> Present Group Managing Director - Regional Management True Corporation Public Company Limited <u>Non - listed Companies</u> Present Managing Director, True Multimedia Company Limited Director, True Life Plus Company Limited 2003-2006 Marketing Director, Yum Restaurant Company Limited 1992-2003 Sales and Marketing Director, Hutchison Telecommunication Company Limited 1989-1992 Brand Manager, Unilever (Thailand) Company Limited 1986-1989 Account Supervisor, Lintas (Thailand) Company Limited

Name		Dr. Papon Ratanachaikanont
Position	Group Executive Director - Strategic Business Development and Executive Assistant to CEO	
Age (year)	48	
Date of the First Appointment	21 st February 2012	
True Share Ownership 31 st December 2014	Individual: 629,790 shares (0.00%) Spouse: 181,930 shares (0.00%)	
Family Relationship	- None -	
Education	Doctor Degree	Doctor of Philosophy Program in Organization Development (International Program)
	Masters Degree	Communication Advertising and Public Relations, Emerson College, Boston, Massachusetts, USA
	Bachelor Degree	Management, Assumption University of Thailand
	Occupation Certificate	Advertising of Public Relations and Print Production, The Advertising Club of Greater Boston
Related training programs held by the Thai Institute of Directors Association (IOD)	- None -	
Major Experience	<u>Companies Listed on the Stock Exchange of Thailand</u>	
	2014-Present	Group Executive Director - Strategic Business Development and Executive Assistant to CEO, True Corporation Public Company Limited
	2012-2013	Group Chief Commercial Officer - Sales & Retail, True Corporation Public Company Limited
	2005-2012	Assistant to President/CEO, Deputy Group Chief Commercial Officer, True Corporation Public Company Limited
	<u>Non - listed Companies</u>	
	Present	Director, Samut Pakan Media Corporation Company Limited Director, True Music Radio Company Limited Director, Dragon Delight Investment Limited Director, Hutchison Multimedia Services (Thailand) Limited Director, True Lifestyle Retail Company Limited Director, Bake House Company Limited
	2000-2005	Marketing and Sales Director, Mazda Sales (Thailand) Company
	1999-2000	Chief Operating Officer, Bakery Music Group Company
	1998-1999	Group Account Director and General Manager, Grey Advertising Thailand and WhizzbangArts
	1993-1998	Managing Director, The Print International Co.,Ltd. and Design Arts Co.,Ltd
	1991-1992	Project Manager (IMC), Ammirati Puris Lintas (Thailand) Company

Name	Mr. Carl Goodier																						
Position	Group Chief Customer Service Officer																						
Age (year)	50																						
Date of the First Appointment	1 st February 2013																						
True Share Ownership 31st December 2014	Individual : - None - Spouse : - None -																						
Family Relationship	- None -																						
Education	Bachelor Degree of Aircraft Operational Engineering, AH Amsterdam																						
Related training programs held by the Thai Institute of Directors Association (IOD)	- None -																						
Major Experience	<p><u>Companies Listed on the Stock Exchange of Thailand</u></p> <table> <tr> <td>Feb 2013-Present</td><td>Group Chief Customer Service Officer True Corporation Public Company Limited</td></tr> <tr> <td>Apr 2010-Present</td><td>(Acting) Group Director - Group Quality Assurance True Corporation Public Company Limited</td></tr> <tr> <td>Feb 2012-Feb 2013</td><td>Group Director - Customer Management True Corporation Public Company Limited</td></tr> <tr> <td>Mar 2006-Jul 2010</td><td>Advisor to CEO/President True Corporation Public Company Limited</td></tr> <tr> <td>Mar 2000-Feb 2005</td><td>Director Customer Management True Corporation Public Company Limited</td></tr> <tr> <td>Apr 1999-Jan 2005</td><td>Senior Vice President Quality Assurance True Corporation Public Company Limited</td></tr> </table> <p><u>Non - listed Companies</u></p> <table> <tr> <td>Present</td><td>Chairman, True Voice Company Limited</td></tr> <tr> <td>Apr 2000-Jan 2005</td><td>Managing Director, True Touch Company Limited</td></tr> <tr> <td>1996-1999</td><td>Managing Director, Azimuth Company Limited</td></tr> <tr> <td>1993-1996</td><td>Managing Director, QMI-QUEST (Thailand)</td></tr> <tr> <td>1991-1994</td><td>Consultant and Managing Consultant, QMI-QUSET (Malaysia)</td></tr> </table>	Feb 2013-Present	Group Chief Customer Service Officer True Corporation Public Company Limited	Apr 2010-Present	(Acting) Group Director - Group Quality Assurance True Corporation Public Company Limited	Feb 2012-Feb 2013	Group Director - Customer Management True Corporation Public Company Limited	Mar 2006-Jul 2010	Advisor to CEO/President True Corporation Public Company Limited	Mar 2000-Feb 2005	Director Customer Management True Corporation Public Company Limited	Apr 1999-Jan 2005	Senior Vice President Quality Assurance True Corporation Public Company Limited	Present	Chairman, True Voice Company Limited	Apr 2000-Jan 2005	Managing Director, True Touch Company Limited	1996-1999	Managing Director, Azimuth Company Limited	1993-1996	Managing Director, QMI-QUEST (Thailand)	1991-1994	Consultant and Managing Consultant, QMI-QUSET (Malaysia)
Feb 2013-Present	Group Chief Customer Service Officer True Corporation Public Company Limited																						
Apr 2010-Present	(Acting) Group Director - Group Quality Assurance True Corporation Public Company Limited																						
Feb 2012-Feb 2013	Group Director - Customer Management True Corporation Public Company Limited																						
Mar 2006-Jul 2010	Advisor to CEO/President True Corporation Public Company Limited																						
Mar 2000-Feb 2005	Director Customer Management True Corporation Public Company Limited																						
Apr 1999-Jan 2005	Senior Vice President Quality Assurance True Corporation Public Company Limited																						
Present	Chairman, True Voice Company Limited																						
Apr 2000-Jan 2005	Managing Director, True Touch Company Limited																						
1996-1999	Managing Director, Azimuth Company Limited																						
1993-1996	Managing Director, QMI-QUEST (Thailand)																						
1991-1994	Consultant and Managing Consultant, QMI-QUSET (Malaysia)																						

Name	Mr. Siripoj Kunakornphan
Position	Group Managing Director - Regional Management
Age (year)	51
Date of the First Appointment	21 st January 2014
True Share Ownership 31 st December 2014	Individual: 195,070 shares (0.00%) Spouse : - None -
Family Relationship	- None -
Education	Bachelor of Engineering Program in Electronics, King Mongkut's Institute of Technology Ladkrabang
Related training programs held by the Thai Institute of Directors Association (IOD)	- None -
Major Experience	<u>Companies Listed on the Stock Exchange of Thailand</u> Present Group Managing Director - Regional Management True Corporation Public Company Limited 2006-2007 Director of Business Customer I True Corporation Public Company Limited <u>Non - listed Companies</u> Present Director, BFKT (Thailand) Limited 2008-2014 Chief Operating Officer, True Move Company Limited

Company Secretary

Name	Mrs. Rangsinee Sujaritsunchai
Position	Company Secretary
Age (year)	50
a	
Date of the First Appointment	27 th February 2009
True Share Ownership 31st December 2014	Individual : - None - Spouse : 3,200 shares (0.00%)
Family Relationship	- None -
Education	- Master Degree of Science (Accounting), Major in Finance, Thammasat University - Bachelor's Degree in Accounting, Major in Accounting, Chulalongkorn University
Training	- Revision of Listed Companies' Regulations - Corporate Governance Report Workshop - Smart Disclosure Program (SDP) - Moving Corporate Governance Forward: Challenge for Thai Directors - SEC 20 th Anniversary International Symposium - "Asia: The Dynamic Capital Market Frontier" and SEC 20 th Anniversary Gala Dinner - "ASEAN CG Scorecard" – Company Secretary Roles in AEC - Listed Companies' Disclosure Against Corruption and Corporate Social Responsibilities and Gatekeepers - Capital Market Research Forum No. 2/2556 – Employee Joint Investment Plan (EJIP) - Reporting on Anti-Corruption Policy of Listed Company - Listed Companies' Regulations about Committee Meeting and Shareholders Meeting - Revision of Annual Registration Statements (Form 56-1) - Guideline for Corporate Governance Report 2013 - Guideline for Corporate Social Responsibilities Disclosure in Form 56-1 - Hearing : Law on Public Limited Companies and Civil and Commercial Code on Partnership and Company
Related training programs held by the Thai Institute of Directors Association (IOD)	- Company Secretary Program 19/2006 (CSP) - Effective Minute Taking 5/2006 (EMT) - Corporate Governance and Social Responsibilities 1/2007 (CSR) - Anti-Corruption : The Practical Guide (APCG5/2013)

Mrs. Rangsinee Sujaritsunchai (Continued)

True Corporation Public Company Limited

2009-Present Company Secretary

2001-Present Secretary to the Audit Committee
Secretary to the Compensation and Nominating Committee
Secretary to the Corporate Governance Committee
Assistant to the Secretary of the Finance Committee

2001-2009 Deputy Company Secretary

2000-2001 Assistant General Counsel – SEC & SET Compliance

Charoen Pokphand Foods Public Company Limited

1991-2000 Manager - Accounting and SEC & SET Compliance

1990-1991 Senior Analyst - Office of the Economic Advisor

Securities Holding of the Company's Directors and Executives as at 31st December 2014

Name	Ordinary shares (shares)				Debentures (units)			
	As at 31 Dec 2013	Changes in 2014	As at 31 Dec 2014		As at 31 Dec 2013	Changes in 2014	As at 31 Dec 2014	
			Number of shares	%			Number of shares	%
1. Mr. Vitthya Vejjajiva	-	Acquisition -	-	-	-	-	-	-
		Disposition -						
Spouse and minor children	-	Acquisition -	-	-	-	-	-	-
		Disposition -						
2. Dr. Kosol Petchsuwan	-	Acquisition -	-	-	-	-	-	-
		Disposition -						
Spouse and minor children	-	Acquisition -	-	-	-	-	-	-
		Disposition -						
3. Mr. Joti Bhokavanij	-	Acquisition -	-	-	-	-	-	-
		Disposition -						
Spouse and minor children	-	Acquisition -	-	-	-	-	-	-
		Disposition -						
4. Mr. Harald Link	50,000	Acquisition 148,883	198,883	0.00	-	-	-	-
		Disposition -						
Spouse and minor children	-	Acquisition -	-	-	-	-	-	-
		Disposition -						
5. Prof. Rawat Chamchalerm	-	Acquisition 84,471	84,471	0.00	-	-	-	-
		Disposition -						
Spouse and minor children	54,435	Acquisition 21,160	75,595	0.00	-	-	-	-
		Disposition -						
6. Mr. Xu Genluo ^{1/}	-	Acquisition -	-	-	-	-	-	-
		Disposition -						
Spouse and minor children	-	Acquisition -	-	-	-	-	-	-
		Disposition -						
7. Mr. Dhanin Chearavanont	-	Acquisition -	-	-	-	-	-	-
		Disposition -						
Spouse and minor children	-	Acquisition -	-	-	-	-	-	-
		Disposition -						
8. Dr. Ajva Taulananda	-	Acquisition -	-	-	-	-	-	-
		Disposition -						
Spouse and minor children	-	Acquisition -	-	-	-	-	-	-
		Disposition -						
9. Prof. Athueck Asvanund	1,875,000	Acquisition 1,466,895	3,241,895	0.01	-	-	-	-
		Disposition 100,000						
Spouse and minor children	-	Acquisition -	-	-	-	-	-	-
		Disposition -						
10. Mr. Li Zhengmao ^{1/}	-	Acquisition -	-	-	-	-	-	-
		Disposition -						
Spouse and minor children	-	Acquisition -	-	-	-	-	-	-
		Disposition -						
11. Prof Dr. Warapatr Todhanakasem	-	Acquisition 10,484	10,484	0.00	-	-	-	-
		Disposition -						
Spouse and minor children	-	Acquisition -	-	-	-	-	-	-
		Disposition -						
12. Mr. Umroong Sanphasitvong	716,000	Acquisition 306,225	1,022,225	0.00	-	-	-	-
		Disposition -						
Spouse and minor children	2,800	Acquisition 1,088	3,888	0.00	-	-	-	-
		Disposition -						

Name	Ordinary shares (shares)				Debentures (units)			
	As at 31 Dec 2013	Changes in 2014	As at 31 Dec 2014		As at 31 Dec 2013	Changes in 2014	As at 31 Dec 2014	
			Number of shares	%			Number of shares	%
13. Mr. Vichaow Rakphongphairoj	303,000	Acquisition 430,813	430,813	0.00	-	-	-	-
		Disposition 303,000						
Spouse and minor children	-	Acquisition -	-	-	-	-	-	-
		Disposition -						
14. Mr. Chatchaval Jiaravanon	-	Acquisition 304,103	304,103	0.00	-	-	-	-
		Disposition -						
Spouse and minor children	-	Acquisition -	-	-	-	-	-	-
		Disposition -						
15. Mr. Soopakij Chearavanont	1,400,000	Acquisition 1,332,250	2,732,250	0.01	-	-	-	-
		Disposition -						
Spouse and minor children	3,000	Acquisition -	3,000	0.00	-	-	-	-
		Disposition -						
16. Mr. Narong Chearavanont	161,577	Acquisition 62,809	224,386	0.00	-	-	-	-
		Disposition -						
Spouse and minor children	-	Acquisition -	-	-	-	-	-	-
		Disposition -						
17. Mr. Gao Nianshu ^{1/}	-	Acquisition -	-	-	-	-	-	-
		Disposition -						
Spouse and minor children	-	Acquisition -	-	-	-	-	-	-
		Disposition -						
18. Mr. Suphachai Chearavanont	2,385,205	Acquisition 1,598,550	3,983,755	0.02	-	-	-	-
		Disposition -						
Spouse and minor children	1,894,234	Acquisition 7,476	1,901,710	0.01	-	-	-	-
		Disposition -						
19. Mr. Noppadol Dej-Udom	756,773	Acquisition 803,045	1,559,818	0.01	-	-	-	-
		Disposition -						
Spouse and minor children	-	Acquisition -	-	-	-	-	-	-
		Disposition -						
20. Mr. William Harris	625,067	Acquisition 484,173	1,109,240	0.00	-	-	-	-
		Disposition -						
Spouse and minor children	-	Acquisition -	-	-	-	-	-	-
		Disposition -						
21. Mr. Kachorn Chiaravanont	-	Acquisition 380,128	301,271	0.00	-	-	-	-
		Disposition 78,857						
Spouse and minor children	160,000	Acquisition -	-	-	-	-	-	-
		Disposition 160,000						
22. Mr. Thiti Nantapatsiri	233,332	Acquisition 337,721	371,053	0.00	-	-	-	-
		Disposition 200,000						
Spouse and minor children	-	Acquisition -	-	-	-	-	-	-
		Disposition -						
23. Mr. Adhiruth Thothaveesansuk	1,969,129	Acquisition 1,170,924	2,840,053	0.01	-	-	-	-
		Disposition 300,000						
Spouse and minor children	-	Acquisition -	-	-	-	-	-	-
		Disposition -						
24. Mr. Songtham Phianpattanawit	100	Acquisition 850,511	850,611	0.00	-	-	-	-
		Disposition -						
Spouse and minor children	-	Acquisition -	-	-	-	-	-	-
		Disposition -						
25. Mr. Anat Mekpaiboonvatana	400,000	Acquisition 627,724	827,724	0.00	-	-	-	-
		Disposition 200,000						
Spouse and minor children	-	Acquisition -	-	-	-	-	-	-
		Disposition -						

Name	Ordinary shares (shares)				Debentures (units)			
	As at 31 Dec 2013	Changes in 2014	As at 31 Dec 2014		As at 31 Dec 2013	Changes in 2014	As at 31 Dec 2014	
			Number of shares	%			Number of shares	%
26. Mr. Charoen Limkangwanmongkol	-	Acquisition 233,789	233,789	0.00	-	-	-	-
		Disposition -						
Spouse and minor children	200,000	Acquisition 78,139	278,139	0.00	-	-	-	-
		Disposition -						
27. Dr. Papon Ratanachaikanont	200,000	Acquisition 729,790	629,790	0.00	-	-	-	-
		Disposition 300,000						
Spouse and minor children	-	Acquisition 181,930	181,930	0.00	-	-	-	-
		Disposition -						
28. Mr. Carl Goodier	-	Acquisition 300,000	-	-	-	-	-	-
		Disposition 300,000						
Spouse and minor children	-	Acquisition -	-	-	-	-	-	-
		Disposition -						
29. Mr. Siripoj Kunakornphan	75 ^{2/}	Acquisition 194,995	195,070	0.00	-	-	-	-
		Disposition -						
Spouse and minor children	-	Acquisition -	-	-	-	-	-	-
		Disposition -						

Remark: ^{1/} Mr. Xu Genluo, Mr. Li Zhengmao and Mr. Gao Nianshu were appointed as a director since 2nd September 2014. None of them held any shares of the Company as at the appointment date.

^{2/} Mr. Siripoj Kunakornphan was appointed as an executive officer since 21st January 2014. He held 75 of the Company's shares as at his appointment date.

Report on the Directors' Shareholding in the Company's Affiliates as of 31st December 2014

Director	Mr. Dhanin Chearavanont		Dr. Ajva Taulananda		Mr. Chatchaval Jiaravanon		Mr. Soopakij Chearavanont		Mr. Suphachai Chearavanont		Mr. Vichaow Rakphongphairoj	
Company	Change in 2014	Outstanding Share(s)	Change in 2014	Outstanding Share(s)	Change in 2014	Outstanding Share(s)	Change in 2014	Outstanding Share(s)	Change in 2014	Outstanding Share(s)	Change in 2014	Outstanding Share(s)
Telecom Holding Co., Ltd.	-	1	-	-	-	-	-	-	-	1	-	-
Bangkok Inter Teletech Public Company Limited	-	1	-	-	-	-	-	-	-	1	-	1
Telecom International Co., Ltd.	-	-	-	1	-	1	-	1	-	1	-	1
True Information Technology Co., Ltd.	-	-	-	1	-	-	-	-	-	1	-	1
True Touch Co., Ltd.	-	-	-	1	-	1	-	1	-	1	-	1
True Multimedia Co., Ltd.	-	-	-	1	-	1	-	1	-	1	-	1
Asia DBS Public Company Limited	-	-	-	1	-	1	-	1	-	1	-	1
Asia Infonet Co., Ltd.	-	-	-	1	-	1	-	1	-	1	-	1
Asia Wireless Communication Co., Ltd.	-	-	-	1	-	1	-	1	-	1	-	1
True Internet Co., Ltd.	-	-	-	1	-	1	-	1	-	1	-	2
Real Move Company Limited	-	-	-	-	-	-	-	1	-	1	-	1
True Distribution and Sales Co., Ltd.	-	-	-	-	-	-	-	-	-	1	-	-
BFKT (Thailand) Limited	-	-	-	-	-	-	-	-	-	1	-	-
K.I.N. (Thailand) Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	1
True Vistas Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	1
True Visions Group Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	1
Real Future Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	1
Telecom Asset Management Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	1
KOA Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	1

Directorship of the Company's Directors and Senior Executives in Subsidiaries and Associated Companies (As of 31st December 2014)

[illegible]

* Independent Director

C = Chairman

VC = Vice Chairman

/ = Director

E = Executive Director

Remark:

Abbreviation	Full Name	Abbreviation	Full Name
TRUE	True Corporation Public Company Limited		
AI	Asia Infonet Co., Ltd.	Asia DBS	Asia DBS Public Company Limited
Beboyd	BeboydCg Co., Ltd.	BFKT	BFKT (Thailand) Limited
BITCO	Bangkok Inter Teletech Public Company Limited	CNP	Cineplex Co., Ltd.
CTV	Click TV Co., Ltd.	DDI	Dragon Delight Investment Limited (Registered in foreign)
Gold Palace Logistics <BVI>	Gold Palace Logistics Limited (Registered in foreign)	Golden Light	Golden Light Company Limited (Registered in foreign)
Golsky	Golsky Company Limited (Registered in foreign)	GP Logistics <BVI>	GP Logistics Company Limited (Registered in foreign)
GPG <BVI>	Golden Pearl Global Limited (Registered in foreign)	GPI <BVI>	Gold Palace Investments Limited (Registered in foreign)
HMSTL	Hutchison MultiMedia Services (Thailand) Limited	HTTCL	Hutchison Telecommunications (Thailand) Co., Ltd.
K.I.N.	K.I.N. (Thailand) Co., Ltd.	K.I.N. <BVI>	K.I.N. (Thailand) Co., Ltd. (Registered in foreign)
NEC	NEC Corporation (Thailand) Co., Ltd.	Prospect Gain	Prospect Gain Limited (Registered in foreign)
PTE	Panther Entertainment Co., Ltd.	RFT	Real Future Co., Ltd. (Presently : True Move H Universal Communication Co., Ltd.)
RMV	Real Move Company Limited	Rosy Legend	Rosy Legend Limited (Registered in foreign)
SD	Song Dao Company Limited	SM	Samut Pakan Media Corporation Co., Ltd.
SMT	SM True Co., Ltd.	SSV	Sattellite Service Co., Ltd.
TAM	Telecom Asset Management Co., Ltd.	TDM	True Digital Media Co., Ltd.
TDS	True Distribution & Sales Co., Ltd.	TE	Tele Engineering and Services Co., Ltd.
TGS	True GS Co., Ltd.	TH	Telecom Holding Co., Ltd.
TIC	True International Communication Co., Ltd.	TIG	True International Gateway Co., Ltd.
TIT	True Information Technology Co., Ltd.	TITS	True Internet Technology (Shanghai) Company Limited (Registered in foreign)
TLP	True Life Plus Co., Ltd.	TM	True Multimedia Co., Ltd.
TMR	True Music Radio Co., Ltd.	TMS	True Music Co., Ltd.
TMV	True Move Company Limited	TPC	True Public Communication Co., Ltd.
True4U	True4U Station Company Limited (Formerly : True DTT Company Limited)	True Internet	True Internet Co., Ltd.
TSC	Thai Smart Card Co., Ltd.	TT	True Touch Co., Ltd.
TU	True Universal Convergence Co., Ltd.	TUFC	True United Football Club Co., Ltd.
TVG	True Visions Group Co., Ltd.	TVS	True Visions Public Company Limited
TV5C	True Visions Cable Public Company Limited	TVT	True Vistas Co., Ltd. (Formerly : True Magic Co., Ltd.)
BEC TERO TV5	BEC-Tero True Visions Company Limited	TV	True Voice Company Limited



1. Corporate Governance Policy

The Company fully recognizes the importance of corporate governance and established its “Policy on Corporate Governance” in 2002. This is regularly modified to take account of changes in the Company’s business. It is also kept in line with the corporate governance-related laws and regulations issued by the Stock Exchange of Thailand (“SET”) to international standards. The details of Policy on Corporate Governance are posted on the Company’s website at www.truecorp.co.th.

2. The Board’s Committees

The Committees of the Board of Directors consists of 4 committees as follows:

- 1) Audit Committee
- 2) Compensation and Nominating Committee
- 3) Finance Committee
- 4) Corporate Governance Committee

1) Audit Committee

The Audit Committee of the Company has three years and four months term consisting of 3 persons as follows:

Name	Position	the Audit Committee Meeting in 2014	
		Number of Meeting ^{1/}	Number of Attendance
1. Mr. Vitthya Vejajiva	Chairman of the Audit Committee	7	7
2. Dr. Kosol Petchsuwan	Member of the Audit Committee	7	6
3. Mr. Joti Bhokavanij ^{2/}	Member of the Audit Committee	7	7

Remark: ^{1/} In the year 2014, the Audit Committee held 7 meetings, one of which was a meeting with the external auditor without the presence of management.

^{2/} Mr. Joti Bhokavanij is knowledgeable and experienced in reviewing the Company’s financial statements. Details about his education and working experiences are as appeared in the annual report and the Annual Registration Statement for the Year 2014 (“Report 56-1”).

The scope of duty and responsibilities of the Audit Committee:

1. To review the Company's financial reporting process to ensure that it is accurate and adequate;
2. To review the Company's internal control system and internal audit system to ensure that they are suitable and effective, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit;
3. To review the Company's compliance with the law on securities and exchange, the regulations of SET, and the laws relating to the Company's business;
4. To consider, select and nominate an independent person to be the Company's auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year;
5. To review the Connected Transactions, or the transactions that may lead to conflicts of interest, to ensure that they are in compliance with the laws and the regulations of SET, and are reasonable and for the highest benefit of the Company;
6. To prepare, and to disclose in the Company's annual report, an Audit Committee's Report which will be signed by the Audit Committee's Chairman and consist of at least the following information:
 - a) an opinion on the accuracy, completeness and creditability of the Company's financial report,
 - b) an opinion on the adequacy of the Company's internal control system,
 - c) an opinion on the compliance with the law on securities and exchange, the regulations of SET, or the laws relating to the Company's business,
 - d) an opinion on the suitability of an auditor,
 - e) an opinion on the transactions that may lead to conflicts of interests,
 - f) the number of Audit Committee meetings, and the attendance of such meetings by each committee member,
 - g) an opinion or overview comment received by the Audit Committee from its performance of duties in accordance with the charter, and
 - h) other transactions which, according to the Audit Committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's Board of Directors; and
7. To perform any other acts as required by law or as delegated by the Board of Directors.

In this regards, the Company has disclosed the Charter of the Audit Committee on the Company's website www.truecorp.co.th and disclosed the Report of the Audit Committee for the Year 2014 in the annual report and Report 56-1 and on the Company's website.

2) Compensation and Nominating Committee

The Compensation and Nominating Committee is responsible for making recommendations to the Board of Directors regarding the compensation of directors and CEO; and the nomination of directors of the Company. The Committee consists of the following members :

Name	the Compensation and Nominating Committee Meeting in 2014	
	Number of Meeting	Number of Attendance
1. Mr. Dhanin Chearavanont	3	1
2. Mr. Soopakij Chearavanont	3	-
3. Mr. Umroong Sanphasitvong	3	3
4. Mr. Joti Bhokavanij	3	3
5. Mr. Li Zhengmao ^{1/}	^{1/} -	^{1/} -

Remark: ^{1/} Mr. Li Zhengmao was appointed as member of the Compensation and Nominating Committee by resolution of the meeting of the Board of Directors on 15 October 2014, and 3 committee meetings have been held prior to his appointment.

In this regards, the Company has disclosed the Charter of the Compensation and Nominating Committee on the Company's website www.truecorp.co.th and disclosed the Report of the Compensation and Nominating Committee for the Year 2014 in the annual report and on the Company's website.

3) Finance Committee

The Finance Committee assists the Board of Directors in reviewing the financial management of the Company. The Committee consists of the following members:

Name	the Finance Committee Meeting in 2014	
	Number of Meeting ^{1/}	Number of Attendance
1. Dr. Ajva Taulananda	4	4
2. Prof. Dr. Warapatr Todhanakasem	4	3
3. Mr. Umroong Sanphasitvong	4	3
4. Mr. Joti Bhokavanij	4	4
5. Mr. Gao Nianshu ^{1/}	^{1/} 1	^{1/} 1

Remark: ^{1/} Mr. Gao Nianshu was appointed as member of the Finance Committee by resolution of the meeting of the Board of Directors on 15 October 2014, and 3 committee meetings have been held prior to his appointment.

In this regards, the Company has disclosed the Charter of the Finance Committee on the Company's website www.truecorp.co.th and disclosed the Report of the Finance Committee for the Year 2014 in the annual report and on the Company's website.

4) Corporate Governance Committee

The Corporate Governance Committee assists the Board of Directors in setting and reviewing the Company's corporate governance policy as well as oversees that the Company has a sound and appropriate corporate governance practice. The Committee consists of the following members:

Name	the Corporate Governance Committee Meeting in 2014	
	Number of Meeting	Number of Attendance
1. Dr. Kosol Petchsuwan	4	4
2. Mr. Vitthya Vejajiva	4	4
3. Dr. Ajva Taulananda	4	3

In this regards, the Company has disclosed the Charter of the Corporate Governance Committee on the Company's website www.truecorp.co.th and disclosed the Report of the Corporate Governance Committee for the Year 2014 in the annual report and on the Company's website.

3. Nomination and Appointment of Directors and CEO

1) Independent Director

The procedure for nominating an Independent Director of the Company is the same as the nomination of other directors of the Company, details of which are summarized in Item 2). Nonetheless, a person who will served as the Company's independent director must be independent of any major shareholder, the group of major shareholders and the management of any juristic person who is the major shareholder of the Company including free from any other relationship that would interfere with the exercise of independent judgment and holds qualifications defined in the Corporate Governance Policy of the Company (which are more rigorous than that defined by the Capital Market Supervisory Board in area of shareholding percentage). Details are as follows:

- (1) holding shares not exceeding 0.75 percent of the total number of voting rights of the Company, its parent company, subsidiary, affiliate, principal shareholder or controlling person of the Company, including the shares held by related persons of the independent director;
- (2) *neither* being *nor* having been an executive director, employee, staff, or advisor who receives salary, or a controlling person of the Company, its parent company, subsidiary, affiliate, same-level subsidiary, principal shareholder or controlling person of the Company unless the foregoing status has ended *not* less than two years prior to the date of appointment;
- (3) *not* being a person related by blood or registration under laws i.e. father, mother, spouse, sibling, and child, including spouse of the children; of other directors, executives, major shareholders, controlling persons, or persons to be nominated as director executive or controlling persons of the Company or its subsidiary;
- (4) *not* having a business relationship with the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person of the Company, in the manner which may interfere with his or her independent judgment, and *neither* being *nor* having been a principal shareholder or controlling person of any person having business relationship with the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person of the Company unless the foregoing relationship has ended *not* less than two years prior to the date of appointment.

The term 'business relationship' aforementioned under paragraph one includes any normal business transaction, rental or lease of immovable property, transaction relating to assets or services or grant or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, including any other

similar actions, which result in the Company or its counterparty being subject to indebtedness payable to the other party in the amount of three percent or more of the net tangible assets of the Company or twenty million Baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the calculation method for value of connected transactions under the Notification of the Capital Market Supervisory Board concerning rules on connected transactions *mutatis mutandis*. The combination of such indebtedness shall include indebtedness taking place during the course of one year prior to the date on which the business relationship with the person commences;

- (5) *neither* being *nor* having been an auditor of the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person of the Company, and *not* being a principal shareholder or controlling person, or partner of an audit firm which employs auditors of the Company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the Company unless the foregoing relationship has ended *not* less than two years from the date of appointment;
- (6) *neither* being *nor* having been any professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding two million Baht from the Company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the Company, and *neither* being *nor* having been a principal shareholder, controlling person or partner of the professional advisor unless the foregoing relationship has ended *not* less than two years from the date of appointment;
- (7) *not* being a director who has been appointed as a representative of the Company's director, major shareholder or shareholders who are related to the major shareholder;
- (8) *not* operate any business which has the same nature as and is in significant competition with the business of the Company or subsidiary, or *not* being a principal partner in any partnership, or not being an executive director, employee, staff, or advisor who receives salary; or holding shares *not* exceeding one percent of the total number of voting rights of any other company operating business which has the same nature as and is in significant competition with the business of the Company or subsidiary;
- (9) *not* having any characteristics which make him/her incapable of expressing independent opinions with regard to the Company's business affairs;
- (10) After having been appointed as independent director with qualifications complying with the criteria under the above (1) to (9), the independent director may be assigned by the Board of Directors to take part in the business decision of the Company, its parent company, subsidiary, affiliate, same-level subsidiary, major shareholder or controlling person of the Company on the condition that such decision must be a collective one;
- (11) In case of any person *either* having or having had a business relationship or professional service exceeding the amount under the above (4) or (6), such person shall be waived from the prohibition concerning *neither* having *nor* having had a business relationship or professional service by the Board of Directors' approval only if the Company provides the opinion of the Board of Directors which perform duty under Section 89/7 of the Securities and Exchange Act B.E. 2535 that the appointment of such person does not impact his or her independent judgment and the Company shall disclose the information required by the Capital Market Supervisory Board in the notice of shareholders' meeting in the agenda for election of such independent director.

All Independent Directors of the Company are genuinely independent and are not authorized signatories binding the Company. All Independent Directors are qualified according to the regulations of the Capital Market Supervisory Board and the Policy on Corporate Governance of the Company.

2) Directors

The Company allows minority shareholders to submit nominations for directors before the Annual General Meeting of the Shareholders by using the form provided by the Company and sending it by registered mail to the Company within the specified period. The Company posts details, rules as well as procedures thereof on the Company's website www.truecorp.co.th.

The Compensation and Nominating Committee is responsible for appraising the qualifications of persons proposed as directors (including independent directors) of the Company in light of the significant prestige and experience required to fill the role and with full qualifications required by law and without prohibition and trustworthy characteristics

as per notification of the Office of Securities and Exchange Commission. The Committee's deliberations are presented to the Board of Directors for consideration and approval in case of replacement. In case of proposing additional Directors, the Board of Directors will present the relevant information, together with the Compensation and Nominating Committee's opinion, to the Shareholders' Meeting for consideration and approval.

Directors are appointed by shareholders by majority vote. All shareholders have the right to appoint directors. Each shareholder is entitled to one vote for each share held and shall exercise all the votes he or she holds to appoint one or several person(s) to be director(s), provided that he or she cannot divide his or her votes to any person to any extent. However, the Company complies with good corporate governance by allowing shareholders to exercise the right to appoint directors individually by nominating candidates together with their resumes for consideration and voting by shareholder's meeting individually. Candidates shall be appointed as directors in order of their ranks from the highest votes received until all of the director positions are filled. In case the votes cast for candidates in descending order are tied, which would otherwise cause the number of directors to be exceeded, the Chairman shall have a casting vote.

3) Top Executives

The Compensation and Nominating Committee shall consider qualifications of individuals to be nominated for election to be the President and Chief Executive Officer (the "CEO"), which is the top executive of the Company, taking into consideration their qualifications and experiences to find individuals appropriate to the business of the Company, and present the nomination and recommendations to the Board of Directors for consideration and approval.

4. Supervision of Business Operation of Subsidiaries and Associated Companies

- 1) The Company has the following mechanisms to supervise business operation of subsidiaries and associated companies.
 - Sending individuals to represent the Company as directors and executives in subsidiaries and associated companies in accordance with shareholding proportion. The Board of Directors assigned the CEO to consider sending the Company's representatives for such purpose.
 - Directors and executives of subsidiaries and associated companies are required to ensure that policies significant to the business operation of subsidiaries and associated companies are determined in harmony with the Company's business policies.
 - Subsidiaries are supervised to comply with requirements of the SET where such requirements are applicable to the subsidiaries, i.e. preparation of financial information, entering into related party transactions, acquisition or disposal of significant assets or any other significant transactions of such companies.
 - Ensuring that subsidiaries have appropriate and adequate internal control system and prepare financial information for the Company to enable the Company to prepare consolidated financial statement properly in accordance with Thai financial reporting standards.
 - Preparing summarized business operation result reports of subsidiaries by their business categories for presentation to the Board of Directors meeting regularly on a quarterly basis to monitor the business operation results of subsidiaries.
- 2) Agreement between the Company and other shareholders in the management of subsidiary companies and associated companies (shareholders' agreement) with significant effect on work management or control power or profit sharing other than remuneration proportional to normal shareholding
 - None -

5. Insider Trading Policy

The Board of Directors is aware of the importance of protecting the Company from personal insider trading. The Company has a code of conduct regarding inside information and insider trading, as well as the use of applicable laws to monitor and prevent the personal use of confidential Company information by management and related persons. In addition, the Company has a policy of strict compliance to its requirement that Directors and senior management who have gained inside information on the Company by virtue of their positions do not use that information in any way that violates their responsibilities to the Company and its Shareholders. Material information which has not yet been disclosed is kept confidential, apart from disclosure to the relevant Director and senior management of the Company. Directors and senior management must report purchases, sales, transfers and assignments of securities issued by the Company to the Securities and Exchange Commission ("SEC") within three working days of the transaction's execution, and provide a copy of this report to the Company for its records and incorporation in its regular report to the Board of Directors. In this regard, Directors and senior management are required to submit an accurate report on the securities holding within the required period. This will be deemed one of the material obligations which senior management of the Company needs to be aware of and needs to meet. This gives confidence to Directors and senior management that the business is being managed and developed in a manner which is trustworthy, transparent, and consistent with the Corporate Governance Policy of the Company. It also provides shareholders, including general investors, with confidence in the Company's Directors and senior management.

6. Remuneration for Audit Firm

1) Audit fees

In 2014, the Company and subsidiaries paid audit fees to the firm, to which the auditors work for, in the total amount of Baht 28.34 million, of which Baht 15.15 million was paid in the 2014 fiscal year and the remaining Baht 13.19 million would be paid in the following year, comprising.

- Audit fees of the Company for 2014 in the amount of Baht 6.20 million, of which Baht 3.99 million was paid in the 2014 fiscal year and Baht 2.21 million would be paid in the following year.
- Audit fees of subsidiaries for 2014 in the amount of Baht 22.14 million, of which Baht 11.16 million was paid in the 2014 fiscal year and Baht 10.98 million would be paid in the following year.

2) Non-audit fees

The audit firm appointed by the Company provided services other than auditing to the Company and subsidiaries, i.e. examination by an agreed method and provision of consultations on taxes etc. during 2014, with remuneration of Baht 1.99 million, of which Baht 0.25 million was paid by the Company and subsidiaries during the year, and the remaining Baht 1.74 million would be paid in the following year.

7. Other Corporate Governance Practices

The Company has two levels of corporate governance oversight, by the Board of Directors and by management. The Board of Directors has established the Corporate Governance Committee which comprises Dr. Kosol Petchsuwan, Mr. Vitthya Vejajiva and Dr. Ajva Taulananda. Corporate governance at management level is overseen by the CEO and other senior executives.

In 2014 the Company complied with good corporate governance principles which could be summarized as follows.

Section 1

Rights of Shareholders

1. Shareholder meetings

- 1.1 The Board of Directors realizes and places importance on rights of shareholders as well as equitable and fair treatment to shareholders, and, therefore, prescribed a policy relating to shareholders as a part of the Policy on Corporate Governance of the Company, taking into consideration rights of shareholders of all groups as much as possible, not limited only to the rights prescribed by law.
- 1.2 In 2014, the Company organized 2 shareholder meetings, i.e. the 2014 Annual General Meeting of the Shareholders (the “AGM”) on 25 April 2014 and the Extraordinary General Meeting of the Shareholders (the “EGM”) No. 1/2557 on 25 July 2014. All shareholder meetings of the Company were organized on such dates, at such time and venue by taking into account convenience of shareholders attending the meetings, by having organized the meetings on working days and hours, i.e. 14.00 hours at the Head Office of the Company, located in Bangkok where access thereto is convenient. Moreover, map and information on travel thereto were prepared as a document attached to the letters of invitation to the meetings and sent to all shareholders eligible to attend the meetings.
- 1.3 In all shareholder meetings, including the 2014 AGM and the EGM No. 1/2557, the Company informed shareholders, in the letters of invitation to the meetings and relevant documents, of the dates, times, venues, meeting agendas, all information relating to the matters to be decided in the meetings, as well as causes and backgrounds of the matters to be decided, by clearly specifying facts, reasons and objectives including comments of the Board of Directors in each agenda, emphasizing on details for those who have not been aware thereof to comprehend the matter easily. In addition, the Company also provided information on votes of shareholders in resolving to grant approval in each agenda proposed in the letters of invitation to the meetings, rules adopted in the meetings, classes of shares and voting rights as well as voting procedures by sending letters of invitation to the meetings to all shareholders entitled to attend the meetings in advance of the meeting dates to enable shareholders to have sufficient time to consider the information and refrain from committing any act which may limit their opportunity to study information of the Company. The Company has no policy to hinder or create obstacles to prevent shareholders from communicating among them.
- 1.4 The President and the Chief Executive Officer and the Chairman of the Audit Committee participated in the 2014 AGM and the EGM No. 1/2557.
- 1.5 In all previous shareholder meetings, including the 2014 AGM and the EGM No. 1/2557, the shareholder meetings have considered the matters in accordance with the agendas prescribed in the letters of invitation to the meetings delivered by the Company to shareholders in advance, without changing the sequence of the meeting agendas and without adding other agendas not specified in the letters of invitation to the meetings.
- 1.6 Remunerations of directors of the Company are in one format only, i.e. regular monthly remuneration determined on individual positions basis. The Company pays no other form of remuneration, such as meeting allowance and bonus or gratuity, to directors. The Company proposed the agenda on remunerations of directors to the AGM regularly on annual basis. As for 2014, the Compensation and Nominating Committee reviewed the appropriateness of the remunerations of directors, taking into consideration the performance standards of the same industry, as well as the experience, duties and responsibilities of directors, and recommended to the Board of Directors meeting that the same rate of remunerations as that previously approved by resolution of the 2013 AGM, which has never been changed since 2002, should be presented to the 2014 AGM for approval.
- 1.7 The Board of Directors concurred with the Audit Committee’s recommendation to propose the appointment of the Company’s auditor and the determination of the auditor’s remuneration for the Year 2014 to the 2014 AGM for approval as the Company has done annually. To provide auditor information for shareholders prior to the AGM Day,

the Company disclosed the following auditor information in the AGM invitation letter: name of the auditor, age, company name, educational background, working experience, experience in conducting the audit and expressing an opinion on the financial statements, family relationship with the Company's management, any relationship or conflicts of interests, which could affect the independence of their performing as well as the audit remuneration proposed for the year 2013 and its remuneration in the previous year.

- 1.8 The Company disclosed the dividend distribution policy of the Company and subsidiaries companies in the annual report and Report 56-1 and also presented it to the AGM for consideration regularly on annual basis, with clear information and supporting reasons for the 2014 AGM. The Company proposed to the shareholders' meeting not to distribute dividends and not to appropriate to the reserve fund from the 2013 operation result by giving explanation in the letter of invitation to the meeting advising shareholders that the Company still had accumulated loss, in which case the Company could not distribute dividends to shareholders in accordance with law and needed not appropriate to the reserve fund.
- 1.9 Regarding the agenda to consider the election of the directors, the Company nominated candidates for shareholders to elect as directors individually and provided details of the nominees proposed in the AGM invitation letter. The details of each nominee proposed for the election of the directors consisted of director's name and surname, current position, type of director to be elected, nomination criteria and procedure, family relationship (to the Company's management or major shareholders), date appointed as director, period of directorship, number of board or committee meetings attended during the year (if applicable), age, nationality, educational background, director training programs attended, working experience, and number of companies in which they hold director or executive office in other organizations categorized as companies listed and non-listed in the Stock Exchange of Thailand, and companies which may have any conflicts of interests to the Company and number of the Company's shares holding by the director.
- 1.10 The Company clearly determined shareholder meeting agendas on individual matters, e.g. in the agenda relating to directors, the Company divided the matter on director election and that on consideration for approval of remunerations of directors into separate agendas.
- 1.11 In case several matters were proposed for consideration to the shareholder meeting in the same agenda, which had no related legal effect, the Company would require resolution made on each matter, for example, in respect of the director election agenda, the Company gave shareholders opportunity to vote for election of directors on individual basis by nominating one individual at a time for election as director by shareholders to give shareholders opportunity to elect directors of their real choices.
- 1.12 The Company facilitated all groups of shareholders, both natural persons and institutions, to exercise their rights to participate and cast their votes in meetings at no cost and without complicated procedures, and refrained from committing any act which limited shareholders' meeting attendance, provided spots where list of shareholders and number of shares held by them could be examined by their categories, which helped facilitating and expediting the registration on the meeting date.
- 1.13 In all shareholder meetings, including the 2014 AGM and the EGM No. 1/2557, the Company provided a channel for shareholders to send questions to the Company 7 days in advance of the meeting date through the e-mail address: ir_office@truecorp.co.th or via registered mail to the Investor Relations Department, True Corporation Public Company Limited, 18th Floor, True Tower, No. 18, Ratchadapisek Road, Huai Khwang, Bangkok 10310, 15 days in advance of the shareholder meeting. The Company publicized the matter for information of shareholders through the Company's website and in the letter of invitation to the meeting delivered to all shareholders eligible to attend the shareholder meeting.

2. Procedures on the shareholder meeting date
 - 2.1 The chairman of the meeting ensures there is appropriate time set aside for discussion and encourages shareholders to express their opinions and ask questions related to the Company's operations.
 - 2.2 Technology has been used during the shareholders meeting registration, vote counting and vote result announcement so the meeting is done promptly and accurately.
 - 2.3 For the sake of transparency and historical record, the Company encourages the use of voting cards for every agenda that need to be voted. The Company also arranges an independent law office to verify the vote counting where the name of the independent law office and its representatives are introduced to shareholders before starting the agenda session. The voting cards will be kept as evidence if there is any dispute over the results after the meeting.
3. Preparation of minutes of the meeting and disclosure of shareholder meeting resolutions
 - 3.1 The Company notified the Stock Exchange of Thailand of the 2014 AGM's resolutions and the EGM No. 1/2557's resolutions specifying the number of approving, objecting and abstaining votes in each agenda item on the date the meetings were organized and posted on the Company's website on the next business day to provide shareholders and investors a chance to review the AGM's resolutions in a timely manner.
 - 3.2 The Company also recorded details the following matters in the minutes of the shareholder meetings: (1) Voting and vote counting method, which was explained by the Secretary of the Meeting prior to convening the meeting in accordance with the agendas, (2) votes of shareholders, by clearly specifying either voting for, against or abstaining, and the number and proportion of votes in each agenda, (3) names and positions of directors, senior executives, auditors, legal advisor and vote counting supervisor participated in the meeting, (4) summarized essence of inquiries, comments and recommendations of shareholders including explanations of directors and executives in response to inquiries of shareholders in each agenda for information of shareholders who did not participate in the meetings.
4. There was no cross holding in the Company Group.
5. The Company distributed shareholding of minor shareholders in accordance with requirements of SET, i.e. as at 18 March 2014, which was the shareholder register closing date to determine the rights to attend the 2014 AGM, the Company had minor shareholders' shareholding proportion (free float) of 39.72%, institution investors' shareholding proportion of 6.98% and the shareholding proportion of the Board of Directors including related parties of 0.16%.

Section 2

Equitable Treatment of Shareholders

1. The Company has only one class of shares, i.e. ordinary shares, with equitable voting right, i.e. one share per one vote.
2. Provision of information prior to shareholder meetings
 - 2.1 When the meeting of the Board of Directors resolved to approve the organization of the 2014 AGM, the Company notified the Stock Exchange of Thailand of significant resolutions of the Board regarding the meeting schedule together with the meeting agendas as well as comments of the Board within the same day as the Board of Directors meeting date, and publicized the information on the Company's website on the next working day. Such disclosure was made 56 days in advance of the shareholder meeting date.

- 2.2 The Company prepares letter of invitation to the meeting together with relevant documents in the Thai language for Thai shareholders and in the English language for foreign shareholders and delivered to all shareholders at the same time in advance of every meeting date. As for the 2014 AGM, the Company delivered the letters of invitation to the meetings together with relevant documents to shareholders 23 days in advance of the meeting.
- 2.3 The Company publicized the letters of invitation to the meetings and relevant documents, both in the Thai and the English languages, on the Company's website at the same time in advance of all meeting dates. As for the 2014 AGM, the Company publicized the letter of invitation to the meeting and relevant documents on the Company's website 34 days in advance of the meeting date to provide shareholders with sufficient time to study the meeting supporting information before receiving the information in hard copy format from the Company, and also publicized the information via electronic means of SET for information of shareholders.
- 2.4 Prior to the AGM's agenda session, the secretary of the meeting will notify shareholders regarding meeting rules, type of shares, voting rights, voting method, vote counting and vote result announcement. This process has regularly been done in the past years.

3. Protection of rights of minor shareholders

- 3.1 The Company allows shareholders who cannot attend meetings to cast a proxy vote, without any conditions that will make it difficult for shareholders to appoint their proxy. Moreover, the Company allows shareholders to submit their proxy form to the Company Secretary and Securities Department in advance of the meeting date for verification to save the shareholders' time on the meeting date
- 3.2 The Company encourages the use of proxy forms on which shareholders can specify their voting preferences. The proxy forms are attached together with the invitation letter to the shareholder meeting. The Company provides options for shareholders to appoint 2 independent directors as their proxy (with their background information provided).
- 3.3 Under the agenda on election of directors in shareholder meeting, the Company would nominate candidates one by one for shareholders to consider and allow shareholders to exercise the right to elect directors individually.
- 3.4 The Company placed much emphasis on protection of the rights of minor shareholders. One of the practices the Company always adhered to was to request shareholders who were executives of the Company to refrain from adding meeting agenda not proposed in advance in all cases. Should there be any necessary additional agenda, it would be requested that a new shareholder meeting be held for such agenda to enable other shareholders to have sufficient time to study the information before making decision.
- 3.5 The Company provided opportunities and clearly prescribed rules to enable minor shareholders to propose matters to be included as meeting agendas and to nominate individuals for election as directors at least 3 months in advance of an AGM. Such practice has been adopted regularly every year up to present, and shareholders could submit information in accordance with such rules and in such format as prescribed and publicized by the Company on its website.

At the 2014 AGM, proposed issues were sent via registered mail to the Company from 17 October 2013 to 31 December 2013. The Company posted the above proposals on its website and through the SET's electronic system. Nevertheless, shareholders did not propose any issues or nominations for directors.

4. Prevention of the use of inside information

The Company monitored the use of inside information by including it in the good corporate governance policy and code of conducts, as well as the use of applicable laws to monitor and prevent the personal use of confidential Company information by management and related persons. Material information which has not yet been disclosed is kept confidential, apart from disclosure to the relevant senior management of the Company. Directors and senior management must report purchases, sales, transfers and assignments of securities issued by the Company to the Securities and Exchange Commission (SEC) within three working days of the transaction's execution, and provide a copy of this report to the Company for its records and incorporation in its regular report to the Board of Directors. In 2014, there were no case where Board members or executives take advantages of using inside information for trading securities issued by the Company and violating this practice.

The Company disclosed information on the number of shares of the Company held by each director and executive, separating into number of shares held personally and those held by their spouses. The number brought forward as at the end of 2013, the number acquired and disposed of during 2014 and the balance as at the end of 2014 were presented in the Report 56-1 and the 2014 Annual Report as well.

5. Conflicts of interests by directors

The Board of Directors formally prescribed "The Criteria and Procedures for Reporting the Interests of Directors and Executives", with which all directors and executives properly complied.

In addition, in a Board of Directors meeting, any director with material interest which could prevent the director from commenting freely would refrain from participating in the consideration of that agenda and that would be recorded in the minutes of the Board of Directors meeting.

6. Throughout the past and including 2014, the Company has never conduct transactions which provided financial assistance to companies which were not subsidiaries of the Company.
7. The Company adopted measures and steps for granting approvals of related party transactions as prescribed by law and in accordance with standards prescribed in the requirements of the Capital Market Supervisory Board and SET by implementing the "Rules of Entering into Related Party Transactions", which were approved by the Board of Directors. For related party transactions which required approval from shareholder meeting prior thereto, the Company would disclose information on such transactions in the letter of invitation to the meeting, e.g. names and relationships of related parties, nature of the transactions, the transaction pricing and valuation policy, reasons for making such transactions including opinions of the Board of Directors and the independent financial advisor on such transactions, etc., and deliver the letter of invitation to the meeting within such time as fixed, and properly and completely fulfilled all relevant obligations in accordance with requirements of the Capital Market Supervisory Board and SET. Throughout the past up to present, the Company has always been strictly complying with laws, requirements as well as regulations on related party ransactions and have never done any related party transaction by violating or not complying with laws and rules for related party transactions as well as relevant requirements.

In 2014 the Company had no related party transaction which required prior approval from the shareholder meeting,

As for other types of related transactions, the Company did them fairly with prices and conditions in accordance with the normal course of trade (fair and at arms' length).

No related person of the Company in the shareholding structure of the Company Group held shares in any subsidiary and associated company exceeding 10 percent of the issued and paid-up shares thereof.

The Company disclosed the details of related transactions of all types made during 2014 in the annual report and Report 56-1 under the heading "Connected Transactions".

8. The Company strictly complied with laws and requirements of the Capital Market Supervisory Board and SET relating to transactions on acquisition or disposal of assets. In case of transactions on acquisition or disposal of assets approved by shareholder meeting, the Company would disclose details thereof in the annual report and the 56-1 Form of that year. Up to present the Company has never entered into any transaction on acquisition or disposal of assets by violating or failing to comply with relevant laws and requirements.

In 2014, the Company had no transaction on acquisition and disposal of assets which required compliance with notification of the Capital Market Supervisory Board and the Stock Exchange of Thailand.

Section 3

Role of Stakeholders

1. Prescription of policy on treatment of stakeholders and compliance with the policy

- 1.1 The Board of Directors recognizes the importance of acknowledging the rights of all stakeholders and their ability to positively influence the Company's conduct and activities, and vice versa. Accordingly, the Company has established a "Code of Conduct" covering employees and stakeholders which includes:

Employees

- The right to privacy and the right to be protected from any violation of that privacy
- The right to receive fair and equal treatment
- The right to fair and equal employment such as the right to take leave and to receive fringe benefits, and the opportunity to be promoted, to transfer to other work units, and to receive performance assessments

Customers

- The right to receive fair and equal treatment
- The right to receive full and efficient service from the Company's employees
- The right to receive quality goods and highly efficient service
- The right to protection of confidential information

Suppliers and dealers (business partners)

- The right to receive fair and equal treatment
- The right to protection of confidential information
- The right to be treated honestly and reliably
- The right to information on relevant laws, regulations and policies
- The right to fair competition

Competitors

- The right to receive fair and accurate comparisons of products and services without defaming competitors or their products and services
- Not to engage in industrial espionage, sabotage or bribery with regard to competitors or potential competitors
- The right to receive fair and equal treatment, to not give preference to any competitor over another in terms of quality and testing as well as installing and maintaining the regulated common carrier services.

Creditors

- The right to be treated in accordance with terms and conditions of all agreements under relevant law and regulations
- The right to receive correct and complete financial information
- The right to receive payments owing, as well as safeguarding all guaranteed assets given as security

Investors

- The right to receive fair and equal treatment
- The right to be treated with the best intentions of the management to operate the business with their best knowledge, skills, and honesty
- The right to be protected from the use of insider information for pursuing private interests

Government agencies

- The right to regulate, monitor and punish according to laws and regulations and the government agency's standard practice.

1.2 The Company has focused on safety and occupational health at work by putting in place its "Safety, Occupational Health and Work Environment Policy" and also announced its "True Employee's Health Promotion Policy" providing management of safety, occupational health and the work environment as well as promoting employee' health as follows:

- 1) Providing procedures and operational instructions relating to safety, occupational health and the work environment in the Company's Procedure Manual System (PMS). For example, the procedure for safety assessment, safety in working at heights, electrical safety, safe working in confined space and underground cable manhole and emergency evacuation drills, etc.
- 2) Providing safety instructions (in an e-Book format) for office workers and technicians so they can easily access, study, understand the instructions and put them into practice.
- 3) Establishing safety rules and regulations for the Company's employees and contractors.
- 4) Establishing preventive plans and evacuation plans in case of an emergency at each of the Company's offices and also providing employees with the relevant instructions videos and manuals.
- 5) Providing safety training courses, e.g. working at heights, working in underground cable manholes and basic first-aid rescue, for employees and contractors of the Company.
- 6) Launching various health promotion campaigns for employees, both in Bangkok and other provinces, to promote and urge sports groups of the Company to organize activities for employees to participate in more exercises, including mental care, by allowing employees to study and have mental care for 5 days per year without treating it as a leave.
- 7) Monitoring and measuring, in random, air quality in offices where plenty of employees are working, i.e. the Head Office, office buildings where telephone operators are performing, main telephone exchange office buildings (parameters measured include carbon dioxide, carbon monoxide, fungus, yeast, mold, bacteria formaldehyde, dust particles, temperature, moisture etc.).
- 8) During the outbreak of the Severe Acute Respiratory Syndrome (SARS), the Company arranged to have its establishments fumigated to prevent them from being contagious places, and provided flu preventive vaccines at special price for employees.

However, despite the Company's having safety, occupational health and the work environment management, in some cases accidents occurred from work performance. Statistics of work-related accidents during 2013 and 2014 were as follows.

Year	Number of employees suffered from accident	Days of treatment	IFR	ISR
2013	10	87	1.897	16.506
2014	7	41	1.372	8.036

Remarks: IFR : Injury Frequency Rate =
$$\frac{\text{number of employees suffered from accidents} \times 1,000,000 \text{ hours}}{\text{total number of employees} \times \text{number of working hours (whole year)}}$$

ISR : Injury Severity Rate =
$$\frac{\text{number of days of treatment} \times 1,000,000 \text{ hours}}{\text{total number of employees} \times \text{number of working hours (whole year)}}$$

Total number of employees in 2013 and 2014 were 2,534 and 2,453 employees, respectively.

- 1.3 Employee remuneration in both short-term and long-term is considered in accordance with the Company's business operation results. Balanced Scorecard (BSC) is a management tool to drive the Company's strategy into action while key performance indicators (KPI) are used as a guideline to evaluate employees' performance.
- 1.4 The Company disclosed procedures on remuneration and welfare of employees in details under the heading "Personnel" in the annual report and Report 56-1.
- 1.5 The Company has established a provident fund for employees.
- 1.6 The Company emphasizes on developing and improving the human resources management and development system to advance in line with technology and meet international standards to enhance and develop employees to be both good and skillful people with involvement in social development and support. As a whole, the Company encourages both internal and external educations to enable employees to develop on a continuous basis. Tele-education system is established for employees in provincial areas. The Company establishes the "Learning & Development Center" to design and develop appropriate training courses. There are about 300 training courses organized within the Company per year. In 2014, there were a total of 31,200 training mandays with total budget of Baht 44 million. The Company disclosed information on personnel training and development in the annual report and Report 56-1 under the heading "Personnel".
- 1.7 The Company had a policy and procedures on fair selection of vendors and responsibility to vendors, i.e. the Company had a process in placing order for goods and services between the company and providers of goods and services, using electronic system which was convenient to examine in various aspects, e.g. budgets, approval authority and other information on the purchasing process, with the help of the Internet in placing orders for goods and services, to enable purchasers to select goods and services personally from Online Catalog in a self-service manner, and could specify their purchase by themselves (Online Purchasing). The Company had a process to select goods and services providers on a fair basis with appropriate price comparison in accordance with policies of individual companies in the Group, under good supervision measure to ensure transparency, fair and equal benefits of all parties concerned, as well as availability of examinable system.
- 1.8 The Company recognizes the importance of combating corruption and the receiving and paying of bribes. The "Code of Conduct" states that employees are prohibited from the soliciting or paying of any incentives to themselves or others from the party that they do business with. Employees are also prohibited from making any payment or giving any assistance that could be considered to be a bribe or benefit.

- 1.9 The Company provided channels for any stakeholder to make complaints or provide information concerning fraud, wrongdoing or violations of the Company's Code of Conduct to the Board of Directors via the Audit Committee. The information about the said channels are on the Company's website www.truecorp.co.th, the details are as follows;

Stakeholders can, in confidentiality, make complaints or provide information concerning fraud, wrongdoing or violations of the Company's Codes of Conduct to the Company's Board of Directors via the Audit Committee through the following channels;

- Email: auditcommittee@truecorp.co.th
- Mail address
Audit Committee
True Corporation Public Company Limited
18 True Tower, 28th floor
Ratchadapisek road, Huai Khwang
Bangkok 10310

The Company Secretary, in the capacity of Secretary of the Audit Committee, is responsible for gathering the issues and forwarding them to the Audit Committee for its consideration and further action. The Audit Committee will summarize results of any investigation and report to the Board of Directors every quarter.

Conditions for processing complaints and information:

- Anonymous letters are not accepted
- Stakeholders who submit complaints or information must provide their full names. The Company will keep their personal information confidential. Only officers or persons authorized by the Audit Committee can access the information.
- Irrelevant issues such as the following shall not be processed by the Audit Committee:
 - Job inquiries
 - Surveys and other requests for information about the Company
 - Offers or advertisements of goods and services
 - Requests for donation and sponsorship

In 2014, The Audit Committee did not receive any complaint or information concerning fraud or wrongdoing. But there was 1 complaint and 8 problems regarding the Company's services which the Audit Committee had already submitted to the relevant Departments where appropriated actions were taken and all issues were already solved.

- 1.10 The Company emphasized on the matter of the environments and promoted implantation of consciousness of employees and extending to the general public and organized training courses to educate employees and the general public on the environment through the natural conservation photograph contest which provided employees and the general public with opportunity to participate in the activity on natural photography training course and submit their photographs to the contest. Said natural photography training for employees and the general public would create the feeling of love and care for nature and the environment conservation consciousness, persuasion of interest in nature with close perception and transmitting those beauties through beautiful photographs with common feeling to protect their continued existence. In this regard, the Company, jointly with the Department of National Parks, Wildlife and Plant Conservation, has been organizing the project on natural conservation photograph contest "Animals are valuable, forests are useful" regularly every year since 1995 up to present, which is the 20th year. Competent persons and experts on environmental conservation, are invited to provide know-how on the environment aspect to instill in Thai citizens a feeling of joint owners and create cooperation in rehabilitating and increasing the number of wildlife, which shall help maintaining the natural balance existence.

- 1.11 The Company encourages efficient use of resources and support creation of inventions to enhance the most worthwhile use of existing resources. Training courses and seminars are organized by inviting teachers and experts in various fields to give lectures to employees regularly to extend employees perceptions in applying inventions created for business development. Most recently in November 2014, the Company invited Mr. Thomas Kosnik, Professor from Stanford University (Fenwick and West Consulting Professor from Stanford University), who was behind the success of Start Up companies worldwide, and business consultant of over 100 leading companies in the United States of America, to give lecture on the subject of “Gear Up: Test Your Business Model Potential and Plan Your Path to Success”.

Moreover, the Company has been organizing the “True Innovative Award for True” Project regularly on yearly basis up to present. The Project is the contest of inventions within the Company to encourage all employees at all levels to participate in creating inventions which are beneficial to the organization and the society as a whole, by encouraging employees to recognize the importance and benefits of inventions and the application thereof in work units to create continuous developments to educate participating employees on inventions on integral basis and enable them to materialize and effectuate the inventions and creativities to solve problems for customers, develop goods, services and processes beneficial to the organization, customs and the society, for example, enhanced customer satisfaction, revenue increase, process improvement, value adding, creation, etc.

Apart from organizing internal innovation contest, the Company also has a determination to help creating innovative inspiration amongst Thais. The Company, therefore, organizes the “True Innovation Awards” contest which is held annually since the year 2010. It allows Thai inventers to present their ideas and develop innovative works to benefit society and country as a whole as well as an opportunity to leverage Thais’ potential to meet with international standards.

- 1.12 The Company places emphasis on intellectual properties by preparing publications for posting through website www.trueinnovationcenter.com to educate employees to comprehend the meaning of intellectual property, encourage employees to recognize and respect the value thereof, and not to infringe any intellectual property against the owner thereof, both in term of copyright and industrial property, whether being patent, trademark, trade secret, trade name etc. In respect of intellectual properties owned by the Company, the Company clearly prescribed guidelines, in writing, for employees to follow in “Ethics and work performance guidelines”, whereby employees are required to protect the Company’s intellectual properties, refrain from disclosing them without permission, and not to misuse them or use them illegally.

2. Preparation of report on corporate social responsibility

The Board of Directors has approved a Corporate Social Responsibility (CSR) policy which is available on the Company’s website in English and Thai. In addition, the Company operates its business while adopting the sufficiency economy philosophy and taking into consideration environmental and social matters with a focus on promoting a knowledge-based society as a path to sustainable development for Thailand. The Company places emphasis on using modern telecommunications technology to develop educational projects which help with the development of youth and underprivileged children in Thai society.

The Company disclosed the information as well as activities in connection with corporate social responsibility in the annual report and Report 56-1 under the heading “Corporate Social Responsibility”.

Section 4

Disclosure and Transparency

1. Information disclosure

- 1.1 The Company was able to submit both the quarterly and annual financial reports for 2014 within the schedule determined by the SEC and SET. The Company emphasized on preparing financial statement properly in accordance with generally accepted accounting standards, using appropriate accounting policies applied on a consistent basis. The Company was very rigorous in submitting financial statements and financial report within the schedule prescribed by law. The Company's financial statements were certified with unqualified opinions by the auditor and have never been ordered by the SEC to make any correction thereto and have never been submitted late.
- 1.2 The Company prepared Management's Discussion and Analysis by giving analytical explanations on financial position and operation results of the Company and forwarded them to the SEC and SET together with all quarterly financial statements and publicized them on the Company's website as information supporting disclosure of all quarterly financial statements to enable investors to be aware of and comprehend the changes to the financial position and operation results of the Company in each quarter better.
- 1.3 The Company provides summaries of the Corporate Governance Policy and the Corporate Social Responsibility Policy approved by its Board and reports on both practices through various channels such as its annual report and website.
- 1.4 The Company provides a statement of the Board's responsibilities concerning the Company's financial report. This statement is presented in the Company's annual report.
- 1.5 Auditors of the Company were those approved by the SEC and appointed by AGM. The Company disclosed information on payment of remuneration to auditors for 2014 in the annual report and Report 56-1, by clearly separating the remuneration into audit fee and non-audit fee.
- 1.6 The Company discloses the roles and responsibilities of the Board of Directors and its committees, the total number of meetings and the number of meetings each member attends, the results of tasks performed as well as any ongoing training courses and occupation knowledge development programs each member attends during the year in the annual report, according to the SET and the SEC regulations.
- 1.7 The Company disclosed the backgrounds of all directors in the annual report, Report 56-1 and on the Company's website by specifying their names-surnames, ages, positions, educational backgrounds, training, working experiences, number of shares in the Company and proportion of shareholding, holding of director office in any other company, clearly separating into the heading of listed company and other companies, date appointed as director, as well as family relationships among executives.
- 1.8 Remunerations of directors of the Company reflected the obligations and responsibilities of each director. The Company paid directors their remunerations in 2014 at such rates as approved by the 2014 AGM, which were the same rates as approved by the 2013 AGM, which have remained unchanged since 2002. Details are as follows.

Remuneration of Directors is paid on a monthly basis as follows:

Chairman	Baht 300,000	per month
Honorary Chairman	Baht 200,000	per month
Vice Chairman	Baht 150,000	per month
Director	Baht 100,000	per month

Any Director being an employee of the Company shall receive the Director's remuneration in addition to his or her salary as an employee.

Independent Directors who hold a position on a Committee shall receive remuneration as follows:

Independent Directors who are also the Chairman of a Committee	Baht 300,000 per month
Independent Directors who are also member of a Committee	Baht 200,000 per month

Remuneration of Independent Directors who are not members of a Committee, and directors who are not Independent Directors shall remain the same.

In this regard, the Company disclosed the amount and type of remuneration received by each director from the Company and subsidiaries individually in the annual report and Report 56-1 under the "Management Structure" and publicized them on the Company's website.

- 1.9 In 2014, the Company paid high-level executives their remunerations in accordance with the Company's policy to pay remuneration by reflecting the obligations and responsibilities of each high-level executive and at suitable rates by comparing with the same type of business, and disclosed the details of remuneration payment in respects of format, nature and amount of remunerations in the annual report and Report 56-1.
- 1.10 The Company established a policy requiring directors and senior executives to submit copy of report on holding of securities of the Company, both in case of initial report (Form 59-1) and in case of changes to the holding of securities (Form 59-2) to the Company within the same period when the directors and senior executives delivered it to the SEC Office for retention by the Company as evidence and report to the Board of Directors meetings on a regular basis.

Moreover, the Company disclosed changes to the holding of securities of the Company by directors and high-level executives by illustrating in the annual report the number of shares held at the beginning of the year, changes during the year and the number of shares held at the end of the year.

- 1.11 The Company has an Investor Relations Department to communicate with outsiders on an equitable and fair basis. Investors may contact the Investor Relations Department via telephone number 0-2699-2515 or e-mail address: ir_office@truecorp.co.th. The Company advised general investors of the contact channel via the Company's website, annual report and Report 56-1 for all individual investors. For the year 2014, the Investor Relations Department prepared press release on the Company's financial performance as well as held analyst and investor meetings following the release of the Company's quarterly results at the Company's headquarters. For analysts and investors who cannot attend the meeting in person, a Webcast is provided. The Company also provided information related to the Company while organizing a meeting with analysts. In addition, the Company held roadshows to meet with local and international investors and provided equal opportunities for investors, both institutional and retail, to call the Company for additional information/discussion on the Company's outlook and strategies.

2. Information disclosed on the Company's website

The Company publicized financial and non-financial information as required by SET accurately, completely, timely and transparently, both in the Thai and the English versions, via various channels, i.e. SET's channel, annual report, Report 56-1 and on the Company's website. The Company also publicized on the Company's website significant documents and prepared other details which were anticipated to be of interest to investors and analyzers, e.g. visions and obligations, business operation nature, Company Group structure, top 10 shareholders, list and authorities of the Board of Directors and subcommittees, organizational structure, financial statements and financial information at least 3 years retroactively for comparison purpose, annual report, Report 56-1, letter of invitation to meeting together with documents relating to shareholder meetings, Articles of Association and Memorandum of Association, Corporate Governance Policy, the Company's newsletters etc., periodically updated. Documents and information of all types were publicized on the website both in the Thai and the English versions to enable investors and analyzers to access thereto conveniently and equitably and to download information of their interest. The Company also gave on its website telephone number, facsimile number and e-mail address for contact with the Investor Relations Department.

Section 5

Responsibilities of the Board

1. Structure of the Board of Directors

- 1.1 As at 31 December 2014 the Board of Directors comprised 18 qualified and knowledgeable members with wide experiences and specialties beneficial to the Company. The number of directors was appropriate and adequate to the size and type of the Company's business with non-executive directors having experiences in major business being operated by the Company. The structure of the Board of Directors comprised: (1) 4 Executive Directors and (2) 14 Non-Executive Directors, of which 6 directors were independent directors or 1/3 of the total number of directors, which was in accordance with requirements of the Capital Market Supervisory Board, and 8 qualified directors not involved in routine work administration including representatives of major shareholders, in accordance with fair proportions of investments of each group of shareholders.

The Company disclosed the structure of the Board of Directors, authorities, nomination rules, significant information of each director, e.g. name-surname, position, date appointed to the director's office, as well as background of each director in the annual report, Report 56-1 as well as on the Company's website at www.truecorp.co.th.

- 1.2 The Company clearly fixed the term of office of directors by specifying in the Corporate Governance Policy and Articles of Association in accordance with law.

The same rules in respect of the term of office of directors apply to the term of office of independent directors.

- 1.3 The Company has specified the details of Independent Directors' qualifications in its annual report and Report 56-1. Mr. Joti Bhokavanij who serves as the Independent Director and Audit Committee member has an accounting and finance background. The Company revised the qualifications of Independent Directors by using a more rigorous definition than that defined by the Capital Market Supervisory Board in area of shareholding percentage i.e. an Independent Director of the Company must have no more than 0.75 percent share ownership in the Company, its parent company, subsidiary, affiliate, principal shareholder or controlling person of the Company, including the shares held by related persons of the Independent Director.

- 1.4 The Company details the background and position of each member of the Board in its Annual Report and Report 56-1. Shareholders can download this information from the SET website at www.set.or.th or from the Company website at www.truecorp.co.th.

- 1.5 None of the Company's directors or executives is or was an employee or partner of the external auditing company providing services to True Group for the past two years.

- 1.6 The Company established policy regarding the number of companies each director, including independent directors and the President, could hold office therein, by specifying it in the Corporate Governance Policy of the Company disclosed on the Company's website, i.e. directors could hold office in other companies, but such directorship must not be obstructive against their performance as directors of the Company. As regards the number of companies in which each director could hold office of director, the Board of Directors encouraged directors to consider limiting to not exceeding 5 listed companies. There has been no independent director holding office of director in more than 5 other listed companies.

- 1.7 The Chairman of the Board is a non-executive director and the CEO is not the same person as the Chairman. The roles and responsibilities of the Chairman are in accordance with the law. The roles and responsibilities of the CEO are determined by the Board of Directors and the authority and responsibilities of the Chairman and the CEO are disclosed under "Management structure" in the annual report and Report 56-1 which is also posted on the Company's website.

- 1.8 The Company's Internal Audit Department reports directly to, and is accountable to, the Audit Committee.

The Company has disclosed the name and profile of the head of Internal Audit Department in the annual report and Report 56-1 which is also posted on the Company's website.

- 1.9 The function of Company Secretary is in place to serve the Board of Directors in area of providing advice on laws and regulations related to the Board, helping organize the Board's activities, and monitoring compliance with the Board's resolutions. The Company Secretary is knowledgeable and experienced in accounting and continuously attends training courses as well as participating in any company secretary-related training courses.

The Company has disclosed company secretary's job description, working experience and related training courses attended in the annual report and Report 56-1 which is also posted on the Company's website.

2. Committees

- 2.1 The Board of Directors has established the following committees to reflect good corporate governance:

The Audit Committee

is responsible for reviewing the Company's financial reporting process, reviewing the Company's internal control system and internal audit system, reviewing the Company's compliance with the law and regulation on securities and exchange including the laws relating to the Company's business, determining an internal audit unit's independence, considering and proposing appointment of the Company's external auditor and reviewing the transactions that may lead to conflicts of interest. Details of the Audit Committee's duty and responsibilities have been disclosed in Clause 2. "The Board's Committees".

The Compensation and Nominating Committee

is responsible for making recommendations to the Board of Directors regarding the compensation of directors and the Chief Executive Officer; and the nomination of directors of the Company.

The Finance Committee

is responsible for assisting the Board of Directors to review and monitor the Company's financial management.

The Corporate Governance Committee

is responsible for assisting the Board of Directors to establish and review the Company's corporate governance policy as well as making sure that the Company has a sound and appropriate corporate governance practice.

The Company has also specified the details of Committees which are name lists, scope of duties and numbers of meetings attendance in its annual report and Report 56-1 in Clause 2. "The Board's Committees". Shareholders and investors can download the information regarding each committee from the Company's website at www.truecorp.co.th.

- 2.2 In order for the committees can perform their duties transparently, independently, and at the same time effectively, their membership comprises independent directors, and non-executive directors.

3. Roles and Responsibilities of the Board

- 3.1 The Board of Directors considered and granted approvals on significant matters related to the Company's business operation, e.g. visions and obligations, strategies, financial targets, risks, work programs and budgets, and also supervised and monitored the Management to execute the works in accordance with the policies and scheduled programs efficiently and effectively clinging to self-sufficiency economic philosophy, i.e. moderation (awareness of the Company's actual capabilities), reasonability and good self-immunity, based firmly on honesty and circumspection

to ensure continuation of business operation in the long term. The Company disclosed the power and duties of the Board of Directors in the annual report and Report 56-1 publicized on the Company's website.

Throughout the past up to and including 2014, the Company has never committed any act violating or breaching rules and regulations of the SEC and SET.

- 3.2 The Board sets, initiates and is involved in consideration and approval of a written corporate governance policy for the Company. In addition, the Company reviews the policy and its compliance annually.
- 3.3 The Board of Directors ensures that a written code of business conduct is in place so that all directors, executives and employees understand and comply with the Company's ethical standards for doing business by earnestly monitoring compliance with the code. The Company has also disclosed the details of the Code of Conduct on its website.
- 3.4 The Board of Directors considers transactions involving conflicts of interest thoroughly. It follows clear guidelines on approving such transactions so that they are conducted in the best interests of the Company and all shareholders. The person who has an interest in the transaction does not participate in the decision-making process. The Board also monitors compliance with the regulations regarding criteria, procedures and disclosure of transactions involving conflicts of interest.

During 2014, similar to every previous year, no director and executive of the Company as well as individual related to such parties were in breach of requirements pertaining to the conflict of interest in the Company's transactions.

- 3.5 The Board of Directors ensures that internal control systems are in place, including financial, compliance and policy controls, and assigns the Audit Committee to monitor and review the major system on annual basis. The Audit Committee's opinion has disclosed in the Company's annual report under "Report from the Audit Committee" topic.
- 3.6 The Company has established its "Strategy Development and Risk Management Committee" and also officially announced "Risk Management Policy and Framework", in order to integrate risk management with its business strategy and operations. The Management complied with the policy and reported to the Audit Committee on a regular basis. The Internal Audit Department is responsible for reviewing the Company's various operational systems by using a Risk-based Audit Approach and presents its Internal Audit Report to the Audit Committee on a regular basis. The said procedure was disclosed in the Company's annual report under "Report from the Audit Committee" topic.

In addition, the Company reviews the risk assessment to be used for risk management on an annual basis, accordingly.

- 3.7 The Company signed the Declaration on "Private Sector Collective Action Coalition Against Corruption" (CAC), with the Thai Institute of Directors (IOD) acting as Secretary of the project.

In addition, the Board of Directors provided channel for stakeholders of all groups to make complaints or providing information concerning fraud, wrongdoing or violation of the Company's Code of Conduct to the Board of Directors via the Audit Committee. The Company disclosed details in connection therewith in Section 3 Role of Stakeholders.

- 3.8 The Board of Directors had a mechanism to supervise subsidiaries to safeguard interests in the investments of the Company. The Company disclosed such information under the Heading "Supervision of business operation of subsidiaries and associated companies".

4. Board Meetings

- 4.1 The Company sets its Board of Directors meeting schedule and main agendas in advance and notifies each director of this schedule and agenda. However, in an emergency the Company can also call for an additional Board meeting.
- 4.2 The Company has stated in its Corporate Governance policy that the Company allows non-executive directors to hold meetings amongst themselves without participation from executive directors and management, if they would like to have a discussion on the management issues or any issues they are interested in. In 2014, non-executive directors had held such meetings, in an unofficial form, after finishing the Board Meetings.

- 4.3 The Company organized 9 Board of Directors meetings during 2014, which were appropriate to the obligations and responsibilities of the Board of Directors and the Company's business operation. Participation of all directors in such meetings represented 79.01% of the total number of meetings of the year.
- 4.4 The Chairman and/or Vice Chairman of the Board and the CEO jointly set the agenda for each Board meeting. Moreover, each Board member is free to suggest agenda items.
- 4.5 Meeting documents are sent to each director at least five days prior to the meeting day. These documents are concise but contain all relevant information. Any confidential issues are discussed during the meeting.
- 4.6 The Chairman of the Board allocates enough time for the meeting to receive full presentations from management and host comprehensive discussions by directors, and encourages thorough discretion by concentrating on all issues brought in the meeting, including the issue on corporate governance.
- 4.7 The Board is able to access additional information, under a prearranged agreement, via the CEO or the Company Secretary or the executive designated as a contact person. If necessary, the Board and each committee can also acquire any independent opinions from external consultants or experts under the Company's expenses.
- 4.8 The Board of Directors encourages the CEO to invite the top executives to attend Board meetings in order to present details on the issues that they are directly responsible for.

5. Board's and Committees' Self-Assessment

- 5.1 The Board of Directors and Committees conduct self-assessment annually.
- 5.2 Criteria on self-assessment of the Board of Directors were based on 3 levels of opinions from directors, as follows:
 - Low level (need improvements)
 - Moderate level (acceptable, but can be improved)
 - Very good level (should be maintained)

The Board of Directors self-assessment criteria shall cover the following main subjects.

- Satisfaction of the Board of Directors on its operation result as a whole, the Company's operation result, subsidiaries' operation result as well as the Management's problem solution.
 - Comprehension of directors on the roles of directors, the Company's business and the Company's strategies.
 - Relationships between directors and the Management.
 - Roles and performance evaluation process of the Chief Executive Officer.
 - Performance efficiency of committees.
 - Appropriate time allocation for various matters in Board of Directors meetings.
 - Preparations prior to Board of Directors meetings.
 - Directors' potential to make comments independently and impartially.
 - Provision of opportunities and encouragement for all directors to make comments independently.
- 5.3 The Board of Directors shall conduct self-assessment regularly on annual basis. The process is, the Chairman of the Corporate Governance Committee shall sign a letter sending assessment forms to all directors, requesting each director to return the assessment form to the Company's Secretary for compilation of information. The Company's Secretary shall then process the information and present the summary thereof to the Corporate Governance Committee for analysis of the assessment. Subsequently, the Corporate Governance Committee shall report to the Board of Directors on the assessment result and make recommendations for improvements as appropriate.

6. Remuneration

- 6.1 Board members' remuneration is comparable of other directors in the Company's industry, and reflects the experience, obligations, range of work, accountability, responsibilities and contributions of each director. Members of the Board with greater responsibilities, such as independent directors who also hold committee memberships, are paid more.

In 2014 the Company disclosed the remuneration of each director in its annual report and Report 56-1 which also posted on the Company's website.

- 6.2 Remuneration of the CEO and top executives is set in accordance with Board policy, within the limits approved by shareholders (for the types of remuneration that require such approval). Executives' salaries, performance pay, and other long-term compensation reflect the Company's performance and that of each executive.
- 6.3 The Compensation and Nominating Committee evaluates the performance of the CEO annually to set his compensation. The basis of the appraisal is agreed upon by the CEO ahead of the evaluation. The criteria are objective, including financial performance, long-term strategic performance, career development planning, etc. The Chairman of the Board or a senior director communicates the evaluation results to the CEO.

7. Board and Management Training

- 7.1 The Company encourages and facilitates training for all internal parties who have a role in corporate governance, including directors, members of the Audit Committee, executives, the Company Secretary, etc. Training - either internal or external - enables them to continuously update their knowledge for performing their duties.

- 7.2 The Board encourages directors to enhance their knowledge for performing their duties by regularly attending training courses and joining seminars. In 2014, 3 directors carried on attending training courses organized by IOD, the Stock Exchange of Thailand and the Securities and Exchange Commission Office. The training courses are as follows.

- IOD Director Briefing 2/2014
The Four Pillars of Board Effectiveness;
- Directors Forum 2014 Family business: How to ensure its sustainability;
- Improving Corporate Governance Key to advancing Thailand (the 3rd National Director Conference 2014);
- Going from 'Good' to 'Great' in IT Fraud Prevention and Information Security Governance
- Challenge of audit directors and sustainable development of listed companies.

- 7.3 Every time that the Company appointed new directors or replaced them, the Management prepared and provided new directors with material and information beneficial for fulfilling their duties including introduction to the Company's various businesses and business direction for new directors.

- 7.4 The Company has established an official executive "Succession Plan" because the Company is aware that succession planning is a key component of sustainable business success. In light of this, the Company has established processes and procedures to appropriately identify and select candidates for succession at all levels of significant management position. The succession process is consisting of:

- (1) Establish the list of candidates to enter the succession process:

where top executives and management select the candidates and conduct the evaluation of these candidates by descending order. The candidates have to undergo the followings performance evaluations:

- Employee and its performance evaluation which are consisting of:
 - Past performance and the anticipation of their performance in the future
 - The decision-making ability, strength, what to improve or what to provide for further development and career path
 - Employee's capability assessment

- 360 Degree Feedback Surveys in relation to the Company's corporate value
- 9-Cell Charts evaluation which is a review of the performance and behavior of candidates in relation to the Company's corporate values

(2) establish candidate slate:

where the person who is currently in the post has to make his or her candidate slate by specifying three (which can be more or less) potential successors and listed those candidates in the order of their readiness.

(3) Review the candidate slate and establish the Company's Succession Plan:

where the President, top executives and Human Resources executive have to work together in order to review the candidate slate and establish the Company's overall succession plan which will be based on the following key elements; business unit overview, organization chart, candidate slate, 9-cell charts evaluation, employee evaluation and 360 degree feedback surveys

(4) Establish the personal development plan for each of the candidates, execute the development plan and follow up

(5) Perform an evaluation and a review of the Succession Plan on an annual basis

Candidates who have been selected to enter the succession program will have to undergo personal development activities assigned to them by the Company. The development consists of on-the-job training, being set challenging assignments and undergoing job rotation to develop leadership skills and business knowledge in all areas of the Company's operations to ensure continuity in the effective preparation of candidates for executive positions whenever a vacancy in a relevant position arises or where a new position is created to support business expansion.



C Corporate Social Responsibility

1. Ethical Business Operations

True Group operates its businesses under the law and within the related regulatory framework along with its best practice guidelines in regards to corporate governance. The Company oversees the legal rights of its stakeholders as well as their mutual interests and benefits to ensure those stakeholders' rights and benefits are fairly exercised and protected. The Company's Board of Directors has designated corporate governance policies as well as ethical and best practice guidelines that serve as a framework for both the management and staff to strictly follow.

This framework serves as a guideline for the Company in operating its businesses on a fair and transparent basis. The Company has strict policies that prohibit inducement and unfair treatment of its business partners.

True Group is aware that corporate governance and transparency are crucial to its business operations, which must be fair and auditable for equal benefits of all stakeholders. The Group has implemented an electronic procurement system that enables all transactions between the Company and its vendors to be transparent and auditable in all aspects, which include budgeting, purchase authorization and documentation. The online procurement system enables procurement requesters to select goods and services from its online catalogue on a self-service basis, while vendors are selected in line with the Company's procurement guidelines.

Other corporate governance standards and auditing measures to ensure transparency and fairness also include:

- Vendor selection procedures are fair and transparent with price comparisons as appropriate for each business unit of the Group.
- Budget is allocated to cover each business unit's expenditure. No procurement can be executed without sufficient funds.
- Approvals of procurement requests are authorized by managers/supervisors on a multi-level basis with different procurement value authorization.
- The procurement department is responsible for overseeing all purchasing requests.

The complete procurement process is transparent and auditable. Purchase records are kept with all necessary details and can be retrieved anytime for scrutiny.

2. Fraud Prevention and Anti-Corruption

The Company recognizes the importance of combating corruption and the receiving and paying of bribes. The “Code of Conduct” states that employees are prohibited from the soliciting or paying of any incentives to themselves or others from the party that they do business with. Employees are also prohibited from making any payment or giving any assistance that could be considered to be a bribe or benefit. The Company also supports anti-corruption undertakings by government agencies.

● Channels for Complaints and Suggestions

The Company provides channels for any stakeholder to make complaints or provide information concerning fraud, wrongdoings or violations of the Company’s Code of Conduct to the Board of Directors via the Audit Committee. Information on these channels are on the Company’s website www.truecorp.co.th.

Stakeholders can, in confidence, make complaints or provide information concerning fraud, wrongdoing or violations of the Company’s Codes of Conduct to the Company’s Board of Directors via the Audit Committee through the following channels:

1. Email: auditcommittee@truecorp.co.th
2. Mailing address:

Audit Committee
True Corporation Public Company Limited
18 True Tower, 28th floor Ratchadapisek Road, Huai Khwang
Bangkok 10310

The Company Secretary, in the capacity of Secretary of the Audit Committee, will be responsible for gathering the issues and forwarding them to the Audit Committee for its consideration and further action. The Audit Committee will summarize results of any investigation and report to the Board of Directors every quarter.

Conditions for processing complaints and information:

1. Anonymous letters are not accepted.
2. Stakeholders who submit complaints or information must provide their full name. The Company will keep their personal information confidential. Only officers or persons authorized by the Audit Committee can access the information.
3. Irrelevant issues such as the following shall not be processed by the Audit Committee:
 - Job inquiries
 - Surveys and other requests for information about the Company
 - Offers or advertisements of goods and services
 - Requests for donation and sponsorship

● Joint Anti-Corruption Campaign

As part of the anti-corruption campaign, True Group for the fourth consecutive year supported the Office of the National Anti-Corruption Commission (NACC) with the organization of the 2014 Chor Sa-ard Awards which recognizes outstanding media individuals and organizations for their work to prevent and suppress corruption. True Group helped with creating awareness of the anti-corruption campaign and encouraging the press to participate by producing and airing publicity spots as well as broadcasting the awards ceremony on more than 20 TrueVisions’ TV channels in order to create inspiration and instill anti-corruption values among people.

3. Respect for Human Rights

True Group places great importance on human rights and promoting the quality of life for people in society so that they can have a reasonable and sustainable living standard. Since 1994, True Group has provided employment opportunities for disabled persons according to their capabilities. To date, the Group has 33 disabled persons in its work force across various professions such as engineers, technicians, customer service agents and sales assistants.

- **Career Development Center for the Disabled**

In line with Article 35 of the Promotion and Development of Quality of Life for Persons with Disabilities Act 2550, True engaged in projects to assist disabled persons throughout the year. True Group's project "Development of Printing and Office Management Skills for Individuals with Autism and their Families" provides professional training for 203 individuals with autism and visual disabilities so that they can work and manage True Autistic Thai Center, a career center for disabled persons.

Training comprises 6 courses each of 600 hours duration, totaling 3,600 hours as follows:

1. Office work training course which enables the disabled to learn basic computer skills, especially word processing programs, searching the Internet and communications via tablets
2. Computer usage in the workplace course which enables trainees to learn printing on-demand skills and how to produce digital copies
3. Coffee shop business course which provides knowledge on how to run a coffee shop business operation and preparing other beverages
4. Agriculture course which teaches farming techniques as well as how to engage in farming activities based on each individual's potential skills, community and local resources
5. Sculpture course which inspires the disabled to create their own works of art and find sales channels for their creations
6. Dishwashing liquid course which trains the disabled on how to make dishwashing liquid for commercial purposes

4. Fair Treatment of the Labor Force

The Company cares and pays attention to the well-being of its employees, establishing the True Plook Rak Campaign with the following activities:

True's Plook Rak Campaign

- Happiness Temperature (HT): A survey was conducted via the internal HR website on the level of employee happiness and the results were used to make improvements according to employees' needs
- Wellness Spa: Traditional Thai massage for employees to relieve stress and tension
- Good Health with Plook Rak: A campaign encouraging employees to take care of their health through monitoring and preventive measures including comprehensive health checkups for staff
- Dharma with Plook Rak: This campaign included Buddhist prayers, monthly merit-making as well as lectures on dharma. Moreover, an ordination ceremony was organized where participating management and staff were ordained as monks as a Royal Tribute. A training course was also available where staff could practice dharma for 5 days per year.

5. Responsibility towards Consumers

True Group organized the following projects and activities to cultivate the importance of customers among its employees:

1. The All4One Contest was held to motivate departments involved with customer services to create the highest customer satisfaction. The winning team received a cash prize and an overseas trip to observe customer service practices in other businesses.
2. The Caring Forwards Contest was organized to improve work processes for supporting departments and is held every other year alternating with the All4One contest. The winning team received a cash prize and an overseas trip to observe work processes in other businesses.
3. As part of its focus on consumers, True Group implemented Total Quality Management (TQM) in its business operations across all departments in the organization in order to improve work processes which will subsequently result in better product and service quality for customers.
4. All electrical appliances (mobile phones and tablets – leading & house brands) sold at True Shops were certified for their quality and safety standards by the National Broadcasting & Telecommunication Commission (NBTC).
5. The Company presented information and tips to the public through the press, radio and TV in the form of Q&As on utilizing technology and IT devices.

6. Environmental Conservation

The Company is always aware of environment problems and places importance on environmental conservation. Various ongoing activities to support this were held under the True Plookpanya project annually.

6.1 Promoting Environmental Conservation Activities

- **The Annual Nature and Wildlife Photography Contest**

True Group and the Department of National Parks, Wildlife and Plant Conservation Group organized the 20th Annual National Nature Photography Contest 2014 to create awareness of environment conservation among youths and the general public by using photography under the theme of “Nature and Wildlife Photography”. There were cash prizes amounting to over Baht 500,000 along with privileges to visit national wildlife sanctuaries across the country without having to pay admission fees. A total of 2,036 photos were submitted in 2014, of which 966 photos were for the plant category and 1,074 for the wildlife category.

- **Showcasing Photos from 20 Years of Contests**

To celebrate the 20th anniversary of the Annual Nature and Wildlife Photography Contest which has been held annually since 1995, True organized a “Nature and Wildlife” Photography Exhibition at the Bangkok Art & Culture Centre to showcase the contest’s winning photos from the past 20 years. The activity was aimed at encouraging Thai people to realize the importance of the environment.

- **The Environmental Conservation Photo Awards Ceremony**

The Company held a ceremony to present awards to winners of the Annual Nature and Wildlife Photography Contest in 2014. It also offered funding support to the Sueb Nakhasatien Foundation and its wildlife foster parents project. Together with the aforementioned activities, a forum was held on the topic “20 Years along the Road to Preserve the Environment with Photographs.” Moreover, the 20th Anniversary Commemorative Photo Album as well as the 2014 Nature and Wildlife Photography Contest book were published using green printing technology (Green Print Reduces CO2 Emission).

- **Bird Watching Activity to Promote Environmental Conservation**

The Company through its True Plookpanya team organized a bird watching activity at the Suan Srinakornkuenkan Park (Bangkrachao) in Samut Prakarn province. The activity was aimed at enabling True employees and their

families to join each other in learning about various bird species as well as to develop a good relationship with their colleagues and the Company.

6.2 Environmental Conservation Activities

- **Green Projects to Save Energy and Reduce CO₂ Emissions**

The Company continued to put emphasis on energy saving by undertaking various initiatives, including reporting its CO₂ emissions from business operations, as well as encouraging all business units to come up with energy saving plans. The initiatives include:

- 1) Energy saving from managing equipment in the telephone exchange building: Servers which were idle with minimal workload were shut down and had their data migrated to another server to maximize usage. The clients were also reconfigured to link to the new server. In addition, fluorescent bulbs in the building were replaced with energy-saving bulbs, which consume less electricity and require lower maintenance costs.
- 2) Installation of Free Flow air system in the GPRS room helped bring down energy consumption. By switching to the Free Flow air system, fans were used to exhale hot air from inside the room and air vents were specially designed to control appropriate outdoor air inflow to balance the room temperature at about 28-35 degrees Celsius.
- 3) Shutting down equipment for PCT services and Line Test devices for the 2.6-million fixed line numbers especially for equipment where the RTU was broken and cannot be repaired, resulting in reduced power consumption.
- 4) Shutting down equipment for 2G services, including the NE4 CORE Router and BRAS SSG (Red Black) and migrating to more modern-technology telecommunications equipment
- 5) Turning off lights at the PNC1-TDM network exchange, shutting down the network server and terminating 5 Metronet Extreme equipment to help boost the efficiency of the air conditioning system
- 6) Termination of emergency standalone functions and removal of the card at the Siemens sub-exchange station to minimize repair costs and reduce bandwidth electricity costs for customers

7. Participation in the Development of Community and Society

7.1 Promoting Educational Development Activities

1. Cultivating Knowledge: Broadening the Learning Experience for Schools Nationwide under True Plookpanya

True Group helped support in developing Thailand's education sector through the True Plookpanya Project by using its integrated communications technology and innovation to improve learning and teaching facilities for underprivileged schools nationwide. The Company selected schools under the supervision of the Office of Basic Education Commission, Local Administration Department, Border Patrol Police and Bangkok Metropolitan Administration which were provided basic education (Primary Year 1-6 and Secondary 1-3) but at the same were in need of teaching media and materials. In order to be part of the True Plookpanya project, the schools had to show their ability to organize educational activities according to the project's key performance indicators as well as report on their educational achievements.

- **Selection of Schools for the True Plookpanya Project**

In 2014, the Company selected 500 additional schools for the True Plookpanya project and completed delivery of digital educational media and equipment to these schools. In total, True Plookpanya now covers 5,500 schools with 1,749,842 students and 87,257 teachers.

- **Selection of True Plookpanya Model Schools**

Model schools are chosen from existing schools under the True Plookpanya project which have shown the ability to successfully implement digital educational media and equipment in the teaching process, achievement of education KPIs at least once per year, and the ability to build a strong and sustainable local education network among other True Plookpanya schools in the neighboring area.

In 2014, the Company selected 15 schools which were added to the existing 36, resulting in a total of 51 True Plookpanya Model Schools. Digital educational media and equipment comprising color TVs and computers for each classroom, LAN system enabling Internet access from all classrooms, server for storing educational data, SMATV, broadcasting facilities were successfully delivered and installed at the new model schools.

- **Measurement of Educational Performance of Schools in the True Plookpanya Project**

The Company collaborated with the Office of Basic Education Commission to evaluate the performance of True Plookpanya school executives, teachers and students. Last year, 1,238 schools out of a total of 5,500 participating schools took part in the evaluations with the following results:

- 97% of school executives imposed the policy to use True Plookpanya media and appointed specific teachers to be in charge of the project
- 94% of school teachers were capable of using True Plookpanya media in teaching their students
- 94% of students saw an increase in their interest to learn True Plookpanya media

The students' O-Net results were also used as part of the evaluations

- **Consolidating the True Plookpanya School Network**

The True Plookpanya project organized training on a continuous basis for school management and teachers on how to effectively use digital educational media to enhance teaching techniques. True Plookpanya staff and volunteers closely monitor and advise schools on their educational activities. The True Plookpanya School Call Center provides support and initial trouble shooting and sends program schedules and information to teachers in advance so that they can prepare their teaching curriculum more effectively.

- **Collaboration with Local Education Offices to Build Strong Model Schools**

The Company entered into agreement with model True Plookpanya schools and local education offices to further expand the model school network by arranging workshops for participating model schools to enable them to build strong and sustainable local school networks. The model schools were required to assist True Plookpanya schools in neighboring areas on activities to use digital education media effectively.

- **Delivery of Digital Media for Education**

The IT Functional Program of CP Group, comprising approximately 40 management-level employees and IT managers who attended CP Group's Leadership Development training, donated computers, LCD projectors to, and installed a LAN facility at Wat Nong Kiem school in Banna District of Nakhon Nayok province. In addition, scholarships were also given to students. The True Plookpanya team supported this initiative by organizing recreational activities using True Plookpanya digital educational media and also trained teachers on the benefits of its usage.

- **True Plookpanya School Visits**

Students and teachers from the Panyapiwat Institute of Management visited True Plookpanya schools to learn the importance of True Group's role in contributing to the country's education sector. The management and staff of the National Broadcasting and Telecommunication Commission (NBTC) also paid a visit to Ban Mae Kam School (Prachanugroh) in the Mae Chan district of Chiang Rai province to see how the Company used 3G technology to facilitate teaching and learning activities there.

- **True Plookpanya Village Promotes Career Development for Communities**

The True Plookpanya Village team at Pongsai Village located at Lam Soom Poong sub-district, Muaklek District in Saraburi province took representatives of the village to learn about new agricultural theory under the theme "Hill-Swamp-Field Model." Under this project, villagers were trained to leverage the new techniques learned in order to better manage their farming resources, to reduce household expense, and to increase their income from new farming approaches.

The True Plookpanya Village team together with the villagers who are members of the the Solar Cell Fund exhibited how to generate and use solar energy at Lam Soom Poong School Muaklek District of Saraburi province to about 150 students, villagers and government officials. The key objective was to enable the audience to understand how solar cells work and to adopt the technology in their communities.

The True Plookpanya Village team joined with True's volunteer employees from the Distribution & Sales and Network departments of TrueOnline and TrueMove H, as well as students of Pongsai school (a True Plookpanya model school) in Saraburi province to build small dams and clear waterways in the village and nearby communities, resulting in creating fertile forests near the village and surrounding areas.

- **True Volunteers Help Improve True Plookpanya Schools**

The True Plookpanya team traveled to the lower south and northern parts of Thailand where they were joined by local True volunteer employees to introduce digital education media usage at local schools: Wat Prong Ngu of Sri Banphot district in Patlung province and Ratratpattana School of Santisuk district in Nan province.

In addition, approximately 100 True employees from the Human Resources & Organization Development Department joined the True Plookpanya team to hold "True Asa Plookpanya" activities under the concept of "Cultivating Knowledge, Creating Virtues and Cultivating Love of the Environment" at Wat See Chompu School in Bangkok. These activities comprised restoring the school's facilities and landscape, as well as introducing digital educational media to teachers and students.

2. Cultivating Knowledge: Other Projects under True Plookpanya

- **English We Can Program to Support English Language Teachers**

The Company in collaboration with the British Council Thailand organized the annual English We Can Program which has been running for 2 consecutive years. The 120-hour English skill development course was held for teachers under the True Plookpanya project who passed the English language teacher evaluation for True Plookpanya model schools. The program is aimed at encouraging them to communicate in English, improve the standard of their English teaching skills and techniques, in readiness for the ASEAN Economic Community (AEC) era.

- **The 19th Young Scientist Award**

For the 19th year, the Company has collaborated with the Science and Thai Education Technology Association in holding the True Young Scientist Award 2014, a national science and technology project contest under the theme “Science for Improving Quality of Life”. The contest was open to elementary school students nationwide and received a total of 334 entries from 220 schools in 65 provinces across Thailand. The “Cows Manure Scooper” project in the invention category from Wat Kuan Kee Rad School in Pattalung Province won the gold medal, receiving cash to support their project plus an opportunity for the school to join True Plook Panya project.

- **The True Youth Camp: Creating a Community Through Giving**

The Company held the 8th Annual True Youth Camp 2014 under the theme “Creating a Community Through Giving.” The campaign’s contest for creating a better life was open to 4-5th year high school students and received entries from a total of 90 schools in 47 provinces across Thailand. The “Happy with Life – Volunteering to Heal Cancer Patients” project from That Narai Wittaya School in Sakonnakorn Province won the 1st prize, receiving scholarships, digital educational media plus an opportunity to join the True Plookpanya project. In addition, details of the 10 finalist projects were also broadcasted via 32 TrueVisions channels on both SD and HD systems.

- **The Pirab Noi Journalist Training**

The 17th Pirab Noi journalist training for 2014 was a project jointly held by True Group in collaboration with the Thai Journalist Association. More than 70 students in journalism and mass communications program from universities all over the country passed the selection process to participate in the training. The students attended comprehensive training courses and workshops to learn professional journalism skills as well as newspaper production.

- **Sai Fah Noi Broadcast Journalism Training in the Digital Media Era**

True Group collaborated with the Thai Broadcast Journalist Association in organizing the 12th Sai Fah Noi Broadcast Journalism Training 2014. The training was attended by 72 students who study in mass communications and communication arts programs from 30 educational institutions. Students learned how to produce radio and television news programs and how to utilize digital media to report news.

- **True Young Producer Award 2014**

The Company collaborated with the Advertising Association of Thailand to organize the True Young Producer Award 2014, competing for HRH Princess Maha Chakri Sirindhorn Royal Trophy. The contest was open to university students to showcase their ability and creative ideas on producing advertisements. The focus of the contest this year was on the online viral video category under the theme “Giving...is the Best Communication” and received entries from a total of 683 teams from 53 institutions across the country. The advertisement clip “Don’t Hurt Me” of C Long Puk team from the Faculty of Communication Arts, Assumption University won both of the 1st advertising prize and the popular vote.

- **trueplookpanya.com Launches Direct Admission News Center**

trueplookpanya.com, Thailand’s largest knowledge with virtue website, launched a new menu item “Direct Admission News Center”, allowing high school students to access the latest admissions related news, quota updates, special projects and admission tests of all educational institutions across the country. Users can directly and conveniently link to the institutions’ admission system. In addition, they can choose to be notified of updates by email for free as well as use the “My List” function to bookmark their favorite topics.

- **trueplookpanya.com Launches Examination Hub**

The knowledge with virtue based website trueplookpanya.com launched its latest feature “Examination Hub”, a new top favorite menu item for primary up to high school students to access past examinations on various subjects from every educational level free of charge. This new feature comprises guidelines for quota exams, O-NET and GAT/PAT exams, together with answers described in detail provided by highly-qualified experts with an aim to encourage students to be more confident in taking the exams. In addition, students can time themselves while doing the exams and record their own scores. More information is available at www.trueplookpanya.com/examination

- **A Good Brain Can Be Cultivated Season 2 TV Program**

Trueplookpanya Channel (TrueVisions Channel 6) in collaboration with the Office of Knowledge Management and Development (Public Organization) – OKMD continued to broadcast the TV program “A Good Brain Can Be Cultivated Season 2.” The TV program offers information to both parents and teachers on ways to raise children from 0-9 years old with a focus on the learning process. This age range is considered to be important in terms of educational and quality development for children and Thai youths. The TV program consists of intensive and practical content, along with many activities. As of October 5, 2014, the program has been on air every Sunday from 10.00-10.30 hours on the True Plookpanya Channel (TrueVisions Channel 6).

- **The Symphony of Inspiration**

The True Plookpanya team led 400 teachers from True Plookpanya schools to attend “The Symphony of Inspiration”, an inspirational music and talk show by Dr. Mel Gill, 1 of the 17 best motivational speakers in the world. The show was a combination of music and speaking under the theme “Accelerated Mind,” offering a shortcut to the realization of one’s own potential and greatness. This reflects True Group’s commitment to inspire teachers with the power of nurturing their students to grow up with good qualities and to be a good person, all of which are roots of a sustainable learning-based society.

3. Cultivating Virtues: Activities under True Plookpanya

- **Novice Monks Cultivate Dharma Wisdom Year 3**

True Group continued to air the “Novice Monks Cultivate Dharma Wisdom” TV program which has now entered its 3rd year. The aim of the TV program is to encourage Thai youths to learn and practice Dharma principles as well as to cultivate knowledge with virtues. This year, 12 young boys, selected from over 1,500 applicants nationwide, were ordained as novices. They serve as a good example of inspiring parents to realize the importance of cultivating virtues in their children and to encourage them to attend dharma training at temples more.

The Novice Monks Cultivate Dharma Wisdom TV program Year 3 was expanded on a regional scale with the first “Plookpanya Dharma on tour” starting in the North at Rai Chern Tawan Meditation Center in Chiang Rai Province with the ordination ceremony taking place at Mengrai Maharaj Temple. Under the theme of “Learn-Know-Love-The World” to reach the goal of “kindness & Compassion,” the 12 novice monks were for an entire month under the care of Pra Maha Wuttichai Whachiramettee, the temple’s Abbot. The TV program was live broadcast on TrueVisions and could also be watched online at www.trueplookpanya.com/truelittlemonk or via the free trueplookpanya.com application.

Consequently upon leaving the monkhood, these 12 novice monks were selected to receive the “D.A.R.E STAR” award, which was presented to them under the “Anti-Drug Campaign for 2014” organized by the Royal Thai Police. They served as a good example of Thai youths who are not involved with drugs.

- **Deaf Call Center for the Hearing-impaired**

True Group operates a Deaf Call Center to provide customer services for the hearing-impaired through video chat. Furthermore, True Group joined hands with the NBCT, TrueVisions and Dhurakij Pundit University in broadcasting the Deaf Channel which was the country's first TV program to be presented completely in sign language. The program is aired on TrueVisions channels - TNN2, True Explore 1 and True Explore 2.

- **TV Program for the Disabled**

The Spirit of Mind TV program was established to help three disabled groups i.e. people with intellectual disabilities, autism, and mental disorders. The aim of the program is to create a better understanding of these disabled people among their families, caretakers and the general public, as well as to show that people in these disabled groups have the potential to develop themselves and can live with others in society, leading to a better quality of life.

- **Establishment of True Autistic Thai Center**

True Group collaborated with the Autistic Thai Foundation in 20 provinces nationwide setting up True Autistic Thai Centers to develop the potential of people with autism with the implementation of innovative ICT technology that was developed by True Group under the theme of "Creating a Better Life for the Disabled." The center's aim was to facilitate disabled persons with access to various services on the same level as others. It also helped the disabled and their caretakers to live a more fulfilled and better way of life.

- **Used Tablets for Autistic Children**

True Employees donated a total of Baht 121,806 and 17 used tablets to the "Used Tablets for Autistic Children" project for children with autism and their families who are in the care of the Autistic Life Skills Development Center in 20 provinces. The tablets were equipped with True Autistic applications to help in developing and cultivating skills of autistic children.

- **PC Clean up by True IT Department Team**

True's IT department organized its staff into a team of PC cleaners who spent their free time after work hours to check and clean up used PCs as well as install True Plookpanya digital education programs ready for delivery to schools under the True Plookpanya project.

7.2 Participation in the Development of the Community and Society

1. Community Health Development Project

- **3G Technology for Community Health**

True Group participated in the development to upgrade community health services by delivering TrueMove H 3G aircards to sub-district health centers and district hospitals. This enabled medical staff to consult with doctors at major or provincial hospitals in order to efficiently give appropriate medical advice and administer immediate treatment while visiting bed-ridden patients on site. It also helped patients save on traveling expenses. A total of 300 hospitals in 24 provinces across Thailand joined the program with each hospital serving more than 50,000 residents.

- **Saraphi District Model for Community Health Database**

True Group supported the Saraphi Model which is a project to develop a community health database by providing 300 TrueMove H 3G SIM cards with unlimited data package for tracking various health data, i.e.

geographic data, health benefits, illness and demographic data on a real time basis through the Saraphi Health Application that is linked to the Geographic Information System (GIS) system. The application can store community data of more than 26,000 households in 12 sub-districts within the Saraphi District of Chiang Mai Province and synchronize in real-time with the server. The data can then be used for further development and improvements of health services. Students in local True Plookpanya schools volunteered to participate in collecting community data.

- **Happy District With 24 District Health System (DHS) Project**

To continue the success of the Saraphi District Model Project, True Group collaborated with Naresuan University in developing a new public health project “24 DHS.” To support the project, the Company contributed its convergence communications technologies comprising TrueMove H’s 3G/4G/WiFi networks which are the largest in the country in terms of service area coverage, cloud server for “Big Data”, mobile devices such as tablets and mobile phones along with unlimited data packages for the collection of public health data of approximately 300,000 residents in 24 districts across 10 provinces in Northern Thailand, all in real-time utilizing the 24 DHS application.

Local public health administrations and communities can therefore collect the data for analysis in order to develop plans to improve community health services, the environment and other administrative processes. In addition, this can be used to build the community’s awareness of their health condition, which would eventually be in line with the quality of life improvement plan.

In addition, True Group coordinated with 124 True Plookpanya schools in the surrounding communities to encourage local students to jointly work with public health officers to collect data by using the provided tablets and mobile phones.

- **Chiang Mai Province Health Model**

True Group provided 3G technology to support and develop community health in the Chiang Mai Province Health Model project which was aimed at elevating the district health network onto a provincial level, becoming the first of its kind and serving as a prototype self administrative management province in Thailand. True Plookpanya along with True’s Government Sector Department and the True Innovation Team provided Mobile Health Solutions comprising cloud servers, tablets and 3G SIM cards so that project members can collect and store health data from 25 districts.

In addition, True Group provided TrueMove H aircards equipped with 3G SIM cards together with specially-priced unlimited data packages usable on both 850MHz and 2100 MHz networks to support the Tele-medicine Project of the Chiang Mai Provincial Public Health Office. True also delivered 3G SIM cards together with unlimited data package valid for two months to the Faculty of Nursing of Chiang Mai University for tracking additional data in the Saraphi district where students from more than 200 True Plookpanya schools in Chiang Mai Province volunteered to participate in data collection.

2. Other Public Activities

- **Let Them See Love Year 8**

True Group once again held the “Let Them See Love Year 8” campaign to increase people’s awareness of giving, under the concept of “Love is Blind,” offering a valuable opportunity for blind people to see once again. Under this campaign, relatives could donate eyes of relatives who have passed way on his/her behalf by calling 081-836-4927. True helped to publicize the campaign through various media and also provided donation channels through SMS and online via the website. The donations were then handed over to the Thai Red Cross Organ Donation Center and Eye Center.

- **HelpLink**

In 2014, HelpLink organized and promoted the following activities:

1. Donation of used clothes to the animal retention shelters for dogs to wear in winter
2. Blood donation for those injured from explosions which occurred at rallies and gatherings
3. Encouraging the public to purchase commemorative poppies to support Veterans Day
4. Promoting the 2014 Earth Hour campaign by encouraging the public to turn off lights for one hour to help save energy and reduce global warming

- **Support for Lawn Tennis Development**

True Group donated Baht 5 million Baht to the Lawn Tennis Association of Thailand to support the development of Thai tennis players and trainers. True collaborated with the Sanchez-Casal Academy in Spain to sponsor women's tennis in the 2014 Fed Cup World Group II Play-offs and to live broadcast the competition on TrueVisions' True Sports 7 Channel.

- **Bike Ride for Charity**

To mark the HM the King's 87th Birthday Celebrations on December 5, 2014, True Group participated by organizing the 9th Annual "I Will Do for King" project under the concept "Bike for Giving." The public was invited to join the "Bike for Giving" activity by riding their bikes along Rama XIII Bridge. Before the start of the event, the public paid respect to HM the King by lighting a candle and singing the Royal Anthem.

For every 200 kilometers that the participating charity bikers accumulated, the Company would donate a 7" True Smart Tab tablet installed with True's autistic application together with one year unlimited Internet package. A total of 229 tablets were donated to the Thai Autistic Foundation to use in helping people with autism to develop learning and communicating skills as well as improve their abilities. Bikers were encouraged to download the free "I Will Do" application to track the distance covered as well as their health data.

- **Supporting the ALS Ice Bucket Challenge**

True Group supported the ALS Ice Bucket Challenge, a funding activity for patients with ALS by donating to the following organizations:

1. Prasat Neurological Institute Foundation for ALS Patients Fund
2. Rama Thibodi Foundation
3. The Autism Foundation of Thailand
4. Senior Artist Benefit Foundation
5. The Thai Red Cross Eye Center
6. The Mirror Foundation
7. Don't Drive Drunk Foundation
8. Foundation for the Better Life of Children
9. Foundation of Children

- **Public Service Announcements (PSA)**

Public Service Announcements (PSA) by TrueVisions are aimed at helping to promote useful activities from both the public and private sectors on TrueVisions channels. PSAs were aired for the following organizations:

1. Foundation for the blind in Thailand under the Royal patronage of H.M. the Queen
2. The Office of the National Anti-Corruption Commission (NACC)
3. St. Camillian Foundation of Thailand
4. National Science Museum
5. International Youth Fellowship
6. The Thai Red Cross Society
7. Ministry of Foreign Affairs
8. Coastal Aquatic Feed Research Institute, Department of Fisheries
9. Department of National Parks, Wildlife and Plant Conservation
10. The Vejrusit Foundation Under The Royal Patronage of HRH Princess Galayani Vadhana Krommaluang Naradiwas
11. Utokapat Foundation Under Royal Patronage of His Majesty The King
12. Junior Water Challenge, the Royal Initiative Development Project of Utokapat Foundation
13. The 51st Anniversary Founding of The Royal Thai Army Nurses
14. EVA Project of The Bangkok Art and Culture Centre
15. Forum on Thai Lifestyle Year 2014 held by King Prajadhipok's Institute
16. The Spot of Khon Performance: The Battle of Indrajit Episode of Nagabad, The Foundation for the Promotion of Supplementary Occupations
17. Nichakhun's spot "Taking Care of Mom", Thanyarak (Breast Center)
18. The 30th Anniversary Founding of the Faculty of Mass Communications, STOU
19. The 17th Birthday Seminar of The Central Intellectual Property and International Trade Court

- **Mahajanaka: The Phenomenon Live Show**

True Group, as part of the Thai private sector, supported the Mahajanaka: The Phenomenon Live Show, a musical theatrical depicting the story of Mahajanaka, a literary work by HM King Bhumibol Adulyadej to mark HM the King's 87th Birthday Celebrations. The Company invited a group of customers as well as teachers and students from True Plookpanya schools to experience the performance that extols the virtues of perseverance, moderation, and individual sacrifice for the sake of the common good, inspiring the audience to pursue these virtues in their everyday life.

8. Innovation and Sharing of Innovation from Business Operations with Responsibility for Society, the Environment, and Stakeholders

- **True Innovation Awards**

The Company encourages bringing innovation to support effective utilization of resources within the organization. The True Innovation Awards was established to encourage employees of all levels to create innovative works that benefit the organization and society. It is also aimed at creating employees' awareness on how important and useful innovation can be for their work. Consequently, employees are able to integrate their knowledge with their work and turn their creative ideas into sustainable works of innovation.

Moreover, innovation can also be used to address or solve customers' problems, develop new and useful products and services as well as production process, and bring benefits to customers, the organization and society. These can help result in increased customer satisfaction and company revenue, process improvement, and value creation.

- **We Grow Application for a Green World**

True Group supported the Ministry of Agriculture and Cooperatives with the development of the “We Grow” application which facilitates Thai people’s participation in planting trees to increase green areas nationwide and across the world. This was part of a reforestation project that was organized to celebrate HRH Princess Maha Chakri Sirindhorn’s 60th Birthday Anniversary on the April 2, 2014.

Users of this application can show the number of trees they planted, view areas where trees were planted as well as the amount. In addition, users can share and exchange information, and learn how to grow and look after various tree species. The target of the reforestation project is 6 million trees. To further encourage the public’s participation, the wegrow.in.th website was launched to promote the project and provide information on usage of the “We Grow” application.

- **Application for Children with Autism**

The True Innovation team brought together various communications technologies to develop an innovative application that can help improve the learning and communication skills of children with autism by focusing on the development of their capabilities, and eventually helping them to live well with others. This application was successful on both the local and international levels.

The Autistic Application was ranked No. 1 in the education category in the Middle East covering Saudi Arabia, Qatar, Kuwait, and United Arab Emirates. It was also ranked in the top 10 education applications in 25 nations around the world, and was one of the iTunes What’s Hot Education applications in the United States of America, Indonesia, Malaysia and Qatar.

- **MEM for Visually-impaired Persons**

True Group collaborated with Mahidol University to develop and patent the innovative MEM – My Eyes Memory (Braille Note Taker) device which can facilitate visually-impaired persons taking notes by typing on Braille alphabet keys that are conveniently arranged according to common usage patterns. The device can also store data for further review and/or transfer to other IT devices for sending messages or communicating with other people.

- **True Lab: The Source for Active Learning**

True Group launched “True Lab@Thammasat,” a research & development center for teachers and students at Thammasat University by deploying innovative communications technology in line with the university’s active learning policy to promote self development and learning among faculty members and students. The center also serves as a source for future innovations and aims to develop Thammasat University into a university of international standards in R&D.

In parallel, the “myCampus TU” application was developed to serve as a new communication network platform for the Thammasat University community where academic and entertainment content can be shared, as well as offering an easy communication channel for the university’s network which consists of students, graduates, teachers and staff. Members of the community are able to connect with each other anywhere and anytime under the concept “Thammasat Everywhere, Thammasat Every Time.”

CSR Related Awards & Recognitions

- True Group received an Honorable Plaque for CSR Excellence at the Social Development Excellence Honorary Award 2014 ceremony, which was organized to celebrate the 12th Anniversary of the Ministry of Social Development and Human Security. The awards event was held to recognize those who participated in the Ministry's activities, and were presented to three stakeholder groups comprising the Ministry's officers, its internal operations, and other organizations.
- True Group received an Honorable Plaque to honor its continuous support for the disabled. The plaque was presented by the National Office for Empowerment of Persons with Disabilities and the Disabilities Thailand Association on the International Day of Persons with Disabilities 2014. True was one of the six award-winning organizations from the private sector.
- True Group received the HRH Princess Maha Chakri Sirindhorn's award for its Marketing Excellence at the Thailand Corporate Excellence Awards 2013. True Group was the only Thai telecommunications company that won the "Consistency of Excellence" award for six consecutive years. The Company was also one of five organizations nominated for two award categories: Corporate Social Responsibility Excellence, and Innovation Excellence.
- True Group was the winner of the 13th Office of The Consumer Protection Board (OCPB) Ad Awards 2014 in the Social, Cultural and Environmental Development. True's winning TV commercial was titled "Giving Is the Best Communication." A total of 4,940 TV commercials that were on air January – December 2014 were screened.
- True Plookpanya channel on TrueVIsions which aired the "Novice Monks Cultivate Dharma Wisdom" TV program was selected by the Office of the National Anti-Corruption Commission to receive the 2014 Chor Sa Ard Honorary Plaque Award in recognition for its media support for anti-corruption campaigns.



I nternal Controls and Risk Management

Summary of Opinion of the Board of Directors regarding the Company's Internal Controls System

After an assessment of the Company's internal controls system with the Audit Committee in the Board of Director Meeting No. 1/2558 held on 27th February 2015 with the presence of all three members of the Audit Committee, the Board of Directors has an opinion that the Company's internal controls system are adequate and suitable. Moreover, the external auditor did not identify any findings in respect of the Company's internal controls system which would be considered to be material weaknesses that could have a material impact on the financial statements. The Board also emphasized the development of the Company's Corporate Governance in order to help improve the internal controls system within the Company on a continuing basis.

Opinion of the Audit Committee which are different from the Opinion of the Board of Directors

- None -

The Head of Internal Audit

The Head of Internal Audit of the Company is Mrs. Daopakay Luksanakulbutr. She was appointed as the Head of Internal Audit since 1st December 2000.

The Audit Committee approves the appointment, transfer and dismissal of the Head of Internal Audit and oversees the person who serves as the Head of Internal Audit to have adequate and suitable educational background, experiences and trainings to fill the role. Details of the Head of Internal Audit including educational background and working experiences are as appeared in the next page.

Information of the Head of Internal Audit Department (as of 31st December)

Name	Mrs. Daopakay Luksanakulbutr	
Position	Head of Group Internal Audit	
Age (Year)	58	
Education	Master of Science in Taxation, Golden Gate University, USA Bachelor of Business Administration (Accounting), George Washington University, USA Certified Public Accountant (USA) Certified Internal Auditor	
Training	<u>Outside Training Program</u> <ul style="list-style-type: none"> - 2014 State of Internal Audit Profession Study - IIAT Annual Seminar 2014 - Brand Training - BS 25999 Transition to ISO 22301 - ISO 19011-2011 Auditing Management System - BS 25999 : Business Continuity Management - Presentation Skills - Power Trainer - Tools & Techniques for Enterprise Risk Management (ERM) <u>In-House Training Program</u> <ul style="list-style-type: none"> - Continuous Improvement - True Leaders Develop Leaders (LDL) (2014 Chairman Vision Cascade Workshop) - IDEA Application Training - IT Audit Training - Chairman Vision 2014 to Practice - LDL (Leaders Develop Leaders Program) - LDL Cascade Program - Telecommunications Regulations - 3G Network-BFKT - True Leadership - Business Continuity Management (BCM) 	
Major Experience	2013-Present	Head of Group Internal Audit True Corporation Public Company Limited
	2006-2013	Deputy Director - Group Internal Audit True Corporation Public Company Limited
	1999-2005	Head of Internal Audit TA Orange Company Limited (Presently : True Move Company Limited)
	1992-1999	General Manager CP Inter Trade Company Limited
	1998-1992	Certified Public Accountant RBZ Public Accounting Firm Los Angeles, CA
	1991-1988	Accounting Manager American Chemical Society Washington DC



Connected Transactions

- i) For the year ended 31 December 2014, the Group carried out the transaction with subsidiaries, associate, joint ventures and related companies as disclosed in note to financial statements for the year ended 31 December 2014 (Note 41). The significant connected transactions of the Company and subsidiaries that carried out with associate and related companies are as follows:

Company Name	Relationship	Details of transactions	2014 (Baht'000)	Rationale and necessity
1. The Company				
1.1 Charoen Pokphand Group of companies (CPG)*	CPG is a major shareholder of the Company.	Sale : - Collection agent fee - Revenue sharing and other service Purchase : - Office rental and related services - Management fee - Vehicle rental and related services - Repair and maintenance Air Condition system - Other services - Tower construction	37,400 21,139 202,059 87,993 79,615 11,443 29,825 900,195	- The transactions arose in ordinary course of business that the Company proposed to the third party. - The transactions arose in ordinary course of business that the Company proposed to the third party. - The transactions arose in ordinary course of business at the rate of Baht 200 – 220 per square metre per month for rental and Baht 220 – 520 per square metre per month for service. The maturity are normally in the year and are allowed to be renewed. - The transactions arose in ordinary course of business. - The transactions arose in ordinary course of business at the rate of Baht 15,000 per unit per month. The maturity is normally 3 years. - The transactions arose in ordinary course of business. - The transactions arose in ordinary course of business. - The transactions arose in ordinary course of business.
1.2 NEC Corporation (Thailand) Co., Ltd. (NEC)	The Company indirectly holds 9.42% in NEC's equity interest and related through directorship, i.e. Mr. Chatchaval Jiaravanon.	Sale : - Repair and maintenance network services	16	- The transactions arose in ordinary course of business.
1.3 True Telecommunications Growth Infrastructure Fund (TRUEIF)	The Company directly holds 28.11% in TRUEIF's equity interest.	Sale : - Telecommunication infrastructure Tower	8,252,645	- The transactions arose in ordinary course of business that True's subsidiary proposed to the third party.

*Remark: Charoen Pokphand Group of companies where the Chearavanont Family is a major shareholder. Please see detail in "Shareholders" topic on page 78.

Company Name	Relationship	Details of transactions	2014 (Baht'000)	Rationale and necessity
2. Bangkok Inter Teletech Group of companies (BITCO) (The Company indirectly holds 99.48%)				
2.1 Charoen Pokphand Group of Companies (CPG)*	CPG is a major shareholder of the Company. The Company indirectly holds 99.48% in BITCO's equity interest.	Sale : - Sales of mobile handset and accessories - Refill Card - IT outsource Purchase : - Office rental and related services - Commission from refill card and other service - Vehicle rental and related services - Advertising and other services - Handset and refill card	1,923,905 92,315 473,245 178,159 157,550 138,208 290,091 5,186,821	- The transactions arose in ordinary course of business that BITCO's subsidiary proposed to the third party. - The transactions arose in ordinary course of business that BITCO's subsidiary proposed to the third party. - The transactions arose in ordinary course of business that BITCO's subsidiary proposed to the third party. - The transactions arose in ordinary course of business at the rate of Baht 816,988 per month. The maturity is normally 3 years and allowed to be renewed. - The transactions arose in ordinary course of business. - The transactions arose in ordinary course of business at the rate of Baht 15,000 per unit per month. The maturity is normally 3 years. - The transactions arose in ordinary course of business. - The transactions arose in ordinary course of business.
2.2 True GS Co., Ltd. (TGS)	The Company indirectly holds 99.48% in BITCO's equity interest and indirectly holds 45.00% in TGS's equity interest.	Sale : - Mobile services	205	- The transactions arose in ordinary course of business that the Company proposed to the third party.
3. True Multimedia Co., Ltd. (TM) (The Company indirectly holds 91.08%)				
3.1 Charoen Pokphand Group of companies (CPG)*	CPG is a major shareholder of the Company. The Company indirectly holds 91.08% in TM's equity interest.	Purchase : - Office rental and related services - Other services	7,895 3,100	- The transaction arose in ordinary course of business at the rate of Baht 455 per square metre. The maturity is normally one year and allowed to be renewed. - The transactions arose in ordinary course of business.
3.2 NEC Corporation (Thailand) Co., Ltd. (NEC)	The Company indirectly holds 91.08% in TM's equity interest and 9.42% in NEC's equity interest, respectively.	Purchase : - Purchase of equipment	22	- The transactions arose in ordinary course of business.
4. True Internet Co., Ltd. (TI) (The Company directly holds 100.00%)				
Charoen Pokphand Group of companies (CPG)*	CPG is a major shareholder of the Company. The Company directly holds 100.00% in TI's equity interest.	Sale: - Internet services	36,147	- The transactions arose in ordinary course of business that TI proposed to the third party.

*Remark: Charoen Pokphand Group of companies where the Chearavanont Family is a major shareholder. Please see detail in "Shareholders" topic on page 78.

Company Name	Relationship	Details of transactions	2014 (Baht'000)	Rationale and necessity
4. True Internet Co., Ltd. (TI) (The Company directly holds 100.00%)				
Charoen Pokphand Group of companies (CPG)*	CPG is a major shareholder of the Company. The Company directly holds 100.00% in TI's equity interest.	Purchase : - Purchase of goods - Office rental and related services - Internet server rental - Advertising - Collection agent fee - Other services	169,901 91,350 142,284 57,593 112,701 32,787	- The transactions arose in ordinary course of business. - The transaction arose in ordinary course of business at the rate of Baht 455 per square metre. The maturity is normally one year and allowed to be renewed. - The transactions arose in ordinary course of business. - The transactions arose in ordinary course of business. - The transactions arose in ordinary course of business. - The transactions arose in ordinary course of business.
5. True Life Plus Co., Ltd. (TLP) (The Company indirectly holds 100.00%)				
Charoen Pokphand Group of Companies (CPG)*	CPG is a major shareholder of the Company. The Company indirectly holds 100.00% in TLP's equity interest.	Purchase : - Collection agent fee - Office rental and other services	18,890 16,896	- The transactions arose in ordinary course of business. - The transaction arose in ordinary course of business at the rate of Baht 455 per square metre. The maturity is normally one year and allowed to be renewed.
6. Asia Wireless Communication Co., Ltd. (AWC) (The Company indirectly holds 100.00%)				
6.1 Charoen Pokphand Group of Companies (CPG)*	CPG is a major shareholder of the Company. The Company indirectly holds 100.00% in AWC's equity interest.	Purchase : - Office rental and other services - Tower construction	6,872 868,060	- The transaction arose in ordinary course of business at the rate of Baht 455 per square metre. The maturity is normally one year and allowed to be renewed. - The transactions arose in ordinary course of business.
6.2 True Telecommunications Growth Infrastructure Fund (TRUEIF)	The Company indirectly holds 100.00% in AWC's equity interest and directly holds 28.11% in TRUEIF's equity interest respectively.	Purchase : - Tower rental	863,280	- The transactions arose in ordinary course of business.
7. True Visions Group of companies (TVG) (The Company indirectly holds 100.00%)				
7.1 Charoen Pokphand Group of Companies (CPG)*	CPG is a major shareholder of the Company. The Company indirectly holds 100.00% in TVG's equity interest.	Sale : - Activities sponsorship Purchase : - Office rental and related services	125,913 19,614	- The transactions arose in ordinary course of business that TVG proposed to the third party. - The transaction arose in ordinary course of business at the rate of Baht 455 per square metre. The maturity is normally one year and allowed to be renewed.

*Remark: Charoen Pokphand Group of companies where the Chearavanont Family is a major shareholder. Please see detail in "Shareholders" topic on page 78.

Company Name	Relationship	Details of transactions	2014 (Baht'000)	Rationale and necessity
7. True Visions Group of companies (TVG) (The Company indirectly holds 100.00%)				
7.1 Charoen Pokphand Group of Companies (CPG)*	CPG is a major shareholder of the Company. The Company indirectly holds 100.00% in TVG's equity interest.	Purchase : - Vehicle rental and related services - Collection agent fee - IVR server rental - Other services - Purchase of goods	46,806 45,379 7,942 35,353 4,337	- The transactions arose in ordinary course of business at the rate of Baht 15,000 per unit per month. The maturity is normally 3 years. - The transactions arose in ordinary course of business. - The transactions arose in ordinary course of business. - The transactions arose in ordinary course of business. - The transactions arose in ordinary course of business.
7.2 True GS Co., Ltd. (TGS)	The Company indirectly holds 100.00% in TVG's equity interest and indirectly holds 45.00% in TGS's equity interest. These companies are related through directorships, i.e. Mr. Ongard Prapakamol, Mr. Anat Mekpaiboonvatana and Ms. Yupa Leewongcharoen.	Sale : - Sale of equipment - Advertising	2,911 47,437	- The transactions arose in ordinary course of business. - The transactions arose in ordinary course of business.
8. True Touch Co., Ltd. (TT) (The Company indirectly holds 100.00%)				
8.1 Charoen Pokphand Group of Companies (CPG)*	CPG is a major shareholder of the Company. The Company indirectly holds 100.00% in TT's equity interest.	Sale : - Call center Purchase : - Office rental and related services	5,586 6,685	- The transactions arose in ordinary course of business that TT proposed to the third party. - The transaction arose in ordinary course of business at the rate of Baht 455 per square metre. The maturity is normally one year and allowed to be renewed.
8.2 True GS Co., Ltd. (TGS)	The Company indirectly holds 100.00% in TT's equity interest and indirectly holds 45.00% in TGS's equity interest.	Sale : - Call center	23,901	- The transactions arose in ordinary course of business.
9. True International Gateway Co., Ltd. (TIG) (The Company directly holds 100.00%)				
Charoen Pokphand Group of Companies (CPG)*	CPG is a major shareholder of the Company. The Company directly holds 100.00% in TIG's equity interest.	Sale : - Internet services Purchase : - Office rental and other services	4,028 29,310	- The transactions arose in ordinary course of business that TIG proposed to the third party. - The transaction arose in ordinary course of business at the rate of Baht 455 per square metre. The maturity is normally one year and allowed to be renewed.

*Remark: Charoen Pokphand Group of companies where the Chearavanont Family is a major shareholder. Please see detail in "Shareholders" topic on page 78.

Company Name	Relationship	Details of transactions	2014 (Baht'000)	Rationale and necessity
10. Real Move Co., Ltd. (RMV) (The Company indirectly holds 99.48%)				
10.1 Charoen Pokphand Group of Companies (CPG)*	CPG is a major shareholder of the Company. The Company indirectly holds 99.48% in RMV's equity interest.	Sale : - Mobile services Purchase : - Purchase of goods - Office rental and related services - Content - Commission - Marketing - Collection agent fee and cost of card - Other service	6,044 4,739 65,285 91,713 377,209 161,628 318,521 104,720	- The transactions arose in ordinary course of business that RMV proposed to the third party. - The transactions arose in ordinary course of business. - The transaction arose in ordinary course of business at the rate of Baht 455 per square metre. The maturity is normally one year and allowed to be renewed. - The transactions arose in ordinary course of business. - The transactions arose in ordinary course of business. - The transactions arose in ordinary course of business. - The transactions arose in ordinary course of business. - The transactions arose in ordinary course of business.
10.2 True GS Co., Ltd. (TGS)	The Company indirectly holds 99.48% in RMV's equity interest and indirectly holds 45.00% in TGS's equity interest.	Sale : - Mobile services	151	- The transactions arose in ordinary course of business that RMV proposed to the third party.
11. True Universal Convergence Co., Ltd. (TU) (The Company directly and indirectly holds 100.00%)				
11.1 True GS Co., Ltd. (TGS)	The Company directly holds 0.01% and indirectly holds 99.99% in TU's equity interest and indirectly holds 45.00% in TGS's equity interest. These companies are related through directorships, i.e. Ms. Yupa Leewongcharoen.	Sale : - Digital Data Network services	1,134	- The transactions arose in ordinary course of business that RMV proposed to the third party.
11.2 Charoen Pokphand Group of Companies (CPG)*	CPG is a major shareholder of the Company. The Company directly holds 0.01% and indirectly holds 99.99% in TU's equity interest.	Sale : - Digital Data Network services Purchase : - Office rental and related services - Vehicle rental and related services	188,782 94,970 199,193	- The transactions arose in ordinary course of business that the Company proposed to the third party. - The transaction arose in ordinary course of business at the rate of Baht 455 per square metre. The maturity is normally one year and allowed to be renewed. - The transactions arose in ordinary course of business at the rate of Baht 15,000 per unit per month. The maturity is normally 3 years.

*Remark: Charoen Pokphand Group of companies where the Chearavanont Family is a major shareholder. Please see detail in "Shareholders" topic on page 78.

Company Name	Relationship	Details of transactions	2014 (Baht'000)	Rationale and necessity
11. True Universal Convergence Co., Ltd. (TU) (The Company directly and indirectly holds 100.00%)				
11.2 Charoen Pokphand Group of Companies (CPG)*	CPG is a major shareholder of the Company. The Company directly holds 0.01% and indirectly holds 99.99% in TU's equity interest.	Purchase : - Repair and maintenance network - Other services - Network construction	30,578 25,769 18,475	- The transactions arose in ordinary course of business. - The transactions arose in ordinary course of business. - The transactions arose in ordinary course of business.
11.3 True Telecommunications Growth Infrastructure Fund (TRUEIF)	The Company directly holds 0.01% and indirectly holds 99.99% in TU's equity interest and directly holds 28.11% in TRUEIF's equity interest respectively.	Purchase : - Rental of fiber link	1,267,755	- The transactions arose in ordinary course of business.
12. KSC Commercial Internet Co., Ltd. (KSC) (The Company indirectly holds 56.83%)				
Charoen Pokphand Group of Companies (CPG)*	CPG is a major shareholder of the Company. The Company indirectly holds 56.83% in KSC's equity interest.	Sale : - Internet services Purchase: - Internet services and other services	2,349 25,904	- The transactions arose in ordinary course of business that the Company proposed to the third party. - The transactions arose in ordinary course of business.
13. True Information Technology Co., Ltd. (TIT) (The Company indirectly holds 100.00%)				
Charoen Pokphand Group of Companies (CPG)*	CPG is a major shareholder of the Company. The Company indirectly holds 100.00% in TIT's equity interest.	Sale : - IT Outsource Purchase : - Office rental and other services - Software licence	37,838 34,895 7,397	- The transactions arose in ordinary course of business that the Company proposed to the third party. - The transaction arose in ordinary course of business at the rate of Baht 455 per square metre. The maturity is normally one year and allowed to be renewed. - The transactions arose in ordinary course of business.
14. BFKT (Thailand) Co., Ltd. (BFKT) (The Company indirectly holds 100.00%)				
14.1 Charoen Pokphand Group of Companies (CPG)*	CPG is a major shareholder of the Company. The Company indirectly holds 100.00% in BFKT's equity interest.	Purchase : - Office rental and related services - Vehicle rental and related services - Internet server rental - Repair and maintenance network - Purchase of network equipment	33,610 44,033 16,374 55,014 37,187	- The transaction arose in ordinary course of business at the rate of Baht 455 per square metre. The maturity is normally one year and allowed to be renewed. - The transactions arose in ordinary course of business at the rate of Baht 15,000 per unit per month. The maturity is normally 3 years. - The transactions arose in ordinary course of business. - The transactions arose in ordinary course of business. - The transactions arose in ordinary course of business.

*Remark: Charoen Pokphand Group of companies where the Chearavanont Family is a major shareholder. Please see detail in "Shareholders" topic on page 78.

Company Name	Relationship	Details of transactions	2014 (Baht'000)	Rationale and necessity
14. BFKT (Thailand) Co., Ltd. (BFKT) (The Company indirectly holds 100.00%)				
14.2 True Telecommunications Growth Infrastructure Fund (TRUEIF)	he Company indirectly holds 100.00% in BFKT's equity interest and directly holds 28.11% in TRUEIF's equity interest respectively.	Purchase : - Telecommunication infrastructure rental	1,156,272	- The transactions arose in ordinary course of business.
15. True Icontent Co., Ltd. (TICT) (The Company indirectly holds 100.00%)				
Charoen Pokphand Group of Companies (CPG)*	CPG is a major shareholder of the Company. The Company indirectly holds 100.00% in TICT's equity interest.	Sale : - Sale of goods	5,371	- The transactions arose in ordinary course of business that the Company proposed to the third party.
		- Content	7,787	- The transactions arose in ordinary course of business that the Company proposed to the third party.
		Purchase : - Content	15,610	- The transactions arose in ordinary course of business.
16. True Public Communication Co., Ltd. (TPC) (The Company directly holds 100.00%)				
Charoen Pokphand Group of Companies (CPG)*	CPG is a major shareholder of the Company. The Company directly holds 100.00% in TPC's equity interest.	Purchase : - Purchase of goods	4,814	- The transactions arose in ordinary course of business.
		- Commission public phone	5,158	- The transactions arose in ordinary course of business.
17. True Move H Universal Communication Co., Ltd. (TUC) (The Company directly holds 100.00%)				
Charoen Pokphand Group of Companies (CPG)*	CPG is a major shareholder of the Company. The Company directly holds 100.00% in TUC's equity interest.	Sale : - Mobile services	7,577	- The transactions arose in ordinary course of business that the Company proposed to the third party.
		Purchase : - Office rental and related services	12,384	- The transaction arose in ordinary course of business at the rate of Baht 455 per square metre. The maturity is normally one year and allowed to be renewed.
		- Commission	282,046	- The transactions arose in ordinary course of business.
		- Collection agent fee	33,950	- The transactions arose in ordinary course of business.
		- Network service	34,555	- The transactions arose in ordinary course of business.
		- Other service	10,017	- The transactions arose in ordinary course of business.
18. Telecom Asset Management Co., Ltd. (TAM) (The Company indirectly holds 100.00%)				
True Telecommunications Growth Infrastructure Fund (TRUEIF)	The Company indirectly holds 100.00% in TAM's equity interest and directly holds 28.11% in TRUEIF's equity interest respectively.	Sale : - Management services	18,425	- The transactions arose in ordinary course of business that the Company proposed to the third party.

*Remark: Charoen Pokphand Group of companies where the Chearavanont Family is a major shareholder. Please see detail in "Shareholders" topic on page 78.

ii) Outstanding balances arising from sales of goods and services:

Change in outstanding balances arising from sales of goods and services are as follows:

Unit : Thousand Baht

Joint ventures, associates and related companies	31 December 2013	Increase (Decrease)	31 December 2014
Asia Infonet Co., Ltd.	3	(3)	-
NC True Co., Ltd.	(211)	-	(211)
True GS Co., Ltd.	20,984	2,753	23,737
True Telecommunications Growth Infrastructure Fund	3,415	(3,415)	-
NEC Corporation (Thailand) Co., Ltd.	164	-	164
CP Group of companies	8,576,332	1,950,334	10,526,666
Total	8,600,687	1,949,669	10,550,356

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

Change in outstanding balances arising from purchases of goods and services are as follows:

Unit : Thousand Baht

Joint ventures, associates and related companies	31 December 2013	Increase (Decrease)	31 December 2014
True Telecommunications Growth Infrastructure Fund	341,612	(24,938)	316,674
NC True Co., Ltd.	320	(318)	2
CP Group of companies	8,885,402	637,405	9,522,807
NEC Corporation (Thailand) Co., Ltd.	1	(1)	-
Total	9,227,335	612,148	6,839,483

iv) Outstanding balances arising from loans to related parties

Change in outstanding balances arising from loans to related parties are as follows:

Unit : Thousand Baht

Joint ventures, associates and related companies	31 December 2013	Increase (Decrease)	31 December 2014
CP Group of companies	147,000	-	147,000
Total	147,000	-	147,000

The sale of investment in ordinary shares of the non-core business subsidiaries of the Company to Thana Telecom Corporation Limited who is the Company's connected person

The Extraordinary General Meeting of the Shareholders No. 1/2556 held on 7th October 2013 passed the resolution to approve the sales of investment in ordinary shares of 8 non-core business subsidiaries, namely (1) True Leasing Company Limited, (2) Wire & Wireless Company Limited, (3) True Money Company Limited, (4) True Internet Data Center Company Limited, (5) True Lifestyle Retail Company Limited, (6) True Properties Company Limited, (7) True Digital Plus Company Limited and (8) True Digital Content and Media Company Limited to Thana Telecom Corporation Limited, which is a connected person of the Company, for the total selling price of Baht 5,392,612,337. In this regard, the sale of investment in ordinary shares of non-core business subsidiaries of the Company is deemed as a connected transaction, an asset or service transaction, which is over Baht 20 million pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions and Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Others Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 and the amendment.

The Company and its subsidiaries completely entered into the sales contract with Thana Telecom Corporation Limited since the 4th quarter of the Year 2013. As a result, the aforesaid 8 companies are no longer be subsidiaries of the Company.

Measures and Procedures for Approving the Entering into of Connected Transactions

The Company has measures and procedures for approving the entering into connected transactions in compliance with legal obligations including the Rules and Regulations of the Capital Market Supervisory Board and the Stock Exchange of Thailand ("SET"). Based on, the said relevant laws and regulations the Company has clearly set up "Rules of Entering into Related Party Transactions", to be adhered and properly followed by the Board and employees. Under the Rules of Entering into Related Party Transaction, the measures and procedures for approving the entering into related party transactions are set forth as follows:

1. The following related party transactions can be approved by Management without any approval from the Company's Board of Directors and the Shareholders' Meeting under the purpose of clause 89/12 of the Securities and Exchange Act (No. 4) B.E. 2551:

1.1 A transaction under general commercial terms

"general commercial term" mean a commercial term that a person of ordinary prudence would agree with any unrelated counterparty under the similar circumstances, on the basis of commercial negotiation and without any dependent interest resulted from the status of the director, executive or related person, including the commercial terms with the prices and the conditions or the gross margin as follows:

- a) prices and conditions that the Company, or its subsidiary receives from or offers to general persons
- b) prices and conditions that a director, an executive or related person offers to general persons
- c) prices and conditions that the Company, or its subsidiaries can prove that it is same as operators in similar business offer to general persons
- d) in case the comparison of price of goods or services cannot be made because of the distinctiveness or specifically made to order, however the Company or its subsidiaries can prove that
 - the gross margin that the Company or its subsidiaries receive from the related party transaction is similar to the gross margin they receive from transactions with other parties; or
 - the gross margin that the director, executive or related person receive from the related party transaction is similar to the gross margin they receive from transactions with other parties; and there is no difference of condition and terms between them.

- 1.2 A loan in accordance with the regulations on the welfare of the staff members and employees;
 - 1.3 A transaction in which the counterparty to the Company or both parties are;
 - (a) a subsidiary or subsidiaries whose shares are held by the Company in the amount not less than ninety percent of its total number of shares sold; or
 - (b) a subsidiary or subsidiaries whose shares are held by a director, an executive or a related person or which such person has interest, whether directly or indirectly, not more than the amount, rate or characteristic as specified in the notification of the Capital Market Supervisory Board;
 - 1.4 A transaction in particular category or with value not more than the amount or rate as specified in the notification of the Capital Market Supervisory Board
2. The following related party transactions require approval from the Company's Board of Directors but do not require approval from the Shareholders' Meeting
- 2.1 A transaction under Clause 1 which requires an approval from the Company's Board of Directors under other internal procedures of the Company such as Procedure for Budget
 - 2.2 A transaction under Clause 1.3 (b) or 1.4 that may be prescribed by the Capital Market Supervisory Board to require an approval from the Board of Directors, relevant notification shall be prescribed later
3. Any related party transactions other than those under Clause 1 and 2 require approval from the Company's Board of Directors and the Shareholders' Meeting before entering into such transactions

Policy for Future Connected Transactions

With regard to future connected transactions, the Company anticipates that there will be connected transactions in the ordinary course of business of the Company with its affiliates and that the Company shall proceed with such transactions in a transparent manner pursuant to the good corporate governance policy of the Company as well as all relevant regulations.

Significant Financial Information

Summary of Financial Statements

True Corporation Public Company Limited
Consolidated Statement of Financial Position
As at 31 December 2014, 2013, 2012 and 2011

(Unit: Thousand Baht)

	31 December 2014	Common Size (%)	(Restated) 31 December 2013	Common Size (%)	(Restated) 31 December 2012 (Equivalent to 1 January 2013)	Common Size (%)	31 December 2011	Common Size (%)
Assets								
Current assets								
Cash and cash equivalents	6,611,594	2.82	14,726,283	7.16	6,103,167	3.38	11,447,692	7.62
Restricted cash	1,139,791	0.49	2,346,446	1.14	964,823	0.54	997,852	0.66
Short-term investments	1,039	0.00	101,832	0.05	374,406	0.21	400,727	0.27
Trade and other receivables	62,825,918	26.79	38,537,982	18.72	21,424,871	11.88	12,899,586	8.59
Short-term loans to related parties	147,000	0.06	147,000	0.07	14,251	0.01	8,700	0.01
Inventories, net	4,294,126	1.83	5,049,989	2.46	1,941,475	1.07	1,596,738	1.06
Income tax deducted at source	4,078,067	1.74	2,952,598	1.43	3,018,739	1.67	2,630,683	1.75
Claimable value added tax	4,694,752	2.00	3,207,269	1.56	2,048,861	1.14	1,030,217	0.69
Other current assets	4,273,796	1.82	2,989,197	1.45	3,321,860	1.84	2,920,369	1.94
Total current assets	88,066,083	37.55	70,058,596	34.04	39,212,453	21.74	33,932,564	22.59
Non-current assets								
Restricted cash	50,690	0.02	100,043	0.05	122,231	0.07	126,198	0.08
Investments in associates, net	16,428,665	7.00	16,138,797	7.84	275,708	0.15	215,221	0.14
General investments, net	322,772	0.14	313,798	0.15	293,323	0.16	293,323	0.20
Investment property, net	5,528	0.00	5,528	0.00	54,763	0.03	55,486	0.04
Property, plant and equipment, net	75,084,946	32.01	67,867,052	32.97	81,082,685	44.96	73,938,685	49.26
Goodwill, net	11,403,094	4.86	11,403,094	5.54	11,403,094	6.32	11,403,094	7.60
Intangible assets, net	34,685,215	14.79	34,194,629	16.61	41,819,387	23.19	23,096,001	15.39
Deferred income tax assets	5,767,271	2.46	4,757,812	2.31	5,181,781	2.87	6,081,500	4.05
Other non-current assets	2,756,198	1.17	1,012,819	0.49	917,945	0.51	973,552	0.65
Total non-current assets	146,504,379	62.45	135,793,572	65.96	141,150,917	78.26	116,183,060	77.41
Total assets	234,570,462	100.00	205,852,168	100.00	180,363,370	100.00	150,115,624	100.00
Liabilities and shareholders' equity								
Current liabilities								
Short-term borrowings	2,977,087	1.27	3,742,847	1.82	5,096,095	2.83	365,952	0.24
Trade and other payables	101,369,643	43.22	88,392,478	42.93	44,721,775	24.80	30,217,408	20.14
Current portion of long-term borrowings	8,872,851	3.78	9,894,129	4.81	9,521,909	5.28	6,896,129	4.60
Income tax payable	270,765	0.12	878,854	0.43	348,115	0.19	379,434	0.25
Other current liabilities	4,158,955	1.77	4,439,348	2.16	3,299,293	1.83	2,902,171	1.93
Total current liabilities	117,649,301	50.16	107,347,656	52.15	62,987,187	34.93	40,761,094	27.16
Non-current liabilities								
Long-term borrowings	33,136,810	14.13	76,260,992	37.04	86,804,608	48.13	77,976,290	51.94
Deferred income tax liabilities	2,454,385	1.05	4,095,175	1.99	3,579,374	1.98	3,279,930	2.19
Liabilities under agreements for operation	104,088	0.04	120,139	0.06	3,079,521	1.71	3,640,166	2.43
Employee benefits obligations	1,232,105	0.53	1,137,085	0.55	914,055	0.51	865,701	0.58
Other non-current liabilities	9,053,048	3.86	12,158,983	5.91	8,994,247	4.99	2,123,100	1.41
Total non-current liabilities	45,980,436	19.61	93,772,374	45.55	103,371,805	57.32	87,885,187	58.55
Total liabilities	163,629,737	69.77	201,120,030	97.70	166,358,992	92.25	128,646,281	85.71

True Corporation Public Company Limited
Consolidated Statement of Financial Position
As at 31 December 2014, 2013, 2012 and 2011

(Unit: Thousand Baht)

	31 December 2014	Common Size (%)	(Restated) 31 December 2013	Common Size (%)	(Restated) 31 December 2012 (Equivalent to 1 January 2013)	Common Size (%)	31 December 2011	Common Size (%)
Shareholders' equity								
Share capital								
Authorised share capital								
Common shares	246,079,282		153,332,070		153,332,070		153,332,070	
Issued and fully paid-up share capital								
Common shares	246,079,282	104.88	145,302,153	70.61	145,031,792	80.27	145,031,792	96.57
Premium on share capital	11,432,046	4.87	11,432,046	5.56	11,432,046	6.33	11,432,046	7.61
Discount on share capital	(121,995,650)	(51.99)	(86,070,641)	(41.83)	(85,987,466)	(47.59)	(85,987,466)	(57.25)
Retained earnings								
Appropriated-legal reserve	34,881	0.01	34,881	0.02	34,881	0.02	34,881	0.02
Deficits	(63,424,799)	(27.03)	(64,850,076)	(31.52)	(55,634,566)	(30.79)	(48,206,801)	(32.10)
Other components of equity	(1,776,122)	(0.76)	(1,767,250)	(0.86)	(1,529,867)	(0.85)	(1,527,107)	(1.02)
Equity attributable to owners of the parent	70,349,638	29.98	4,081,113	1.98	13,346,820	7.39	20,777,345	13.83
Non-controlling interests	591,087	0.25	651,025	0.32	657,558	0.36	691,998	0.46
Total shareholders' equity	70,940,725	30.23	4,732,138	2.30	14,004,378	7.75	21,469,343	14.29
Total liabilities and shareholders' equity	234,570,462	100.00	205,852,168	100.00	180,363,370	100.00	150,115,624	100.00

True Corporation Public Company Limited
Consolidated Statement of Comprehensive Income
For the year ended 31 December 2014, 2013, 2012 and 2011

(Unit: Thousand Baht)

	31 December 2014	Common Size (%)	31 December 2013	Common Size (%)	31 December 2012	Common Size (%)	31 December 2011	Common Size (%)
Revenues								
Revenues from telephone and other services	86,985,629	79.65	79,136,772	82.25	74,298,460	83.12	65,132,462	90.54
Revenues from product sales	22,230,410	20.35	17,076,923	17.75	15,083,454	16.88	6,805,156	9.46
Total revenues	109,216,039	100.00	96,213,695	100.00	89,381,914	100.00	71,937,618	100.00
Costs								
Cost of providing services	66,106,899	60.53	59,489,193	61.83	54,892,586	61.41	46,045,350	64.01
Cost of sales	18,413,253	16.86	15,735,809	16.36	13,779,018	15.42	5,881,483	8.18
Total costs	84,520,152	77.39	75,225,002	78.19	68,671,604	76.83	51,926,833	72.19
Gross profit	24,695,887	22.61	20,988,693	21.81	20,710,310	23.17	20,010,785	27.81
Other income	2,223,482	2.04	8,662,466	9.00	847,836	0.95	12,838,087	17.85
Selling expenses	(10,119,225)	(9.27)	(11,420,067)	(11.87)	(8,475,378)	(9.48)	(6,247,834)	(8.69)
Administrative expenses	(11,692,962)	(10.71)	(11,217,976)	(11.66)	(10,634,727)	(11.90)	(9,689,443)	(13.47)
Other expenses	(5,573,728)	(5.10)	(4,918,582)	(5.11)	(2,183,994)	(2.44)	(1,283,684)	(1.78)
Share of results in associates	6,220,469	5.70	62,298	0.06	41,417	0.05	46,922	0.07
Finance costs	(6,442,429)	(5.90)	(8,401,652)	(8.73)	(6,154,422)	(6.89)	(14,971,146)	(20.81)
Profit (loss) before income tax	(688,506)	(0.63)	(6,244,820)	(6.50)	(5,848,958)	(6.54)	703,687	0.98
Income tax revenue (expenses)	2,062,975	1.89	(2,896,121)	(3.01)	(1,598,739)	(1.79)	(3,439,601)	(4.78)
Profit (loss) for the year	1,374,469	1.26	(9,140,941)	(9.51)	(7,447,697)	(8.33)	(2,735,914)	(3.80)
Other comprehensive income (expense):								
Exchange differences on translating financial statements	(2,599)	0.00	(101,857)	(0.11)	(2,760)	0.00	11,561	0.02
Actuarial loss	-	-	(152,764)	(0.16)	-	-	(31,567)	(0.04)
Total comprehensive income (expense) for the year	1,371,870	1.26	(9,395,562)	(9.78)	(7,450,457)	(8.33)	(2,755,920)	(3.82)
Profit (loss) for the year attributable to:								
Owners of the parent	1,425,277	103.70	(9,062,747)	99.14	(7,427,765)	99.73	(2,693,688)	98.46
Non-controlling interests	(50,808)	(3.70)	(78,194)	0.86	(19,932)	0.27	(42,226)	1.54
Profit (loss) for the year	1,374,469	100.00	(9,140,941)	100.00	(7,447,697)	100.00	(2,735,914)	100.00
Total comprehensive income (expense) for the year attributable to:								
Owners of the parent	1,422,678	103.70	(9,317,368)	99.17	(7,430,525)	99.73	(2,713,633)	98.47
Non-controlling interests	(50,808)	(3.70)	(78,194)	0.83	(19,932)	0.27	(42,287)	1.53
Total comprehensive income (expense) for the year	1,371,870	100.00	(9,395,562)	100.00	(7,450,457)	100.00	(2,755,920)	100.00
Basic and diluted earnings (loss) per share								
attributable to owners of the parent								
-Basic	0.07		(0.56)		(0.51)		(0.23)	
-Diluted	nil		(0.56)		(0.51)		(0.23)	

True Corporation Public Company Limited
Consolidated Statement of Cash Flows
For the year ended 31 December 2014, 2013, 2012 and 2011

(Unit: Thousand Baht)

	31 December 2014	(Restated) 31 December 2013	31 December 2012	31 December 2011
Cash flows from operating activities				
Profit (loss) before income tax	(688,506)	(6,244,819)	(5,848,958)	703,687
Adjustments for:				
Depreciation and amortisation	25,373,942	22,253,496	17,151,752	14,883,121
Interest income	(175,981)	(148,092)	(259,566)	(335,742)
Interest expense	5,118,802	7,765,546	6,551,433	9,290,503
Dividends received	(10,000)	-	-	-
Loss (gain) on disposals of property, plant and equipment	274,327	147,709	(43,026)	(62,766)
Doubtful accounts	1,243,536	1,143,824	1,415,186	1,124,722
Write off network equipment	410,184	-	-	-
Impairment charge of investment	-	8,719	-	-
Gain from disposal of infrastructure assets	-	(6,334,904)	-	-
Impairment charge of property, plant and equipment	-	2,056,089	2,123,848	73,168
Gain on reversal of right and liabilities under agreement for operation	-	(791,180)	-	-
Impairment charge of investment property	-	-	724	-
Impairment charge of goodwill	-	-	-	1,024,915
Other operating assets and liabilities written-off	-	110	17,093	3,866
Loss (gain) on sale investment in subsidiaries, joint venture and associate	15,806	(857,569)	-	(146,135)
Loss from liquidation of associate	6,072	23,035	-	-
Gain from dissolution of investment in subsidiary	-	(104,480)	-	-
Reversal of provision for CAT's call option	(1,162,471)	-	-	-
Increase in retirement benefits obligations	95,020	136,731	48,354	74,471
Gain from bargain purchase	-	-	-	(12,077,098)
Unrealised (gain) loss on foreign exchange	(223,001)	439,978	(864,711)	737,425
Realised loss (gain) on foreign exchange related to repayment of borrowings	6,162	(130,304)	-	3,416,411
Gain on settlement of DPN obligation	(350,932)	(145,283)	-	-
Gain on termination of finance lease agreement	-	(54,910)	-	-
Share of results in associates	(6,220,469)	(62,298)	(41,417)	(46,922)
Changes in operating assets and liabilities				
- Trade and other receivables	(25,726,991)	(12,940,393)	(10,331,060)	(4,581,556)
- Short-term investments	100,317	(85,214)	50,908	20,399
- Inventories	764,512	(2,854,118)	(1,252,658)	(1,926,517)
- Other current assets	(5,230,943)	(278,922)	(734,543)	406,199
- Film and program rights	(2,390,759)	(1,441,795)	(1,935,571)	(1,819,550)
- Cars for lease	-	113,317	197,531	202,219
- Other non-current assets	35,381	(257,998)	55,607	24,869
- Trade and other payables	13,203,277	29,584,190	7,573,846	6,178,940
- Other current liabilities	(719,383)	1,539,787	397,122	(105,046)
- Other non-current liabilities	(167,599)	(200,721)	145,000	(122,170)
Cash generated from operations	3,580,303	32,279,531	14,416,170	16,941,413
Add : Interest received	158,082	140,727	313,430	333,162
Less: Interest paid	(5,103,277)	(7,201,782)	(5,786,497)	(8,829,835)
Income tax paid	(2,278,912)	(2,289,021)	(1,631,246)	(1,687,448)
Net cash (used in) received from operating activities	(3,643,804)	22,929,455	7,311,857	6,757,292

True Corporation Public Company Limited
Consolidated Statement of Cash Flows
For the year ended 31 December 2014, 2013, 2012 and 2011

(Unit: Thousand Baht)

	31 December 2014	(Restated) 31 December 2013	31 December 2012	31 December 2011
Cash flows from investing activities				
Withdrawal (deposit) in restricted cash	1,256,008	(1,984,739)	36,996	184,682
Withdrawal in short-term investments	476	346,537	(24,587)	5,105
Loans made to related parties	-	(3,750)	(6,320)	-
Acquisition of subsidiaries, net of cash acquired	-	-	-	(6,015,869)
Proceeds from sale of investment in associate	-	-	-	146,135
Investments in subsidiaries, associates and other company	(45,165)	(19,355,743)	(27,000)	(81,000)
Proceeds from sale of investment in related parties, net of cash and cash equivalent	3,193,423	3,203,157	-	-
Acquisition of property, plant and equipment	(22,519,912)	(25,058,085)	(19,313,715)	(12,495,892)
Acquisition of intangible assets	(4,940,550)	(816,881)	(7,812,497)	(652,239)
Proceeds from loans to joint venture	-	-	770	-
Acquisition investment property	-	-	-	(2,130)
Proceeds from liquidation of associate	7,230	100,000	-	-
Proceeds from decrease in share capital of associate	-	-	6,578	-
Proceeds from disposals of property, plant and equipment and intangible assets	256,333	40,432,859	178,686	274,343
Dividends received	1,355,746	55,801	1,352	2,730
Net cash used in investing activities	(21,436,411)	(3,080,844)	(26,959,737)	(18,634,135)
Cash flows from financing activities				
Issues of common shares	64,852,120	187,186	-	13,114,802
Addition investment in subsidiaries by non-controlling interest	15,989	-	-	9,847
Dividends paid to non-controlling interest	-	(2,591)	(14,509)	(12,954)
Addition investment in subsidiary by purchasing shares from non-controlling interest	(31,392)	-	-	(114,822)
Proceeds from short-term borrowings	11,210,303	30,182,538	9,120,978	7,885,337
Proceeds from borrowings, net of cash paid for debt issuance cost	14,242,603	32,550,467	17,482,493	40,750,941
Repayments to short-term borrowings	(12,003,840)	(31,535,786)	(4,393,083)	(8,115,856)
Repayments to borrowings	(61,307,112)	(42,611,917)	(7,888,830)	(34,745,495)
Net cash received from (used in) financing activities	16,978,671	(11,230,103)	14,307,049	18,771,800
Net (decrease) increase in cash and cash equivalents	(8,101,544)	8,618,508	(5,340,831)	6,894,957
Opening balance	14,726,283	6,103,167	11,447,692	4,540,535
Effects of exchange rate changes	(13,145)	4,608	(3,694)	12,200
Closing balance	6,611,594	14,726,283	6,103,167	11,447,692

Auditor

The auditors appointed by the Shareholder's Meeting to be the Company's auditor in order to perform the audit of the Company and consolidated Financial Statements during the past three years were as follows:

Financial Statement for the year ended	The Company's auditors	Auditor's Name	Certified Public Account (Thailand) ID.
31 December 2014	PricewaterhouseCoopers ABAS Limited	Mr. Kajornkiet Aroonpirodkul	3445
31 December 2013	PricewaterhouseCoopers ABAS Limited	Mr. Kajornkiet Aroonpirodkul	3445
31 December 2012	PricewaterhouseCoopers ABAS Limited	Mr. Kajornkiet Aroonpirodkul	3445

According to the three (3) years' Reports of Certified Public Accountant (2012-2014), the Company's auditors had expressed his/her unqualified opinions on the Financial Statements.

PricewaterhouseCoopers ABAS Limited and auditors have no any relationship or interests with the Company, subsidiaries, management, major shareholders including their related persons, which would affect to the independence of their performing.

FINANCIAL RATIOS

			2014	2013 (Restated)	2012
Liquidity Ratios					
Current Ratio	Times		0.75	0.65	0.64
Quick Ratio-Accrual Basis	Times		0.57	0.48	0.42
Activity Ratios					
Receivable Turnover Ratio	Times		2.34	3.60	5.92
Average Collection Period	Days		153.96	100.12	60.78
Inventory Turnover Ratio	Times		3.94	4.03	6.32
Average Inventory Turnover Period	Days		91.34	89.36	56.94
Payable Turnover Ratio	Times		2.39	2.80	3.90
Average Payment Period	Days		150.37	128.73	92.36
Cash Cycle	Days		94.94	60.75	25.36
Fixed Assets Turnover Ratio	Times		1.53	1.25	1.11
Total Assets Turnover Ratio	Times		0.50	0.50	0.54
Leverage Ratios					
Total Liabilities to Total Equity Ratio	Times		2.31	42.50	11.88
Net Debt to EBITDA	Times		1.61	4.19	5.26
Net Debt to EBITDA (Exclude contributions from non-core subsidiaries in 2013)	Times		1.61	4.60	N/A
Interest Coverage Ratio	Times		3.62	1.90	2.43
Profitability Ratios					
Net Profit Margin	%		1.31%	-9.42%	-8.31%
Return on Assets ^{1/}	%		1.31%	-0.85%	0.97%
Return on Equity	%		3.77%	-96.74%	-41.88%
Growth Ratios					
Total Assets	%		13.95%	14.13%	20.15%
Total Liabilities	%		-18.64%	20.90%	29.32%
Total Revenue	%		13.51%	7.64%	24.25%
Total Operating Expenses ^{2/}	%		8.65%	11.48%	29.35%
Net Profit	%		NM	-22.01%	-175.75%

Note :

^{1/} Return on Assets = (Gross profit - selling and administrative expenses) / average total assets

^{2/} Total Operating Expenses include Costs of Providing Services, Cost of Sales and Selling and Administrative Expenses



Management's Discussion and Analysis

2014 Highlights:

- 2014 marked a turnaround year for True Group with several key achievements including revenue and productivity improvement across the Group, successful recapitalization and strategic partnership with China Mobile. All these transformed True into a profitable enterprise, paving the way for future success in the upcoming digital economy.
- True Mobile Group continued to outperform the industry with significant value market share gain. Postpaid segment saw remarkable growth; the business now claims the number 2 position in term of postpaid subscriber.
- Broadband Internet posted solid performance with over 15% YoY revenue growth and record yearly net additions.
- TrueVisions' mass segment strengthened, resulting in a pick up of subscription revenue since the second quarter of the year.

OVERVIEW

True Group achieved a number of key transformations during 2014 both in terms of financial performance and operation. These include solid revenue and market share growth, productivity enhancement across all segments through cost management initiatives, successful recapitalization and strategic partnership with China Mobile. These factors, along with tower construction and investment in TRUEIF, contributed to the Group's evolvement into a profitable company.

The convergence campaign continued to flourish throughout the year, expanding the combined subscriber base of True Group's three core products to 28.2 million, comprising 23.6 million of True Mobile Group, 2.1 million of TrueOnline's broadband Internet and 2.5 million of TrueVisions.

True Group reported a consolidated net profit to shareholders of the parent company of Baht 1.4 billion in 2014, representing a change of greater than 20% YoY, which is summarized as below:

True Group's **consolidated service** revenue increased to Baht 67.5 billion in 2014. The Group's competitive strengths of superior network and service quality, full range of attractive offerings and continued success of localized marketing activities resulted in remarkable revenue growth at the cellular and broadband Internet segments. True Mobile Group outperformed the industry with a surge of service revenue market share, increasing to 17.8% in the fourth quarter compared to an average of 15.9% in 2013. TrueOnline's broadband Internet sustained solid performance with more than 15% revenue growth YoY. Meanwhile, TrueVisions' subscription revenue picked up since the second quarter of the year despite competition and economy impact.

EBITDA improved significantly to Baht 20.1 billion, driven by incremental revenue, declining SG&A and regulatory costs as well as gain from new towers transferred to TRUEIF. Net interest expense in the fourth quarter, the first full quarter after True's recapitalization in September, dropped by more than 71% YoY. All these, together with the Company's investment in TRUEIF, resulted in its achievement in reporting a **net profit** of Baht 1.4 billion in 2014.

Looking forward to 2015, True Group targets a high single-digit growth for the consolidated service revenue and budgets approximately Baht 32 billion of cash capex for the Group (Baht 18 billion for True Mobile Group, Baht 12 billion for TrueOnline and Baht 2 billion for TrueVisions).

True Group will further differentiate its offerings through convergence as well as superior network and service quality with leading technologies. The 4G network will soon cover 80% of the Thai population while the broadband network will expand to reach 10 million households nationwide by next year. In addition, TrueVisions will continue to deliver an enhanced viewing experience via expanded HD channels and exclusive content. Continued financial discipline will remain a major focus for further improvement in the Group's profitability going forward.

Consolidated Results of Operations - Nomalized Basis

(Baht in millions unless otherwise indicated)	4Q14	3Q14	4Q13	% Change		2014	2013	% Change	% Change excl. Non-Core*
				Q-o-Q	Y-o-Y				
Revenues									
Revenues from providing services	22,513	22,595	20,923	(0.4)	7.6	86,986	79,137	9.9	12.3
- Interconnection revenue	1,141	1,059	948	7.7	20.3	4,009	4,764	(15.8)	(15.8)
- Network rental revenue	3,804	4,435	3,467	(14.2)	9.7	15,479	8,082	91.5	91.5
- Service revenue	17,569	17,101	16,508	2.7	6.4	67,497	66,291	1.8	4.5
Revenues from product sales	10,863	3,853	5,843	181.9	85.9	22,230	17,077	30.2	34.8
Total revenues	33,376	26,448	26,766	26.2	24.7	109,216	96,214	13.5	16.3
Operating expenses									
Total cost of providing services	16,778	17,780	16,132	(5.6)	4.0	66,107	59,489	11.1	15.5
Regulatory costs	708	892	942	(20.6)	(24.8)	2,668	5,378	(50.4)	(50.4)
Interconnection cost	1,468	1,335	1,157	9.9	26.9	4,935	5,973	(17.4)	(17.4)
Cost of providing services exclude IC	11,578	11,756	9,911	(1.5)	16.8	44,283	32,863	34.8	40.8
Depreciation and amortization	3,025	3,797	4,122	(20.3)	(26.6)	14,222	15,275	(6.9)	(1.3)
Cost of sales	8,448	2,739	5,561	208.4	51.9	18,413	15,736	17.0	19.2
Selling and administrative expenses	6,618	5,371	6,542	23.2	1.2	21,812	22,638	(3.6)	(6.1)
Depreciation and amortization	910	767	645	18.7	41.1	2,945	2,715	8.5	19.7
Cash SG&A	5,709	4,604	5,897	24.0	(3.2)	18,867	19,923	(5.3)	(9.2)
Total operating expenses	31,844	25,889	28,235	23.0	12.8	106,332	97,863	8.7	10.9
EBITDA	5,467	5,123	3,298	6.7	65.8	20,050	16,340	22.7	34.6
Depreciation and amortization	(3,935)	(4,563)	(4,767)	(13.8)	(17.5)	(17,167)	(17,990)	(4.6)	1.7
Operating profit	1,532	559	(1,469)	173.9	NM	2,884	(1,649)	NM	NM
Interest income	57	51	38	12.8	49.3	176	148	18.8	22.8
Interest expense	(616)	(1,347)	(1,975)	(54.3)	(68.8)	(5,006)	(7,766)	(35.5)	(34.5)
Other financial fees	(62)	(209)	(332)	(70.2)	(81.3)	(529)	(845)	(37.4)	(37.3)
Income tax (expense) revenue	1,261	149	441	745.2	186.0	2,063	(1,405)	NM	NM
Current tax	(168)	(318)	81	47.2	NM	(587)	(167)	(252.6)	(784.2)
Deferred income tax	1,429	467	360	205.8	297.2	2,650	(1,238)	NM	NM
Income (loss) from continuing operations	2,173	(796)	(3,296)	NM	NM	(412)	(11,516)	96.4	96.5
Share of results in subsidiaries and associates	203	173	80	17.0	152.2	6,220	62	NM	NM
(Income) loss attributable to non-controlling interests	1	(1)	51	NM	(97.7)	51	78	(35.0)	(36.8)
Net income (loss) from continuing operations including share of results in associates (NIOGO)	2,377	(624)	(3,165)	NM	NM	5,859	(11,376)	NM	NM
Non recurring items	(456)	(2,018)	2,637	77.4	NM	(4,434)	2,313	NM	NM
Foreign exchange gain (loss)	(185)	156	(468)	NM	60.5	175	(340)	NM	NM
Gain recognised in 2013 related to TRUEGIF	-	-	6,335	NM	(100.0)	-	6,335	(100.0)	(100.0)
Current tax related to TRUEGIF	-	-	(1,730)	NM	100.0	-	(1,730)	100.0	100.0
Deferred tax related to TRUEGIF	-	-	(607)	NM	100.0	-	(607)	100.0	100.0
Gain on sales of 7 subsidiaries and 1 joint venture	(0)	-	858	NM	NM	(0)	858	NM	NM
Impairment of network assets	-	-	-	NM	NM	-	(2,056)	100.0	100.0
Depreciation of network assets	-	(1,457)	(1,738)	100.0	100.0	(4,690)	(2,189)	(114.2)	(114.2)
Gain on reversal of the right and liabilities	-	-	-	NM	NM	-	791	(100.0)	(100.0)
Adjustment for deferred tax due to impairment	-	-	-	NM	NM	-	845	(100.0)	(100.0)
Other (expense) income	(271)	(718)	(13)	62.2	(2,009.6)	81	406	(80.1)	(73.0)
Net profit (loss) to equity holders of the Company	1,920	(2,641)	(528)	NM	NM	1,425	(9,063)	NM	NM
Non-controlling interests	(1)	1	(51)	NM	97.7	(51)	(78)	35.0	36.8
Net profit (loss) for the year	1,919	(2,640)	(579)	NM	NM	1,374	(9,141)	NM	NM
NIOGO before deferred income tax	948	(1,091)	(3,525)	NM	NM	3,209	(10,138)	NM	NM

Note: * Percentage change excluding performance contributions from the sold non-core subsidiaries in 2013 for a meaningful Y-on-Y comparison

CONSOLIDATED RESULTS OF OPERATIONS

The analysis in this report excludes contributions from the sold non-core subsidiaries in 2013 for a meaningful performance comparison.

- True Group's **consolidated service revenue** increased to Baht 67.5 billion in 2014 mainly due to continued robust growth of the cellular and broadband Internet businesses.
- **Regulatory cost** declined by more than 50% YoY to Baht 2.7 billion, driven by successful subscriber migration to license-based entities at True Mobile Group and TrueVisions post concession expiration.
- **Cash opex** was Baht 47.7 billion, increasing on expenses related to network expansion and rental payable to TRUEIF. Nevertheless, the Group's cost control initiatives implemented throughout the year resulted in a drop of cash SG&A in 2014.
- **EBITDA** improved by more than 34% YoY to Baht 20.1 billion. The growth was driven by strong revenue growth, declining marketing expenses and decreased regulatory costs. The gain recognition from transferring new towers to TRUEIF also contributed to this solid performance.
- **Depreciation and amortization expenses** increased 1.7% YoY to Baht 17.2 billion from ongoing network and service expansion.
- **Interest expenses** (net) dropped by more than 71% YoY to Baht 559 million in 4Q14, the first full quarter after True's recapitalization with significant debt repayment in September. The full-year positive impact will be realized in 2015.
- **Income tax revenue** was Baht 2.1 billion, improving from income tax expense of Baht 1.3 billion in 2013 due to a decrease in deferred tax liabilities related to TrueMove's transferred assets and forward looking for utilization of the Group's tax loss carry forward.
- **Net income from ongoing operations (NIOGO) excluding deferred income tax** was Baht 3.2 billion in 2014, improving significantly from a 10-billion loss in 2013 due to higher operating profit, a large drop of interest expense and the recognition of TRUEIF's incremental net assets value and financial performance during the year.
- True Group reported **net profit to shareholders of the parent company** of Baht 1.4 billion in 2014 after recognizing accelerated depreciation expense of TrueMove's 2G network assets totaling Baht 4.7 billion during the year.

Results by Segment (YTD)

	True Mobile Group			TrueOnline			TrueVisions			Eliminations		Consolidated		
	2014	2013	% Change	2014	2013	% Change	2014	2013	% Change	2014	2013	2014	2013	% Change excl. Non-Core*
(Bant in millions unless otherwise indicated)														
Revenues														
Revenues from providing services	57,898	48,057	20.5	25,602	28,658	(10.7)	10,803	10,728	0.7	(7,318)	(8,306)	86,986	79,137	9.9
- Interconnection revenue	4,012	4,764	(15.8)	-	-	NM	-	-	NM	(3)	-	4,009	4,764	(15.8)
- Network rental revenue	15,480	8,082	91.5	-	-	NM	-	-	NM	-	-	15,479	8,082	91.5
- Service Revenue	38,406	35,211	9.1	25,602	28,658	(10.7)	10,803	10,728	0.7	(7,314)	(8,306)	67,497	66,291	1.8
Revenues from product sales	16,260	16,059	1.2	6,007	1,006	496.9	27	131	(79.2)	(64)	(120)	22,230	17,077	30.2
Total revenues	74,158	64,116	15.7	31,610	29,664	6.6	10,830	10,859	(0.3)	(7,382)	(8,427)	109,216	96,214	13.5
Operating expenses														
Total cost of providing services	44,230	37,749	17.2	16,921	18,179	(6.9)	9,429	8,491	11.0	(4,473)	(4,931)	66,107	59,489	11.1
Regulatory costs	379	2,998	(87.4)	1,907	1,850	3.1	382	530	(28.0)	-	-	2,668	5,378	(50.4)
Interconnection cost	4,937	5,974	(17.4)	-	-	NM	-	-	NM	(2)	-	4,935	5,973	(17.4)
Cost of providing services exclude IC	31,777	20,773	53.0	9,635	10,442	(7.7)	7,279	6,393	13.9	(4,408)	(4,745)	44,283	32,863	34.8
Depreciation and amortization	7,137	8,004	(10.8)	5,379	5,887	(8.6)	1,768	1,569	12.7	(63)	(185)	15,222	15,275	(6.9)
Cost of sales	15,703	15,019	4.6	2,715	642	323.2	26	124	(79.2)	(31)	(49)	18,413	15,736	17.0
Selling and administrative expenses	15,965	16,199	(1.4)	6,668	7,281	(8.4)	1,898	2,426	(21.8)	(2,719)	(3,269)	21,812	22,638	(3.6)
Depreciation and amortization	2,372	1,756	35.1	400	793	(49.5)	183	72	153.7	(11)	93	2,945	2,715	8.5
Cash SG&A	13,593	14,443	(5.9)	6,268	6,488	(3.4)	1,715	2,354	(27.1)	(2,708)	(3,362)	18,867	19,923	(5.3)
Total operating expenses	75,898	68,967	10.0	26,305	26,102	0.8	11,353	11,042	2.8	(7,223)	(8,249)	106,332	97,863	8.7
EBITDA														
Depreciation and amortization	7,769	4,910	58.2	11,084	10,243	8.2	1,429	1,458	(2.0)	(232)	(270)	20,050	16,340	22.7
	(9,510)	(9,761)	(2.6)	(5,779)	(6,681)	(13.5)	(1,951)	(1,641)	18.9	74	92	(17,167)	(17,990)	(4.6)
Operating profit	(1,740)	(4,851)	64.1	5,305	3,562	48.9	(523)	(182)	(186.6)	(158)	(178)	2,884	(1,649)	NM
Interest income	51	51	1.8	163	121	35.1	11	86	(86.7)	(50)	(110)	176	148	18.8
Interest expense	(1,699)	(4,476)	(62.0)	(2,701)	(2,489)	8.5	(656)	(911)	(28.0)	50	110	(5,006)	(7,766)	(34.5)
Other financial fees	(428)	(642)	(33.4)	(80)	(172)	(53.7)	(22)	(30)	(28.9)	-	-	(529)	(845)	(37.3)
Income tax (expense) revenue	2,834	(1,092)	NM	(602)	(497)	(121.1)	(169)	173	NM	-	12	2,063	(1,405)	NM
Current tax	(451)	(66)	NM	(99)	(44)	(124.3)	(37)	(56)	33.9	-	-	(587)	(167)	(784.2)
Deferred income tax	3,285	(1,026)	NM	(503)	(453)	(11.0)	(132)	229	NM	-	12	2,650	(1,238)	NM
Income (loss) from continuing operations	(982)	(11,010)	91.1	2,086	525	297.2	(1,358)	(865)	(56.9)	(158)	(166)	(412)	(11,516)	96.5
Share of results in subsidiaries and associates	-	-	-	6,253	(3)	NM	(32)	(26)	(23.8)	-	91	6,220	62	NM
(Income) loss attributable to non-controlling interests	11	11	1.7	(14)	(44)	68.5	23	38	(39.5)	30	73	51	78	(35.0)
Net income (loss) from continuing operations including share of results in associates (NIOGO)	(970)	(10,999)	91.2	8,325	478	NM	(1,366)	(852)	(60.3)	(129)	(2)	5,859	(11,376)	NM
Non recurring items	(4,568)	(6,697)	31.8	469	12,515	(96.3)	(335)	(286)	(17.2)	1	(3,219)	(4,434)	2,313	NM
Foreign exchange gain (loss)	80	(510)	(79.1)	96	461	(79.1)	(1)	(290)	99.5	-	-	175	(340)	NM
Gain recognised in 2013 related to TRUEGIF	-	(4,371)	100.0	-	14,031	(100.0)	-	-	NM	-	(3,326)	-	6,335	(100.0)
Current tax related to TRUEGIF	-	-	NM	-	(1,730)	100.0	-	-	NM	-	-	-	(1,730)	100.0
Deferred tax related to TRUEGIF	-	597	(100.0)	-	(1,204)	100.0	-	-	NM	-	-	-	(607)	100.0
Gain on sales of 7 subsidiaries and 1 joint venture	-	-	NM	(0)	680	NM	-	-	NM	-	177	(0)	858	NM
Impairment of network assets	-	(2,056)	100.0	-	-	NM	-	-	NM	-	-	-	(2,056)	100.0
Depreciation of network assets	(4,690)	(2,189)	(114.2)	-	-	NM	-	-	NM	-	-	(4,690)	(2,189)	(114.2)
Gain on reversal of the right and liabilities	-	791	(100.0)	-	-	NM	-	-	NM	-	-	-	791	(100.0)
Adjustment for deferred tax due to impairment of assets / change in corporate tax rates	-	845	(100.0)	-	-	NM	-	-	NM	-	-	-	845	(100.0)
Other (expense) income	41	196	(78.9)	373	277	34.6	(334)	4	NM	1	(71)	81	406	(73.0)
Net profit (loss) to equity holders of the Company	(5,539)	(17,696)	68.7	8,794	12,993	(32.3)	(1,702)	(1,138)	(49.5)	(128)	(3,221)	1,425	(9,063)	NM
Non-controlling interests	(11)	(11)	(1.7)	14	44	(68.5)	(23)	(38)	39.5	(30)	(73)	(51)	(78)	36.8
Net profit (loss) for the year	(5,550)	(17,707)	68.7	8,808	13,037	(32.4)	(1,725)	(1,177)	(46.6)	(158)	(3,294)	1,374	(9,141)	NM
NIOGO before deferred income tax	(4,255)	(9,973)	57.3	8,827	931	NM	(1,235)	(1,081)	(14.2)	(129)	(14)	3,209	(10,138)	NM

Note: * Percentage change excluding performance contributions from the sold non-core subsidiaries in 2013 for a meaningful Y-on-Y comparison

Results by Segment (Y-o-Y)

	True Mobile Group			TrueOnline			TrueVisions			Eliminations		Consolidated	
	4Q14	4Q13	% Change	4Q14	4Q13	% Change	4Q14	4Q13	% Change	4Q14	4Q13	4Q14	% Change
(Baht in millions unless otherwise indicated)													
Revenues													
Revenues from providing services	15,132	13,533	11.8	6,564	6,160	6.6	3,059	2,665	14.8	(2,242)	(1,436)	20,923	7.6
- Interconnection revenue	1,141	948	20.3	-	-	NM	-	-	NM	-	-	1,141	20.3
- Network rental revenue	3,804	3,467	9.7	-	-	NM	-	-	NM	-	-	3,804	9.7
- Service Revenue	10,187	9,118	11.7	6,564	6,160	6.6	3,059	2,665	14.8	(2,241)	(1,435)	17,569	6.4
Revenues from product sales	6,910	5,773	19.7	3,966	57	NM	20	30	(31.3)	(34)	(16)	10,863	85.9
Total revenues	22,042	19,306	14.2	10,530	6,217	69.4	3,079	2,695	14.2	(2,275)	(1,452)	33,376	24.7
Operating expenses													
Total cost of providing services	11,212	10,584	5.9	4,360	4,062	7.3	2,551	2,322	9.9	(1,345)	(836)	16,132	4.0
Regulatory costs	135	332	(59.3)	476	486	(1.9)	96	124	(22.1)	-	-	708	(24.8)
Interconnection cost	1,469	1,157	27.0	-	-	NM	-	-	NM	(1)	-	1,468	26.9
Cost of providing services exclude IC	8,450	6,877	22.9	2,449	2,210	10.8	1,996	1,642	21.5	(1,317)	(818)	11,578	16.8
Depreciation and amortization	1,158	2,218	(47.8)	1,435	1,366	5.0	459	556	(17.5)	(27)	(18)	3,025	(26.6)
Cost of sales	6,601	5,479	20.5	1,851	54	NM	16	29	(46.2)	(21)	(1)	8,448	51.9
Selling and administrative expenses	4,958	4,929	0.6	2,028	1,648	23.0	651	630	3.4	(1,019)	(665)	6,618	1.2
Depreciation and amortization	744	429	73.5	112	198	(43.4)	57	21	168.0	(3)	(3)	910	41.1
Cash SG&A	4,214	4,500	(6.3)	1,916	1,451	32.1	593	608	(2.4)	(1,016)	(662)	5,709	(3.2)
Total operating expenses	22,772	20,991	8.5	8,240	5,765	42.9	3,218	2,981	7.9	(2,385)	(1,502)	31,844	12.8
EBITDA	1,173	962	22.0	3,838	2,016	90.4	378	292	29.5	79	29	5,467	65.8
Depreciation and amortization	(1,902)	(2,646)	(28.1)	(1,547)	(1,564)	(1.1)	(516)	(577)	(10.6)	31	21	(3,935)	(17.5)
Operating profit	(730)	(1,685)	56.7	2,291	452	407.2	(138)	(286)	51.5	109	50	1,532	NM
Interest income	19	15	30.7	84	20	329.9	3	5	(43.8)	(49)	(1)	57	38
Interest expense	(50)	(1,116)	(95.6)	(553)	(620)	(10.8)	(62)	(240)	(74.0)	49	1	(616)	(68.8)
Other financial fees	(45)	(288)	(84.3)	(17)	(36)	(53.9)	-	(7)	(100.0)	-	-	(62)	(332)
Income tax (expense) revenue	1,809	127	NM	(102)	188	NM	(446)	126	NM	-	-	1,261	441
Current tax	(137)	6	NM	(3)	90	NM	(28)	(15)	(95.5)	-	-	(168)	81
Deferred income tax	1,945	122	NM	(99)	98	NM	(417)	140	NM	-	-	1,429	297.2
Income (loss) from continuing operations	1,003	(2,947)	NM	1,704	3	NM	(644)	(402)	(60.0)	109	50	2,173	NM
Share of results in subsidiaries and associates	-	-	-	211	-	NM	(8)	(11)	23.8	-	91	203	80
(Income) loss attributable to non-controlling interests	3	3	1.8	(2)	(26)	91.1	6	41	(86.0)	(5)	33	1	51
Net income (loss) from continuing operations including share of results in associates (NIOGO)	1,006	(2,944)	NM	1,912	(23)	NM	(646)	(372)	(73.9)	104	174	2,377	NM
Non recurring items	(255)	(5,780)	95.6	98	11,718	(99.2)	(299)	(193)	(55.3)	(1)	(3,109)	(456)	NM
Foreign exchange gain (loss)	(150)	(348)	56.7	41	57	(29.3)	(75)	(178)	57.8	-	-	(185)	(468)
Gain recognised in 2013 related to TRUEGIF	-	(4,371)	100.0	-	14,031	(100.0)	-	-	NM	-	(3,326)	-	6,335
Current tax related to TRUEGIF	-	-	NM	-	(1,730)	100.0	-	-	NM	-	-	-	(1,730)
Deferred tax related to TRUEGIF	-	597	(100.0)	-	(1,204)	100.0	-	-	NM	-	-	-	(607)
Gain on sales of 7 subsidiaries and 1 joint venture	-	-	NM	(0)	680	NM	-	-	NM	-	177	(0)	858
Depreciation of network assets	-	(1,738)	100.0	-	-	NM	-	-	NM	-	-	-	(1,738)
Other (expense) income	(104)	79	NM	57	(117)	NM	(224)	(15)	NM	(1)	40	(271)	(13)
Net profit (loss) to equity holders of the Company	752	(8,724)	NM	2,010	11,695	(82.8)	(945)	(564)	(67.5)	104	(2,935)	1,920	NM
Non-controlling interests	(3)	(3)	(1.8)	2	26	(91.1)	(6)	(41)	86.0	5	(33)	(1)	(51)
Net profit (loss) for the year	749	(8,727)	NM	2,012	11,721	(82.8)	(951)	(605)	(57.1)	109	(2,968)	1,919	NM
NIOGO before deferred income tax	(939)	(3,066)	69.4	2,011	(121)	NM	(229)	(512)	55.3	104	174	948	NM

Results by Segment (Q-o-Q)

	True Mobile Group			TrueOnline			TrueVisions			Eliminations		Consolidated		
	4Q14	3Q14	% Change	4Q14	3Q14	% Change	4Q14	3Q14	% Change	4Q14	3Q14	4Q14	3Q14	% Change
Revenues (Baht in millions unless otherwise indicated)														
Revenues from providing services	15,132	15,267	(0.9)	6,564	6,374	3.0	3,059	2,843	7.6	(2,242)	(1,888)	22,513	22,595	(0.4)
- Interconnection revenue	1,141	1,062	7.4	-	-	NM	-	-	NM	-	(3)	1,141	1,059	7.7
- Network rental revenue	3,804	4,435	(14.2)	-	-	NM	-	-	NM	-	-	3,804	4,435	(14.2)
- Service Revenue	10,187	9,770	4.3	6,564	6,374	3.0	3,059	2,843	7.6	(2,241)	(1,886)	17,569	17,101	2.7
Revenues from product sales	6,910	1,985	248.1	3,966	1,872	111.9	20	3	NM	(34)	(7)	10,863	3,853	181.9
Total revenues	22,042	17,252	27.8	10,530	8,246	27.7	3,079	2,846	8.2	(2,275)	(1,895)	33,376	26,448	26.2
Operating expenses														
Total cost of providing services	11,212	12,177	(7.9)	4,360	4,358	0.0	2,551	2,494	2.3	(1,345)	(1,250)	16,778	17,780	(5.6)
Regulatory costs	135	331	(59.2)	476	478	(0.3)	96	83	16.1	-	-	708	892	(20.6)
Interconnection cost	1,469	1,335	10.0	-	-	NM	-	-	NM	(1)	-	1,468	1,335	9.9
Cost of providing services exclude IC	8,450	8,633	(2.1)	2,449	2,390	2.5	1,996	1,960	1.8	(1,317)	(1,228)	11,578	11,756	(1.5)
Depreciation and amortization	1,158	1,877	(38.3)	1,435	1,490	(3.7)	459	450	1.9	(27)	(21)	3,025	3,797	(20.3)
Cost of sales	6,601	1,955	237.8	1,851	782	136.8	16	6	185.9	(21)	(3)	8,448	2,739	208.4
Selling and administrative expenses	4,958	4,130	20.0	2,028	1,463	38.6	651	407	59.8	(1,019)	(630)	6,618	5,371	23.2
Depreciation and amortization	744	718	3.6	112	(6)	NM	57	58	(0.4)	(3)	(2)	910	767	18.7
Cash SG&A	4,214	3,412	23.5	1,916	1,470	30.4	593	350	69.8	(1,016)	(628)	5,709	4,604	24.0
Total operating expenses	22,772	18,262	24.7	8,240	6,603	24.8	3,218	2,906	10.7	(2,385)	(1,883)	31,844	25,889	23.0
EBITDA	1,173	1,585	(26.0)	3,838	3,126	22.7	378	448	(15.6)	79	(37)	5,467	5,123	6.7
Depreciation and amortization	(1,902)	(2,595)	(26.7)	(1,547)	(1,484)	4.2	(516)	(508)	1.6	31	24	(3,935)	(4,563)	(13.8)
Operating profit	(730)	(1,010)	27.8	2,291	1,643	39.5	(138)	(60)	(129.7)	109	(13)	1,532	559	173.9
Interest income	19	19	1.2	84	28	202.0	3	4	(40.9)	(49)	-	57	51	12.8
Interest expense	(50)	(456)	(89.1)	(553)	(724)	(23.6)	(62)	(168)	(616)	49	-	(616)	(1,347)	(54.3)
Other financial fees	(45)	(183)	(75.3)	(17)	(20)	(15.1)	-	(5)	(100.0)	-	-	(62)	(209)	(70.2)
Income tax (expense) revenue	1,809	210	NM	(102)	(115)	11.2	(446)	54	NM	-	-	1,261	149	NM
Current tax	(137)	(294)	53.6	(3)	(16)	80.4	(28)	(8)	(265.7)	-	-	(168)	(318)	47.2
Deferred income tax	1,945	504	286.0	(99)	(99)	(0.1)	(417)	62	NM	-	-	1,429	467	205.8
Income (loss) from continuing operations	1,003	(1,421)	NM	1,704	812	109.7	(644)	(175)	(268.5)	109	(13)	2,173	(796)	NM
Share of results in subsidiaries and associates	-	-	-	211	183	15.3	(8)	(10)	15.0	-	-	203	173	17.0
(Income) loss attributable to non-controlling interests	3	3	1.8	(2)	(3)	33.4	6	1	307.7	(5)	(2)	1	(1)	NM
Net income (loss) from continuing operations including share of results in associates (NIOGO)	1,006	(1,418)	NM	1,912	992	92.8	(646)	(183)	(253.4)	104	(15)	2,377	(624)	NM
Non recurring items	(255)	(1,943)	86.9	98	6	NM	(299)	(79)	(277.3)	(1)	(2)	(456)	(2,018)	77.4
Foreign exchange gain (loss)	(150)	62	NM	41	74	(45.0)	(75)	20	NM	-	-	(185)	156	NM
Depreciation of network assets	-	(1,457)	100.0	-	-	NM	-	-	NM	-	-	-	(1,457)	100.0
Other (expense) income	(104)	(548)	81.0	57	(68)	NM	(224)	(100)	(125.0)	(1)	(2)	(271)	(718)	62.2
Net profit (loss) to equity holders of the Company	752	(3,361)	NM	2,010	998	101.4	(945)	(262)	(260.6)	104	(17)	1,920	(2,641)	NM
Non-controlling interests	(3)	(3)	(1.8)	2	3	(33.4)	(6)	(1)	(307.7)	5	2	(1)	1	NM
Net profit (loss) for the year	749	(3,364)	NM	2,012	1,001	101.0	(951)	(263)	(260.9)	109	(15)	1,919	(2,640)	NM
NIOGO before deferred income tax	(939)	(1,922)	51.1	2,011	1,091	84.4	(229)	(245)	6.6	104	(15)	948	(1,091)	NM

Normalized Revenue Profile (YTD)

(Baht in millions unless otherwise indicated)	Consolidated Revenues (Before Intersegment Eliminations)				
	2014		2013		% Change
	Revenue	% of revenue after eliminations	Revenue	% of revenue after eliminations	
TrueVisions	10,830		10,859		(0.3)
- Service revenue	10,803		10,728		0.7
- Product sales	27		131		(79.2)
Intersegment elimination	(1,835)		(804)		128.1
TrueVisions after elimination	8,995	8.2%	10,055	10.5%	(10.5)
True Mobile Group	74,158		64,116		15.7
- Service revenue	38,406		35,211		9.1
- Network rental revenue & IC	19,492		12,846		51.7
- Product sales	16,260		16,059		1.2
Intersegment elimination	(577)		(1,043)		(44.7)
True Mobile Group after elimination	73,581	67.4%	63,073	65.6%	16.7
TrueOnline	31,610		29,664		6.6
- Traditional voice	5,584		6,217		(10.2)
- Fixed line (excl. IDD & VOIP)	5,549		6,119		(9.3)
- Public phone	28		68		(58.6)
- PCT	7		29		(77.5)
- Broadband, Internet and Business Data Service	18,020		16,183		11.4
- Broadband Internet & business data	16,546		14,377		15.1
- Other Internet & VAS	1,475		1,806		(18.4)
- New revenue stream, convergence & others	1,998		6,259		(68.1)
- New revenue stream	384		495		(22.4)
- International call	280		398		(29.8)
- Others	105		97		8.0
- Convergence & others	1,614		5,764		(72.0)
TrueOnline service revenue	25,602		28,658		(10.7)
TrueOnline product sales	6,007		1,006		496.9
Intersegment elimination	(4,969)		(6,579)		(24.5)
TrueOnline after elimination	26,641	24.4%	23,086	24.0%	15.4
Normalized consolidated revenues	116,598		104,640		11.4
Total intersegment elimination	(7,382)		(8,427)		(12.4)
Normalized consolidated revenues - net	109,216	100.0%	96,214	100.0%	13.5

Normalized Revenue Profile (Y-o-Y)

(Baht in millions unless otherwise indicated)	Consolidated Revenues (Before Intersegment Eliminations)				
	4Q14		4Q13		% Change
	Revenue	% of revenue after eliminations	Revenue	% of revenue after eliminations	
TrueVisions	3,079		2,695		14.2
- Service revenue	3,059		2,665		14.8
- Product sales	20		30		(31.3)
Intersegment elimination	(801)		(263)		204.0
TrueVisions after elimination	2,278	6.8%	2,432	9.1%	(6.3)
True Mobile Group	22,042		19,306		14.2
- Service revenue	10,187		9,118		11.7
- Network rental revenue & IC	4,945		4,415		12.0
- Product sales	6,910		5,773		19.7
Intersegment elimination	(161)		(214)		(24.7)
True Mobile Group after elimination	21,881	65.6%	19,092	71.3%	14.6
TrueOnline	10,530		6,217		69.4
- Traditional voice	1,354		1,585		(14.6)
- Fixed line (excl. IDD & VOIP)	1,348		1,563		(13.8)
- Public phone	6		14		(59.2)
- PCT	0		8		(94.6)
- Broadband, Internet and Business Data Service	4,736		3,927		20.6
- Broadband Internet & business data	4,321		3,601		20.0
- Other Internet & VAS	415		326		27.4
- New revenue stream, convergence & others	474		647		(26.8)
- New revenue stream	96		90		6.4
- International call	71		65		9.0
- Others	25		25		(0.6)
- Convergence & others	378		557		(32.2)
TrueOnline service revenue	6,564		6,160		6.6
TrueOnline product sales	3,966		57		NM
Intersegment elimination	(1,313)		(974)		34.8
TrueOnline after elimination	9,217	27.6%	5,242	19.6%	75.8
Normalized consolidated revenues	35,652		28,218		26.3
Total intersegment elimination	(2,275)		(1,452)		56.7
Normalized consolidated revenues - net	33,376	100.0%	26,766	100.0%	24.7

Normalized Revenue Profile (Q-o-Q)

(Baht in millions unless otherwise indicated)	Consolidated Revenues (Before Intersegment Eliminations)				
	4Q14		3Q14		% Change
	Revenue	% of revenue after eliminations	Revenue	% of revenue after eliminations	
TrueVisions	3,079		2,846		8.2
- Service revenue	3,059		2,843		7.6
- Product sales	20		3		505.7
Intersegment elimination	(801)		(597)		34.1
TrueVisions after elimination	2,278	6.8%	2,249	8.5%	1.3
True Mobile Group	22,042		17,252		27.8
- Service revenue	10,187		9,770		4.3
- Network rental revenue & IC	4,945		5,497		(10.1)
- Product sales	6,910		1,985		248.1
Intersegment elimination	(161)		(112)		44.3
True Mobile Group after elimination	21,881	65.6%	17,140	64.8%	27.7
TrueOnline	10,530		8,246		27.7
- Traditional voice	1,354		1,376		(1.6)
- Fixed line (excl. IDD & VOIP)	1,348		1,368		(1.5)
- Public phone	6		7		(17.7)
- PCT	0		0		320.3
- Broadband, Internet and Business Data Service	4,736		4,564		3.8
- Broadband Internet & business data	4,321		4,179		3.4
- Other Internet & VAS	415		385		7.9
- New revenue stream, convergence & others	474		434		9.1
- New revenue stream	96		98		(2.1)
- International call	71		72		(1.2)
- Others	25		26		(4.7)
- Convergence & others	378		336		12.4
TrueOnline service revenue	6,564		6,374		3.0
TrueOnline product sales	3,966		1,872		111.9
Intersegment elimination	(1,313)		(1,186)		10.7
TrueOnline after elimination	9,217	27.6%	7,060	26.7%	30.6
Normalized consolidated revenues	35,652		28,344		25.8
Total intersegment elimination	(2,275)		(1,895)		20.1
Normalized consolidated revenues - net	33,376	100.0%	26,448	100.0%	26.2

SEGMENT RESULTS

True Mobile Group

- True Mobile Group's **cellular service revenue** increased 9.1% YoY to Baht 38.4 billion, outperforming the industry with significant market share gain in 2014. Its service revenue market share surged to 17.8% in the fourth quarter of 2014 from an average of 15.9% in the previous year. Non-voice revenue with rising mobile Internet usage remained the key growth driver.
- **Voice revenue** increased slightly as the cellular business penetrated more into the mass postpaid market while also successfully converting sophisticated prepaid users onto postpaid platform.
- **Non-voice revenue** increased 24.0% YoY to Baht 16.7 billion, representing 43.5% of True Mobile Group's cellular service revenue. This solid performance was driven by a substantial growth of mobile Internet usage, whose contribution rose to 82.3% of non-voice revenue, in both prepaid and postpaid segments.
- **Revenue from international roaming and other services** was Baht 2.6 billion in 2014, declining YoY partly due to global price pressure and political concerns which resulted in fewer tourist arrivals in Thailand. However, International roaming and other revenues picked up in the second half of the year.
- **Product sales** achieved a record high at Baht 16.3 billion, underpinned by the ongoing popularity of smart devices, mainly the iPhone 6 and iPhone 6 Plus, as well as competitive 3G handsets under the "True" brand.
- **Net IC expense** decreased 23.5% YoY to Baht 925 million partly due to IC rate reduction from Baht 1 per minute to Baht 0.45 per minute since July 1, 2013.
- **Regulatory cost** dropped 87.4% YoY to Baht 379 million, supported by continued subscriber migration to TrueMove H's 3G and 4G services.
- **Cash opex** increased 10.2% YoY to Baht 29.9 billion due to incremental expenses related to network expansion, including net 3G wholesale cost given a full recognition of all 3G base stations on the 850 MHz spectrum. Meanwhile, the Group's cost management implemented throughout the year resulted in a 6-percent YoY decline in cash SG&A expense.
- **EBITDA** improved significantly by 58.2% YoY to Baht 7.8 billion on solid revenue growth as well as declining marketing and regulatory costs, outpacing incremental network-related expenses.
- **Depreciation and amortization expenses** decreased from the previous year following the complete depreciation of TrueMove's mobile network assets.
- **Interest expense** dropped 62.0% YoY to Baht 1.7 billion, driven by successful recapitalization with massive debt repayment in September. The full positive impact will be realized in 2015.
- **NIOGO excluding deferred income tax** was a loss of Baht 4.3 billion, surging YoY due to robust EBITDA growth and interest expense drop.
- At the end of 2014, True Mobile Group's **subscriber base** increased to 23.6 million, of which 21.9 million were under TrueMove H's 3G and 4G businesses, representing 93% of the total mobile subscribers. Blended ARPU increased to Baht 130 in 2014, compared to Baht 124 in the previous year.
- True Mobile Group significantly strengthened its position in the postpaid segment throughout 2014 via TrueMove H's superior 4G LTE and 3G network coverage as well as its wide variety of attractive offerings, particularly device-bundling promotions. The success of its localized marketing campaigns and ongoing popularity of 3G handsets under the "True" brand also facilitated strong 3G subscriber acquisition nationwide while enhancing the Group position in the prepaid segment.

- True Mobile Group will further reinforce its position as Thailand's leading mobile Internet provider by moving ahead with its 4G network rollout to reach 80% of the Thai population nationwide by the second quarter of this year, complementing TrueMove H's 3G+ services on the 850 MHz spectrum which already covered more than 97% of the population. In addition, by partnering with China Mobile, the Group recently launched the house-brand 4G handset in February 2015 while a wide range of 4G devices will be further introduced throughout this year. All these, combined with more competitive device-bundling packages and continued regional marketing activities will be key growth factors for True Group's cellular business in 2015.

TrueOnline

- **Service revenue** increased 2.0% YoY to Baht 25.6 billion in 2014 due to robust growth of broadband Internet despite declining contribution from traditional voice services.
- **Broadband Internet revenue** surged 15.1% YoY to Baht 16.5 billion driven by strong performance in both consumer and corporate segments. Broadband revenue contribution increased to 65% of TrueOnline's service revenue in 2014, up from 50% in the previous year.
- Continued solid momentum of TrueOnline's leading broadband offerings for both standalone and convergence packages along with ongoing expansion into the provinces fuelled broadband **subscriber base** to 2.1 million, achieving an all-time high net additions of 272k during the year while ARPU remained healthy at Baht 710.
- **EBITDA** improved by 26.7% YoY to Baht 11.1 billion mainly due to gain recognition from transferring more than 3,000 new towers to TRUEIF during the year. This solid performance was achieved despite rental expenses payable to TRUEIF and declining contributions from traditional voice services.
- **Interest expense** increased 14.0% YoY to Baht 2.7 billion, partly driven by True Group's financing strategy to issue debentures at True Corporation Public Company Limited, whose financial performance is reported under TrueOnline, with more competitive interest rates than bank loans; this not only reduces overall interest burden for True Group but also removes financial covenant concerns for the company. The first full-quarter positive impact from the recapitalization resulted in a 10.8% YoY drop of interest expense at TrueOnline in 4Q14.
- **NIOGO excl deferred income tax** dramatically increased to Baht 8.8 billion, driven by higher operating profit as well as the recognition of TRUEIF's financial performance and its incremental net assets value as appraised according to the SEC regulation by independent financial advisors of the fund.
- Looking forward, TrueOnline will continue to deliver fast and reliable Internet connections, superior service quality as well as greater value offerings to customers through attractive broadband packages and unique convergence campaigns. The business will reinforce its market-leading position in the broadband market by expanding its fiber network via FTTx technology to reach 4 million households in BMA while aiming to expand to upcountry nationwide, covering a total of 10 million households within 2016.

TrueVisions

- TrueVisions' **service revenue** in 2014 increased slightly (+0.7%) YoY to Baht 10.8 billion as incremental revenues from advertising and music entertainment business offset softened subscription revenue.
- Nevertheless, TrueVisions' stronger position in the mass segment, underpinned by continued popularity of the Group's mass convergence packages, resulted in a pick up of **subscription revenue** since 2Q14. This upward trend has continued throughout the year despite impact from competition and economy.
- **Advertising revenue** grew 40.0% YoY to Baht 1.3 billion partly due to ongoing positive response to the redesigned advertising packages with better-valued offerings to advertisers and media buyers as well as rising contribution from digital TV channels.
- **Music Entertainment and other revenues** increased 19.6% to Baht 2.1 billion on contribution from TrueVisions' own produced content and popular music events held during the year, including EXO and Girls Generation concerts.
- **Regulatory cost** declined 28.0% YoY to Baht 382 million, driven by successful subscriber migration to the license-based entity, TrueVisions Group.
- **Cash opex** increased 2.8% YoY to Baht 9.0 billion mainly due to higher content costs as TrueVisions continued to equip its portfolio with a wide array of quality content, especially in high-definition format. Cash selling and administrative expenses, however, dropped 27.1% YoY to Baht 1.7 billion following the Group's cost control initiatives implemented throughout the year.
- **EBITDA** declined 2.0% YoY to Baht 1.4 billion as higher cash opex offset service revenue growth and the regulatory cost decline.
- **Depreciation and amortization expenses** increased 18.9% YoY to Baht 2.0 billion, driven by TrueVisions Group's service expansion and the amortization of the two digital terrestrial licenses granted from NBTC in April 2014.
- **Interest expense** dropped 28.0% YoY to Baht 656 million as a result of debt prepayment in September, using proceeds from the recapitalization.
- **NIOGO excluding deferred income tax** declined to a loss of Baht 1.2 billion mainly from higher depreciation and amortization expenses.
- In 2014, TrueVisions' mass-market strategy received remarkable response from the target segments. This resulted in record-high paying subscribers while driving TrueVisions' **customer base** up to 2.5 million with an **ARPU** of Baht 715.
- Looking forward, TrueVisions will remain committed to delivering an enhanced viewing experience through a wide selection of top international and local content, particularly in high definition format. In addition, the business will differentiate its premium offering with live broadcast and exclusive content as well as additional privileges.
- TrueVisions aims to further strengthen its position in the mass segment by introducing value-for-money offerings as well as leveraging on its fully-diversified platform and bundled packages with other products within True Group.
- TrueVisions recently launched the "True Digital HD" set-top box, offering a variety of attractive channels while customers can also top up with additional packages; a move expected to reduce the entry barrier for new customers. The initial feedback was positive even at this early stage. As such, the business plans to introduce a series of new set-top box models throughout 2015 to suit different target customers. This will facilitate TrueVisions' advertising revenue growth by broadcasting its content to a wider audience, paving the way for incremental upselling.

Consolidated Balance Sheet and Cash Flows

	31 Dec 14	31 Dec 13 (Restated)	% Change
(Baht in millions unless otherwise indicated)			
Balance Sheets			
Cash and cash equivalents	6,612	14,726	(55.1)
Trade and other receivables	62,826	38,538	63.0
Other current assets*	18,629	16,794	10.9
<i>Total current assets</i>	<i>88,066</i>	<i>70,059</i>	<i>25.7</i>
Property, plant and equipment, net*	75,085	67,867	10.6
Goodwill, net	11,403	11,403	0.0
Intangible assets, net*	34,685	34,195	1.4
Deferred income tax assets	5,767	4,758	21.2
Other non-current assets	19,564	17,571	11.3
<i>Total non-current assets</i>	<i>146,504</i>	<i>135,794</i>	<i>7.9</i>
Total assets	234,570	205,852	14.0
Short-term borrowings	2,977	3,743	(20.5)
Trade and other payables	101,370	88,392	14.7
Current portion of long-term borrowings	8,873	9,894	(10.3)
Other current liabilities	4,430	5,318	(16.7)
<i>Total current liabilities</i>	<i>117,649</i>	<i>107,348</i>	<i>9.6</i>
Long-term borrowings	33,137	76,261	(56.5)
Deferred income tax liabilities	2,454	4,095	(40.1)
Liabilities under agreements for operation	104	120	(13.4)
Other non-current liabilities	10,285	13,296	(22.6)
<i>Total non-current liabilities</i>	<i>45,980</i>	<i>93,772</i>	<i>(51.0)</i>
Total liabilities	163,630	201,120	(18.6)
Total shareholder's equity	70,941	4,732	NM
Total liabilities and shareholder's equity	234,570	205,852	14.0

	31 Dec 14	31 Dec 13 (Restated)	% Change
Cash Flows			
Cash flows from operating activities*	(3,644)	22,929	NM
Cash flows (used in) from investing activities*	(21,436)	(3,081)	595.8
- Capex*	(27,460)	(25,875)	6.1
Cash flows (used in) from financing activities	16,979	(11,230)	NM
Net (decrease) increase in cash and cash equivalents	(8,102)	8,619	NM
Beginning cash balance and effects of exchange rate changes	14,713	6,108	140.9
Ending cash balance	6,612	14,726	(55.1)

*Balance sheet items, such as PP&E, intangible assets and inventory, for 2013 were restated following the change in accounting policy and presentation (see "Note 4: Change in accounting policy" of the FY2014 financial statements)

FINANCIAL POSITION

True Group's net debt to equity ratio was 0.5 times at the end of 2014, dramatically lower than the 14.5 times level at the end of 2013. This was driven by the recapitalization and massive debt repayment of over Baht 56 billion in September as well as significant improvement of the Company's financial performance, reporting a profit of Baht 1.4 billion in 2014 compared to a loss of Baht 9.1 billion a year earlier.

Balance Sheet

Assets

- **True Group's assets** increased to Baht 234.6 billion at the end of 2014 from Baht 205.9 billion at the end of 2013 mainly due to incremental receivables, as described below.
- **Property, plant and equipment, net** increased 10.6% from the end of 2013 to Baht 75.1 billion due to continued expansion of mobile and broadband networks.
- **Trade and other receivables** increased to Baht 62.8 billion following True Group's business expansion, particularly related to the HSPA business on the 850 MHz spectrum with CAT Telecom.

Liabilities

- **True Group's total liabilities** decreased 18.6% from the end of 2013 to Baht 163.6 billion mainly due to significant debt repayment, using proceeds from recapitalization during the third quarter; this resulted in a 57-percent YoY drop of **long-term borrowings** in 2014 while removing all secured bank loans for the Group.
- **Trade and other payables** increased from the end of 2013 to Baht 101.4 billion, driven by True Group's business expansion, particularly the HSPA business on the 850 MHz spectrum with CAT Telecom.

Shareholders' equity

- Shareholders' equity increased drastically from Baht 4.7 billion at the end of 2013 to Baht 70.9 billion at the end of 2014 due to capital raising of Baht 65 billion in the third quarter and the Group's profitability in 2014.

LIQUIDITY AND CAPITAL RESOURCES

- True Group's primary capital resources for the year 2014 were **cash flows from financing activities**, totaling Baht 17.0 billion, which increased significantly from the previous year due to the capital raising via rights offering and private placement in the third quarter of 2014.
- **Cash flows from operating activities** in 2014 declined YoY to a negative of Baht 3.6 billion given a high base in 2013 from recognition of advance receipt for the new 6,000 towers transferred to TRUEIF (totaling Baht 16.4 billion) as well as higher working-capital requirements during 2014.
- **Cash flows used in investing activities** in 2014 increased YoY to Baht 21.4 billion due to the second installment of the 2.1 GHz spectrum fee (totaling Baht 3,375 million) as well as a high base of cash receipt in 2013 from disposing infrastructure assets to TRUEIF and selling an investment in ordinary shares of eight non-core subsidiaries.
- **Cash capex** was Baht 27.5 billion in 2014, increasing YoY particularly at the cellular business which continued to expand its 4G network on the 2.1 GHz spectrum.

Report of the Audit Committee for the Year 2014

The Audit Committee comprising of three Independent Directors, Mr. Vitthya Vejjajiva, Dr. Kosol Petchsuwan and Mr. Joti Bhokavanij, was reappointed by the Board of Directors Meeting No. 2/2555 held on 28th February 2012 to perform duties and discharge responsibilities under the Charter for the Audit Committee. During the Year 2014, the Audit Committee proceeded as follows:

1. Held seven meetings in 2014 in order to discharge its functions as assigned by the Board of Directors. The Audit Committee reported its activities to the Board of Directors on a quarterly basis;

Name		Position	Attendance of the Audit Committee Meetings In the Year 2014*
1. Mr. Vitthya	Vejjajiva	Chairman of the Audit Committee	7/7
2. Dr. Kosol	Petchsuwan	Member of the Audit Committee	6/7
3. Mr. Joti	Bhokavanij	Member of the Audit Committee	7/7

Remark *In the Year 2014, the Audit Committee held one meeting with the external auditor without the presence of Management.

2. Reviewed the independence and performance of the external auditor including the external auditing fee. The Audit Committee deemed that the external auditor performed independently and provided useful opinions and recommendations regarding financial reporting and internal controls. Therefore, the Audit Committee recommended the appointment of external auditors from PricewaterhouseCoopers ABAS Limited as the Company's Auditor and the external auditing fee for the Year 2014 to the Board of Directors for approval by the Annual General Meeting of the Shareholders;
3. Discussed with the external auditor the scope of their audits before they commenced and followed up their audits;
4. Acknowledged the audit plan and external auditor's findings and provided recommendations;
5. Reviewed the annual and quarterly financial reports of the Company which included performance of its subsidiaries. The Audit Committee agreed with the external auditor that the Company's financial statements represented the Company's financial position and financial performance fairly, in all material respects, in accordance with Thai Financial Reporting Standard;
6. Reviewed the Company's and its subsidiaries' practices relating to related party transactions to ensure compliance with the Rules of Entering into Related Party Transactions of the Company which is in line with the law and regulation of the Stock Exchange of Thailand. The Audit Committee deemed that the entering into related party transactions of the Company and its subsidiaries complied with the law and the Stock Exchange of Thailand's regulation, was reasonable and most beneficial to the Company;


7. Reviewed the compliance with the Securities and Exchange laws, regulations of the Stock Exchange of Thailand, and other laws related to the Company's business. Based on the reports of external auditor, internal audit and Management, the Audit Committee deemed that the Company has complied with all related laws and regulations;
8. Reviewed the Internal Control System to evaluate the adequacy and effectiveness to reasonably ensure the Company's performance in achieving its goals based on the internal audit report for the Year 2014, which covered key business processes. The Audit Committee deemed that the Company's Internal Control System was adequate and appropriate. Moreover, with the dynamic environment of telecommunication business, the Audit Committee supported continual development of the Internal Control System to suit the changing environment within the Company;
9. Followed up risk management activities under "Risk Management Policy and Framework" of the Company which was an integral part of business strategies and operations to ensure continuous and effective risk management of the Company. Moreover, since the Company implemented risk-based audit, the Audit Committee recognized the linkage between Risk Management Function and Internal Audit Function. A representative of Strategic Development and Risk Management Committee was therefore invited to report to the Audit Committee on the risk identification, risk assessment, and risk management of the Company and the Internal Audit Department was assigned to ensure that the Internal Audit Plan be in line with such results of risk assessment;
10. Monitored results of providing a channel for any stakeholder to make complaints or provide clues concerning fraud, wrongdoing or violations of the Company's Code of Conduct to the Board of Directors via the Audit Committee. In the Year 2014, the Audit Committee did not receive any complaint or information concerning fraud, or wrongdoing but received 1 complaint about violation of Code of Conduct by the Company's employee and 8 complaints regarding services of the Company. The Audit Committee passed on the matters to the relevant Departments for appropriate actions; the relevant Departments resolved the issues; and
11. Oversaw the Internal Audit function including approving the Internal Audit Plan based on the risk management guideline (risk-based audit), acknowledging the quarterly and annual Internal Audit results, providing comments to the Internal Audit Department and submitting corrective measures to be taken by Management including continual follow-up on their progress. In this regard, the Audit Committee reviewed the independence and performance of the Internal Audit Department and deemed that the Internal Audit Function was performed independently, adequately, and effectively. Moreover, internal audit quality has been continuously improved both in terms of human resources and operation to meet international professional standards.

The Audit Committee maintains its independence in performing the duties as assigned. In this regard, the Audit Committee has received good cooperation from Management and external auditor. In summary, the Audit Committee is of the opinion that the Board of Directors and Management of the Company have operated business with ethics and were determined to professionally perform duties to achieve the Company's goals, emphasizing on operating business with effective Internal Control and Internal Audit Systems, good corporate governance and continual development of operation systems.



(Mr. Vitthya Vejajiva)

Chairman of the Audit Committee



Report of the Compensation and Nominating Committee for the Year 2014

By virtue of the resolution of the Board of Directors of the Company passed at its meeting No. 8/2544 held on 16th November 2001, the Compensation and Nominating Committee (the “Committee”) was appointed to perform and discharge certain responsibilities under the Charter for the Compensation and Nominating Committee. During the Year 2014, the Committee held three meetings in order to discharge its functions as assigned by the Board of Directors which can be summarized as follows:

1. considered and proposed recommendation to the Board of Directors regarding the election of Directors to replace the Directors retiring by rotation;
2. considered and proposed recommendation to the Board of Directors regarding the Directors’ remuneration;
3. considered and proposed recommendation to the Board of Directors regarding the appointment of new Directors;
4. considered and approved the variable payout to the CEO/President for the Year 2013 (payout in 2014); and
5. considered and approved the variable pay plan for the CEO/President for the Year 2014 (payout in 2015).



(Mr. Umroong Sanphasitvong)

Representative of

the Compensation and Nominating Committee



Report of the **Corporate Governance Committee** for the Year 2014

By virtue of a resolution of the Board of Directors of the Company passed at its meeting No. 3/2549 held on 24th March 2006, the Corporate Governance Committee was appointed to perform and discharge responsibilities under the Charter for the Corporate Governance Committee. During the Year 2014, the Corporate Governance Committee proceeded as follows:

1. held 4 meetings in order to discharge its functions as assigned by the Board of Directors;
2. considered the Corporate Governance Report of the Company for disclosure in the Annual Report for the Year 2014 and proposed to the Board of Directors for approval;
3. followed up on result of providing an opportunity to shareholders to propose agenda items and nominees for election as directors of the Company in advance of the 2014 Annual General Meeting of the Shareholders;
4. reviewed the Thai Institute of Directors Association's Corporate Governance Assessment Report for the Year 2013 and proposed to the Board of Directors with recommendations for further improving the Corporate Governance of the Company;
5. reviewed the Company's Policy on Corporate Governance and proposed some revisions to the Board of Directors for approval;
6. acknowledged the Report on the practice of the Company's Code of Conduct;
7. considered the Company's activities in relation to corporate governance including corporate social responsibility to ensure that they were properly in practice and in compliance with the Company's policies;
8. considered the results of self-assessment of the Board of Directors and proposed to the Board of Directors for acknowledgement; and
9. considered and improved Corporate Governance practices of the Company by suggesting the Board's Committees to commence self-assessment of each committee of the Board.



Dr. Kosol Petchsuwan
Chairman of the Corporate Governance Committee

Report of the Finance Committee for the Year 2014

By virtue of a resolution of the Board of Directors of True Corporation Public Company Limited (the “Company”) passed at its meeting No. 8/2544 held on 16th November 2001, the Finance Committee was appointed to perform and discharge certain responsibilities under the Charter for the Finance Committee. During the Year 2014, the Finance Committee has carried out the following tasks:

1. held 4 meetings in order to discharge its functions as assigned by the Board of Directors;
2. considered financial targets, provided recommendation to Management and proposed to the Board of Directors for consideration and approval;
3. considered the Annual Financial Hedging Plan together with the Policy on the Use of Derivative Securities in Financial Transactions and proposed recommendation to the Board of Directors for consideration and approval;
4. considered the quarterly and annual financial results of the Company and its subsidiaries as well as provided recommendations to Management;
5. considered recapitalization plan of the Company by means of capital increase and proposed to the Board of Directors for consideration and further proposed to the Shareholders Meeting for approval;
6. acknowledged the report on the use of proceeds from capital increase;
7. considered capital increase in subsidiaries and proposed to the Board of Directors for consideration and approval;
8. considered revision of authorized signatories for bank accounts, mutual fund accounts, and e-Payment; and proposed to the Board of Directors for consideration and approval;
9. considered investment in various projects as well as provided advices to Management and proposed recommendation to the Board of Directors for consideration and approval;
10. considered the issuance of Bills of Exchange and proposed to the Board of Directors for consideration and approval;
11. acknowledged the report on the results of participation in the auction process for spectrum license for commercial digital terrestrial television services under nationwide category and report on the credit facilities for Digital Television Business and proposed to the Board of Directors for acknowledgement; and
12. acknowledged the plan and progress of the issuance and offering of Debentures of the Company and subsidiaries, and proposed to the Board of Directors for acknowledgement.



Dr. Ajva Taulananda
Chairman of the Finance Committee



Financial Statements

TRUE CORPORATION PUBLIC COMPANY LIMITED

CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

31 DECEMBER 2014

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List of abbreviations

Subsidiaries, associates, joint ventures

Abbreviation

AP&J Production Co., Ltd.	AP&J
Asia DBS Public Company Limited	ADBS
Asia Wireless Communication Co., Ltd.	AWC
Bangkok Inter Teletech Public Company Limited	BITCO
BeboydCG Company Limited	Bboyd
BFKT (Thailand) Limited	BFKT
Cineplex Co., Ltd.	CNP
Click TV Co., Ltd.	CTV
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
K.I.N. (Thailand) Limited	KIN
KOA Co., Ltd.	KOA
KSC Commercial Internet Co., Ltd.	KSC
MKSC World Dot Com Co., Ltd.	MKSC
Panther Entertainment Co., Ltd.	PTE
Real Move Co., Ltd.	RMV
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
Telecom KSC Co., Ltd.	TKSC
Thai News Network (TNN) Co., Ltd.	TNN
True Digital Media Co., Ltd.	TDM
True Distribution and Sales Co., Ltd.	TDS
True4U Station Co., Ltd. (formerly “True DTT Co., Ltd.”)	True4U
True Icontent Co., Ltd.	TICT
True Information Technology Co., Ltd.	TIT
True International Communication Co., Ltd.	TIC
True International Gateway Co., Ltd.	TIG
True Internet Co., Ltd.	TI
True Life Plus Co., Ltd.	TLP
True Move Co., Ltd.	TMV
True Move H Universal Communication Co., Ltd. (formerly “Real Future 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 Touch Co., Ltd.	TT
True United Football Club Co., Ltd.	TUFC
True Universal Convergence Co., Ltd.	TU
True Visions Public Company Limited	True Visions
True Visions Cable Public Company Limited	True Cable
True Visions Group Co., Ltd.	TVG
True Vistas Co., Ltd.	TVT
True Voice Co., Ltd.	TV
K.I.N. (Thailand) Co., Ltd.	KINBVI

List of abbreviations (Cont'd)

Subsidiaries, associates, joint ventures (Cont'd)

Abbreviation

Gold Palace Logistics Limited	GPL
Dragon Delight Investments Limited	DDI
Gold Palace Investments Limited	GPI
Golden Light Co., Ltd.	GDL
Golsky Co., Ltd.	GSK
Golden Pearl Global Limited	GDP
GP Logistics Company Limited	GP
Rosy Legend Limited	RL
Prospect Gain Limited	PG
True Internet Technology (Shanghai) Company Limited	TIS
TRUE Telecommunications Growth Infrastructure Fund	TRUEIF
True GS Co., Ltd.	TG
Asia Infonet Co., Ltd.	AI
BEC-TERO True Visions Co., Ltd.	BEC
Transformation Films Co., Ltd.	TFF

Other organisations

Telephone Organisation of Thailand (currently TOT Public Company Limited)	TOT
The National Telecommunication Commission	NTC
The National Broadcasting and Telecommunication Commission	NBTC
CAT Telecom Public Company Limited	CAT
Mass Communication Organization of Thailand (currently MCOT Public Company Limited)	MCOT
Securities and Exchange Commission of Thailand	SEC



AUDITOR'S REPORT

To the Shareholders of True Corporation Public Company Limited

I have audited the accompanying consolidated and company financial statements of True Corporation Public Company Limited and its subsidiaries and of True Corporation Public Company Limited, which comprise the consolidated and company statements of financial position as at 31 December 2014, and the related consolidated and company statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

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Opinion

In my opinion, the consolidated and company financial statements referred to above present fairly, in all material respects, the consolidated and company financial position of True Corporation Public Company Limited and its subsidiaries and of True Corporation Public Company Limited as at 31 December 2014, and the consolidated and company results of operations and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Emphasis of matter paragraph

I draw attention to Notes 37.4, 38 and 39.2 to the financial statements discussing material uncertainties in respect of outstanding litigations and the significant commercial agreements of which details are not finalised. The ultimate outcome of the litigations and the conclusion regarding the significant agreements cannot presently be determined and no adjustment that may result, has been made in the financial statements. My opinion is not qualified in respect of these matters.

A handwritten signature in black ink, appearing to read "Kajornkiet Aroonpirodkul".

Kajornkiet Aroonpirodkul
Certified Public Accountant (Thailand) No. 3445
PricewaterhouseCoopers ABAS Ltd.

Bangkok
27 February 2015

True Corporation Public Company Limited
Statements of Financial Position
As at 31 December 2014

		Consolidated			Company		
		31 December 2014	31 December 2013 (Restated)	1 January 2013 (Restated)	31 December 2014	31 December 2013 (Restated)	1 January 2013 (Restated)
	Notes	Baht	Baht	Baht	Baht	Baht	Baht
Assets							
Current assets							
Cash and cash equivalents	13	6,611,593,945	14,726,283,447	6,103,166,789	651,911,826	1,561,203,669	52,629,156
Restricted cash	14	1,139,790,743	2,346,446,120	964,822,920	1,100,547,260	2,344,577,257	187,263,760
Short-term investments	15	1,039,314	101,831,891	374,406,120	-	-	347,763,737
Trade and other receivables	16	62,825,919,110	38,537,981,407	21,424,871,205	3,793,608,723	5,238,053,159	5,203,135,741
Short-term loans to related parties	41	147,000,000	147,000,000	14,250,564	9,450,000,000	1,500,000,000	3,300,000,000
Inventories, net	17	4,294,125,608	5,049,988,858	1,941,475,159	99,521,767	40,714,213	30,316,707
Income tax deducted at source		4,078,066,569	2,952,598,202	3,018,739,126	932,845,543	625,729,965	569,132,265
Claimable value added tax		4,694,751,999	3,207,269,119	2,048,860,615	-	-	400,110
Other current assets	18	4,273,795,710	2,989,197,201	3,321,859,865	102,163,435	78,867,204	28,530,341
Total current assets		88,066,082,998	70,058,596,245	39,212,452,363	16,130,598,554	11,389,145,467	9,719,171,817
Non-current assets							
Restricted cash	14	50,690,375	100,043,476	122,230,776	-	-	-
Long-term loan to subsidiary		-	-	-	-	-	2,261,196,062
Investment in subsidiaries, net	19	-	-	-	111,472,964,316	63,509,329,311	37,695,548,301
Investment in associates, net	19	16,428,665,003	16,138,796,478	275,708,051	16,327,908,000	19,335,267,578	49,670,000
General investment, net	15	322,772,047	313,797,895	293,322,895	240,740,500	240,740,500	240,740,500
Investment property, net	20	5,528,000	5,528,000	54,762,750	-	-	-
Property, plant and equipment, net	21	75,084,946,032	67,867,051,928	81,082,685,188	2,309,250,117	2,754,532,426	3,157,703,079
Goodwill, net	22	11,403,093,656	11,403,093,656	11,403,093,656	-	-	-
Intangible assets, net	23	34,685,215,599	34,194,629,374	41,819,387,263	4,040,004,776	5,457,680,365	6,623,676,866
Deferred income tax assets	24	5,767,270,883	4,757,812,188	5,181,781,320	910,965,354	1,414,805,196	2,053,843,980
Other non-current assets	25	2,756,197,592	1,012,819,244	917,945,468	185,726,908	296,671,221	330,319,407
Total non-current assets		146,504,379,187	135,793,572,239	141,150,917,367	135,487,559,971	93,009,026,597	52,412,698,195
Total assets		234,570,462,185	205,852,168,484	180,363,369,730	151,618,158,525	104,398,172,064	62,131,870,012

The accompanying notes on pages 9 to 97 are an integral part of these financial statements.

True Corporation Public Company Limited
Statements of Financial Position (Cont'd)
As at 31 December 2014

		Consolidated			Company		
		31 December 2014	31 December 2013 (Restated)	1 January 2013 (Restated)	31 December 2014	31 December 2013 (Restated)	1 January 2013 (Restated)
	Notes	Baht	Baht	Baht	Baht	Baht	Baht
Liabilities and shareholders' equity							
Current liabilities							
Short-term borrowings	26	2,977,087,586	3,742,847,322	5,096,095,078	2,417,087,586	-	2,048,393,482
Trade and other payables	27	101,369,642,771	88,392,477,838	44,721,774,619	12,321,289,119	19,232,694,224	1,780,083,332
Current portion of long-term borrowings	26	8,872,851,350	9,894,129,256	9,521,909,006	7,749,138,103	5,016,696,373	3,872,132,480
Short-term loans from related parties	41	-	-	-	700,000,000	19,665,000,000	-
Income tax payable		270,764,570	878,853,770	348,115,266	-	-	-
Other current liabilities	28	4,158,955,166	4,439,347,960	3,299,293,186	270,673,524	1,444,470,570	461,276,553
Total current liabilities		117,649,301,443	107,347,656,146	62,987,187,155	23,458,188,332	45,358,861,167	8,161,885,847
Non-current liabilities							
Long-term borrowings	26	33,136,810,284	76,260,992,315	86,804,608,441	29,375,235,162	30,491,432,190	25,012,261,813
Long-term borrowings from subsidiary		-	-	-	-	-	2,231,375,721
Deferred income tax liabilities	24	2,454,385,066	4,095,175,039	3,579,373,833	-	-	-
Liabilities under agreements for operation	29	104,087,910	120,138,759	3,079,520,793	-	-	-
Employee benefits obligations	30	1,232,104,780	1,137,085,227	914,055,190	337,066,125	336,953,302	235,557,303
Other non-current liabilities	31	9,053,047,763	12,158,983,105	8,994,246,620	49,368,009	174,730,291	311,296,218
Total non-current liabilities		45,980,435,803	93,772,374,445	103,371,804,877	29,761,669,296	31,003,115,783	27,790,491,055
Total liabilities		163,629,737,246	201,120,030,591	166,358,992,032	53,219,857,628	76,361,976,950	35,952,376,902
Shareholders' equity							
Share capital	32						
Authorized share capital							
Common shares, 24,607,928,152 shares of par Baht 10 each (2013: 15,333,207,033 shares of par Baht 10 each)		246,079,281,520	153,332,070,330	153,332,070,330	246,079,281,520	153,332,070,330	153,332,070,330
Issued and fully paid-up share capital							
Common shares, 24,607,928,150 shares of paid-up Baht 10 each, (31 December 2013: 14,530,215,266 shares of paid-up Baht 10 each, 1 January 2013: 14,503,179,151 shares of paid-up Baht 10 each)		246,079,281,500	145,302,152,660	145,031,791,510	246,079,281,500	145,302,152,660	145,031,791,510
Premium on share capital		11,432,046,462	11,432,046,462	11,432,046,462	11,432,046,462	11,432,046,462	11,432,046,462
Discount on share capital		(121,995,649,956)	(86,070,641,087)	(85,987,465,996)	(121,995,649,956)	(86,070,641,087)	(85,987,465,996)
Retained earnings							
Appropriated - legal reserve	33	34,880,969	34,880,969	34,880,969	34,880,969	34,880,969	34,880,969
Deficits		(63,424,798,728)	(64,850,076,046)	(55,634,565,752)	(37,152,258,078)	(42,662,243,890)	(44,331,759,835)
Other components of equity		(1,776,122,171)	(1,767,249,900)	(1,529,866,918)	-	-	-
Equity attributable to owners of the parent		70,349,638,076	4,081,113,058	13,346,820,275	98,398,300,897	28,036,195,114	26,179,493,110
Non-controlling interests	34	591,086,863	651,024,835	657,557,423	-	-	-
Total shareholders' equity		70,940,724,939	4,732,137,893	14,004,377,698	98,398,300,897	28,036,195,114	26,179,493,110
Total liabilities and shareholders' equity		234,570,462,185	205,852,168,484	180,363,369,730	151,618,158,525	104,398,172,064	62,131,870,012

The accompanying notes on pages 9 to 97 are an integral part of these financial statements.

True Corporation Public Company Limited
Statements of Comprehensive Income
For the year ended 31 December 2014

	Notes	Consolidated		Company	
		31 December 2014 Baht	31 December 2013 Baht	31 December 2014 Baht	31 December 2013 Baht
Revenues	8				
Revenues from telephone and other services		86,985,629,448	79,136,772,335	11,017,801,238	11,704,596,574
Revenues from product sales		22,230,409,885	17,076,923,179	8,252,775,162	28,980
Total revenues		<u>109,216,039,333</u>	<u>96,213,695,514</u>	<u>19,270,576,400</u>	<u>11,704,625,554</u>
Costs					
Cost of providing services		66,106,898,771	59,489,193,312	5,124,821,125	5,053,323,093
Cost of sales		18,413,252,760	15,735,808,724	3,595,466,178	-
Total costs		<u>84,520,151,531</u>	<u>75,225,002,036</u>	<u>8,720,287,303</u>	<u>5,053,323,093</u>
Gross profit		<u>24,695,887,802</u>	<u>20,988,693,478</u>	<u>10,550,289,097</u>	<u>6,651,302,461</u>
Other income	40	2,223,482,124	8,662,465,890	2,132,977,984	655,111,030
Selling expenses		(10,119,225,539)	(11,420,066,949)	(411,888,112)	(399,428,334)
Administrative expenses		(11,692,962,580)	(11,217,976,029)	(2,880,717,549)	(2,425,328,493)
Other expenses	21	(5,573,727,663)	(4,918,582,275)	(696,851,791)	(668,069,007)
Share of results in associates	19	6,220,468,773	62,298,357	-	-
Finance costs	10	(6,442,429,225)	(8,401,651,723)	(2,679,983,976)	(1,423,353,502)
Profit (loss) before income tax		<u>(688,506,308)</u>	<u>(6,244,819,251)</u>	<u>6,013,825,653</u>	<u>2,390,234,155</u>
Income tax revenue (expense)	11	2,062,975,318	(2,896,121,432)	(503,839,841)	(639,038,785)
Profit (loss) for the year		<u>1,374,469,010</u>	<u>(9,140,940,683)</u>	<u>5,509,985,812</u>	<u>1,751,195,370</u>
Other comprehensive income (expense):					
Exchange differences on translating financial statements		(2,598,993)	(101,857,894)	-	-
Actuarial loss		-	(152,763,908)	-	(81,679,425)
Total comprehensive income (expense) for the year		<u>1,371,870,017</u>	<u>(9,395,562,485)</u>	<u>5,509,985,812</u>	<u>1,669,515,945</u>
Profit (loss) for the year attributable to:					
Owners of the parent		1,425,277,318	(9,062,746,386)	5,509,985,812	1,751,195,370
Non-controlling interests		(50,808,308)	(78,194,297)	-	-
Profit (loss) for the year		<u>1,374,469,010</u>	<u>(9,140,940,683)</u>	<u>5,509,985,812</u>	<u>1,751,195,370</u>
Total comprehensive income (expense) for the year attributable to:					
Owners of the parent		1,422,678,325	(9,317,368,188)	5,509,985,812	1,669,515,945
Non-controlling interests		(50,808,308)	(78,194,297)	-	-
Total comprehensive income (expense) for the year		<u>1,371,870,017</u>	<u>(9,395,562,485)</u>	<u>5,509,985,812</u>	<u>1,669,515,945</u>
Basic and diluted earnings (loss) per share attributable to owner of the parent	12				
- Basic		0.07	(0.56)	0.29	0.11
- Diluted		nil	(0.56)	nil	0.11

The accompanying notes on pages 9 to 97 are an integral part of these financial statements.

Consolidated												
Notes	Attributable to shareholders of parent											
	Issued and fully paid-up			Other components of equity								
	Common shares			Change in non-controlling interests			Translating financial statement			Total owners of the parent		
	Baht	Premium on shares	Discount on shares	Legal reserve	Deficits		Baht	other components of equity		Baht	Controlling interests	Total Baht
		Baht	Baht	Baht	Baht		Baht	Baht		Baht	Baht	Baht
Opening balance as at 1 January 2013	145,031,791,510	11,432,046,462	(85,987,465,996)	34,880,969	(55,634,565,752)		113,047,461	(1,520,866,918)		13,346,820,275	657,557,423	14,004,377,698
Issue of shares	270,361,150	-	(83,175,091)	-	-		-	-		187,186,059	-	187,186,059
Dilution due to increase in non-controlling interests	-	-	-	-	-		-	(135,525,088)		(135,525,088)	135,700,014	174,926
Reclassify of investment	19	-	-	-	-		-	-		-	(19,525,936)	(19,525,936)
Disposals of subsidiaries and joint venture	34	-	-	-	-		-	-		-	(41,921,495)	(41,921,495)
Dividends paid to non-controlling interests	-	-	-	-	-		-	-		-	(2,590,874)	(2,590,874)
Total comprehensive expense for the year	-	-	-	-	(9,215,510,294)		(101,857,894)	(101,857,894)		(9,317,368,188)	(78,194,297)	(9,395,562,485)
Closing balance as at 31 December 2013	145,302,152,660	11,432,046,462	(86,070,641,087)	34,880,969	(64,850,076,046)		11,189,567	(1,767,249,900)		4,081,113,058	651,024,835	4,732,137,893
Opening balance as at 1 January 2014	145,302,152,660	11,432,046,462	(86,070,641,087)	34,880,969	(64,850,076,046)		11,189,567	(1,767,249,900)		4,081,113,058	651,024,835	4,732,137,893
Issue of shares	100,777,128,840	-	(35,925,008,869)	-	-		-	-		64,852,119,971	-	64,852,119,971
Addition investment in subsidiary by non-controlling interests	19	-	-	-	-		-	-		-	15,988,880	15,988,880
Addition investment in subsidiary by purchasing shares from non-controlling interests	19	-	-	-	-		-	-		-	(31,391,822)	(31,391,822)
Dilution due to increase in non-controlling interests	19	-	-	-	-		-	(6,273,278)		(6,273,278)	6,273,278	-
Total comprehensive income for the year	-	-	-	-	1,425,277,318		(2,598,993)	(2,598,993)		1,422,678,325	(50,808,308)	1,371,870,017
Closing balance as at 31 December 2014	246,079,281,500	11,432,046,462	(121,995,649,956)	34,880,969	(63,424,798,728)		8,590,574	(1,776,122,171)		70,349,638,076	591,086,863	70,940,724,939

The accompanying notes on pages 9 to 97 are an integral part of these financial statements.

True Corporation Public Company Limited
Statements of Changes in Shareholders' Equity (Cont'd)
For the year ended 31 December 2014

	Company				
	Issued and fully paid-up common shares	Premium on shares	Discount on shares	Legal reserve	Total
	Baht	Baht	Baht	Baht	Baht
Opening balance as at 1 January 2013	145,031,791,510	11,432,046,462	(85,987,465,996)	34,880,969	26,179,493,110
Issue of shares (Note 32)	270,361,150	-	(83,175,091)	-	187,186,059
Total comprehensive income for the year	-	-	-	-	1,669,515,945
Closing balance as at 31 December 2013	<u>145,302,152,660</u>	<u>11,432,046,462</u>	<u>(86,070,641,087)</u>	<u>34,880,969</u>	<u>28,036,195,114</u>
Opening balance as at 1 January 2014	145,302,152,660	11,432,046,462	(86,070,641,087)	34,880,969	28,036,195,114
Issue of shares (Note 32)	100,777,128,840	-	(35,925,008,869)	-	64,852,119,971
Total comprehensive income for the year	-	-	-	-	5,509,985,812
Closing balance as at 31 December 2014	<u>246,079,281,500</u>	<u>11,432,046,462</u>	<u>(121,995,649,956)</u>	<u>34,880,969</u>	<u>98,398,300,897</u>

The accompanying notes on pages 9 to 97 are an integral part of these financial statements.

True Corporation Public Company Limited
Statements of Cash Flows
For the year ended 31 December 2014

	Notes	Consolidated		Company	
		31 December	31 December	31 December	31 December
		2014	2013 (Restated)	2014	2013
		Baht	Baht	Baht	Baht
Cash flows from operating activities	35	(3,643,804,474)	22,929,455,850	(277,159,444)	21,971,923,410
Cash flows from investing activities					
Withdrawal (deposit) in restricted cash		1,256,008,478	(1,984,739,010)	1,244,029,997	(2,157,313,497)
Withdrawal in short-term investments		476,052	346,537,063	-	347,763,737
Loans made to related parties	41	-	(3,750,148)	(11,495,000,000)	(8,145,000,000)
Acquisition of property, plant and equipment		(22,519,912,245)	(25,058,085,126)	(53,810,475)	(69,257,649)
Acquisition of intangible assets		(4,940,549,540)	(816,881,293)	(17,289,137)	(3,228,086)
Receipt from loans to subsidiaries	41	-	-	3,545,000,000	12,160,000,000
Investment in subsidiaries, associates and other company	19	(45,165,502)	(19,355,742,577)	(48,647,617,349)	(47,235,267,578)
Proceeds from sale of investment in related parties, net of cash and cash equivalent	19	3,193,423,380	3,203,156,582	3,190,851,421	1,802,886,755
Proceeds from liquidation of associate	19	7,229,768	99,999,959	-	99,999,959
Proceeds from disposals of property, plant and equipment and intangible assets		256,332,518	40,432,859,127	399,484	1,513,094
Dividends received	41	1,355,745,929	55,800,754	1,345,745,929	55,800,754
Net cash used in investing activities		(21,436,411,162)	(3,080,844,669)	(50,887,690,130)	(43,142,102,511)
Cash flows from financing activities					
Issue of common shares	32	64,852,119,970	187,186,060	64,852,119,970	187,186,060
Dividends paid to non-controlling interest		-	(2,590,875)	-	-
Addition investment in subsidiaries by non-controlling interest	19	15,988,880	-	-	-
Addition investment in subsidiary by purchasing shares from non-controlling interest	19	(31,391,822)	-	-	-
Proceeds from short-term loans from subsidiaries	41	-	-	1,700,000,000	21,055,000,000
Proceeds from short-term borrowings		11,210,303,228	30,182,537,765	7,519,310,672	20,157,616,518
Proceeds from borrowings, net of cash paid for debt issuance cost	26	14,242,603,498	32,550,466,731	7,964,051,940	24,871,866,326
Repayments to short-term borrowings		(12,003,839,878)	(31,535,785,522)	(5,130,000,000)	(22,206,010,000)
Repayments to loan from subsidiaries	41	-	-	(20,665,000,000)	(3,689,125,856)
Repayments to borrowings	26	(61,307,112,368)	(42,611,916,708)	(5,984,924,851)	(17,697,779,434)
Net cash received from (used in) financing activities		16,978,671,508	(11,230,102,549)	50,255,557,731	22,678,753,614
Net (decrease) increase in cash and cash equivalents		(8,101,544,128)	8,618,508,632	(909,291,843)	1,508,574,513
Opening balance		14,726,283,447	6,103,166,789	1,561,203,669	52,629,156
Effects of exchange rate changes		(13,145,374)	4,608,026	-	-
Closing balance		6,611,593,945	14,726,283,447	651,911,826	1,561,203,669

Non-cash transactions

Significant non-cash transactions are as follows:

	Consolidated	
	31 December	31 December
	2014	2013
	Million Baht	Million Baht
Acquisition of property, plant and equipment using finance leases	1,846.22	3,232.61
Acquisition of property, plant and equipment, not yet paid	24,847.69	24,516.00

The accompanying notes on pages 9 to 97 are an integral part of these financial statements.

1. General information

True Corporation Public Company Limited (“the Company”) is a public limited company, 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, joint ventures, and associates (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, Digital Data Network (“DDN”), Public Telephone, Personal Communication Telephone (“PCT”) Service, Multimedia, Internet Service Provider (“ISP”), Mobile Phone Service, and Pay-TV Service.

The Group’s activities include those carried out Joint Operation and Joint Investment Agreement, Agreements for operation and licences, as set out in Note 2.

These group consolidated financial statements were authorised for issue by the Board of Directors on 27 February 2015.

2. Joint Operation and Joint Investment Agreement, Agreements for operation and licences

Telephone services

In August 1991, the Company entered into the Joint Operation and Joint Investment for Expansion of Telephone Services Agreement (“the Agreement”) with the TOT.

The Agreement, a Build Transfer Operate (“BTO”) agreement, as amended and supplemented, granted the Company the right to construct and provide fixed line telephone services for up to 2.6 million lines in the Bangkok Metropolitan Area. The Company was responsible for:

- 1) procuring and constructing the expansion of the existing TOT network.
- 2) on completion of construction of the network expansion, transferring legal ownership of certain network assets, land and buildings to TOT.
- 3) in consideration of the transferred assets receiving a right to operate, maintain the network and provide certain services for 25 years including:
 - fixed line telephone;
 - Personal Communication Telephone;
 - public telephone (Build Operate Transfer);
 - Digital Data Network;
 - acceptance of fault notification and drop wire maintenance; and
 - customer service centre.

Under the provisions of the Agreement, TOT and the Company share the gross revenues collected from operating the networks according to stipulated percentages.

On 8 December 2006, a subsidiary, TU was granted a Type III licence by NTC for fixed line services. TU 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.

On 25 January 2007, a subsidiary, TIC was granted a Type III licence by NTC for International Direct Dialling (IDD). TIC 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 24 January 2027.

On 29 June 2014, a subsidiary, TPC was granted a Type I, renewal licence by the NBTC for public phone services. TPC 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 28 June 2019.

2. Joint Operation and Joint Investment Agreement, Agreements for operation and licences (Cont'd)

Telephone services (Cont'd)

On 11 October 2014, a subsidiary, TI was granted a Type I, renewal licence by NBTC for International Calling Cards (ICC). TI 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 10 October 2019.

NON-POTS services

In October 1997, the Group entered into a Joint Investment in Non-Plain Old Telephone System ("NON-POTS") services through a Multimedia Network Agreement (the "Agreement") with TOT. Under the terms of the Agreement, the Group has certain commitments such as, among others, to acquire, install, manage and maintain the hardware and equipment for NON-POTS services. The Group is also committed to transfer to TOT all hardware and equipment pertaining to such system when the installations are completed. This Agreement is for a period of twenty years commencing from the Agreement date, and the Group is unable to terminate it unless certain criteria specified in the Agreement have been met. During the term of the Agreement, the Group is entitled to collect the service fees, membership fees and other service fees from customers as stipulated in the Agreement.

The Group has placed a letter of guarantee issued by a local bank in favour of TOT amount of Baht 5.00 million to guarantee the Group's compliance with the terms of the Agreement.

Internet services

On 19 May 2011, a subsidiary, TIG was granted a Type II, renewal licence by NBTC for international internet gateway provision. TIG 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 18 May 2016.

On 23 June 2014, a subsidiary, KSC was granted a Type I, renewal licence by NBTC for internet provision. 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 expired on 22 June 2019.

On 18 August 2014, a subsidiary, TI was granted a Type I, renewal licence by NBTC for internet provision. TI 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 17 August 2019.

Mobile Phone services

The Group has invested in share capital of BITCO, the sole shareholder of TMV. TMV is an operator of a nationwide cellular network under a Build Transfer Operate Agreement granted by CAT dated 20 June 1996 which was subsequently amended on 8 September 2001.

Under the terms of the agreement, TMV has certain commitments including acquiring, installing, managing and maintaining all equipment necessary to provide nationwide cellular telephone services. The legal ownership of the system assets is transferred to CAT as installations are completed. In addition, TMV is required to pay annual fees to CAT based on the percentage of service income or a minimum fee as stipulated in the agreement whichever is higher. As consideration for the transferred system assets and committed fees, CAT granted TMV a seventeen-year right to provide cellular telephone services and collect customer service fees as stipulated in the agreement (Note 37.9).

2. Joint Operation and Joint Investment Agreement, Agreements for operation and licences (Cont'd)

Mobile Phone services (Cont'd)

On 27 January 2011, a subsidiary, BFKT entered into an agreement with CAT to lease telecommunication equipment under CDMA and HSPA technologies for the term of 2 years and 14.5 years, respectively. Under the terms and conditions of CDMA agreement, BFKT has to provide telecommunication equipment for mobile services using CDMA technology for 2 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 executed on 3 December 2013 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 16 December 2010 and 24 June 2011, a subsidiary, RMV was granted Type I licences by NBTC for resale mobile and internet, respectively. 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 2015. Subsequently, on 27 January 2011, 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.

These subsidiaries have placed letters of guarantee issued by certain local banks in favour of CAT totalling Baht 2,204.92 million to guarantee the Group's compliance with the terms of the agreements.

On 7 December 2012, TUC a subsidiary under the Group was granted the 2.1 IMT GHz Bandwidth licence by NBTC. The licence awarded cover with three spectrum bandwidth licence and authorised TUC to provide mobile service under those spectrum bandwidth over the period of 15 years. 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 3,611.25 million for the unpaid licence fee.

Pay-TV services

The Group has invested in True Visions and True Cable. True Visions and True Cable are engaged in the operation of pay television networks (Digital Satellite Television and Cable Television) under the agreements granted by MCOT dated 17 April 1989 and 6 June 1994 an amendments thereto dated 19 May 1994 and 9 November 1994 which was expired on 30 September 2014 and will be expired on 31 December 2019, respectively. Under the aforementioned agreements, True Visions and True Cable are required to pay annual fees to MCOT based on a fixed percentage of revenue from subscription and installation or at the minimum fee as specified in each of those agreements, whichever is higher (Note 37.3). In addition, True Visions and True Cable must transfer the ownership of certain equipment procured for the operations of television networks to MCOT within the periods specified in each of those agreements.

True Visions and True Cable have placed letters of guarantee issued by certain local banks in favour of MCOT totalling Baht 72.00 million to guarantee the Group's compliance with the terms of the agreements.

TVG, a subsidiary under the Group 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 subsidiaries, CNP and PTE 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 has 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 and pay the licence fee as stipulated in the licence. The subsidiaries has placed letter of guarantee issued by the local banks in favour of NBTC totaling Baht 3,239.85 million for the unpaid licence fee.

3. Accounting policies

The principal accounting policies adopted in the preparation of these consolidated and company financial statements are set out below.

3.1 Basis of preparation

The consolidated and company financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the SEC under the Securities and Exchange Act B.E. 2535.

The consolidated and company financial statements have been prepared under the historical cost convention as modified by the revaluation of trading and available-for-sale securities at fair value.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 6.

An English version of the consolidated and company 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.

3.2 New financial reporting standards and revised financial reporting standards

- 1) Revised accounting standards which are effective on 1 January 2014 and are relevant to the Group:

TFRIC 12	Service concession arrangements
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TFRIC 12 deals with public-to-private service concession arrangements for the delivery of public services. It applies only to concession agreements where the use of the infrastructure is controlled by the grantor. This interpretation requires two different accounting treatments, depending on the specific terms of the concession agreement. When the operator builds infrastructure and has an unconditional contractual right to receive cash or another financial asset from the grantor, that right is treated as a financial asset. The operator shall recognise an intangible asset to the extent that it receives a right (a licence) to charge users of the public service. A right to charge users of the public service is not an unconditional right to receive cash because the amounts are contingent on the extent that the public uses the service. The Group applied this interpretation effective from 1 January 2014. The effect of the interpretation is presented in Note 4.1.

3. Accounting policies (Cont'd)

3.2 New financial reporting standards and revised financial reporting standards (Cont'd)

- 2) New financial reporting standards and revised accounting standards, revised financial reporting standards are effective on 1 January 2015. These standards are relevant to the Group:

- a) Financial reporting standards, which are early adopted and have a significant impact to the Group:

TAS 16 (revised 2014) Property, plant and equipment

TAS 16 (revised 2014) indicates that spare part, stand-by equipment and servicing equipment are recognised as property, plant and equipment when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory. The Group applied this standard with effect from 1 January 2014. The effect of this standard is presented in Note 4.2.

- b) Financial reporting standards, which are not early adopted:

TAS 1 (revised 2014)	Presentation of financial statements
TAS 19 (revised 2014)	Employee benefits
TAS 27 (revised 2014)	Separate financial statements
TAS 28 (revised 2014)	Investments in associates and joint ventures
TAS 34 (revised 2014)	Interim financial reporting
TFRS 10	Consolidated financial statements
TFRS 11	Joint arrangements
TFRS 12	Disclosure of interest in other entities
TFRS 13	Fair value measurement

TAS 1 (revised 2014), the main change is that a requirement for entities to group items presented in other comprehensive income ("OCI") on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The amendments do not address which items are presented in OCI. This standard has no impact to the Group.

TAS 19 (revised 2014), the key changes are (a) actuarial gain and loss are renamed "remeasurements" and will be recognised immediately in other comprehensive income ("OCI"). Actuarial gain and loss will no longer be deferred using the corridor approach or recognised in profit or loss; and (b) past-service costs will be recognised in the period of a plan amendment; unvested benefits will no longer be spread over a future-service period. This standard has no impact to the Group.

TAS 27 (revised 2014) provides the requirements relating to separate financial statements. This standard has no impact to the Group.

TAS 28 (revised 2014) provides the requirements for investment in associates and joint ventures accounted by equity method. The Group is yet to assess the full impact of the amendments.

TAS 34 (revised 2014), the key change is the disclosure requirements for operating segment. An entity shall disclose information of a measure of total assets and liabilities for a particular reportable segment if such amounts are regularly provided to the chief operating decision maker and if there has been a material change from the amount disclosed in the last annual financial statements for that reportable segment. This standard has no impact to the Group.

3. Accounting policies (Cont'd)

3.2 New financial reporting standards and revised financial reporting standards (Cont'd)

- 2) New financial reporting standards and revised accounting standards, revised financial reporting standards are effective on 1 January 2015. These standards are relevant to the Group: (Cont'd)

- b) Financial reporting standards, which are not early adopted: (Cont'd)

TFRS 10 has a single definition of control and supersedes the principles of control and consolidation included within the original TAS 27, 'Consolidated and separate financial statements'. The standard sets out the requirements for when an entity should prepare consolidated financial statements, defines the principles of control, explains how to apply the principles of control and explains the accounting requirements for preparing consolidated financial statements. The key principle in the new standard is that control exists, and consolidation is required, only if the investor possesses power over the investee, has exposure to variable returns from its involvement with the investee and has the ability to use its power over the investee to affect its returns. The Group is yet to assess the full impact of the amendments.

TFRS 11 defines that a joint arrangement is a contractual arrangement where at least two parties agree to share control over the activities of the arrangement. Unanimous consent toward decisions about relevant activities between the parties sharing control is a requirement in order to meet the definition of joint control. Joint arrangements can be joint operations or joint ventures. The classification is principle based and depends on the parties' exposure in relation to the arrangement. When the parties' exposure to the arrangement only extends to the net assets of the arrangement, the arrangement is a joint venture. Joint operations have rights to assets and obligations for liabilities. Joint operations account for their rights to assets and obligations for liabilities. Joint ventures account for their interest by using the equity method of accounting. The Group is yet to assess the full impact of the amendments.

TFRS 12 requires entities to disclose information that helps readers of financial statements to evaluate the nature of risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. This standard has no impact to the Group.

TFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across TFRSs. This standard has no impact to the Group.

- c) Financial reporting standards with minor changes and do not have impact to the Group are as follows:

TAS 2 (revised 2014)	Inventories
TAS 7 (revised 2014)	Cash flow statements
TAS 8 (revised 2014)	Accounting policies, changes in accounting estimates and errors
TAS 10 (revised 2014)	Events after the reporting period
TAS 11 (revised 2014)	Construction contract
TAS 12 (revised 2014)	Income taxes
TAS 17 (revised 2014)	Leases
TAS 18 (revised 2014)	Revenue
TAS 21 (revised 2014)	The effects of changes in foreign exchange rates
TAS 23 (revised 2014)	Borrowing costs
TAS 24 (revised 2014)	Related party disclosures

3. Accounting policies (Cont'd)

3.2 New financial reporting standards and revised financial reporting standards (Cont'd)

2) New financial reporting standards and revised accounting standards, revised financial reporting standards are effective on 1 January 2015. These standards are relevant to the Group: (Cont'd)

c) Financial reporting standards with minor changes and do not have impact to the Group are as follows: (Cont'd)

TAS 29 (revised 2014)	Financial reporting in hyperinflationary economies
TAS 33 (revised 2014)	Earnings per share
TAS 36 (revised 2014)	Impairment of assets
TAS 37 (revised 2014)	Provisions, contingent liabilities and contingent assets
TAS 38 (revised 2014)	Intangible assets
TAS 40 (revised 2014)	Investment property
TFRS 2 (revised 2014)	Share-based payments
TFRS 3 (revised 2014)	Business combinations
TFRS 5 (revised 2014)	Non-current asset held for sale and discontinued operations
TFRS 8 (revised 2014)	Operating segments
TSIC 15 (revised 2014)	Operating leases - Incentives
TSIC 25 (revised 2014)	Income taxes - changes in the tax status of an entity or its shareholders
TSIC 27 (revised 2014)	Evaluating the substance of transactions involving the legal form of a lease
TSIC 29 (revised 2014)	Service concession arrangements: Disclosures
TSIC 31 (revised 2014)	Revenue - barter transactions involving advertising services
TSIC 32 (revised 2014)	Intangible assets - Web site costs
TFRIC 1 (revised 2014)	Changes in existing decommissioning, restoration and similar liabilities
TFRIC 4 (revised 2014)	Determining whether an arrangement contains a lease
TFRIC 5 (revised 2014)	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds
TFRIC 7 (revised 2014)	Applying the restatement approach under IAS29 Financial reporting in hyperinflationary economies
TFRIC 10 (revised 2014)	Interim financial reporting and impairment
TFRIC 12 (revised 2014)	Service concession arrangements
TFRIC 13 (revised 2014)	Customer loyalty programmes
TFRIC 17 (revised 2014)	Distributions of non-cash assets to owners
TFRIC 18 (revised 2014)	Transfers of assets from customers

3. Accounting policies (Cont'd)

3.3 Group accounting - Investments in subsidiaries and associates and interests in joint ventures

a) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities 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 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 in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Intercompany transactions, balances and unrealised gain or loss on transactions between Group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

A list of the Group's principal subsidiaries are set out in Note 19.

b) Transactions and non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gain or loss on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control or significant influence, any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of the entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

3. Accounting policies (Cont'd)

3.3 Group accounting - Investments in subsidiaries and associates and interests in joint ventures (Cont'd)

c) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. In the consolidated financial statements, the Group's investment in associates include goodwill identified on acquisition, net of any accumulated impairment loss.

The Group's share of its associates' post-acquisition profits or loss is recognised in the profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of loss in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further loss, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised loss are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group. Dilution gain and loss arising in investments in associates are recognised in the profit or loss.

In the Company's separate financial statements, investment in associates are accounted for using the cost method.

A list of the Group's principal associates are set out in Note 19.

d) Joint ventures

The Group's interest in jointly controlled entities are accounted for by proportionate consolidation in the consolidated financial statements. The Group combines its share of the joint ventures' individual income and expenses, assets and liabilities and cash flows on a line-by-line basis with similar items in the Group's financial statements. The Group recognises that portion of gain or loss on the sale of assets by the Group to the joint venture that it is attributable to the other ventures. The Group does not recognise its share of profit or loss from the joint venture that result from the purchase of assets by the Group from the joint venture until it resells the assets to an independent party. However, if a loss on the transaction provides evidence of a reduction in the net realisable value of current assets or an impairment loss, the loss is recognised immediately.

In the Company's separate financial statements, interest in joint ventures are accounted for using the cost method.

The details of the Group's principal joint ventures are set out in Note 19.

3. Accounting policies (Cont'd)

3.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Thai Baht, which is the company's functional and the Group's 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 or valuation where items are re-measured. Foreign exchange gain and loss 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.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit and loss, any exchange component of that gain or loss is recognised in profit and loss.

(c) Group companies

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

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses for each statement of comprehensive income or income statement are translated at average exchange rates; and
- All resulting exchange differences are recognised as a separate component of equity.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

3.5 Cash and cash equivalents

In the consolidated and company statements of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the consolidated and company statements of financial position, bank overdrafts are shown within borrowings in current liabilities.

3.6 Investments

Investments other than investments in subsidiaries, associates and interests in joint ventures are classified into the following four categories: (1) trading investments; (2) held-to-maturity investments; (3) available-for-sale investments; and (4) general investments. The classification is dependent on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

1. Investments that are acquired principally for the purpose of generating a profit from short-term fluctuations in price are classified as trading investments and included in current assets.

3. Accounting policies (Cont'd)

3.6 Investments (Cont'd)

2. Investments with fixed maturity that the management has the intent and ability to hold to maturity are classified as held-to-maturity and are included in non-current assets, except for maturities within 12 months from the statement of financial position date which are classified as current assets.
3. Investments intended to be held for an indefinite period of time, which may be sold in response to liquidity needs or changes in interest rates, are classified as available-for-sale; and are included in non-current assets unless management has expressed the intention of holding the investment for less than 12 months from the statement of financial position date or unless they will need to be sold to raise operating capital, in which case they are included in current assets.
4. Investments in non-marketable equity securities are classified as general investments.

All categories of investment are initially recognised at cost, which is equal to the fair value of consideration paid plus transaction cost.

Trading investments and available-for-sale investments are subsequently measured at fair value. The fair value of investments is based on quoted bid price at the close of business on the statement of financial position date by reference to the Stock Exchange of Thailand. The unrealised gain and loss of trading investments are recognised in profit or loss. The unrealised gain and loss of available-for-sale investments are recognised in equity.

Held-to-maturity investments are carried at amortised cost using the effective yield method less impairment loss.

General investments are carried at cost less impairment loss.

A test for impairment is carried out when there is a factor indicating that an investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, impairment loss is charged to profit or loss.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit or loss. When disposing of part of the Company's holding of a particular investment in debt or equity securities, the carrying amount of the disposed part is determined by the weighted average carrying amount of the total holding of the investment.

3.7 Trade accounts receivables

Trade accounts receivable are carried at the original invoice amount and subsequently measured at the remaining amount less any allowance for doubtful receivables based on a review of all outstanding amounts at the year-end. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written-off during the year in which they are identified and recognised in profit or loss under administrative expenses.

3.8 Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined by the moving average cost method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, allowances or rebates. The cost of finished goods and work in progress comprises design costs, raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimation of the selling price in the ordinary course of business, less applicable variable selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

3. Accounting policies (Cont'd)

3.9 Investment property

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 consolidated Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Land held under operating leases is classified and accounted for by the Group as investment property when the rest of the definition of investment property is met. The operating lease is accounted for as if it were a finance lease.

Investment property is measured initially at its cost, including related transaction costs and borrowing costs. Borrowing costs are incurred for the purpose of acquiring, constructing or producing a qualifying investment property are capitalised as part of its cost. Borrowing costs are capitalised while acquisition or construction is actively underway and cease once the asset is substantially complete, or suspended if the development of the asset is suspended.

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

3.10 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation. The original cost includes directly attributable costs relating to acquisition of each asset.

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 during the financial period in which they are 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, as follows:

Details of useful lives are as follows:

	Years
Land improvement	20
Buildings and improvements	15 - 40
Telephone network equipment	
- Switching equipment	15
- Transmission	15 - 35
- Outside plant	15 - 35
- Mobile phone network equipment	12 - 25
PCT network equipment	
- Outside plant and buildings	25 - 35
- Cable and drop wire	5 - 25
- Inside plant	5 - 15
Public phone	8 - 15
Power supply and computer	5 - 15
Network management systems	15
Multimedia network equipment	8 - 35
Vehicle	5 - 7
Leasehold building improvements	Lease period
Furniture, fixtures, tools and office equipment	5 - 8

3. Accounting policies (Cont'd)

3.10 Property, plant and equipment (Cont'd)

The assets' residual values and useful lives are 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.

3.11 Leases - where a Group Company is the lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

Leases of property, plant or equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to profit or loss over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant or equipment acquired under finance leases is depreciated over the shorter period of the useful life of the asset and the lease term.

Leases - where a Group Company is the lessor

Operating leases

Assets leased out under operating leases are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with other similar property, plant and equipment owned by the Group. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

3.12 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.

3. Accounting policies (Cont'd)

3.13 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 four 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 shorter of the period of the licence and two years or based on showings where the number of showings is limited or amortised after the first broadcast to be based on the ratio relating to the expected revenue earned from each of the revenue-generated program over the lifetime of planned broadcast but not exceeding five years. Amortisation of film and program rights is included in "Cost of providing services".

(d) Game licence

Licence is stated at acquisition cost less accumulated amortisation. Licence is recorded as asset and liability for rights acquired and obligations incurred under a licence agreement when the licence period begins the cost of each game is known or reasonably determinable and it is available for playing. The licence is amortised using the straight-line method over three years. Amortisation of licence is included in "Cost of providing services".

3. Accounting policies (Cont'd)

3.13 Intangible assets (Cont'd)

(e) 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 but are reviewed annually for impairment.

(f) 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 but are reviewed annually for impairment.

(g) IMT 2.1 GHz Bandwidth Licence

The IMT 2.1 GHz Bandwidth Licence ("the Licence") was granted by NBTC to a subsidiary. The Licence awarded cover with three spectrum bandwidth licence. The Licence represented the fair value of the amount paid to NBTC. The Licence is presented in the consolidated statement of financial position as an intangible asset and are amortised using the straight-line method over the licence period of fifteen years. The amortisation of the Licence is included in "Cost of providing services". The Licence is not re-valued subsequent to initial recognition but are reviewed annually for impairment.

(h) Right to use transponder

Right to use transponder is under long-term lease agreement and will be amortised over the lease agreement of twelve years which is shorter than its estimated economic useful life.

(i) Licence for the spectrum of television broadcasting service using digital system

Licence for the spectrum of television broadcasting service using digital system is for broadcasting via Standard Variety Channel and TNN New Channel. The Group must comply with the terms and conditions and pay the licence fees as stipulated in the licence. The cost of the licence is presented in the consolidated statement of financial position as an intangible asset and are amortised using the straight-line method over the licence period of fifteen years. The amortization of the licence is included in "Cost of providing services". The licence is not re-value subsequent to initial recognition but are reviewed annually for impairment.

(j) Other intangible assets

Other intangible assets represent the cost which equal to fair value of shares issued in exchange for rights to operate NON-POTS services and to hang dropwire. These intangible assets are amortised using the straight-line method over their estimated useful lives, ranging from twenty to twenty five years.

3.14 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 to sell 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.

3. Accounting policies (Cont'd)

3.15 Subscriber acquisition cost

Subscriber acquisition cost is the cost of essential equipment to access the services and handset distributed to subscribers free of charge under usage contract campaigns. Subscriber acquisition cost is amortised over the contract period and reviewed annually for impairment. Subscriber acquisition cost is included in other current assets and other non-current assets.

3.16 Current and deferred income tax

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. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. 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 taxation authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income 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 income tax is provided on temporary differences arising from investments in subsidiaries and associates, except 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 assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

3.17 Borrowings

Borrowings are recognised initially at the fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective yield method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

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

3. Accounting policies (Cont'd)

3.18 Provisions

Provisions for environmental restoration, restructuring costs and legal claims 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 has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating loss.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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.

3.19 Employee benefits

Provident fund

The Group operates a provident fund, being a defined contribution plan. The assets of which are held in a separate trustee-administered fund. The provident fund is funded by payments from employees and by the relevant Group of companies. The Group's contributions to provident fund are charged to the statement of income in the period to which the contributions relate.

Legal severance pay

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, together with adjustments for unrecognised past-service costs. The defined benefit obligation is calculated annually by independent actuaries 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 bonds that are denominated in the currency in which the benefits will be paid.

Actuarial gain and loss arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

3.20 Share capital

- (a) Ordinary shares is classified as equity.
- (b) External costs directly attributable to the issue of new shares, other than on a business combination, are shown as a deduction, net of tax, in equity from the proceeds. Share issue costs incurred directly in connection with a business combination are included in the cost of acquisition.
- (c) Dividends on ordinary shares are recognised in equity in the period in which they are declared.
- (d) The directors and executive management are entitled to participate in the Stock Option Plan under which non-transferable warrants are issued to the directors and executive management. If the warrants are granted at a discount on the market price no compensation cost is recognised in the statement of income based on that discount. When options are exercised, the proceeds received net of any transaction costs are credited to share capital (par value) and share premium or discount.

3. Accounting policies (Cont'd)

3.21 Revenue recognition

Online business

Telephone usage revenues for local and domestic long distance calls are recognised based on completed call time at the tariffs set by TOT. Where a billing period does not coincide with a calendar month the Company estimates the local call usage based on historical usage. Telephone usage revenue earned but not billed is included in the statement of financial position in accounts receivable.

Inbound and outbound international long distance calls are connected through the CAT network. CAT bills the Company's customers directly for international calls. CAT pays each carrier at the agreed rate per minute for international traffic. The Company recognises international long distance call revenue based on customer usage reported to the Company by CAT.

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 derived from the installation of fixed lines and the activation of PCT services is recognised on completion of installation services and activation of services. Unearned advance receipts are included in the statement of financial position in unearned income.

Revenues from public telephone services are recognised according to metered usage and cash received.

Revenues from internet services are recognised according to actual time used by the customers.

Sales of telephone equipment and handsets are recognised on delivery of equipment and handsets or customer acceptance.

Revenues from radio program are recognised when the program is broadcasted.

Advance cash received from selling of tower is recognised as unearned income. Revenue from sell of tower will be recognised as income upon the significant risk and rewards of towers are transferred to the buyer.

Wireless business

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 long distance calls are connected through the CAT network. CAT bills the Company's customers directly for international calls. CAT pays each carrier at the agreed rate per minute for international traffic. The Company recognises international long distance call revenue based on customer usage reported to the Company by CAT.

Revenue from equipment rental is recognised on an accrual basic at the rates stipulated in the lease agreement. Revenue from providing services is recognized when services are rendered.

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

Pay-TV business

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.

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

3. Accounting policies (Cont'd)

3.21 Revenue recognition (Cont'd)

Pay-TV business (Cont'd)

Revenue from equipment installation and connection fees are recorded as unearned income when the installation is accomplished and recognised over estimated subscription period.

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.

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.

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

Group

In accordance with the agreements described in Note 2, TOT, CAT and MCOT are entitled to receive a share of certain revenues generated by the Group. The revenues sharing are calculated according to the percentage and methodology as stipulated in the agreements. The revenue sharing is included in cost of providing services.

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 bases:

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.

3.22 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.

3.23 Non-current assets (or disposal groups) held-for-sale

Non-current assets (or disposal groups) are classified as assets held-for-sale when their carrying amount is to be recovered principally through a sale transaction and a sales is considered highly probable. They are stated at the lower of the carrying amount and fair value less cost to sell if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use.

4. Change in accounting policy

The Group adopted the following interpretation and the revised standard since 1 January 2014. The effect on the consolidated and company statements of financial position as at 1 January 2013 and 31 December 2013 is as follows:

4.1 Accounting policy for service concession arrangements.

TFRIC 12 “Service concession arrangements” becomes effective in 2014. In August 1991, the Company entered into the Joint Operation and Joint Investment for Expansion of Telephone Services Agreement with TOT. The Agreement, a Build Transfer Operate (“BTO”) agreement granted the Company the right to construct and provide fixed line telephone services up to 2.6 million lines in the Bangkok Metropolitan Area. The Company received a right to operate and charge users of the public service over 25 years. This right is an intangible asset under TFRIC 12, and should be measured at fair value on the assumed date. Full retrospective application of the policy to all periods presented as required by TFRIC 12 is impracticable because the limited information of fair value on the assumed date. In accordance with TAS 8 “Accounting policies, changes in accounting estimates and errors”, the new policy is applied as at the start of earliest period for which retrospective application is possible, that is 1 January 2013. In addition, the impacts on the statements of comprehensive income for the year ended 31 December 2013 were not material. Accordingly, no adjustment has been made in the statements of comprehensive income for the year ended 31 December 2013. The effect of the adoption of this interpretation is as follows:

Statement of financial position	Consolidated and Company	
	31 December 2013 Baht Million	1 January 2013 Baht Million
Decrease in property, plant and equipment, net	(5,314.08)	(6,417.60)
Increase in intangible assets, net	5,314.08	6,417.60

4.2 Accounting policy for spare part, stand by equipment and service equipment

The Group has considered that network parts and supplies which are reserved for servicing of the network assets should be classified as property, plant and equipment rather than inventories. As such, the book value of parts and supplies are reclassified accordingly. The effects of the reclassification to the statement of financial position as at 31 December 2013 and 1 January 2013 are as follows:

Statement of financial position	Consolidated	
	31 December 2013 Baht Million	1 January 2013 Baht Million
Increase in property, plant and equipment, net	1,019.55	820.45
Decrease in inventories, net	(1,019.55)	(820.45)

5. Financial risk management

5.1 Financial risk factors

The Group’s activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price 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.

Risk management is carried out by a central treasury department (Group Treasury) under policies approved by the Board of Directors. The Group Treasury identifies, evaluates and hedges financial risks in close co-operation with the Group’s operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments, and investment excess liquidity.

5. Financial risk management (Cont'd)

5.1 Financial risk factors (Cont'd)

(a) Foreign exchange rate risk

Purchases of network equipment are mainly made in foreign currencies, primarily in US Dollars. In order to manage the risk arising from fluctuations in currency exchange rates, the Group makes use of forward foreign exchange contracts. Trading of the forward foreign exchange contracts for speculative purpose is prohibited by the Group's policy.

External foreign exchange contracts are designated at Group level as hedges of foreign exchange rate risk on specific assets, liabilities and future transactions.

(b) Interest rate risk

The Group has no significant interest-bearing assets. The Group maintains its borrowings in fixed rate instruments. The Group borrows at variable rates and uses interest rate swap as interest payments, which have the economic effect of converting borrowings from floating rates to fixed rates. The interest rate swaps allow the subsidiaries to raise long-term borrowings at floating rates and swap them into fixed rates that are lower than those available if the subsidiaries borrowed at fixed rates directly. Under the interest rate swaps, the Group agrees with the other parties to exchange, at specified intervals (mainly quarterly), the difference between fixed contract rates and floating rate interest amounts are calculated by reference to the agreed notional principal amounts.

(c) Credit risk

The Group has no significant concentrations of credit risks. The Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. Derivative counterparties and cash transactions are limited to high credit quality financial institutions.

(d) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying business, the Group aims at maintaining flexibility in funding by keeping committed credit lines available.

5.2 Accounting for derivative financial instruments and hedging activities

The Group is party to derivative financial instruments, which mainly comprise of foreign currency forward contracts and interest rate swap agreements. Such instruments are not recognised in the financial statements on inception.

Foreign currency forward contracts protect the Group from movements in exchange rates by establishing the rate at which a foreign currency asset will be realised or a foreign currency liability settled. Any increase or decrease in the amount required to realise the asset or settle the liability is offset by a corresponding movement in the value of the forward exchange contract on the date that the Group received the asset or settled the liability. The gain and loss on the derivative instruments and the underlying financial asset or liability are therefore offset for financial reporting purposes and are not recognised in the financial statements. The fee incurred in establishing each agreement is amortised over the contract period, if any.

Interest rate swap agreements protect the Group from movements in interest rates. Any differential to be paid or received on an interest rate swap agreement is recognised as a component of interest revenue or expense over the period of the agreement. Gain and loss on early termination of interest rate swaps or on repayment of the borrowing are taken to profit or loss.

5. Financial risk management (Cont'd)

5.3 Fair value estimation

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the end of reporting date. The quoted market price used for financial assets held by the Group is the current bid price.

When there is infrequent activity in a market, the market is not well established or small volumes are traded relative to the number of trading units of a financial instrument to be valued, quoted market prices may not be indicative of the fair value of the instrument. In these circumstances, as well as when a quoted market price is not available, estimation techniques may be used to determine the fair value with sufficient reliability to satisfy the Group. Techniques that are well established in financial markets include reference to the current market value of another instrument that is substantially the same, discounted cash flow analysis. In applying discounted cash flow analysis, an enterprise uses a discount rate equal to the prevailing market rate of interest for financial instruments having substantially the same terms and characteristics, including the creditworthiness of the debtor, the remaining term over which the contractual interest rate is fixed, the remaining term for repayment of the principal and the currency in which payments are to be made.

The fair value of publicly traded derivatives and trading and available-for-sale investments is based on quoted market prices at the end of the reporting period. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using forward exchange market rates at the end of reporting period.

The face values less any estimated credit adjustments for financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate available to the Group for similar financial instruments.

Information on the fair value of borrowings is included in Note 26.

6. 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.

6.1 Estimated impairment of goodwill, property, plant and equipment and intangible assets

The Group tests annually whether goodwill has suffered any impairment, in accordance with accounting policy stated in Note 3.12. The Group also considers impairment indicator for property, plant and equipment and intangible assets. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates. The change in the assumption used would impact the recoverable amount.

For testing impairment of goodwill, if the estimated cost of capital used in determining the pre-tax discount rate applied to the discounted cash flows had been 10% higher than management's estimates (for example, 10.74% instead of 9.76%), value in use of goodwill are higher than carrying value of segment goodwill then, goodwill for all segments would have not been impaired.

6.2 Allowance for doubtful accounts

Allowances for doubtful accounts are intended to adjust the value of receivables for probable credit loss. The management uses judgment to establish reserves for estimated loss for each outstanding debtor. The allowances for doubtful accounts are determined through a combination of percentage of revenues, analysis of debt aging, collection experience, and taking into account of change in the current economic environment. However, the use of different estimates and assumptions could affect the amounts of allowances for receivable loss and adjustments to the allowances may therefore be required in the future.

6. Critical accounting estimates and judgements (Cont'd)

6.3 Useful lives for property, plant and equipment and intangible assets

The Group's property, plant and equipment and intangible assets are deal with telecommunication network and computer system network. The annual depreciation charge is sensitive to the estimated useful lives and residual values allocated to each type of asset. Useful lives and residual values are assessed annually and change when necessary to reflect current situation on their remaining useful lives in light of technological change, prospective economic utilisation and physical condition of the assets concerned.

6.4 Deferred tax

Deferred tax assets and liabilities are recognised for temporary difference arising between tax bases of assets and liabilities and their carrying amount for accounting purposes as at the end of reporting date. Significant management judgment is used in considering whether it is highly probable that the Group will generate sufficient taxable profits from its future operations to minimise these deferred tax assets. The Group's assumptions regarding the future taxable profits and the anticipated timing of minimise of deductible temporary differences and significant changes in these assumptions from period to period may have a material impact on financial position and results of operations.

6.5 Borrowings

The fair values are based on discounted cash flows using a discount rate based upon the borrowing rate which the director's expect would be available to the Group at the end of reporting date. The change in the discount rate would impact the fair value of the borrowings.

6.6 Employee benefit

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for employee benefit include the discount rate. Any changes in these assumptions will have an impact on the carrying amount of employee benefit obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the employee benefit obligations. In determining the appropriate discount rate, the Group considers the market yield of high-quality government bonds that are denominated in the currency in which the benefits will be paid.

6.7 Service contract

The present value of the service contract on initial date is calculated from the discounted cash flow of estimated revenue from service agreement using a discount rate based upon the Group's Weighted Average Cost of Capital ("WACC"). Any change in these assumptions will have an impact on the carrying amount of service contract. The Group tests impairment of service contract as stated in Note 3.13.

7. Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to minimise 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.

8. Consolidated segment information

The Group Management is the Group's chief operating decision-maker. The Group Management has determined the operating segments based on the information reviewed by the Group Management for the purposes of allocating resources and assessing performance.

Management considers that the Group operates in a single geographic area, namely in Thailand, and has, therefore, only one major geographic segment. The Group Management considers the business from three services categories, Online, Wireless and Pay-TV of which are consisted of the following:

- **Online** to install and provide services of 2.6 million fixed lines including public telephone and related value added service, data service, multimedia services, NON-POTS and broadband service, PCT, internet service and other services;
- **Wireless** to provide cellular telephone services, resell of 3G services using HSPA technology, network equipment rental services, to provide mobile service under the 2.1 IMT GHz Bandwidth licence and sales of handsets and accessories and other supporting services in the Group; and
- **Pay-TV** to provide pay television services both via cable and satellite platform, rental and trading of related equipment and other related services to the pay television business, advertising sale and agency.

The Group Management assesses the performance of the operating segments based on a measure of adjusted EBITDA and net income on ongoing operation. This measurement basis excludes discontinued operations and the effects of non-recurring expenditure from the operating segments.

Revenue

Sales between segments are carried out at arm's length. The revenue from external parties reported to the Group Management is measured in a manner consistent with that in the statements of comprehensive income.

	Baht : Million					
	For the year ended 31 December 2014			For the year ended 31 December 2013		
	Total segment revenue	Inter-segment revenue	Revenue from external customer	Total segment revenue	Inter-segment revenue	Revenue from external customer
Online	31,609.59	(4,969.02)	26,640.57	29,664.41	(6,578.78)	23,085.63
Wireless	74,158.00	(577.43)	73,580.57	64,116.40	(1,043.29)	63,073.11
Pay-TV	10,830.25	(1,835.35)	8,994.90	10,859.45	(804.49)	10,054.96
Total	116,597.84	(7,381.80)	109,216.04	104,640.26	(8,426.56)	96,213.70

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8. Consolidated segment information (Cont'd)

EBITDA

	Baht : Million					
	For the year ended 31 December 2014			For the year ended 31 December 2013		
	Included inter segment	Inter segment	Excluded inter segment	Included inter segment	Inter segment	Excluded inter segment
Online	11,084.32	(3,897.32)	7,187.00	10,242.59	(5,172.54)	5,070.05
Wireless	7,769.37	5,075.63	12,845.00	4,909.61	5,011.50	9,921.11
Pay-TV	1,428.73	(1,410.39)	18.34	1,458.46	(64.64)	1,393.82
Total EBITDA	20,282.42	(232.08)	20,050.34	16,610.66	(225.68)	16,384.98
Depreciation and amortisation	(17,240.41)	73.77	(17,166.64)	(18,126.56)	92.22	(18,034.34)
Interest income	226.34	(50.36)	175.98	257.82	(109.73)	148.09
Interest expenses	(5,169.16)	50.36	(5,118.80)	(7,875.28)	109.73	(7,765.55)
Other finance costs	(1,404.79)	-	(1,404.79)	(844.65)	-	(844.65)
Income tax expenses:						
Current tax	(587.27)	-	(587.27)	(1,896.59)	-	(1,896.59)
Deferred income tax	2,650.25	-	2,650.25	(1,011.91)	12.38	(999.53)
Gain on sale of subsidiaries joint venture	-	-	-	680.22	177.35	857.57
Share of results in associates	6,220.94	(0.47)	6,220.47	(28.76)	91.06	62.30
Non-controlling interest	20.78	30.03	50.81	5.37	72.83	78.20
Net profit (loss) on going operation	4,999.10	(128.75)	4,870.35	(12,229.68)	220.16	(12,009.52)
Net profit (loss) on going operation before deferred income tax	2,348.85	(128.75)	2,220.10	(11,217.77)	207.78	(11,009.99)
Foreign exchange gain (loss)	174.99	-	174.99	(339.79)	-	(339.79)
Other income (expenses)	(3,620.58)	0.51	(3,620.07)	3,380.59	(94.03)	3,286.56
Net profit (loss) for the year	1,553.51	(128.24)	1,425.27	(9,188.88)	126.13	(9,062.75)

Other profit and loss disclosures

	Baht : Million					
	For the year ended 31 December 2014			For the year ended 31 December 2013		
	Depreciation and amortisation	Income tax expense	Share of results in associates	Depreciation and amortisation	Income tax expense	Share of results in associates
Online	(5,752.48)	(602.14)	6,252.81	(6,686.53)	(3,446.21)	88.04
Wireless	(9,507.46)	2,834.02	-	(9,740.52)	350.06	-
Pay-TV	(1,906.70)	(168.90)	(32.34)	(1,607.29)	200.03	(25.74)
	(17,166.64)	2,062.98	6,220.47	(18,034.34)	(2,896.12)	62.30

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8. Consolidated segment information (Cont'd)

Assets

	At 31 December 2014			At 31 December 2013		
	Total assets	Investment in associates, other companies and Investment property	Additions to non-current assets	Total assets	Investment in associates, other companies and Investment property	Additions to non-current assets
Online	65,758.40	16,742.83	9,413.00	67,655.16	16,398.34	13,791.25
Wireless	142,567.02	0.40	15,035.95	113,867.30	0.40	16,690.54
Pay-TV	26,245.04	13.74	7,580.25	24,329.71	59.39	4,678.32
	234,570.46	16,756.97	32,029.20	205,852.17	16,458.13	35,160.11

Liabilities

	Baht : Million	
	At 31 December 2014	At 31 December 2013
Online	63,836.02	81,155.66
Wireless	86,845.93	99,010.30
Pay-TV	12,947.79	20,954.07
	163,629.74	201,120.03

9. Expenses by nature

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

For the years ended 31 December	Consolidated		Company	
	2014 Baht Million	2013 Baht Million	2014 Baht Million	2013 Baht Million
Direct costs related to revenues	35,441.15	30,588.31	909.49	1,059.68
Network operating and maintenance	9,227.50	6,383.41	1,143.37	1,269.77
Staff costs	11,201.51	11,090.99	2,332.43	2,184.52
Selling, advertising and publicity	4,828.25	7,163.01	399.25	322.68
Doubtful accounts (reversal)	1,243.54	1,143.82	289.29	(117.60)
Depreciation				
- owned assets	10,966.66	12,170.16	489.26	464.16
- owned assets (vehicles) leased out under operating leases	-	213.47	-	-
- leased assets under finance leases	908.11	971.85	9.90	9.90
Amortisation				
- Intangible assets (Note 23)	6,755.47	5,898.62	1,434.96	1,169.22
- Others	853.14	346.94	-	-
Impairment				
- Property, plant and equipment (Note 21)	-	2,056.09	-	-
- Investments in subsidiaries, associates and joint ventures (Note 19)	-	8.72	672.79	35.97

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10. Finance costs

For the years ended 31 December	Consolidated		Company	
	2014 Baht Million	2013 Baht Million	2014 Baht Million	2013 Baht Million
Interest expense	5,118.80	7,765.55	2,693.84	1,743.03
Foreign exchange gain	(81.15)	(208.55)	(82.80)	(482.17)
Other financial fees	1,404.78	844.65	68.94	162.49
Total finance costs	6,442.43	8,401.65	2,679.98	1,423.35

11. Income tax

For the years ended 31 December	Consolidated		Company	
	2014 Baht Million	2013 Baht Million	2014 Baht Million	2013 Baht Million
Current tax	(587.28)	(1,896.59)	-	-
Deferred income tax:				
Origination and reversal of temporary differences (Note 24)	2,650.26	(999.53)	(503.84)	(639.03)
Income tax revenue (expenses)	2,062.98	(2,896.12)	(503.84)	(639.03)

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		Company	
	2014 Baht Million	2013 Baht Million	2014 Baht Million	2013 Baht Million
Profit (loss) before income tax	(688.51)	(6,244.82)	6,013.83	2,390.23
Tax calculated at the tax rate of 20%	137.70	1,248.96	(1,202.78)	(478.05)
Income not subject to tax	1.00	-	253.93	11.17
Expenses not deductible for tax purposes	(106.21)	(512.17)	(136.12)	(80.60)
Current year tax loss for which no deferred tax asset was recognised	(1,436.06)	(3,724.15)	-	(91.55)
Utilisation of previously unrecognised deferred tax asset from tax loss	2,222.45	78.78	581.13	-
Associates results reported, net of tax	1,244.10	12.46	-	-
Income tax revenue (expenses)	2,062.98	(2,896.12)	(503.84)	(639.03)

Further information about deferred income tax is presented in Note 24.

12. Basic and diluted earnings per share

(a) Basic

Basic earnings per share is calculated by dividing the profit (loss) attributable to common shareholders by the weighted average number of common shares outstanding during the year. The calculation are as follows:

	Consolidated		Company	
	2014	2013	2014	2013
Profit (loss) attributable to shareholders (Baht Million)	1,425.28	(9,062.75)	5,509.99	1,751.20
Weighted average number of common shares in issue (million shares)	19,056.27	16,278.52	19,056.27	16,278.52
Basic earnings (loss) per share (Baht)	0.07	(0.56)	0.29	0.11

(b) Diluted

There are no potential dilutive ordinary shares in issue during 2014.

In 2013, diluted earnings per share is calculated by adjusting the weighted average number of common shares outstanding to assume conversion of all dilutive potential common shares. The dilutive potential common shares consisted 12.95 million units of stock options assuming as-if-converted.

	Consolidated	Company
	2013	2013
Profit (loss) used to determine diluted earnings per share (Baht Million)	(9,062.75)	1,751.20
Weighted average number of common shares for diluted earnings per share (million shares)	16,293.03	16,293.03
Diluted earnings (loss) per share (Baht)	(0.56)	0.11

13. Cash and cash equivalents

At 31 December	Consolidated		Company	
	2014	2013	2014	2013
	Baht Million	Baht Million	Baht Million	Baht Million
Cash on hand	1,414.52	481.05	1.72	5.08
Deposits held at call with banks	5,197.07	11,966.25	650.19	1,256.16
Short-term investments				
- Debt securities	-	2,278.98	-	299.96
	<u>6,611.59</u>	<u>14,726.28</u>	<u>651.91</u>	<u>1,561.20</u>

14. Restricted cash

Restricted cash consist of:

At 31 December	Consolidated		Company	
	2014 Baht Million	2013 Baht Million	2014 Baht Million	2013 Baht Million
Current	1,139.79	2,346.45	1,100.55	2,344.58
Non-current	50.69	100.04	-	-
	<u>1,190.48</u>	<u>2,446.49</u>	<u>1,100.55</u>	<u>2,344.58</u>

Current:

At 31 December	Consolidated		Company	
	2014 Baht Million	2013 Baht Million	2014 Baht Million	2013 Baht Million
Saving deposits	1,100.55	2,346.38	1,100.55	2,344.58
Short-term investments				
- Debt securities	39.24	-	-	-
Time deposits	-	0.07	-	-
	<u>1,139.79</u>	<u>2,346.45</u>	<u>1,100.55</u>	<u>2,344.58</u>

Under the terms of asset sale and transfer agreement, the Company has deposited in the construction reserve account of Baht 993.00 million (2013: 2,000.00 million) as collateral for the contracted party.

Non-current:

At 31 December	Consolidated		Company	
	2014 Baht Million	2013 Baht Million	2014 Baht Million	2013 Baht Million
Saving deposits	23.83	75.83	-	-
Time deposits	26.86	24.21	-	-
	<u>50.69</u>	<u>100.04</u>	<u>-</u>	<u>-</u>

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

Effective interest rate for saving and time deposits are 1.09% and 1.22% per annum, respectively.

15. Investments

At 31 December	Consolidated		Company	
	2014 Baht Million	2013 Baht Million	2014 Baht Million	2013 Baht Million
Current	1.04	101.83	-	-
Non-current	322.77	313.80	240.74	240.74
Total	<u>323.81</u>	<u>415.63</u>	<u>240.74</u>	<u>240.74</u>
Current:				
Time deposits	0.93	1.41	-	-
Trading securities - equity securities	0.11	100.42	-	-
Total current investments	<u>1.04</u>	<u>101.83</u>	<u>-</u>	<u>-</u>

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15. Investments (Cont'd)

Movement of current investments

For the year ended 31 December 2014

	Consolidated Baht Million	Company Baht Million
Opening net book value	101.83	-
Disposals	(100.94)	-
Interest received	0.02	-
Fair value adjustment	0.13	-
Closing net book value	1.04	-

At 31 December	Consolidated		Company	
	2014 Baht Million	2013 Baht Million	2014 Baht Million	2013 Baht Million
Non-current:				
General investments				
- Non-marketable equity securities	322.77	313.80	240.74	240.74
Total	322.77	313.80	240.74	240.74

Movement of general investments

For the year ended 31 December 2014

	Consolidated Baht Million	Company Baht Million
Opening net book value	313.80	240.74
Additions	8.97	-
Closing net book value	322.77	240.74

16. Trade and other receivables

At 31 December	Consolidated		Company	
	2014 Baht Million	2013 Baht Million	2014 Baht Million	2013 Baht Million
Receivable from TOT	651.47	612.50	651.47	612.50
Billed customers	32,512.93	14,120.78	2,298.87	2,340.73
Receivables and accrued income from related parties (Note 41)	10,550.36	8,600.69	1,714.24	1,882.87
Trade accounts receivable	43,714.76	23,333.97	4,664.58	4,836.10
Accrued income	22,565.29	18,859.80	1,901.26	1,752.95
Total trade accounts receivable	66,280.05	42,193.77	6,565.84	6,589.05
Less Allowance for doubtful accounts	(7,423.47)	(7,632.86)	(2,906.48)	(2,671.81)
Trade accounts receivable, net	58,856.58	34,560.91	3,659.36	3,917.24
Prepaid expenses	2,792.09	1,119.87	45.32	65.54
Other receivable	1,134.84	2,832.69	62.90	1,214.95
Interest receivable	42.41	24.51	26.03	40.32
Trade account and other receivables	62,825.92	38,537.98	3,793.61	5,238.05

16. Trade and other receivables (Cont'd)

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

At 31 December	Consolidated		Company	
	2014 Baht Million	2013 Baht Million	2014 Baht Million	2013 Baht Million
Current	24,348.47	7,259.02	1,858.91	1,535.40
Less than 3 months	5,193.22	5,199.73	608.88	1,005.72
3 - 6 months	3,231.89	2,074.41	222.29	234.83
6 - 12 months	5,115.80	4,929.51	120.66	400.21
More than 12 months	5,825.38	3,871.30	1,853.84	1,659.94
Trade accounts receivable	43,714.76	23,333.97	4,664.58	4,836.10
Accrued income	22,565.29	18,859.80	1,901.26	1,752.95
Total trade accounts receivable	66,280.05	42,193.77	6,565.84	6,589.05
<u>Less</u> Allowance for doubtful accounts	(7,423.47)	(7,632.86)	(2,906.48)	(2,671.81)
Trade accounts receivable, net	58,856.58	34,560.91	3,659.36	3,917.24

Concentrations of credit risk with respect to trade accounts receivable are limited due to the Group has large number of customers, who are end users of telephone services, covering business and individuals. 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.

As at 31 December 2014, trade accounts receivable, in the consolidated and company statements of financial position included accrued income from TOT amount of Baht 240.52 million (2013: Baht 235.97 million) in respect of interconnection fee for TOT service because TOT 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 TOT. The Company's management believes that the amount is recoverable.

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17. Inventories, net

At 31 December	Consolidated		Company	
	2014	2013	2014	2013
	Baht Million	(Restated) Baht Million	Baht Million	Baht Million
Spareparts for networks (at cost)	259.56	1,398.95	165.69	178.88
<u>Less</u> Allowance for decline in value	(135.01)	(252.66)	(135.01)	(140.22)
Spareparts for networks, net	124.55	1,146.29	30.68	38.66
Change in accounting policy (Note 4.2)	-	(1,016.28)	-	-
Spareparts as restated, net	124.55	130.01	30.68	38.66
Merchandise (at cost)	4,387.96	5,253.33	3.25	3.25
<u>Less</u> Allowance for decline in value	(286.37)	(333.75)	(1.2)	(1.2)
Merchandise, net	4,101.59	4,919.58	2.05	2.05
Change in accounting policy (Note 4.2)	-	(3.27)	-	-
Merchandise as restated, net	4,101.59	4,916.31	2.05	2.05
Work in process (at cost)	67.99	0.63	66.79	-
Goods in transit (at cost)	-	3.04	-	-
Inventories, net	4,294.13	5,049.99	99.52	40.71

During 2014, the damage and obsolete inventories was reversed to the consolidated profit or loss for Baht 49.43 million, (2013: The damage and obsolete inventories were charged to the consolidated profit or loss for Baht 143.27 million and reversed to the company profit or loss for Baht 24.48 million).

18. Other current assets

As at 31 December	Consolidated		Company	
	2014	2013	2014	2013
	Million Baht	Million Baht	Million Baht	Million Baht
Value added tax pending receipt of tax invoices	2,471.62	2,284.47	102.16	78.86
Film and program right (Note 23)	595.25	544.02	-	-
Subscriber acquisition cost, net	1,206.73	160.63	-	-
Others	0.20	0.08	-	0.01
	4,273.80	2,989.20	102.16	78.87

Subscriber acquisition cost comprises mainly essential equipment necessary for customers to use the Group's services, including telephone handset distributed to subscribers free of charge. Subscriber acquisition cost is amortised over the future economic benefit. The amortisation for the year charged in the consolidated financial statements was Baht 841.64 million (2013: Baht 346.94 million).

19. Investments in subsidiaries, associates and joint ventures, net

Movements of investments are as follows:

For the years ended 31 December	Consolidated		Company	
	2014	2013	2014	2013
	Million Baht	Million Baht	Million Baht	Million Baht
Opening net book value	16,138.80	275.71	82,844.60	37,745.22
Additional investments	36.19	19,335.27	48,647.61	47,235.27
Unrealised gain from assets sold	(1,398.52)	(3,346.92)	-	-
Disposal of investments	(3,209.23)	-	(3,018.55)	(2,050.25)
Dividends income (Note 41)	(1,345.75)	(55.80)	-	-
Share of results	6,220.47	62.30	-	-
(Loss) gain on liquidated associate	(6.08)	(23.04)	-	50.33
Proceed from liquidated of associate	(7.22)	(100.00)	-	(100.00)
Impairment of investments	-	(8.72)	(672.79)	(35.97)
Closing net book value	16,428.66	16,138.80	127,800.87	82,844.60

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19. Investments in subsidiaries, associates and joint ventures, net (Cont'd)

	Company						
	Business	Relationship	Paid-up capital Baht Million	% Ownership interest	Investment - at cost method Baht Million	Allowance for impairment Baht Million	Net investment Baht Million
Subsidiaries							
Telecom Holding Co., Ltd.	Holding company	Shareholder	34,290.24	100.00	34,290.24	10,271.43	24,018.81
True Move H Universal Communication Co., Ltd. (formerly "Real Future Co., Ltd.")	Wireless Telecommunication services	Shareholder	84,843.77	100.00	84,843.77	-	84,843.77
True Internet Co., Ltd.	Internet solution provider	Shareholder	2,149.88	100.00	2,149.88	-	2,149.88
True International Gateway Co., Ltd.	Telecommunication and internet services	Shareholder	436.00	100.00	436.00	-	436.00
K.I.N. (Thailand) Limited	Holding company	Shareholder	192.70	93.62	180.40	180.40	-
True Public Communication Co., Ltd.	Telecommunication services	Shareholder	86.00	100.00	86.00	86.00	-
True Vistas Co., Ltd. (formerly "True Magic Co., Ltd.")	Production and distribution of movie films	Shareholder	23.50	100.00	23.50	-	23.50
True Universal Convergence Co., Ltd.	Telecommunication services	Shareholder	10,000.00	0.01	1.00	-	1.00
Total investment in subsidiaries					122,010.79	10,537.83	111,472.96
Associate							
TRUE Telecommunications Growth Infrastructure Fund	Invested in telecommunication infrastructure	Shareholder	58,080.00	28.11	16,327.91	-	16,327.91
Total investment in associate					16,327.91	-	16,327.91
Total investments in subsidiaries and associate					138,338.70	10,537.83	127,800.87

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19. Investments in subsidiaries, associates and joint ventures, net (Cont'd)

At 31 December 2013	Company						
	Business	Relationship	Paid-up capital Baht Million	% Ownership interest	Investment - at cost method Baht Million	Allowance for impairment Baht Million	Net investment Baht Million
Subsidiaries							
Telecom Holding Co., Ltd.	Holding company	Shareholder	25,733.82	100.00	25,733.82	9,598.64	16,135.18
True Move H Universal Communication Co., Ltd. (formerly “Real Future Co., Ltd.”)	Wireless Telecommunication services	Shareholder	46,244.39	100.00	46,243.77	-	46,243.77
True Internet Co., Ltd.	Internet solution provider	Shareholder	752.80	100.00	689.88	-	689.88
True International Gateway Co., Ltd.	Telecommunication and internet services	Shareholder	436.00	100.00	436.00	-	436.00
K.I.N. (Thailand) Co., Ltd.	Holding company	Shareholder	192.70	93.62	180.40	180.40	-
True Public Communication Co., Ltd.	Telecommunication services	Shareholder	86.00	100.00	86.00	86.00	-
True Vistas Co., Ltd. (formerly “True Magic Co., Ltd.”)	Production and distribution of movie films	Shareholder	3.50	100.00	3.50	-	3.50
True Universal Convergence Co., Ltd.	Telecommunication services	Shareholder	10,000.00	0.01	1.00	-	1.00
Total investment in subsidiaries					73,374.37	9,865.04	63,509.33
Associate							
TRUE Telecommunications Growth Infrastructure Fund	Invested in telecommunication infrastructure	Shareholder	58,080.00	33.29	19,335.27	-	19,335.27
Total investment in associate					19,335.27	-	19,335.27
Total investments in subsidiaries and associate					92,709.64	9,865.04	82,844.60

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19. Investments in subsidiaries, associates and joint ventures, net (Cont'd)

Subsidiary undertakings

Name of subsidiaries	% Ownership	Business	Country of incorporation
AP&J Production Co., Ltd. **	70.00	Entertainment	Thailand
Asia DBS Public Company Limited *	100.00	DBS system operator	Thailand
Asia Wireless Communication Co., Ltd. *	100.00	PCT operator	Thailand
Bangkok Inter Teletech Public Company Limited *	99.48	Holding company	Thailand
BeboydCG Company Limited *	70.00	Production of animation	Thailand
BFKT (Thailand) Limited *	100.00	Mobile equipment Lessor	Thailand
Cineplex Co., Ltd. *	100.00	Program production	Thailand
Click TV Co., Ltd. *	99.53	Interactive TV business	Thailand
Hutchison CAT Wireless MultiMedia Limited *	68.02	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 *	92.02	Holding company	Thailand
Internet Knowledge Service Center Co., Ltd. *	56.93	Non-government telecommunication	Thailand
K.I.N. (Thailand) Limited	100.00	Holding company	Thailand
KOA Co., Ltd. *	100.00	Assets management	Thailand
KSC Commercial Internet Co., Ltd. *	56.83	Internet services provider	Thailand
MKSC World Dot Com Co., Ltd. *	91.08	Internet services and distributor	Thailand
Panther Entertainment Co., Ltd. *	99.92	Artist management and related business	Thailand
Real Move Co., Ltd. *	99.48	Reseller of mobile phone service	Thailand
Samut Pakan Media Corporation Co., Ltd. *	99.42	Dormant	Thailand
Satellite Service Co., Ltd. *	99.53	Sales and rental of equipment related to Pay Television	Thailand
SM True Co., Ltd. *	51.00	Artist management and related business	Thailand
Song Dao Co., Ltd. *	99.41	Dormant	Thailand
Tele Engineering and Services Co., Ltd. *	100.00	Content provider	Thailand
Telecom Asset Management Co., Ltd. *	100.00	Marketing management	Thailand
Telecom Holding Co., Ltd.	100.00	Holding company	Thailand
Telecom KSC Co., Ltd. *	34.39	Dormant	Thailand
Thai News Network (TNN) Co., Ltd. *	100.00	News Channel	Thailand
True Digital Media Co., Ltd. *	100.00	Advertising sale and agency	Thailand
True Distribution and Sales Co., Ltd. *	99.44	Distribution Center Services	Thailand
True4U Station Co., Ltd. (formerly "True DTT Co., Ltd.")*	100.00	Television and related business	Thailand
True Icontent Co., Ltd. **	100.00	Contents provider	Thailand
True Information Technology Co., Ltd. *	100.00	IT services and training	Thailand
True International Communication Co., Ltd. *	99.43	Telecommunication services	Thailand
True International Gateway Co., Ltd.	100.00	Telecommunication and internet service	Thailand
True Internet Co., Ltd.	100.00	Internet solution provider	Thailand
True Life Plus Co., Ltd. *	100.00	Telecommunication services reseller	Thailand
True Move Co., Ltd. *	99.44	Cellular operator	Thailand
True Move H Universal Communication Co., Ltd. (formerly "Real Future Co., Ltd.")	100.00	Wireless Telecommunication services	Thailand
True Multimedia Co., Ltd. *	91.08	NON-POTS and multimedia services	Thailand
True Music Co., Ltd. *	99.40	Content provider	Thailand
True Music Radio Co., Ltd. *	69.94	Trading and production of advertising media	Thailand

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19. Investments in subsidiaries, associates and joint ventures, net (Cont'd)

Subsidiary undertakings (Cont'd)

Name of subsidiaries	% Ownership	Business	Country of incorporation
True Public Communication Co., Ltd.	100.00	Telecommunication services	Thailand
True Touch Co., Ltd. *	100.00	Call centre services	Thailand
True United Football Club Co., Ltd. *	70.00	Football Club and related activities management	Thailand
True Universal Convergence Co., Ltd. *	100.00	Telecommunication services	Thailand
True Visions Public Company Limited *	99.53	Pay Television	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 Vistas Co., Ltd.	100.00	Production and distribution of movie films	Thailand
True Voice Co., Ltd. **	55.00	Voice recognised service and related software and hardware	Thailand
K.I.N. (Thailand) Co., Ltd. *	100.00	Holding company	British Virgin Island
Gold Palace Logistics Limited *	100.00	Holding company	British Virgin Island
Dragon Delight Investments Limited *	100.00	Holding company	British Virgin Island
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
Golden Pearl Global Limited *	100.00	Holding company	British Virgin Island
GP Logistics Company Limited *	100.00	Holding company	British Virgin Island
Rosy Legend Limited *	99.48	Holding company	British Virgin Island
Prospect Gain Limited *	100.00	Holding company	British Virgin Island
True Internet Technology (Shanghai) Company Limited *	100.00	Developing, designing, producing and sale of software products	China

* indirectly owned by the Company

** indirectly owned by the Company and newly established

Even though the Group has investment in TKSC only at 34.39%, however; the Group has control and power to govern the financial and operating policies of TKSC. Therefore, TKSC is classified as subsidiary of the Group.

Transactions incurred during 2014

The Company made additions investments in TUC, TH, TI and TVT, which are wholly owned subsidiaries, amounting to Baht 38,600.00 million, Baht 8,556.43 million, Baht 1,460.00 million and Baht 20.00 million, respectively.

The Company assessed the impairment of investment in TH, the wholly owned subsidiary, as a resulted of ceasing operation of TH's foreign subsidiaries. An impairment loss amounting to Baht 672.79 million was recognised under "Other expenses" in the Company profit or loss for the year ended 31 December 2014.

A subsidiary purchased True Visions's shares amounting to Baht 31.39 million and obtained ADBS's share at no cost from non-controlling interests. Consequently, the Group's shareholding proportion in True Visions and ADBS increased to 99.53% and 100 %, respectively. The carrying amounts of shareholders of the parent and non-controlling interests are adjusted to reflect change in controlling interest. The Group recognised loss from change of proportion in True Visions amounting to Baht 28.09 million and recognised gain of change of proportion in ADBS amounting to Baht 21.82 million which are the differences between the book value of non-controlling interests and the fair value of the net assets received. The gain and loss are recognised directly in equity attributed to the shareholders in the consolidated financial statement.

19. Investments in subsidiaries, associates and joint ventures, net (Cont'd)

Subsidiary undertakings (Cont'd)

On 11 March 2014, a subsidiary invested in AP&J, a newly established company, amounting to Baht 11.67 million representing 70.00% of its equity interest, and the non-controlling interests paid-up the subscription amounting to 15.99 million. AP&J engages in the business that supports the expansion of TV programs production.

On 8 May 2014, a subsidiary invested in TICT, a newly established company, amounting to Baht 51.00 million representing 100.00% of its equity interest. TICT engages in the business of providing music, movie and publication via Broadband Internet.

On 12 November 2014, a subsidiary invested in TV, a newly established company, amounting to Baht 13.20 million representing 55.00% of its equity interest. TV engages in the business of providing voice recognition-related hardware and software products and services.

Transactions incurred during 2013

During June 2013, International Broadcasting Corporation (Cambodia) Co., Ltd. The subsidiary under TVG which operated in Cambodia ceased its operations. The management viewed that there is no material impact to the Group.

On 8 August 2013, the Company and subsidiaries entered into shares sale and purchase agreement with Thana Telecom Co., Ltd. to sell 8 non-core business companies under the Group. The net proceed from disposal of investments is amounting to Baht 3,203.16 million, net against cash and cash equivalent of subsidiaries and joint venture of Baht 1,406.45 million. The Group recognised gain from sale of investments of Baht 857.57 million under "Other income" in the consolidated statement of comprehensive income. In the Company financial statements, net book value of investments amounting to Baht 2,050.25 million was derecognised and loss from disposal of Baht 247.36 million was recognised under "Other expenses". The Group has ceased consolidating these companies since 30 September 2013. The information of 8 non-core companies are as follows:

Name of subsidiaries	% Ownership	Business	Country of incorporation
True Leasing Co., Ltd.	100.00	Rental services	Thailand
True Properties Co., Ltd.	100.00	Rental services	Thailand
True Lifestyle Retail Co., Ltd.	100.00	Internet café and related services	Thailand
True Money Co., Ltd.	100.00	Payment service centre and electronic card services	Thailand
True Digital Plus Co., Ltd.	100.00	Online game	Thailand
True Digital Content & Media Co., Ltd.	98.52	Digital content and marketing media	Thailand
Wire & Wireless Co., Ltd.	87.50	Construction	Thailand
Name of joint venture	% Ownership	Business	Country of incorporation
True Internet Data Center Co., Ltd.	70.00	Internet Data Center	Thailand

19. Investments in subsidiaries, associates and joint ventures, net (Cont'd)

	Consolidated 2013 Baht Million
Net assets in the disposed entities :	
Cash and cash equivalents	1,406.45
Restricted cash	625.30
Short-term investments	11.25
Trade and other receivable	1,918.72
Inventories, net	60.52
Income tax deducted at source	131.00
Claimable value added tax	82.05
Other current assets	66.17
Investment property, net	49.23
Property, plant and equipment, net	6,239.44
Intangible assets, net	337.54
Deferred tax assets	22.66
Other non-current assets	73.61
Trade and other payables	(3,060.22)
Current portion of long-term borrowings	(1,151.20)
Income tax payable	(18.48)
Other current liabilities	(412.23)
Long-term borrowings	(2,457.96)
Deferred tax liabilities	(74.05)
Employee benefits obligations	(78.65)
Other non-current liabilities	(20.66)
Net assets disposed	<u>3,750.49</u>
Operating results of the disposed entities	
	Baht Million
Revenues and product sale	2,738.76
Net loss	(1,569.02)

TA Orient Telecom Investment Co., Ltd, the Group's subsidiaries, was dissolved on 24 October 2013. Gain from translating financial statements, which was previously recorded in "Other component of equity", of Baht 104.48 million was recycled and recognised under "Other income" in the consolidated profit or loss for the year ended 31 December 2013.

During 2013, the Company invested in subsidiaries, TH and TUC, wholly owned subsidiaries, amount of Baht 4.50 billion and 23.40 billion, respectively.

The Company assessed the impairment of investment in TPC, the wholly owned subsidiary. An impairment loss amount of Baht 35.97 million was recognised under "Other expenses" in the company profit or loss for the year ended 31 December 2013.

The Group has reclassified investment in Bboyd, which the Group has 70% interest from joint venture to be subsidiary since the Group assumed control. As a result, the Group has applied full consolidation of this entity instead of taking proportionate consolidation commencing 1 December 2013.

19. Investments in subsidiaries, associates and joint ventures, net (Cont'd)

Associates

Name of associates	% Ownership	Business	Country of incorporation
TRUE Telecommunications Growth Infrastructure Fund	28.11	Leasing of telecommunication infrastructure	Thailand
True GS Co., Ltd. *	45.00	Home shopping	Thailand

* indirectly owned by the Company

Transaction incurred during 2014

The Company additionally invested in 1.15 million units of TRUEIF at the value of Baht 11.19 million. Subsequently, the Group and the Company disposed 301.96 million units of TRUEIF, and received proceeds amounting to Baht 3,193.42 million and Baht 3,190.85 million, respectively. The Group recognised loss from disposal of investment amounting to Baht 15.81 million under “other expenses” in the consolidated profit or loss for the year ended 31 December 2014, and the Company recognised gain from disposal of investment amounting to Baht 172.30 million under “Other income” in the Company profit or loss for the year ended 31 December 2014. The disposal resulted in a decrease of the Group’s interest in TRUEIF from 33.29% to 28.11%.

During 2014, the Company delivered 3,021 telecommunication towers to TRUEIF in accordance with the agreement dated 24 December 2013. The Group recognised unrealised gain amounting to Baht 1,398.51 million reflecting shareholding proportion of gain upon the delivery of the towers.

The Group received proceeds amounting to Baht 7.22 million from Channel [V] Music (Thailand) Co., Ltd., an associate completely liquidated. The Group recognised loss from liquidation of Baht 6.07 million under “other expenses” in consolidated profit and loss for the year ended 31 December 2014.

Transaction incurred during 2013

On 3 July 2013, NC True Co., Ltd., the Company’s associate, filed for liquidation with the Ministry of Commerce. The Company received the capital return of Baht 100.00 million and wrote-off the net book value of the investment amounting to Baht 49.67 million. As such, the Company recognised gain from liquidation of Baht 50.33 million under “Other income” in the company’s profit or loss. The Group recognised loss from liquidation of Baht 23.04 million under “Other expenses” in the consolidated profit or loss for the year ended 31 December 2013.

On 9 September 2013, Channel [V] Music (Thailand) Co., Ltd. the Group’s associate filed for liquidation with the Ministry of Commerce. Currently, it is under the liquidation process. Loss from the liquidation was Baht 8.72 million.

As at 31 December 2013, the Company invested in 19.33 billion investment units of TRUEIF representing 33.29% of its equity interest. Details of TRUEIF are described in Note 40.

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19. Investments in subsidiaries, associates and joint ventures, net (Cont'd)

Details of associates are as follows:

At 31 December 2014		Consolidated				
	Business	Relationship	Paid-up capital Baht Million	% Ownership interest	Investment - at cost method Baht Million	Investment - at equity method Baht Million
Associates						
TRUE Telecommunications Growth Infrastructure Fund	Invested in telecommunication infrastructure	Shareholder	58,080.00	28.11	16,327.91	16,403.49
True GS Co., Ltd.	Home shopping	Shareholder	240.00	45.00	108.00	25.17
Total investment in associates					<u>16,435.91</u>	<u>16,428.66</u>
At 31 December 2013		Consolidated				
	Business	Relationship	Paid-up capital Baht Million	% Ownership interest	Investment - at cost method Baht Million	Investment - at equity method Baht Million
Associates						
Channel [V] Music (Thailand) Co., Ltd.	Music and sound	Shareholder	84.70	25.82	22.02	13.77
TRUE Telecommunications Growth Infrastructure Fund	Invested in telecommunication infrastructure	Shareholder	58,080.00	33.29	19,335.27	16,079.41
True GS Co., Ltd.	Home shopping	Shareholder	240.00	45.00	108.00	45.62
Total investment in associates					<u>19,465.29</u>	<u>16,138.80</u>

The Group's share of results of associates and share of the assets, liabilities and revenue are as follows:

At 31 December 2014					
Associates	% Ownership	Assets Baht Million	Liabilities Baht Million	Revenues Baht Million	Net profit/(loss) Baht Million
Channel [V] Music (Thailand) Co., Ltd.	25.82	-	-	-	(0.47)
TRUE Telecommunications Growth Infrastructure Fund	28.11	20,632.00	358.95	1,220.72	6,266.38
True GS Co., Ltd.	45.00	96.21	71.04	313.45	(45.44)
		<u>20,728.22</u>	<u>429.99</u>	<u>1,534.17</u>	<u>6,220.47</u>

At 31 December 2013					
Associates	% Ownership	Assets Baht Million	Liabilities Baht Million	Revenues Baht Million	Net profit/(loss) Baht Million
NC True Co., Ltd.	40.00	-	-	9.83	(3.02)
Channel [V] Music (Thailand) Co., Ltd.	25.82	15.74	2.44	13.36	(0.45)
TRUE Telecommunications Growth Infrastructure Fund	33.29	20,171.03	745.14	92.86	91.06
True GS Co., Ltd.	45.00	119.59	52.23	282.12	(25.29)
		<u>20,306.36</u>	<u>799.81</u>	<u>398.17</u>	<u>62.30</u>

19. Investments in subsidiaries, associates and joint ventures, net (Cont'd)

Joint ventures

Name of joint ventures	% Ownership	Business	Country of incorporation
Asia Infonet Co., Ltd. *	65.00	Internet services provider	Thailand
BEC-TERO True Visions Co., Ltd. *	50.00	Sport and Entertainment	Thailand
Transformation Films Co., Ltd. **	28.57	Manufacturing and filmmaker	Thailand

* indirectly owned by the Company

** indirectly owned by the Company and newly established

The following amounts represent the Group's share of the assets, liabilities, revenues and expenses of the joint ventures included in the consolidated statement of financial position and profit or loss:

	2014 Baht Million	2013 Baht Million
Cash and restricted cash	21.88	37.63
Current assets	16.64	5.10
Non-current assets	1.49	0.01
Property, plant and equipment, net	0.09	-
Intangible assets, net	0.08	0.12
Total assets	40.18	42.86
Current liabilities	(9.00)	(0.25)
Total liabilities	(9.00)	(0.25)
Net assets	31.19	42.61
Revenues	13.89	61.94
Operating results	(5.53)	(61.42)
Finance income	0.16	0.37
Income tax	-	(8.95)
Net loss	(5.37)	(70.00)
Depreciation and amortisation	0.08	28.37
Proportionate interest in joint venture capital commitments	nil	nil

There is no contingent liability in these joint ventures.

20. Investment property, net

For the years ended 31 December	Consolidated	
	2014 Baht Million	2013 Baht Million
Opening net book value	5.53	54.76
Disposal of subsidiaries and joint venture (Note 19)	-	(49.23)
Closing net book value	5.53	5.53
As at 31 December	2014 Baht Million	2013 Baht Million
Cost	15.02	15.02
<u>Less</u> Allowance for decline in value	(9.49)	(9.49)
Net book value	5.53	5.53

The fair value of investment property for land as at 31 December 2014 is Baht 7.30 million.

21. Property, plant and equipment, net

At 31 December	Consolidated		Company	
	2014 Baht Million	2013 (Restated) Baht Million	2014 Baht Million	2013 (Restated) Baht Million
Network equipment				
Opening net book amount as previously reported	67,782.66	77,446.50	7,887.85	9,389.46
Change in accounting policy (Note 4)	(4,294.53)	(5,597.15)	(5,314.08)	(6,417.60)
Opening net book value as restated	63,488.13	71,849.35	2,573.77	2,971.86
Additions	23,399.08	28,006.10	0.69	0.16
Disposals, net	(897.77)	(20,935.27)	(0.10)	(0.18)
Disposals of subsidiaries and joint venture (Note 19)	-	198.06	-	-
Reclassifications	397.95	167.76	0.64	2.65
Depreciation charge	(15,689.68)	(13,741.78)	(435.43)	(400.72)
Impairment charge	-	(2,056.09)	-	-
Closing net book value	70,697.71	63,488.13	2,139.57	2,573.77
Non-network equipment				
Opening net book value	4,378.92	9,233.34	180.76	185.85
Additions	1,645.91	3,650.36	53.12	69.10
Disposals, net	(38.60)	(165.02)	(0.47)	(0.84)
Disposals of subsidiaries and joint venture (Note 19)	-	(6,437.50)	-	-
Reclassification of investment (Note 19)	-	0.18	-	-
Reclassifications	(724.13)	(144.10)	-	(0.01)
Depreciation charge	(874.86)	(1,758.34)	(63.73)	(73.34)
Closing net book value	4,387.24	4,378.92	169.68	180.76
Total	75,084.95	67,867.05	2,309.25	2,754.53

Borrowing costs of Baht 7.22 million (2013: Baht 80.10 million) were capitalised as cost of assets during the year included in "Additions".

21. Property, plant and equipment, net (Cont'd)

21.1 Network equipment

At the year ended 31 December 2013, network equipment in the consolidated and company financial statements at net book value of Baht 6,110.01 million and Baht 143.58 million, respectively were transferred to the contracted parties under the Build - Transfer - Operate agreements (Note 2). According to the agreements, the Group has the rights to operate and maintain these assets over the agreement periods.

Leased assets are finance leases of network assets details are as follows:

	Consolidated	
	2014 Baht Million	2013 Baht Million
Cost - capitalised finance leases	7,882.34	6,672.39
<u>Less</u> Accumulated depreciation	<u>(4,115.86)</u>	<u>(3,426.51)</u>
Net book value	<u>3,766.48</u>	<u>3,245.88</u>

Additions included Baht 1,839.86 million (2013: Baht 2,052.66 million) of assets leased under finance leases (where the Group is the lessee).

“Disposals” include a net book value of Baht 20.22 billion, which is the costs of assets sold under the “Asset and Revenue Sale and Transfer Agreement” (Note 40).

Borrowings in Thai Baht in 2013 are secured by the rights to operate network equipment of the Group amounting to Baht 11,195.12 million (Note 26). All obligation were released in 2014.

Transfer assets to CAT

According to the Agreement for Operation granted by CAT, the subsidiary transferred network assets with net book amount of Baht 3,615.83 million to CAT during the year ended 31 December 2013. The subsidiary retains right to operate the mobile phone service over the transferred assets.

The Agreement for Operation of a nationwide cellular network under the Build-Transfer-Operate Agreement granted by CAT to a subsidiary TMV expired on 15 September 2013. On 16 August 2013, NBTC announced the regulation in respect of protection of mobile customers using mobile service on networks whose concessions expire. The regulation requires TMV to act as a “caretaker” to continue providing mobile service on the 1800 MHz spectrum for a one-year period after the expiry. TMV reviewed the recoverable amount of the related network assets and recognised an impairment loss of Baht 2,056.00 million under “Other expenses” in the consolidated statement of comprehensive income for the year ended 31 December 2013. In addition, the useful life of the related network assets was shortened to one year and ended on 15 September 2014. The difference between normal and the accelerated depreciation for the year ended 31 December 2014 amounting to Baht 4,689.78 million, (2013: 2,189.15 million) were presented in “Other expenses” to reflect the unusual nature of depreciation.

In 2014, the National Council for Peace and Order (“NCPO”) announced to extend the period of caretaking from 15 September 2014 to 15 July 2015.

21. Property, plant and equipment, net (Cont'd)

21.2 Non-network equipment

Additions included Baht 6.36 million (2013: Baht 1,180.55 million) of assets leased under finance leases (where the Group is the lessee).

Leased assets are finance leases of computers and equipments, details are as follows:

	Consolidated	
	2014	2013
	Baht Million	Baht Million
Cost - capitalised finance leases	86.12	101.13
<u>Less</u> Accumulated depreciation	<u>(38.49)</u>	<u>(27.57)</u>
Net book value	<u>47.63</u>	<u>73.56</u>

Reclassifications are among Network Equipment, Baht 406.59 million, net (Note 21), Non-Network Equipment, Baht 724.13 million, net (Note 21), and Intangible Assets Baht 317.54 million, net (Note 23).

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21. Property, plant and equipment, net (Cont'd)

Network equipment	Consolidated									
	Land and land improvement	Building and improvement	Telephone network equipment	Wireless network equipment	Public phones	Multimedia network equipment	Power supply and computers	Pay - TV	Work in progress	Total
	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million
At 1 January 2013										
Cost	1,849.15	1,885.81	69,460.99	99,866.75	2,214.85	20,179.51	4,083.00	12,628.69	11,611.64	223,780.39
Less Accumulated depreciation	-	(1,436.97)	(62,713.46)	(52,964.09)	(2,125.24)	(9,480.71)	(3,641.93)	(7,149.88)	-	(139,512.28)
Allowance for impairment	-	(0.18)	(92.10)	(5,925.66)	(40.75)	(154.70)	(315.24)	(292.98)	-	(6,821.61)
Net book value	1,849.15	448.66	6,655.43	40,977.00	48.86	10,544.10	125.83	5,185.83	11,611.64	77,446.50
Year ended 31 December 2013										
Opening net book amount as previously reported	1,849.15	448.66	6,655.43	40,977.00	48.86	10,544.10	125.83	5,185.83	11,611.64	77,446.50
Change in accounting policy (Note 4)	(1,849.15)	(369.63)	(4,141.89)	(10.14)	-	771.69	(0.13)	-	2.10	(5,597.15)
Opening net book value as restated	-	-	2,513.54	40,966.86	48.86	11,315.79	125.70	5,185.83	11,613.74	71,849.35
Additions	-	-	-	2,650.37	-	1,525.69	-	1,956.39	21,873.65	28,006.10
Disposals, net	-	(50.20)	(0.10)	(13,999.99)	(0.08)	(6,580.89)	-	(304.01)	-	(20,935.27)
Disposals of subsidiaries and joint venture (Note 19)	-	-	-	266.13	-	(63.05)	-	-	(5.02)	198.06
Adjustments/reclassifications	-	78.02	2.59	14,377.18	0.08	6,319.69	-	94.12	(20,703.92)	167.76
Depreciation charge	-	(10.60)	(261.69)	(9,902.36)	(28.51)	(2,078.34)	-	(1,434.69)	-	(13,741.78)
Impairment charge	-	-	-	(2,056.00)	-	-	-	(0.09)	-	(2,056.09)
Closing net book value	-	96.25	2,254.34	32,302.19	20.35	10,438.89	100.11	5,497.55	12,778.45	63,488.13
At 31 December 2013										
Cost	-	135.65	5,487.98	102,824.65	2,116.48	21,390.87	384.95	13,594.01	12,778.45	158,713.04
Less Accumulated depreciation	-	(39.40)	(3,233.64)	(62,470.72)	(2,060.29)	(10,797.28)	(284.84)	(7,803.39)	-	(86,689.56)
Allowance for impairment	-	-	-	(8,051.74)	(35.84)	(154.70)	-	(293.07)	-	(8,535.35)
Net book value	-	96.25	2,254.34	32,302.19	20.35	10,438.89	100.11	5,497.55	12,778.45	63,488.13
Year ended 31 December 2014										
Opening net book amount as previously reported	1,735.00	388.71	5,494.97	32,288.25	20.35	9,482.39	100.18	5,497.55	12,775.26	67,782.66
Change in accounting policy (Note 4)	(1,735.00)	(292.46)	(3,240.63)	13.94	-	956.50	(0.07)	-	3.19	(4,294.53)
Opening net book value as restated	-	-	2,254.34	32,302.19	20.35	10,438.89	100.11	5,497.55	12,778.45	63,488.13
Additions	-	0.40	0.69	1,293.32	-	4,159.47	-	1,193.68	16,751.52	23,399.08
Disposals, net	-	(0.06)	-	(344.94)	(0.10)	(10.99)	-	(459.99)	(81.69)	(897.77)
Reclassifications	-	141.66	0.63	14,188.83	-	2,571.08	64.60	0.89	(16,569.74)	397.95
Depreciation charge	-	(14.56)	(258.35)	(11,934.85)	(8.48)	(1,941.46)	(39.38)	(1,492.60)	-	(15,689.68)
Closing net book value	-	223.69	1,997.31	35,504.55	11.77	15,216.99	125.33	4,739.53	12,878.54	70,697.51
At 31 December 2014										
Cost	-	277.64	5,506.91	117,406.22	2,109.73	27,894.98	467.93	13,603.88	12,878.54	180,145.83
Less Accumulated depreciation	-	(53.95)	(3,509.60)	(73,876.46)	(2,062.12)	(12,523.29)	(342.60)	(8,571.28)	-	(100,939.30)
Allowance for impairment	-	-	-	(8,025.21)	(35.84)	(154.70)	-	(293.07)	-	(8,508.82)
Net book value	-	223.69	1,997.31	35,504.55	11.77	15,216.99	125.33	4,739.53	12,878.54	70,697.71

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21. Property, plant and equipment, net (Cont'd)

	Non – network equipment					
	Land and land improvement	Building and improvement	Furniture, fixtures and equipment	Power supply and computers	Vehicles	Work in progress
	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million
At 1 January 2013						
Cost	598.99	3,521.83	4,775.02	7,338.59	6,392.44	23,916.12
Less Accumulated depreciation	(3.81)	(2,301.57)	(3,129.34)	(5,669.70)	(3,095.83)	(14,200.25)
Allowance for impairment	(14.34)	(62.50)	(119.15)	(276.95)	(1.32)	(482.53)
Net book value	580.84	1,157.76	1,526.53	1,391.94	3,295.29	9,233.34
Year ended 31 December 2013						
Opening net book value	580.84	1,157.76	1,526.53	1,391.94	3,295.29	9,233.34
Additions	0.23	41.92	445.67	279.58	1,272.71	1,610.25
Disposals, net	-	(13.34)	(6.18)	(6.18)	(129.80)	(165.02)
Disposals of subsidiaries and joint venture (Note 19)	(432.21)	(777.29)	(500.44)	(478.74)	(3,489.77)	(6,437.50)
Classification of investment (Note 19)	-	0.01	0.03	0.14	-	0.18
Adjustments/reclassifications	-	241.31	62.72	583.80	-	(144.10)
Depreciation charge	-	(149.06)	(275.42)	(401.76)	(932.10)	(1,758.34)
Closing net book value	148.86	502.64	1,245.75	1,368.78	16.33	4,378.92
At 31 December 2013						
Cost	148.86	1,688.27	3,671.61	6,627.23	43.02	13,275.55
Less Accumulated depreciation	-	(1,123.13)	(2,309.56)	(4,994.38)	(25.37)	(8,452.44)
Allowance for impairment	-	(62.50)	(116.30)	(264.07)	(1.32)	(444.19)
Net book value	148.86	502.64	1,245.75	1,368.78	16.33	4,378.92
Year ended 31 December 2014						
Opening net book value	148.86	502.64	1,245.75	1,368.78	16.33	4,378.92
Additions	-	25.81	614.91	73.00	8.50	1,645.91
Disposals, net	-	(31.34)	(4.47)	(2.59)	-	(38.60)
Adjustments/reclassifications	-	478.59	(331.24)	631.67	-	(724.13)
Depreciation charge	-	(188.87)	(331.14)	(351.75)	(3.10)	(874.86)
Closing net book value	148.86	786.83	1,193.81	1,719.11	21.73	4,387.24
At 31 December 2014						
Cost	148.86	1,840.71	3,594.53	5,940.82	47.64	12,089.46
Less Accumulated depreciation	-	(1,046.43)	(2,321.91)	(4,221.71)	(24.88)	(7,614.93)
Allowance for impairment	-	(7.45)	(78.81)	-	(1.03)	(87.29)
Net book value	148.86	786.83	1,193.81	1,719.11	21.73	4,387.24

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21. Property, plant and equipment, net (Cont'd)

	Network equipment	Company							
		Land and land improvement 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	Total Baht Million
At 1 January 2013									
Cost		1,849.15	1,824.74	69,469.71	5,380.92	2,198.95	3,922.64	15.38	84,661.49
Less Accumulated depreciation		-	(1,426.88)	(62,720.17)	(3,100.63)	(2,114.16)	(3,507.24)	-	(72,869.08)
Allowance for impairment		-	(0.18)	(92.10)	(1,959.51)	(35.92)	(315.24)	-	(2,402.95)
Net book value		1,849.15	397.68	6,657.44	320.78	48.87	100.16	15.38	9,389.46
Year ended 31 December 2013									
Opening net book amount as previously reported		1,849.15	397.68	6,657.44	320.78	48.87	100.16	15.38	9,389.46
Change in accounting policy (Note 4.1)		(1,849.15)	(369.63)	(4,141.89)	(56.80)	-	(0.13)	-	(6,417.60)
Opening net book value as restated		-	28.05	2,515.55	263.98	48.87	100.03	15.38	2,971.86
Additions		-	-	-	-	-	-	0.16	0.16
Disposals, net		-	-	(0.10)	-	(0.08)	-	-	(0.18)
Adjustments/reclassifications		-	-	2.58	-	0.07	-	-	2.65
Depreciation charge		-	(2.66)	(263.72)	(92.12)	(28.51)	(13.71)	-	(400.72)
Closing net book value		-	25.39	2,254.31	171.86	20.35	86.32	15.54	2,573.77
At 31 December 2013									
Cost		-	49.31	5,496.70	5,115.89	2,116.48	224.59	15.54	13,018.51
Less Accumulated depreciation		-	(23.92)	(3,242.39)	(2,984.69)	(2,060.28)	(138.27)	-	(8,449.55)
Allowance for impairment		-	-	-	(1,959.34)	(35.85)	-	-	(1,995.19)
Net book value		-	25.39	2,254.31	171.86	20.35	86.32	15.54	2,573.77
Year ended 31 December 2014									
Opening net book amount as previously reported		1,735.00	317.84	5,494.94	217.78	20.35	86.40	15.54	7,887.85
Change in accounting policy (Note 4.1)		(1,735.00)	(292.45)	(3,240.63)	(45.92)	-	(0.08)	-	(5,314.08)
Opening net book value as restated		-	25.39	2,254.31	171.86	20.35	86.32	15.54	2,573.77
Additions		-	-	0.69	-	-	-	-	0.69
Disposals, net		-	-	-	-	(0.10)	-	-	(0.10)
Adjustments/reclassifications		-	-	0.64	-	-	-	-	0.64
Depreciation charge		-	(2.67)	(258.33)	(152.25)	(8.48)	(13.70)	-	(435.43)
Closing net book value		-	22.72	1,997.31	19.61	11.77	72.62	15.54	2,139.57
At 31 December 2014									
Cost		-	49.31	5,492.29	5,115.89	2,109.73	224.59	15.54	13,007.35
Less Accumulated depreciation		-	(26.59)	(3,494.98)	(3,136.94)	(2,062.11)	(151.97)	-	(8,872.59)
Allowance for impairment		-	-	-	(1,959.34)	(35.85)	-	-	(1,995.19)
Net book value		-	22.72	1,997.31	19.61	11.77	72.62	15.54	2,139.57

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21. Property, plant and equipment, net (Cont'd)

	Company					
Non - network equipment	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
At 1 January 2013						
Cost	332.76	576.98	1,150.87	3.23	22.48	2,086.32
Less Accumulated depreciation	(307.60)	(495.59)	(1,095.79)	(1.49)	-	(1,900.47)
Net book value	25.16	81.39	55.08	1.74	22.48	185.85
Year ended 31 December 2013						
Opening net book value	25.16	81.39	55.08	1.74	22.48	185.85
Additions	1.88	14.55	20.33	-	32.34	69.10
Disposals, net	-	(0.58)	(0.26)	-	-	(0.84)
Adjustments/reclassifications	39.63	1.11	1.01	-	(41.76)	(0.01)
Depreciation charge	(30.55)	(23.04)	(19.45)	(0.30)	-	(73.34)
Closing net book value	36.12	73.43	56.71	1.44	13.06	180.76
At 31 December 2013						
Cost	348.70	568.11	1,158.86	3.23	13.06	2,091.96
Less Accumulated depreciation	(312.58)	(494.68)	(1,102.15)	(1.79)	-	(1,911.20)
Net book value	36.12	73.43	56.71	1.44	13.06	180.76
Year ended 31 December 2014						
Opening net book value	36.12	73.43	56.71	1.44	13.06	180.76
Additions	1.84	8.17	10.33	-	32.78	53.12
Disposals, net	-	(0.41)	(0.06)	-	-	(0.47)
Adjustments/reclassifications	6.05	0.99	0.08	-	(7.12)	-
Depreciation charge	(25.93)	(18.87)	(18.63)	(0.30)	-	(63.73)
Closing net book value	18.08	63.31	48.43	1.14	38.72	169.68
At 31 December 2014						
Cost	356.59	562.07	1,055.42	3.23	38.72	2,016.03
Less Accumulated depreciation	(338.51)	(498.76)	(1,006.99)	(2.09)	-	(1,846.35)
Net book value	18.08	63.31	48.43	1.14	38.72	169.68

22. Goodwill, net

	Consolidated Baht Million
Details of goodwill are as follows:	
Cost	18,800.04
<u>Less</u> Accumulated amortisation	<u>(7,396.95)</u>
Net book value	<u>11,403.09</u>

There is no movement in goodwill during 2014 and 2013.

Goodwill is allocated to the Group's cash-generating units (CGUs) identified according to business segment. A segment-level summary of the goodwill allocation is presented below.

	Unit: Baht in million		
	Consolidated		
	Online	Pay-TV	Total
Goodwill allocation by segment			
For the year ended 31 December 2014			
Cost	438.95	18,361.09	18,800.04
<u>Less</u> Accumulated amortisation	<u>(78.33)</u>	<u>(7,318.62)</u>	<u>(7,396.95)</u>
Net book value	<u>360.62</u>	<u>11,042.47</u>	<u>11,403.09</u>
For the year ended 31 December 2013			
Cost	438.95	18,361.09	18,800.04
<u>Less</u> Accumulated amortisation	<u>(78.33)</u>	<u>(7,318.62)</u>	<u>(7,396.95)</u>
Net book value	<u>360.62</u>	<u>11,042.47</u>	<u>11,403.09</u>

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period 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.

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

By segment	Online	Pay-TV
Gross margin ¹	38.36%	25.95%
Growth rate ²	0.00%	0.00%
Discount rate ³	9.76%	9.76%

¹ Budgeted gross margin.

² Weighted average growth rate used to extrapolate cash flows beyond the budget period.

³ Pre-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 pre-tax and reflect specific risks relating to the relevant segments. Additionally, Management believes that the risks for Online and Pay-TV are approximately the same under the telecommunication industry; therefore, Management applies the same discount rate for both segments.

23. Intangible assets, net

At 31 December	Consolidated		Company	
	2014	2013 (Restated)	2014	2013 (Restated)
	Baht Million	Baht Million	Baht Million	Baht Million
Current (included in “Other current assets” (Note 18))	595.25	544.02	-	-
Non-current	34,685.22	34,194.63	4,040.00	5,457.68
Total	35,280.47	34,738.65	4,040.00	5,457.68

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23. Intangible assets, net (Cont'd)

	Consolidated								
	Trademark, Right and Licence Baht Million	Computer software Baht Million	Rights to operate Baht Million	Film and Program right Baht Million	Service contract Baht Million	Leased transponder equipment Baht Million	Customer list Baht Million	Work in progress Baht Million	Total Baht Million
At 1 January 2013									
Cost	15,889.50	11,973.34	5,903.12	2,200.59	14,468.00	4,994.63	400.14	336.13	56,165.45
Less Accumulated amortisation	(1,122.04)	(8,621.12)	(2,147.80)	(1,243.41)	(1,918.33)	(2,546.23)	(400.14)	-	(17,999.07)
Allowance for impairment	(1,213.38)	(694.15)	-	-	-	-	-	(40.68)	(1,948.21)
Net book value	13,554.08	2,658.07	3,755.32	957.18	12,549.67	2,448.40	-	295.45	36,218.17
Year ended 31 December 2013									
Opening net book amount as previously reported	13,554.08	2,658.07	3,755.32	957.18	12,549.67	2,448.40	-	295.45	36,218.17
Change in accounting policy (Note 4.1)	-	-	6,417.60	-	-	-	-	-	6,417.60
Opening net book value as restated	13,554.08	2,658.07	10,172.92	957.18	12,549.67	2,448.40	-	295.45	42,635.77
Additions	45.01	518.61	-	1,441.80	-	1,064.97	-	433.26	3,503.65
Disposals, net	(1.37)	(0.21)	(2,269.02)	-	(2,964.38)	-	-	-	(5,234.98)
Disposals of subsidiaries and joint venture (Note 19)	(86.92)	(97.27)	-	-	-	-	-	(153.35)	(337.54)
Classification of investment (Note 19)	-	0.20	-	-	-	-	-	-	0.20
Adjustments/reclassifications	12.58	393.13	-	-	-	-	-	(335.54)	70.17
Amortisation charge	(929.35)	(525.20)	(1,302.26)	(1,709.00)	(998.73)	(434.08)	-	-	(5,898.62)
Closing net book value	12,594.03	2,947.33	6,601.64	689.98	8,586.56	3,079.29	-	239.82	34,738.65
At 31 December 2013									
Cost	13,584.28	12,692.58	73,577.14	1,931.01	10,755.00	3,237.67	-	280.50	116,058.18
Less Accumulated amortisation	(990.25)	(9,051.10)	(66,975.50)	(1,241.03)	(2,168.44)	(158.38)	-	-	(80,584.70)
Allowance for impairment	-	(694.15)	-	-	-	-	-	(40.68)	(734.83)
Net book value	12,594.03	2,947.33	6,601.64	689.98	8,586.56	3,079.29	-	239.82	34,738.65
Year ended 31 December 2014									
Opening net book amount as previously reported	12,594.03	2,947.33	1,287.56	689.98	8,586.56	3,079.29	-	239.82	29,424.57
Change in accounting policy (Note 4.1)	-	-	5,314.08	-	-	-	-	-	5,314.08
Opening net book value as restated	12,594.03	2,947.33	6,601.64	689.98	8,586.56	3,079.29	-	239.82	34,738.65
Additions	3,690.22	316.34	-	2,390.76	-	255.91	-	330.98	6,984.21
Disposals, net	(4.01)	(0.46)	-	-	-	-	-	-	(4.47)
Adjustments/reclassifications	-	704.91	-	-	-	-	-	(387.37)	317.54
Amortisation charge	(1,105.66)	(588.06)	(1,519.58)	(2,316.72)	(740.40)	(485.05)	-	-	(6,755.47)
Closing net book value	15,174.58	3,380.06	5,082.06	764.02	7,846.16	2,850.15	-	183.43	35,280.46
At 31 December 2014									
Cost	17,266.49	13,704.78	73,577.14	2,296.98	10,755.00	3,493.58	-	224.11	121,318.08
Less Accumulated amortisation	(2,091.91)	(9,630.57)	(68,495.08)	(1,532.96)	(2,908.84)	(643.43)	-	-	(85,302.79)
Allowance for impairment	-	(694.15)	-	-	-	-	-	(40.68)	(734.83)
Net book value	15,174.58	3,380.06	5,082.06	764.02	7,846.16	2,850.15	-	183.43	35,280.46

23. Intangible assets, net (Cont'd)

Trademark, Right and Licence

Included in “Trademark, Right and Licence” amounting to Baht 11,662.84 million (net of accumulated amortisation Baht 1,865.56 million (2013: Baht 963.67 million)) is right to operate IMT 2.1 GHz Bandwidth licence awarded by NBTC over 15 years. On 22 October 2012, the Group paid the first installment of 50% of the licence fee amounting to Baht 7,222.50 million including VAT. The second installment was made on 7 December 2014. The unpaid amount of Baht 3,375.00 million (excluding VAT) which will be due on 7 December 2015 was recognised under “Trade and other payable” in the consolidated financial statement (Note 27).

“Trademark, Right and Licence” also includes Baht 3,464.54 million (net of accumulated amortisation Baht 166.46 million) of licence fee to operate digital TV services over 15 years, expiring on 20 January 2028.

Right to operate

Consists the following:

1. The right to operate NON-POTS services represents the fair value of TOT’s interest in the nationwide NON-POTS agreement for which TM issued 18.50 million ordinary shares in exchange for the agreement.
2. The right to hang dropwire represents the fair value of TOT’s interest in the multimedia network which TM issued 40.00 million ordinary shares in exchange for this privilege.
3. The rights to operate represent the discounted cash flow of minimum fees payable to CAT and MCOT as described in Note 29 and Note 37.3.

Right to operate with a net book value of Baht 2,269.02 million is written-off simultaneously with the reversal of the liability under the agreement for operation amounting to Baht 3,060.20 million (Note 29) as a result of non-extension of the period to provide mobile service in the 1800 MHz spectrum. Gain on reversal of the right and liabilities under agreement for operation of Baht 791.18 million was recognised as “Other income” in the consolidated statement of comprehensive income for the year ended 31 December 2013.

4. Right to operate included cost of assets transferred to TOT under “Joint Operation and Joint Investment for Expansion of Telephone Services Agreement”. The net book value is Baht 3,927.69 million (net of accumulated amortisation Baht 67,403.67 million (2013: Baht 66,017.28 million)).

Service contract

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

During 2013, Service contract with a net book value of Baht 2,964.38 million is disposed in connection with the costs of assets sold under the “Asset and Revenue Sale and Transfer Agreement” (Note 40).

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23. Intangible assets, net (Cont'd)

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

	Company		
	Computer software Baht Million	Rights to operate Baht Million	Total Baht Million
At 1 January 2013			
Cost	2,326.94	-	2,326.94
<u>Less</u> Accumulated amortisation	(2,120.87)	-	(2,120.87)
Net book value	206.07	-	206.07
Year ended 31 December 2013			
Opening net book amount as previously reported	206.07	-	206.07
Change in accounting policy (Note 4.1)	-	6,417.60	6,417.60
Opening net book value as restated	206.07	6,417.60	6,623.67
Additions	3.23	-	3.23
Amortisation charge	(65.70)	(1,103.52)	(1,169.22)
Closing net book value	143.60	5,314.08	5,457.68
At 31 December 2013			
Cost	2,330.17	71,331.36	73,661.53
<u>Less</u> Accumulated amortisation	(2,186.57)	(66,017.28)	(68,203.85)
Net book value	143.60	5,314.08	5,457.68
Year ended 31 December 2014			
Opening net book amount as previously reported	143.60	-	143.60
Change in accounting policy (Note 4.1)	-	5,314.08	5,314.08
Opening net book value as restated	143.60	5,314.08	5,457.68
Additions	17.28	-	17.28
Amortisation charge	(48.57)	(1,386.39)	(1,434.96)
Closing net book value	112.31	3,927.69	4,040.00
At 31 December 2014			
Cost	2,347.45	71,331.36	73,678.81
<u>Less</u> Accumulated amortisation	(2,235.14)	(67,403.67)	(69,638.81)
Net book value	112.31	3,927.69	4,040.00

24. 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:

As at 31 December	Consolidated		
	2013	Credit (debit) to profit or loss	2014
	Baht Million	Baht Million	Baht Million
Deferred income tax assets			
Depreciation	1,969.64	159.04	2,128.68
Allowances	2,264.99	203.73	2,468.72
Borrowings	162.36	(121.16)	41.20
Unearned income	10.57	122.59	133.16
Accrued expenses	21.40	8.59	29.99
Other current liabilities	0.08	(0.07)	0.01
Tax loss carried forwards	1,515.29	1,323.16	2,838.45
Minimum payment fees	23.07	(4.57)	18.50
Film and program right	31.01	(4.70)	26.31
Employee benefits obligations	56.80	(7.01)	49.79
Provisions	1,352.26	(232.50)	1,119.76
	<u>7,407.47</u>	<u>1,447.10</u>	<u>8,854.57</u>
Deferred income tax liabilities			
Accounts receivable - billed customers	(289.01)	2.37	(286.64)
Debt issuance cost	(166.49)	143.41	(23.08)
Leased assets	(36.19)	(14.25)	(50.44)
Depreciation and amortisation	(2,315.11)	261.38	(2,053.73)
Difference on network assets	(1,146.58)	1,146.58	-
Borrowings	(2,783.09)	173.47	(2,609.62)
Other current liabilities	(8.37)	(504.36)	(512.73)
Investment in associate	-	(5.44)	(5.44)
	<u>(6,744.84)</u>	<u>1,203.16</u>	<u>(5,541.68)</u>
Deferred income tax assets, net	<u>662.63</u>	<u>2,650.26</u>	<u>3,312.89</u>
As at 31 December	Company		
	2013	Credit (debit) to profit or loss	2014
	Baht Million	Baht Million	Baht Million
Deferred income tax assets			
Depreciation	1,555.75	(400.21)	1,155.54
Allowances	28.28	(1.04)	27.24
Borrowings	162.36	(121.16)	41.20
Tax loss carried forwards	-	5.44	5.44
	<u>1,746.39</u>	<u>(516.97)</u>	<u>1,229.42</u>
Deferred income tax liabilities			
Accounts receivable - billed customers	(289.00)	2.36	(286.64)
Depreciation	(12.19)	4.65	(7.54)
Debt issuance cost	(29.68)	6.60	(23.08)
Leased assets	(0.71)	(0.48)	(1.19)
	<u>(331.58)</u>	<u>13.13</u>	<u>(318.45)</u>
Deferred income tax assets, net	<u>1,414.81</u>	<u>(503.84)</u>	<u>910.97</u>

24. Deferred income taxes (Cont'd)

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

At 31 December	Consolidated		Company	
	2014	2013	2014	2013
	Baht Million	Baht Million	Baht Million	Baht Million
Deferred tax assets:				
Deferred tax assets to be recovered within 12 months	1,573.49	1,010.67	438.02	516.97
Deferred tax assets to be recovered after 12 months	7,281.08	6,396.80	791.40	1,229.42
	<u>8,854.57</u>	<u>7,407.47</u>	<u>1,229.42</u>	<u>1,746.39</u>
Deferred tax liabilities:				
Deferred tax liabilities to be settled within 12 months	(894.64)	(2,679.40)	(217.29)	(13.12)
Deferred tax liabilities to be settled after months	(4,647.04)	(4,065.44)	(101.16)	(318.46)
	<u>(5,541.68)</u>	<u>(6,744.84)</u>	<u>(318.45)</u>	<u>(331.58)</u>
Deferred income tax, net	<u>3,312.89</u>	<u>662.63</u>	<u>910.97</u>	<u>1,414.81</u>

Presentation in the statements of financial position are as follows:

At 31 December	Consolidated		Company	
	2014	2013	2014	2013
	Baht Million	Baht Million	Baht Million	Baht Million
Deferred income tax assets	5,767.27	4,757.81	910.97	1,414.81
Deferred income tax liabilities	(2,454.38)	(4,095.18)	-	-
Deferred income tax, net	<u>3,312.89</u>	<u>662.63</u>	<u>910.97</u>	<u>1,414.81</u>

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 during the year is as follows:

At 31 December	Consolidated		Company	
	2014	2013	2014	2013
	Baht Million	Baht Million	Baht Million	Baht Million
Opening net book value	662.63	1,602.41	1,414.81	2,053.84
Charge to profit or loss (Note 11)	2,650.26	(999.53)	(503.84)	(639.03)
Disposal of subsidiaries and joint venture (Note 19)	-	51.39	-	-
Other comprehensive income	-	8.36	-	-
Closing net book value	<u>3,312.89</u>	<u>662.63</u>	<u>910.97</u>	<u>1,414.81</u>

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

24. Deferred income taxes (Cont'd)

The Group did not recognise deferred income tax assets of Baht 11,727.21 million in respect of tax loss carried forward approximately Baht 58,636.05 million. A summary of the tax loss carried forward and the expiry dates are set out below:

<u>Expiry year</u>	<u>Consolidated Baht Million</u>	<u>Company Baht Million</u>
2015	6,265.98	-
2016	26,041.71	11,890.80
2017	13,601.56	1,652.96
2018	20,779.79	505.63
2019	6,139.17	-
	<u>72,828.21</u>	<u>14,049.39</u>

25. Other non-current assets

At 31 December	Consolidated		Company	
	2014 Baht Million	2013 Baht Million	2014 Baht Million	2013 Baht Million
Value added tax pending receipt of tax invoices related to debt restructuring	32.80	122.31	32.80	122.31
Deposits	844.84	815.26	113.73	111.07
Subscriber acquisition cost, net	1,850.15	71.39	-	-
Others	28.41	3.86	39.20	63.29
Total	<u>2,756.20</u>	<u>1,012.82</u>	<u>185.73</u>	<u>296.67</u>

26. Borrowings

Short-term borrowings

At 31 December	Consolidated		Company	
	2014 Baht Million	2013 Baht Million	2014 Baht Million	2013 Baht Million
Loans from banks	2,977.09	3,742.85	2,417.09	-
Total	<u>2,977.09</u>	<u>3,742.85</u>	<u>2,417.09</u>	<u>-</u>

Short-term borrowings are unsecured loans from banks and financial institutions. The loans from banks and financial institutions are bearing interest rate at MLR and will be due during the next six months.

26. Borrowings (Cont'd)

Long-term borrowings

Borrowings are denominated in Thai Baht, United States Dollars and Japanese Yen.

At 31 December	Consolidated		Company	
	2014 Baht Million	2013 Baht Million	2014 Baht Million	2013 Baht Million
Current				
- Banks and financial institutions	-	3,771.21	-	-
- Finance leases	1,136.21	766.53	12.50	12.50
- Debentures	7,500.00	4,652.19	7,500.00	4,300.00
- Suppliers credit	236.64	704.20	236.64	704.20
Total Current	8,872.85	9,894.13	7,749.14	5,016.70
Non-current				
- Banks and financial institutions	-	42,335.25	-	-
- Finance leases	3,767.76	3,452.87	6.19	18.56
- Debentures	28,897.62	28,364.62	28,897.62	28,364.62
- Suppliers credit	471.43	2,108.25	471.43	2,108.25
Total Non-current	33,136.81	76,260.99	29,375.24	30,491.43
Total	42,009.66	86,155.12	37,124.38	35,508.13

Movement of borrowings can be analysed as follows:

For the year ended 31 December 2014	Consolidated Baht Million	Company Baht Million
Opening net book value	86,155.12	35,508.13
Additional borrowings:		
- principal (net of debt issuance cost)	14,242.60	7,964.05
- non-cash finance leases	1,846.22	-
- interest	303.51	1.90
Repayment of borrowings		
- cash item	(61,307.11)	(5,984.92)
- realised gain on foreign exchange	6.16	17.95
Amortisation of debt issuance costs	1,201.36	68.94
Currencies translations	(87.27)	(100.74)
Gain on settlement of DPN obligation	(350.93)	(350.93)
Closing net book value	42,009.66	37,124.38

Borrowings are presented netting-off unamortised debt issuance costs of Baht 115.38 million for the consolidated and the company financial statement (2013: Baht 1,224.34 million and Baht 148.38 million for the consolidated and the company financial statement, respectively).

26. Borrowings (Cont'd)

Maturity of non-current borrowings (excluding finance lease liabilities and unamortised debt issuance cost):

At 31 December	Consolidated		Company	
	2014 Baht Million	2013 Baht Million	2014 Baht Million	2013 Baht Million
Between 1 and 2 years	6,236.02	12,290.61	6,236.02	4,202.75
Between 2 and 5 years	23,248.41	54,457.31	23,248.41	26,418.50
Over 5 years	-	7,280.73	-	-
	<u>29,484.43</u>	<u>74,028.65</u>	<u>29,484.43</u>	<u>30,621.25</u>

The carrying amounts and fair values of certain non-current borrowings (excluding finance lease liabilities) of the Group are as follows:

	Carrying amounts		Fair values	
	2014 Baht Million	2013 Baht Million	2014 Baht Million	2013 Baht Million
Bank and financial institutions	-	42,335.25	-	43,260.75
Debentures	28,897.62	28,364.62	29,694.41	29,059.99
Suppliers credit	471.43	2,108.25	582.25	1,585.97

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 are based on discounted cash flows using a discount rate based on the borrowing rate of 4.25% (2013: 6.45%).

The carrying amounts and fair values of the Group's non-current borrowings (excluding finance lease liabilities) are denominated in the following currencies:

	Carrying amounts		Fair values	
	2014 Equivalent to Baht Million	2013 Equivalent to Baht Million	2014 Equivalent to Baht Million	2013 Equivalent to Baht Million
Thai Baht	28,897.62	70,699.87	29,694.41	72,320.74
Japanese Yen	1,704.62	2,108.25	2,105.71	1,585.97

The interest rate exposure of the borrowings of the Group and the Company are as follows:

At 31 December	Consolidated		Company	
	2014 Baht Million	2013 Baht Million	2014 Baht Million	2013 Baht Million
Total borrowings (excluding the unamortised debt issuance cost)				
- at fixed rates	42,125.04	40,198.07	37,239.75	35,656.51
- at floating rates	-	47,181.39	-	-
	<u>42,125.04</u>	<u>87,379.46</u>	<u>37,239.75</u>	<u>35,656.51</u>

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26. Borrowings (Cont'd)

The Group has the following weighted average effective interest rates:

At 31 December	Consolidated		Company	
	2014	2013	2014	2013
Weighted average effective interest rates				
- banks and financial institutions	-	7.64%	-	-
- finance lease	5.27%	7.32%	0.66%	0.59%
- debentures	4.25%	5.27%	4.25%	5.27%

The Group has the following undrawn borrowing facilities:

	Consolidated	
	2014 Baht Million	2013 Baht Million
Floating rate		
- expiring within one year	15,014.01	5,779.65

Finance lease liabilities

Lease liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

Gross finance lease liabilities - minimum lease payment:

At 31 December	Consolidated		Company	
	2014 Baht Million	2013 Baht Million	2014 Baht Million	2013 Baht Million
Not later than 1 year	1,418.79	1,029.74	12.50	12.50
Later than 1 year and not later than 5 years	3,938.69	3,150.99	6.25	18.74
Later than 5 years	343.55	944.00	-	-
	5,701.03	5,124.73	18.75	31.24
Future finance charges on finance leases	(797.06)	(905.33)	(0.06)	(0.18)
Present value of finance lease liabilities	4,903.97	4,219.40	18.69	31.06

At 31 December	Consolidated		Company	
	2014 Baht Million	2013 Baht Million	2014 Baht Million	2013 Baht Million
Representing lease liabilities:				
- current	1,136.21	766.53	12.50	12.50
- non-current	3,767.76	3,452.87	6.19	18.56
	4,903.97	4,219.40	18.69	31.06

The present value of finance lease liabilities is as follows:

At 31 December	Consolidated		Company	
	2014 Baht Million	2013 Baht Million	2014 Baht Million	2013 Baht Million
Not later than 1 year	1,136.21	766.53	12.50	12.50
Later than 1 year and not later than 5 years	3,431.17	2,559.73	6.19	18.56
Later than 5 years	336.59	893.14	-	-
	4,903.97	4,219.40	18.69	31.06

26. Borrowings (Cont'd)

Bank and Financial Institutions

On 4 September 2014, the Group made a prepayment of secured banks loans amounting to Baht 51,582.40 million. All equity securities and assets pledged as collateral including guaranteed obligation were released.

Debentures

Company's debentures are unsecured debentures and will be mature between 2015 and 2018. The debentures are denominated in Thai Baht and bear average interest of 4.25% per annum.

On 5 April 2013, the Company issued 7.80 million units of unsecured debentures at par value of Baht 1,000 per unit. The debentures carry interest at the rate of 5.80% per annum and are repayable on a quarterly basis starting from 5 July 2013. The maturity date will be on 5 April 2017. The Company used Baht 7.75 billion of net proceed to prepay its existing borrowing.

On 5 July 2013, the Company issued 11.21 million units of unsecured debenture at par value of Baht 1,000 per unit. The debentures carry interest at the rate of 5.55% per annum and are repayable on the quarterly basis starting from 5 October 2013. The maturity date will be on 5 July 2017. The Company used Baht 11.15 billion of net proceed to prepay its existing borrowing.

On 15 November 2013, the Company issued 2.50 million units and 3.50 million units of unsecured debenture at par value of Baht 1,000 per unit. The debentures carry interest at the rate of 4.70% per annum and 4.95% per annum, respectively and are repayable on a quarterly basis starting from 15 February 2014. The maturity date will be on 15 November 2014 and 15 November 2015, respectively. The Company used Baht 4.87 billion of net proceed to repay its existing borrowing.

On 6 March 2014, the Company issued two tranches of unsecured debentures at 4.00 million unit of each tranche and at par value of Baht 1,000 per unit. The maturity date will be on 15 November 2015 and 6 March 2018. The debenture carry interest at the rate of 4.80% and 5.40% per annum, respectively and are payable on a quarterly basis starting from 6 June 2014. The proceeds of Baht 7.96 billion, net of debt issuance cost and related expenses will be used to prepay its existing borrowing and used for the Company's ongoing operation.

During 2014, the Company repaid Baht 4.30 billion of unsecured debenture on its maturity date.

Suppliers credit

Suppliers credit are the Company's Deferred Payment Note ("DPN") issued to certain unsecured creditors since 2002. The DPN are denominated in Japanese Yen, mature in 2017 and bear interest of 2.00% per annum.

The Company and certain unsecured creditors agreed to settle obligation under the Deferred Payment Notes Agreement and the Unsecured Creditors Restructuring Agreement dated 22 December 1999 ("DPN Agreement").

26. Borrowings (Cont'd)

Suppliers credit (Cont'd)

During 2013, the Company agreed to pay the settlement price of Baht 630.53 million and the unsecured creditors agreed to return the Deferred Payment Notes with book value of Baht 775.81 million to the Company and release all outstanding obligation. The Company recognised gain on early settlement of DPN obligation of Baht 145.28 million under “Other income” in the Company’s and consolidated comprehensive income for the year ended 31 December 2013.

During 2014, the Company made a prepayment of the settlement price of Baht 1,398.09 million and the unsecured creditors agreed to return the DPN with book value of Baht 1,767.40 million to the Company. The Group recognised gain on settlement of DPN obligation of Baht 350.93 million under “other income” in the company’s and consolidated comprehensive income for the year ended 31 December 2014.

During 2014, the Company settled another installment payment of Baht 274.33 million on scheduled period.

27. Trade and other payables

At 31 December	Consolidated		Company	
	2014	2013	2014	2013
	Baht Million	Baht Million	Baht Million	Baht Million
Trade accounts payable	37,389.55	33,217.06	1,812.24	656.07
Other payables	2,207.28	1,829.24	1,150.10	110.11
Unearned income	10,116.34	18,640.52	8,291.08	16,487.85
Accrued expenses	51,656.47	34,705.66	1,067.87	1,978.66
Trade and other payables	101,369.64	88,392.48	12,321.29	19,232.69

Unearned income included the advance received of Baht 8,137.91 million (2013: Baht 16,390.55 million) in relation to assets sold under the “Asset Sale and Transfer Agreement” (Note 40).

Accrued expenses can be analysed as follows:

At 31 December	Consolidated		Company	
	2014	2013	2014	2013
	Baht Million	Baht Million	Baht Million	Baht Million
Regulatory cost	39,242.02	20,061.20	332.82	343.70
Accrued licence fee	5,197.23	4,614.10	-	-
Current portion of liabilities under agreements for operation (Note 29)	16.05	27.48	-	-
Network facility expenses	1,015.16	359.96	139.62	123.67
Performance pay	1,105.52	858.77	241.64	196.11
Interest expenses	106.82	453.54	106.75	414.91
Others	4,973.67	8,330.61	247.04	900.27
Total accrued expenses	51,656.47	34,705.66	1,067.87	1,978.66

28. Other current liabilities

At 31 December	Consolidated		Company	
	2014	2013	2014	2013
	Baht Million	Baht Million	Baht Million	Baht Million
Output VAT pending tax invoice	3,226.50	2,247.75	146.54	160.29
Others	932.46	2,191.60	124.13	1,284.18
Total	4,158.96	4,439.35	270.67	1,444.47

29. Liabilities under agreements for operation

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

At 31 December	Consolidated	
	2014 Baht Million	2013 Baht Million
Current (included in "Accrued expenses") (Note 27)	16.05	27.48
Non-current	104.09	120.14
	<u>120.14</u>	<u>147.62</u>

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

	Consolidated Baht Million
For the year ended 31 December 2014	
Opening net book value	147.62
Repayments	(45.00)
Interest expense charge	17.52
Closing net book value	<u>120.14</u>

30. 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 300 days of final salary upon retirement. The present value of defined benefits obligations are as follows:

	Consolidated		Company	
	31 December 2014 Baht Million	31 December 2013 Baht Million	31 December 2014 Baht Million	31 December 2013 Baht Million
Present value of obligations	1,232.10	1,137.08	337.07	336.95

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

For the year ended 31 December 2014	Consolidated Baht Million	Company Baht Million
Opening net book value	1,137.08	336.95
Current service cost	101.25	24.80
Interest cost	48.24	13.49
Benefit paid	(54.47)	(38.17)
Closing net book value	<u>1,232.10</u>	<u>337.07</u>

30. Employee benefits obligations (Cont'd)

Retirement benefit obligations (Cont'd)

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

For the years ended 31 December	Consolidated		Company	
	2014	2013	2014	2013
	Baht Million	Baht Million	Baht Million	Baht Million
Current service cost	101.25	138.45	24.80	19.68
Interest cost	48.24	37.95	13.49	9.71
Transfer in/(out)	-	(1.18)	-	3.22
Total (included in staff costs)	149.49	175.22	38.29	32.61
Classified as:				
Cost of providing services	47.70	24.31	8.37	7.38
Selling expenses	31.84	20.86	4.09	0.44
Administrative expenses	69.95	130.05	25.83	24.79
	149.49	175.22	38.29	32.61

The principal actuarial assumptions used were as follows:

	Consolidated	
	December 2014	December 2013
	%	%
Discount rate	4.40	4.40
Inflation rate	3.00	3.00
Future salary increases	6.00	6.00

Assumptions regarding future mortality experience are set based on actuarial advice in accordance with published statistics in Thailand. The Thailand TMO08 tables contain the results of the most recent 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.

31. Other non-current liabilities

At 31 December	Consolidated		Company	
	2014	2013	2014	2013
	Baht Million	Baht Million	Baht Million	Baht Million
Deposit received from customers	1,729.76	1,767.81	-	-
Valued added tax pending receipt of tax invoice related to debt restructuring	32.80	122.31	32.80	122.31
Withholding tax related to debt restructuring	13.19	52.42	13.19	52.42
Accrued licence fee	2,544.80	3,375.00	-	-
Provision (Note 40)	4,581.93	6,761.29	-	-
Others	150.57	80.15	3.38	-
Total	9,053.05	12,158.98	49.37	174.73

32. Share capital, premium and discount on share capital

The total authorised number of shares is 24,607.93 million shares (2013: 15,333.21 million shares) with a par value of Baht 10 per share (2013: Baht 10 per share).

Details of issued and fully paid share capital are as follows:

	Number of shares Million	Common shares Baht Million	Share premium (discount) Baht Million	Total Baht Million
At 1 January 2013	14,503.18	145,031.79	(74,555.41)	70,476.38
- Issue of common shares	27.04	270.36	(83.18)	187.18
At 31 December 2013	14,530.22	145,302.15	(74,638.59)	70,663.56
- Issue of common shares	10,077.71	100,777.13	(35,925.01)	64,852.12
At 31 December 2014	24,607.93	246,079.28	(110,563.60)	135,515.68

On 25 July 2014, the Extra General Shareholder's Meeting passed a resolution to decrease the authorised share capital from Baht 153.33 billion to Baht 145.30 billion and then increase the authorised share capital to Baht 246.08 billion by issuing 10.08 billion new common shares at par value of Baht 10 each. The allotment of the newly issued shares are for the follows:

- 5.65 billion shares are for right offering to the existing shareholders at the ration of 2.5725 existing shares for 1 newly issued share, at Baht 6.45 per share.
- 4.43 billion shares are offered under private placement scheme to China Mobile International Holdings Limited at Baht 6.45 per share.

The Company completed the right offering and private placement processes and registered the capital issued and paid-up with the Department of Business Development, Ministry of Commerce on 5 September 2014. The Company received the paid-up capital amounting to Baht 64,852.12 million net of issuance cost amounting to Baht 149.13 million.

Equity warrants

Movements in the number of outstanding warrants are as follows:

For the years ended 31 December	2013 Million Units
At beginning of year	37.31
Exercised	(27.04)
Lapsed	(10.27)
At end of year	-

Compensation cost is not recognised in these financial statements for the fair value or the intrinsic value of share options warrants granted.

33. Legal reserve

The legal reserve of the Company was established in accordance with the provisions of the Public Company Limited Act B.E. 2535, which requires the appropriation as legal reserve of at least 5% of net profit for the year after deduction of accumulated deficit brought forward (if any) until the reserve is not less than 10% of the authorised share capital. This reserve is not available for dividend distribution.

34. Non-controlling interests

At 31 December	Consolidated	
	2014 Baht Million	2013 Baht Million
Opening net book value	651.02	657.56
Addition investment in subsidiary by non-controlling interests (Note 19)	15.99	-
Purchasing shares from non-controlling interests (Note 19)	(31.39)	-
Reclassification of investment	-	(19.53)
Disposal of subsidiaries and joint venture	-	(41.92)
Dilution due to increase in non-controlling interests (Note 19)	6.27	135.70
Dividends income	-	(2.59)
Share of results of subsidiaries	(50.81)	(78.20)
Closing net book value	591.08	651.02

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35. Cash flows from operating activities

Reconciliation of profit to cash flows from operating activities:

For the years ended 31 December	Notes	Consolidated		Company	
		2014 Baht Million	2013 Baht Million	2014 Baht Million	2013 Baht Million
(Loss) profit before income tax		(688.51)	(6,244.82)	6,013.83	2,390.23
Adjustments for:					
Depreciation and amortisation		25,373.94	22,253.50	2,003.07	1,715.14
Interest income		(175.98)	(148.09)	(168.39)	(313.81)
Interest expense	10	5,118.80	7,765.55	2,693.84	1,743.03
Dividends received	41	(10.00)	-	(1,345.75)	(55.80)
Loss (gain) on disposals of property, plant and equipment		274.33	147.71	0.17	(0.49)
Gain on reversal of right and liabilities under agreement for operation		-	(791.18)	-	-
Gain from dissolution of investment in subsidiary	19	-	(104.48)	-	-
Loss (gain) from liquidation of associate	19	6.07	23.04	-	(50.33)
Doubtful accounts (reversal)	9	1,243.54	1,143.82	289.29	(117.60)
Write off network equipment	21	410.18	-	-	-
Impairment charge of property, plant and equipment	9	-	2,056.09	-	-
Impairment charge of investment	19	-	8.72	672.79	35.97
Gain from disposal of infrastructure assets	40	-	(6,334.90)	-	-
Reversal of provision for CAT's call option	40	(1,162.47)	-	-	-
Other operating assets and liabilities written-off		-	0.11	-	-
Increase in retirement benefits obligations		95.02	136.73	0.11	19.72
Unrealised (gain) loss on foreign exchange		(223.00)	439.98	(100.92)	(374.29)
Loss (gain) on sale of investment in subsidiaries, joint venture and associate	19	15.81	(857.57)	(172.30)	247.36
Realised loss (gain) on foreign exchange related to repayment of borrowings	26	6.16	(130.30)	17.95	(107.70)
Gain on settlement of DPN obligation	26	(350.93)	(145.28)	(350.93)	(145.28)
Gain on termination of finance lease agreement		-	(54.91)	-	-
Share of results in associates	19	(6,220.47)	(62.30)	-	-
Changes in operating assets and liabilities					
- Trade and other receivables		(25,726.99)	(12,940.39)	1,025.44	121.08
- Short-term investments		100.32	(85.21)	-	-
- Inventories		764.51	(2,854.12)	(59.44)	(12.97)
- Other current assets		(5,230.95)	(278.93)	(23.39)	255.94
- Film and program rights		(2,390.76)	(1,441.79)	-	-
- Cars for lease		-	113.32	-	-
- Other non-current assets		35.38	(258.00)	110.94	33.65
- Trade and other payables		13,203.27	29,584.20	(6,598.21)	17,339.59
- Other current liabilities		(719.38)	1,539.79	(1,059.64)	983.19
- Other non-current liabilities		(167.60)	(200.71)	(128.75)	(122.53)
Cash generated from operations		3,580.29	32,279.58	2,819.71	23,584.10
Add Interest received		158.08	140.73	182.69	319.78
Less Interest paid		(5,103.26)	(7,201.78)	(2,972.44)	(1,569.34)
Income tax paid		(2,278.91)	(2,289.02)	(307.12)	(362.62)
Net cash (used in) received from operating activities		(3,643.80)	22,929.51	(277.16)	21,971.92

36. Financial instruments

Objective and significant terms and conditions

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.

As at 31 December 2014 and 2013, the Group had outstanding foreign currency assets and liabilities as follows:

	Consolidated		Company	
	2014	2013	2014	2013
	Currency	Currency	Currency	Currency
	Million	Million	Million	Million
Assets				
US Dollar	14.91	4.55	-	-
Euro	3.68	-	-	-
Japanese Yen	-	0.10	-	-
Liabilities				
US Dollar	498.87	366.93	0.05	0.36
Japanese Yen	2,560.75	8,903.86	2,560.74	8,903.86
Great British Pound Sterling	0.03	0.02	-	-
Euro	2.30	0.35	-	0.02
SGD	0.02	0.01	-	-

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

37. Contracts and commitments

37.1 The Company entered into the agreement for Joint-Operation and Investments for Expansion of 2.6 million lines Telephone Services with TOT and other supplements to the Agreement for the following services:

- Wireline Services
- Value Added Services
- Personal Communication Telephone Services
- Public Telephone Services
- Receiving telephone service orders, and receiving payment for installation charges, deposits and monthly usage for TOT
- Fault notification and dropwire maintenance
- Personal Communication Telephone Service for TOT subscribers

Under the provisions of the “Agreement”, the “Amendment” and the Supplementary Agreements, TOT and the Company will share the gross revenues collected from operating the telephone network in accordance with the percentages as stipulated in the agreements. Among the Company’s responsibilities are the acquisition, installation, project management, operation and maintenance of the system as set out in the agreements. In addition, the Company is required to transfer to TOT certain equipment pertaining to such system together with the land and buildings acquired by the Company related to the project.

37.2 Agreement for PCT operation

According to the Joint Operation and Joint Investment Agreement and the PCT Supplemental Agreement (“the Agreement”) between the Company and TOT to jointly operate and invest in the expansion of basic telephone services, including a personal communication telephone system in the telephone areas of Bangkok using the same long-distance telephone area code (the “Territory”), the Company is obliged to operate and comply with the Agreement. AWC, a subsidiary of the Company will operate and share revenues with the Company in accordance with the PCT Contract (the “Contract”). In July 2001, the Company entered into the Contract with AWC, which became effective on 25 July 2001. The principal terms and conditions include the following.

- a. AWC is responsible, at its own cost and expense, to procure, purchase, install, operate and maintain a personal communication telephone system in the Territory, all of which are to be performed in accordance with the requirements of the Agreement; and
- b. In consideration of the foregoing, AWC is entitled to receive a portion of the revenue generated by the PCT services in accordance with the calculation methodology set out in the Contract.

On 1 July 2006, the Company and AWC entered into the Addendum to the PCT contract. The Company increased the additional revenue sharing from the PCT services since 1 July 2006 onwards. The said Addendum was ceased on 31 December 2007. The principal terms and conditions are still effective and unchanged.

37.3 Certain subsidiaries have agreements with state enterprises, including CAT, TOT and MCOT to provide nationwide cellular telephone service, the lease of long distance circuits and Pay TV service, respectively.

Under the terms of the agreements, the subsidiaries have certain commitments to acquire, install, manage and maintain all equipment. The subsidiaries are also committed to transfer to CAT, TOT and MCOT all equipment pertaining to such systems as the installations are completed. During the term of the agreements, the subsidiaries are entitled to collect deposits, membership fees and other service fees from customers as stipulated in the agreements.

In addition, the subsidiaries are contingently liable to certain local banks for letters of guarantee totalling Baht 1,440.43 million issued by the said banks in favour of CAT, TOT and MCOT. The letters of guarantee cover the guarantee for the subsidiaries in compliance with the provisions of the agreements referred to above.

37. Contracts and commitments (Cont'd)

37.3 Under the term of the agreements, certain subsidiaries are obliged to pay minimum fee as follows:

Period due	Minimum fee Baht Million
Within 1 year	30.00
Between 1 - 2 years	30.00
Between 2 - 5 years	105.00

37.4 On 27 January 2011, a subsidiary, BFKT entered into an agreement with CAT to lease telecommunication equipment under CDMA and HSPA technologies for the periods of 2 years and 14.5 years, respectively. Under the terms and conditions of CDMA agreement, BFKT has to provide telecommunication equipment for mobile services using CDMA technology for 2 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 executed on 3 December 2013 for the period of 14.5 years. As consideration of providing such services, BFKT entitles to receive revenue as stipulated in the agreement.

On 16 December 2010 and 24 June 2011, a subsidiary, RMV was granted Type I licences by NTC for re-sales of mobile and internet, respectively. 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 expire on 15 December 2015. Subsequently, on 27 January 2011, RMV entered into a re-sales and wholesales agreement with CAT ("the Agreement"). Under the terms and conditions of the Agreement, RMV will perform in providing mobile phone services using HSPA technology wholesale from CAT for a period of 14.5 years.

Subsequently, certain government agencies have investigated into various aspects of the agreements as to whether those agreements were in compliance with the Act on Organisation to Assign Radio Frequency and to Regulate the Broadcasting and Telecommunications Services B.E. 2553. On 28 June 2012, NBTC has issued a letter to CAT, summarising the resolution of the NTC of NBTC that the aforementioned agreements were unclear in six aspects. RMV, BFKT and CAT have performed in many aspects according to the recommendations of NTC of NBTC. Finally, RMV, BFKT and CAT have reached the solution to amend all terms of the agreement relating to six aspects with the signed Memorandum of Understanding ("MOU") and submitted to NTC of NBTC on 16 July 2013. The NTC of NBTC has endorsed the draft amendment on 16 October 2013. The parties concerned have completed signing amended agreement on these respects and executed it on 3 December 2013.

In addition, the Council of State, a government's legal advisor, has given its legal opinion that the HSPA agreements between CAT and BFKT, and between CAT and RMV, do not fall under the Public-Private Partnership Act, B.E. 2535.

During the first quarter 2013, a final determination has been reached by all concerned regulators that BFKT does not violate The Telecommunications Business Act, B.E. 2544 and The Act on Organisation to Assign Radio Frequency and to Regulate the Broadcasting and Telecommunications Services B.E. 2553 and be able to continue providing lease of telecommunication equipment to CAT.

As a result, the recognitions of tower rental revenue in BFKT and accrued 3G operating costs in RMV are made in accordance with the conditions pertaining in the original agreements. Currently, all parties are discussing the details to finalise the settlement. The management has strong view that there will be no material impact to the Group's operation as a result.

To comply with the abovementioned agreements, the Group has place letters of guarantee issued by certain local banks in favour of CAT totaling Baht 841.49 million.

37. Contracts and commitments (Cont'd)

- 37.5 On 7 December 2012, TUC a subsidiary under the Group was granted with the 2.1 IMT GHz Bandwidth licence by NBTC. The licence awarded cover with three spectrum bandwidth licence and authorised TUC to provide mobile service under those spectrum bandwidth over the period of 15 years. 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 3,611.25 million for the unpaid licence fee.
- 37.6 The Company and subsidiaries are contingently liable to certain local banks for letters of guarantee in favour of certain government agencies, certain state enterprises and companies amount of Baht 235.26 million and Baht 684.04 million, respectively.
- 37.7 Under the terms of various agreements, the Company's and certain subsidiaries' assets have been pledged and/or mortgaged as collateral with the contracted parties, details of which are as follows:

	Carrying Value at 31 December					
	Consolidated				Company	
			Mortgaged Value			
	2014 Baht Million	2013 Baht Million	2014 Baht Million	2013 Baht Million	2014 Baht Million	2013 Baht Million
Fixed and saving deposits	1,190.48	2,446.49	-	-	1,100.55	2,344.58
Investments in shares of subsidiaries	-	15,364.45	-	-	-	-
Land and building	-	115.17	-	23,604.15	-	-

- 37.8 The Company and subsidiaries 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 as at 31 December 2014 were Baht 12,437.59 million and Baht 7.03 million, respectively (2013: Baht 17,484.84 million and Baht 38.35 million, respectively).
- 37.9 The agreement to operate cellular telephone services, Digital PCN 1800 granted to TMV expired on 15 September 2013.

On 16 August 2013, the NBTC announced the regulation in respect of the protection of mobile customers using mobile service on networks whose concession expires. In 2014, The National Council for Peace and Order ("NCPO") announced to extend the period of caretaking from 15 September 2014 to 15 July 2015. The regulation allows TMV to continue providing mobile service in the 1800 MHz spectrum during the transition period after the expiry of the agreement and requires operators to submit any remaining amount of income after deduction of costs incurred in providing mobile service during the transition period to the office of NBTC for verification prior to submitting the remaining amount as governmental revenue. Such costs include network operating costs, numbering fee and other administrative expenses and relevant costs for providing services. Giving that the definition of 'deductible costs' is unclear as to which expenses are deductible, TMV is seeking clarification from NBTC on this matter. According to the financial information, TMV had negative result from operations, and there was no remaining amount to be submitted. Accordingly, there was no liability relating to this matter recorded in the consolidated financial statement for the year ended 31 December 2013 and 2014.

37. Contracts and commitments (Cont'd)

37.10 The Group leases various telecommunication infrastructures under non-cancellable operating lease agreements and the lease term is ranged between 5 years and 15 years.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	Consolidated	
	2014	2013
	Baht Million	Baht Million
Not later than 1 year	2,349.91	2,510.76
Later than 1 year but not later than 5 years	9,752.69	9,864.81
Later than 5 years	16,019.75	18,257.53
	28,122.35	30,633.10

38. Litigations and Arbitration disputes and contingent liabilities

38.1 Litigations outstanding at the Administrative Court

38.1.1 Dispute in relation to the use of True's logo on public payphone booths

On 23 July 2004, TOT filed an arbitration claim against the Company alleging that the Company failed to comply with joint agreement between the Company and TOT for the public payphone booths. TOT claimed damages for the use of the Company's logo on the public payphone booths amount of Baht 433.85 million. On 30 November 2005, the Company submitted the statement of objection to the Arbitration Panel. On 12 July 2006, the Arbitration Panel awarded in TOT's favour. On 6 November 2006, the Company filed a lawsuit in order to withdraw the arbitral award at the Central Administrative Court. On 27 February 2008, TOT filed a motion to the Central Administrative Court to enforce according to the Arbitration's award and claim for payment of Baht 150.00 million and Baht 90.00 per month per payphone booth from the day of filing until the Company cease using True's logo on public phone boots of TOT. The Central Administrative court ordered to combine the case which the Company requested to repeal the execution of Arbitration's ruling. The Central Administrative Court has fixed the date of 26 December 2008 as final pursuance of fact-finding. On 24 February 2009, the Court ruled in favour of TOT and enforced the arbitral award for the black case number 61/2547 and red case number 77/2549, dated 12 July 2006. The Court ordered the Company to pay Baht 150.00 million within 60 days from the final date of the case and repay court fees for the total amount of Baht 80,000 to TOT. The Company appealed to the Court on 25 March 2009. The lawsuit is currently in the judicial process of the Supreme Administrative Court.

38.1.2 Dispute in relation to interconnection charges

On 4 February 2011, Total Access Communication Public Company Limited filed with the Central Administrative Court against the Company and TOT to jointly pay for interconnection charges (IC) amount of Baht 3.94 billion. Currently, the case is under the judicial process of the Central Administrative Court.

38. Litigations and Arbitration disputes and contingent liabilities (Cont'd)

38.1 Litigations outstanding at the Administrative Court (Cont'd)

38.1.3 Dispute in relation to the use of True's name and logo on invoices, tax invoices and receipts

On 13 December 2004 and 11 March 2005, TOT filed an arbitration claim against the Company, claiming for advertising compensation for the unauthorised publication of True's name and logo on TOT's invoices, changing of the invoice pattern, related mailing expense and damages on marketing and image totalling amount of Baht 1,848.95. On 20 September 2013, the Arbitration ruled in favour for TOT force the Company to pay Baht 98.59 million. On 27 December 2013, the Company filed a protest against Arbitration's ruled with the Central Administrative Court. The case is under the consideration of the Court.

38.1.4 Dispute in relation to the Agreement Article 38.

On 15 May 2006, the Company filed an arbitration claim against TOT asking TOT to discontinue using its authority over the Agreement as well as to discontinue using its authority over the contract from the date its status changed. The authority to regulate shall be transferred to the Ministry of Transport or the Ministry of Information and Communication Technology. This case has no monetary claim amount. TOT submitted the objection statement on 17 June 2006. On 8 November 2006, the Company filed an arbitration claim against the authorisation limits of TOT on the Agreement Article 38 as a separate case. which two dispute, the arbitration ruling on 4 September 2014 that authorities of TOT is to use under the agreement. Later on 26 November 2014 the Company filed a request to cancel the award to the Central Administrative Court. The Court has ordered to acceptance the complaint on 3 December 2014 as the Black Case No. 1978/2557. The case is under the consideration of the court.

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

38.2 Arbitration disputes outstanding at the Thai Arbitration Institute

38.2.1 Arbitration cases filed by the Company against TOT

Dispute in relation to revenue sharing collected from international call services. On 28 January 2005, the Company filed an arbitration claim against TOT regarding the calculation of revenue sharing from international calls under the Joint Operation and Joint Investment Agreement. The Company claimed damages in the amount of Baht 5,000.00 million for failure to obtain the actual number of international incoming calls, and damages of Baht 3,407.68 million for the incorrect calculation. Both amounts are entitled to bear interest. The case is currently within the arbitration process.

Dispute in relation to revenue sharing collected from international call. On 25 December 2007, the Company filed an arbitration claim against TOT of Baht 1,968.70 million in respect of revenue sharing collected from international calls whereby TOT failed to deliver to the Company on a tariff stipulated in the agreement. The following are requested of the arbitrator to adjudicate on:

1. Requesting TOT to comply with the Agreement in respect of revenue sharing collected from international call and make payment according to the conditions stipulated in the Agreement.
2. Requesting TOT to pay damages amount of Baht 1,968.70 million.
3. Requesting TOT to apply the rate in calculation of revenue sharing both in-coming and out-going call base on the rate of Baht 6 per minute as stipulated in the Agreement as from September 2007 and onwards.
4. Requesting TOT to pay related interest at the rate stipulated in the Agreement Article 21 (MLR+1) or 7.86% per annum calculated from the amount unpaid from the date of submitting the arbitration claim until full payment has been made.

38. Litigations and Arbitration disputes and contingent liabilities (Cont'd)

38.2 Arbitration disputes outstanding at the Thai Arbitration Institute (Cont'd)

38.2.1 Arbitration cases filed by the Company against TOT (Cont'd)

On 29 April 2008, TOT submitted a statement of objection. However, on 11 July 2013, TOT made a payment of revenue sharing collected from international call for the period of 1 January 2004 to 30 June 2004 amount of Baht 133.16 million. The Company acknowledged receipt the payment and agreed not to claim against the period received. Anyway, the Company retain the right to defend or to restrain the dispute.

38.2.2 Arbitration cases filed by TOT against the Company

Dispute in relation to the lease of telephone conduits. On 31 May 2005, TOT filed an arbitration claim against the Company seeking an order to pay rent for the lease of telephone conduits from May 2004 to April 2005 in the amount of Baht 6.72 million plus interest and onwards. The Company submitted a statement of objection on 19 September 2005. The case is currently within the arbitration process.

Dispute in relation to TA1234 campaign. On 30 June 2005, TOT filed an arbitration claim alleging that it suffered damage from the loss of revenue sharing from 16 November 2000 to March 2005 of Baht 15,804.18 million plus interest as a result of the Company's invoices for domestic long distance call services at reduced tariff rates under the Company's "TA 1234" campaign. TOT also sought an order compelling the Company to collect domestic long distance call tariffs at the rates agreed in the Joint Operation and Joint Investment Agreement. On 12 March 2013, TOT made additional claim from April 2005 to 30 June 2005 for additional amount of Baht 1,060.91 million, becoming total claim amount of Baht 16,865.09 million. The case is currently within the arbitration process.

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 wireline 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 continuous damages 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. The case is currently within the arbitration process.

Dispute in relation to revenue sharing under the Agreement. On 22 January 2008, TOT filed arbitration against the Company claimed for un-eligible revenue sharing paid to the Company amount of Baht 1,479.62 million plus interest. The Company filed a protest on 18 April 2008. Subsequently, on 26 June 2014, the majority of arbitrators ruled in favour of TOT and ordered the Company to pay Baht 1,217.50 million together with interest at 7.5% per annum starting from 22 January 2008 until the payment has been completely made. On 7 October 2014, the Company submitted a request to revoke the Arbitration's award with Central Administrative Court. The case is currently within the Court process.

Dispute in relation to remuneration of the Gateway for international long distance telephone service. On 1 August 2011, TOT filed arbitration against the Company claimed for Baht 91.88 million including VAT and interest regarding to the remuneration of the Gateway for international long distance telephone services through code 007 for the period of July 2004 to May 2011. And claim for occurring interest until payment has been made. Moreover, claiming for outstanding invoice for the month of June 2011, plus interest and VAT. As of 31 December 2014, the Company has accrued expenses amount of Baht 76.57 million. This dispute is in the process of arbitration.

38. Litigations and Arbitration disputes and contingent liabilities (Cont'd)

38.2 Arbitration disputes outstanding at the Thai Arbitration Institute (Cont'd)

38.2.2 Arbitration cases filed by TOT against the Company (Cont'd)

Dispute in relation to the numbering fees. On 21 June 2013, TOT filed arbitration against the Company, claiming for a numbering fee of specific period of time. Totaling claim is Baht 539.02 million. On 11 December 2013, the Company file the protest to the arbitration. The dispute is currently in the process of arbitration.

Dispute in relation to conduits rental fee. On 17 February 2014, TOT filed the arbitration against the Company claiming for rental fee of lease conduits at Muang Thong Thani for the period from May 2005 to December 2013 amounting to Baht 59.17 million together with related interest. The Company is of the opinion that these conduits are the Company's asset and there should be no rental fee thereon for the usage. Currently, the Company is processing to file a statement of objection.

The ultimate outcomes of the aforementioned arbitration 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.

38.3 Assessment from the Excise Department

On 21 July 2006, the Company was informed by the Excise Department regarding claims for penalties and surcharge on delay of payments for excise tax from January 2005 to March 2005 amount of Baht 185.87 million. On 21 August 2006, the Company filed for alleviation of this administrative order. Subsequently, on 1 September 2006, the Company filed an objection against this administrative order. On 30 April 2007, the Director General of Excise Department ruled to reject the Company's objection. On 2 May 2007, the Company filed an appeal with the Excise Tax Appeal Committee requesting repeal of the ruling of the Director General of the Excise Department. On 19 September 2008, the Excise Tax Appeal Committee dismissed the Company's appeal and ordered the Company to pay the excise tax according to the decision of excise tax assessment for the amount of Baht 185.87 million. On 22 January 2009, the Company filed against ruling of the Excise Tax Appeal Committee with the Central Tax Court. On 29 September 2009, the Central Tax Court pronounced a judgment withdrawing all the penalties and surcharge. However, on 2 March 2010, the Company appealed other points which are the results of the judgment. The case is currently in the appealing process.

On 13 February 2009, the Company filed a request to the Director General of the Excise Department to make a claim for an excise tax refund for the period between January 2006 to 26 February 2007 in the total amount of Baht 348.87 million on the grounds that the Company is not obligated to pay excise tax. On 24 February 2012, the Excise Department dismissed the Company's appealing process. The Company is entitled to bring the case to the Central Tax Court within 10 years.

The ultimate outcomes of the aforementioned cases are presently unable to be determined, and accordingly, no recognition of provision for possible liability has been made in the financial statements.

38.4 Litigations and arbitration disputes of subsidiaries

38.4.1 In March 2005, a distribution agency appointed by several subsidiaries whose contract had been terminated, filed a civil lawsuit claiming damages up to maximum of Baht 300.00 million from the said subsidiaries, based on alleged breach of the Commercial Dwelling Unit ("CMDU") subscription agreements. Subsequently, on 26 May 2008, the Civil Court ruled in favour of subsidiary and ordered the plaintiff to pay Baht 1.66 million plus interest at 7.5% per annum from the date of counterclaim until completion of payment. The case is currently in the appealing process.

38. Litigations and Arbitration disputes and contingent liabilities (Cont'd)

38.4 Litigations and arbitration disputes of subsidiaries (Cont'd)

- 38.4.2 On 23 August 2006, CAT filed a lawsuit against a subsidiary at the Central Administrative Court to claim for space and antenna rental amount of Baht 12.48 million. On 21 January 2009, the Court dismissed the case and ruled that the subsidiary does not deem to pay such claim to CAT. However, CAT filed an appeal on 19 February 2009 and the subsidiary filed a reply of an appeal on 26 April 2009. On 31 July 2014, the Supreme Administrative Court reversed the decision of the Court of First Instance, and ordered the subsidiary to reimburse CAT for Baht 374,813.14. The subsidiary paid such amount on 10 September 2014. The case is closed.
- 38.4.3 On 13 October 2006, CAT filed an arbitration claim against a subsidiary to claim for a numbering fee amount of Baht 113.58 million. Subsequently, on 15 August 2008, the Arbitration ruled in favour of CAT by ordering the subsidiary to pay of Baht 99.60 million (excluded interest at 7.5% per annum). The subsidiary acknowledged on 24 August 2008. The subsidiary filed the protest with the Central Administrative Court. On 23 February 2011, the Central Administrative Court has judged that the Arbitrator's ruling is illegal. Thus, the Court ordered to repeal that ruling. On 22 March 2011, CAT appealed to the Supreme Administrative Court. Subsequently, on 16 June 2011, CAT filed a petition to the Central Administrative Court to enforce the award of the arbitral tribunal and asked for resolving compliant from the subsidiary. The subsidiary will oppose the claim since the award of the arbitral tribunal has been revoked by the Court and being under consideration of the Supreme Administrative Court. CAT is not entitled to file such petition. The case is currently under the judicial process of the Court.
- 38.4.4 On 1 December 2006, a subsidiary was filed a civil case by a group of person claiming damages amount of Baht 44.37 million. However, on 9 September 2007, most of the cases were withdrawn. There is only one case outstanding, and the amount of damages claimed is Baht 7.00 million. The court ruled on 29 September 2011 and the subsidiary paid the amount of Baht 1.06 million (excluding default interest). On 22 January 2013, the Court ruled to reverse the judgement of the Court of the First Instance by favour the subsidiary. The plaintiff filed petition on 22 April 2013 and the subsidiary filed an objection on 11 July 2013. Currently, the case is in consideration of the Supreme Court.
- 38.4.5 On 9 August 2007, CAT notified four banks which issued the letters of guarantee to a subsidiary claiming that the subsidiary was not performed according to the agreement and requested of Baht 370.00 million from the banks. These cases are related to the cases that CAT bought to the Arbitration Institute and the cases are still pending at the arbitration panel. On 29 August 2007, the subsidiary filed the motions to the Civil Court and the Central Administrative Court requested for injunctive relief to prevent CAT from claiming bank guarantees and to prohibit the four banks to pay for until the arbitration award are issued. The Courts ruled in favour of the subsidiary. On 27 September 2007, the subsidiary submitted a claim against CAT through the Thai Arbitration Institute. Subsequently, both parties agreed on a compromise agreement. According to the compromise agreement, on 10 October 2014, the Arbitration award CAT should not enforce the guarantors banks until the dispute in relation to operation agreements are concluded. And the subsidiary should not pursue any claim on this case.
- 38.4.6 On 9 January 2008, CAT filed for arbitration against the subsidiary claiming for shortcomings revenue sharing from the subsidiary including penalties and interest at the total amount of Baht 8,969.08 million. On 16 September 2011, the arbitrator decided to withdraw the claim. Consequently, the subsidiary is not required to pay the claim. On 25 November 2011, CAT has filed a petition to revoke the arbitration award with the Central Administrative Court. On 22 July 2014, the Central Administrative Court has ruled to revoke CAT's appealing. Consequently, CAT has appealed further to the Supreme Administrative Court. Currently, the case is under the court process.

38. Litigations and Arbitration disputes and contingent liabilities (Cont'd)

38.4 Litigations and arbitration disputes of subsidiaries (Cont'd)

- 38.4.7 On 19 February 2008, CAT filed an arbitral dispute against a subsidiary claiming for additional revenue sharing amount of Baht 45.95 million. On 6 March 2012, the Arbitrator awarded in favour of CAT by ordering the subsidiary to pay CAT amount of Baht 7.00 million (excluded interest). On 29 June 2012, the subsidiary brought the case to Central Administrative Court. The case is currently under the process of Court.
- 38.4.8 On 6 August 2008, CAT filed an arbitration against the subsidiary claiming for an access charges which the subsidiary deducted from revenue sharing for the concession period 7th - 11th year (discount for access charges Baht 22 per number) amount of Baht 689.84 million. On 19 March 2010, CAT has filed amendment claim from Baht 689.84 million to Baht 1,379.68 million. On 16 July 2010, the arbitrators have unanimous made an award to dismiss CAT's claiming. On 27 October 2010, CAT brought the case to the Central Administrative Court asked to revoke the arbitration's award. On 3 June 2014, the Court ruled to dismiss CAT's petition. CAT has not appealed within the time frame. The case is closed.
- 38.4.9 On 29 January 2009, CAT filed an arbitral dispute against the subsidiary claiming for transfer and conveyance of 4,546 units of masts and towers together with their accessories to CAT. If, in any event, the transfer and conveyance of the subsidiary are impracticable, the subsidiary shall pay to CAT for the amount of Baht 2,766.16 million. The subsidiary filed a statement of objection to the Arbitration Office on 3 September 2009. On 2 August 2013, the arbitration rule to withdraw the case due to CAT's claimant are not in accordance with the agreement for operation signed with the subsidiary. Then, on 12 September 2013, CAT filed a petition to the Central Administrative Court to overrule the arbitral award. The case is currently under the consideration of the Central Administrative Court.
- 38.4.10 Regarding the dispute between CAT and a subsidiary, where CAT claims for shortage of revenue sharing under the Marketing Service Agreement for Cellular Digital AMPS 800 Band A system amounting to Baht 1,445.00 million and the case has been temporarily suspended. Subsequently, on 13 February 2012, CAT has requested the Arbitrator to further reconsider the case. Currently, the case is under the process of arbitration.
- 38.4.11 On 15 May 2009, CAT filed an arbitral dispute against the subsidiary claiming for reimbursement of numbering fee for four-digit special number "1331", which CAT paid to NTC, for the amount of Baht 3.96 million plus 7.5% per annum interest, value added tax, 1.25% per month stipulated penalty and fees and costs resulting from arbitral process. The claimed penalty would be in effect from the date that CAT had paid the numbering fee to NTC to the date that the subsidiary fully reimbursed to CAT. The subsidiary made a statement of objection on 11 December 2009. The case is currently under the process of Arbitration.
- 38.4.12 On 11 June 2010, Advance Info Service Public Company Limited ("AIS") filed with arbitration against the subsidiary claiming for interconnection charges payment amount of Baht 88.60 million. The case is currently under the process of Arbitration.
- 38.4.13 On 16 June 2010, a person who represent the foreign Pay-TV company filed against a subsidiary jointly with a group of person with the Civil Court claimed for damage of Baht 660.00 million. Subsequently, the Court of First Instance and the Court of Appeal ruled to dismiss the case due to the expiration of the case. The plaintiff filed petition on 7 February 2013. Later, on 11 December 2014, the Supreme Court ruled that the lawsuit's prescription has over and dismissed from the Court. The case is closed.
- 38.4.14 On 25 February 2011, CAT has filed an arbitration against a subsidiary claiming for the minimum bank guarantee amount of Baht 646.00 million and Baht 679.00 million, totalling of Baht 1,325.00 million for the 14th - 15th year of operation. On 7 October 2011, the subsidiary has made a counterclaim against CAT request for returning a minimum bank guarantee for 11th to 13th year and claim the amount of Baht 56.19 million. On 30 August 2013, CAT filed an arbitration request for bank guarantee for 16th - 17th year of operation. The subsidiary files an objection on 18 June 2013. The dispute is currently under consideration by the arbitrator tribunal.

38. Litigations and Arbitration disputes and contingent liabilities (Cont'd)

38.4 Litigations and arbitration disputes of subsidiaries (Cont'd)

- 38.4.15 On 8 September 2011, CAT filed an arbitration claim against the subsidiary regarding to revenue sharing amount of Baht 11,946.15 million. The case is currently in the arbitration process.
- 38.4.16 On 23 July 2001, a subsidiary, as a jointly defendant was filed by a common person with the Civil Court claiming for breach of brokerage agreement requested amount of Baht 438.58 million. The case is currently under the judicial process of the Supreme Court.
- 38.4.17 On 14 September 2011, the dispute between a subsidiary and NBTC as its regulator, regarding the collection of information and detail of pre-paid mobile telephone customer and charge for administrative fine at Baht 80,000 per day within 30 days from the receiving of notification date. The subsidiary brought the cash to the Central Administrative Court and Supreme Administrative Court charging for various cases, included among other are to request for temporary relief of fine Baht 80,000 per day and the collection of information of customer. For the first case, the Court in favour of the subsidiary not to pay any amount until the case is final. For the second case the Court dismissed the charge which may cause the subsidiary must comply in collecting the information of customer. On 3 March 2014, the subsidiary paid Baht 34.96 million as the administrative fine of Baht 80,000 per day calculated from 6 July 2012 to 15 September 2013. However, the aforementioned payment should not be interpreted that the administrative order and fine are lawful. If the final judgement is in favour of the subsidiary, the subsidiary shall redeem the amount paid. The case is pending in the Central Administrative Court.
- 38.4.18 On 8 May 2012, a subsidiary has requested NBTC and the Secretary of the NBTC to revoke the order and the resolution of the NBTC 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) and sought for court order to determine measures and procedures for the temporary relief before the final judgment is delivered. However, for the time being, the court does not issue any order as requested. This case is currently pending in the Central Administrative Court. On 8 May 2012, the Secretary of NBTC issued a letter requesting the subsidiary to revise conditions of service of prepaid mobile phone so that there is no provision in any manner which forces the customer to use the services within a specified period and shall not include conditions that force users to use the service within the period. On 31 May 2012, the Secretary of NBTC issued another letter to the subsidiary order a penalty for an administrative fine at the rate of Baht 100,000 per day since 30 May 2012 onwards subsequently the subsidiary has filed a petition with the court for suspension of enforcement of NBTC's orders and sought for such measures and procedures for the temporary relief before the final judgement. The Court dismissed the motion. However, subsidiary submitted appealing to the Secretary of NBTC to retain from the administrative fine. The result was that the subsidiary still have to pay the penalty. The amount of penalty during 30 May 2012 to 18 January 2013 totaling Bath 23.30 million. On 10 January 2013, the subsidiary filed a lawsuit against Secretary NBTC with Central Administrative Court to revoke the order of administrative fine and requested for the temporary relief before the judgement. Subsequently, NBTC agreed upon the term of providing mobile service to the prepaid customer proposed by the subsidiary and cease an administrative fine commencing 18 January 2013. On 20 February 2014, the subsidiary paid Baht 23.30 million as administrative fine. However, the aforementioned payment should not be interpreted that the administrative order and fine are lawful. If the final judgement is in favour of the subsidiary, the subsidiary shall redeem the amount paid. Current, the case is under consideration of the Central Administrative Court.

38. Litigations and Arbitration disputes and contingent liabilities (Cont'd)

38.4 Litigations and arbitration disputes of subsidiaries (Cont'd)

- 38.4.19 On 28 February 2013, CAT filed for arbitration against the subsidiary claiming for additional revenue sharing for the 15th year of operation for the amount of Baht 1,571.60 million due to the inappropriate calculation. On 18 June 2013, the subsidiary file the petition. During 2014, CAT filed the motion with Central Administrative Court for disagreement with the Arbitrators arrangement and asked to cease the arbitration process until CAT's request has been solved. The Central Administrative Court dismissed the request for ceasing the arbitration process. Currently, the case is under the arbitration and the Court's process.
- 38.4.20 On 22 April 2013, CAT filed for arbitration against the subsidiary requested for transferring the passive type of telecommunication infrastructure or a compensation amounting to Baht 821.14 million in case of failure to transfer. The subsidiary filed protest on 28 August 2013. Currently, the case is under the arbitration process.
- 38.4.21 On 30 August 2013, CAT filed for arbitration against the subsidiary claiming for additional revenue sharing for the 16th year of operation for the amount of Baht 2,441.69 million due to the inappropriate calculation. Currently, the case is under the arbitration process.
- 38.4.22 On 12 November 2013, CAT filed for arbitration against the subsidiary requested for transferring of 59 generator stations or compensation amount to Baht 39.57 million in case of failure to transfer. Currently, the case is under the arbitration process.
- 38.4.23 The dispute between CAT and a subsidiary, where CAT claims under the Marketing Service Agreement for Cellular Digital AMPS 800 Band A system. On 20 February 2014, HCAT, a subsidiary has requested through the Civil Court to issue an order not allowing CAT to force payment from bank guarantees given by the subsidiary amounting to Baht 63.02 million. Subsequently CAT has brought the case to the Central Administrative Court. Currently, both parties are awaiting for a decision to which jurisdiction between the Civil Court and the Central Administrative Court for the case to proceed. On 20 March 2014, CAT has filed cases against HCAT and BFKT with the Central Administrative Court requiring compensation amounting to Baht 1,576.19 million claiming for breach of various contracts. CAT also filed against Siam Commercial Bank being the guarantor, with the Central Administrative Court claiming for Baht 63.82 million for the letter of bank guarantee given on behalf of HCAT. On 24 June 2014, the Central Administrative Court ordered a temporary suspense of the case.

The ultimate outcome of the aforementioned cases cannot presently be determined, and accordingly, no provision for possible liability has been made in the financial statements.

39. Access charges

39.1 The Company's access charges

On 21 August 2002, the Company filed an arbitration claim regarding a dispute arising from the wireline Agreement between the Company and TOT. The terms of the wireline Agreement provided that the Company is entitled to additional considerations from TOT if TOT provides or allows any third parties to provide "special services" over the network. TOT allowed CAT and other mobile telecommunications service providers to use this network for mobile telecommunications services and obtained access charges from CAT and the other mobile telecommunications service providers. However, TOT disagreed that the use of the Company's wireline network for mobile telecommunications services was a "special service" and therefore refused to provide the Company with the additional considerations. The Company claimed for its portion of revenue sharing regarding access charges received by TOT starting from October 1992 to June 2003 amount of Baht 25,419.40 million. On 21 February 2006, the Arbitration delivered to the Company rulings of the arbitration dated 17 January 2006. The arbitral rulings are as follows:

39. Access charges (Cont'd)

39.1 The Company's access charges (Cont'd)

1. The Company is entitled to benefits derived from TOT's provisions of special services on the Company's network or from TOT's permission for other parties to provide special services on the Company's network.
2. With respect to benefits from the beginning until 22 August 2002, TOT must pay the Company the sum of Baht 9,175.82 million plus interest at the rate of 7.5% per annum from 22 August 2002. The payment must be made within 60 days from the receipt of the arbitral award. TOT has not paid any amount. The amount included interest as at 31 December 2011 was Baht 15,620.26 million.
3. As from 23 August 2002, TOT must pay to the Company 50% of the benefit derived by TOT from the portion accessing to the Company's network.

On 20 April 2006, TOT filed a motion with the Central Administrative Court requesting an order to withdraw the arbitral award. Subsequently, on 19 September 2006, the Company submitted a statement of objection to the Central Administrative Court, and the court accepted the Company's statement of objection for consideration on 28 September 2006. On 8 May 2008, the Company as the petitioner requested the Central Administrative Court for the execution of the Arbitration's ruling. The court ordered to combine the case which TOT requested to repeal the execution for Arbitration's ruling. The case is currently in the judicial process of the Central Administrative Court.

On 19 September 2012, the Central Administrative Court has ruled in favour of TOT, by revoking the ruling of the arbitration dated 17 January 2006. On 18 October 2012, the Company appealed against the ruling of the Central Administrative Court with the Supreme Administrative Court. The case is under the Supreme Administrative Court process.

39.2 A subsidiary's access charges

On 5 October 2006, a subsidiary issued a letter to TOT requesting it to enter into negotiation regarding the interconnection agreement ("IC") between its network and TOT's network. On 17 November 2006, the subsidiary issued a written notification informing TOT and CAT that it will cease payment of access charge under the Access Charge Agreement on the basis that the rate and the collection of access charge under the Access Charge Agreement were contrary to the law in a number of respects. The subsidiary also requested TOT to enter into the interconnection charge agreement to be in compliance with the law or temporarily apply the provisional rate announced by the NTC while the negotiations on the interconnection agreement with TOT has not been concluded.

However, on 23 November 2006, TOT issued a letter informing the subsidiary that the subsidiary was not entitled to interconnect its network with the TOT network because the subsidiary was not a telecommunications licensee, as granted by the NTC, and did not have its own telecommunications network. TOT also disputed that the Access Charge Agreement did not violate any law and that the rate and the collection of access charge under the Access Charge Agreement continuously prevail.

Pertaining to the NTC's announcement regarding the dispute resolution in respect of uses and interconnection of telecommunication network (IC), the subsidiary has brought the dispute to the Dispute Resolution Committee ("DRC") on 29 June 2007, requesting TOT to enter into the contract in relation to interconnection (IC). The DRC considered this and NTC deemed that the subsidiary is entitled to negotiate with TOT regarding the interconnection contract (IC) on 21 November 2007 and 28 November 2007, respectively. On 23 June 2008, subsequently, TOT agreed to enter into the interconnection charge agreement (IC) with the subsidiary on the condition that specific only the new numbers allocated by NTC. The subsidiary notified to agree with TOT's offering. For the old numbers, the subsidiary will carry on the case and depend on judgment of the Civil Court.

39. Access charges (Cont'd)

39.2 A subsidiary's access charges (Cont'd)

On 16 November 2007, TOT filed a lawsuit against the subsidiary with the Civil Court, claiming violation of the access charges contract (agreement) and requested for access charges payment amount of Baht 4,508.10 million with related interest and value added tax. On 16 September 2009, the Civil Court and the Central Administrative Court agreed that the case was within the Central Administrative Court's jurisdiction and thus, struck the case out of the case-list.

On 9 May 2011, TOT filed a lawsuit with Central Administrative Court against CAT jointly with a subsidiary claiming for an access charge amounting of Baht 41,540.27 million.

On 31 July 2014, TOT has amended the claim amount to Baht 59,628.00 million plus interest from the initial filing date until the payment is made. The case is currently in the judicial of the Central Administrative Court.

If the subsidiary has to pay such access charges, the subsidiary would record additional expense and be liable to accrue additional access charges for the period from 18 November 2006 to 15 September 2013 are as follows:

	Accrued access charges Million Baht	Net effect to the consolidated profit or loss, net of revenue sharing to CAT Million Baht
For the period from 18 November 2006 to 15 September 2013	32,344.56	23,762.55

The management and its external lawyer have opined that the subsidiary would not be liable to pay the said access charges.

The ultimate outcomes of the aforementioned cases are presently unable to be determined, and accordingly, no recognition of revenue and provision for possible liability has been made in the financial statements.

40. Infrastructure fund transaction

In 2013, TRUEIF is registered with the purpose to operate as a telecom infrastructure fund, with the Company initial holding a 33.29% of interests.

Transactions incurred and commitments with TRUEIF are summarised as follows:

1. **The Assets and Revenue Sale Transaction:** On 24 December 2013, the Company and subsidiaries, TU, BFKT and AWC have entered into separate Assets and Revenue Sale and Transfer Agreements with TRUEIF to sell assets and transfer the right of certain future revenue. The details are as follows:
 - 1.1 The Company: to transfer the ownership of 6,000 telecommunication towers and other related passive telecommunication infrastructure for mobile services of which the Company will deliver, or procure the delivery of 3,000 towers by 31 December 2014 and the remaining 3,000 towers by 31 December 2015;
 - 1.2 TU: to transfer the ownership of a core fiber optic cable grid (the "core FOC grid") related transmission equipment and an upcountry broadband system; and

40. Infrastructure fund transaction (Cont'd)

- 1. The Assets and Revenue Sale Transaction:** On 24 December 2013, the Company and subsidiaries, TU, BFKT and AWC have entered into separate Assets and Revenue Sale and Transfer Agreements with TRUEIF to sell assets and transfer the right of certain future revenue. The details are as follows: (Cont'd)

1.3 BFKT and AWC: to transfer the right of net revenues (including all claim, awards, judgment, suits and any other right of BFKT and AWC arising out of or in connection with such revenues and any agreement under which such revenues would be derived (except for BFKT's and AWC's rights and claims with respect to such revenues or arising out of or in connection with such agreements which BFKT or AWC is or has been entitled to prior to the Commencement Date regardless of whether BFKT or AWC makes or has made a claim or receives payment from such rights and claims before or after Commencement Date)) to be generated on and from the Commencement Date until the Expiry Date from the rental of:

1.3.1 certain telecommunication towers and other related passive telecommunication infrastructure comprising the BFKT Towers and AWC Towers; and

1.3.2 a fiber optic cable transmission grid comprising the BFKT FOC Transmission Grid,

including right to ownership of certain assets of BFKT and AWC following the expiry date of HSPA Network Equipment Leasing Agreement dated 27 January 2011 between BFKT and CAT. The date of expiration of HSPA agreement will be on 3 August 2025.

Key obligations of the Company

1. The Company is obliged to procure and deliver telecommunication towers and other related passive telecommunication infrastructure for mobile services on units and time line specified in the agreement.
2. The Company, at its own cost to ensure that TRUEIF or its designated person has the right to access any premise of relevant assets. In any un-transferable contract relation to assets sale, the Company procure that the TRUEIF can entitle to the rights and benefits under such contracts.
3. Within nine months following each delivery, to provide an information and assistance as it may reasonably require related to relevant assets which have been delivered and transferred. The Company, will reasonably endeavor at its own cost to provide assistance to enable the sold assets to be used in all material respects.
4. If, after any delivery, the site located of assets sale happen to be seized, taken into custody or any incident causes TRUEIF or its representative unable to access, operate and/or use the relevant assets, the Company, at its own cost and expenses will procure or obtain a new equivalent assets. However, the Company's obligation in relation to the relocation and repurchase of the affected assets on the site (or part of a site) which has been assigned or novated to TRUEIF, in relation to any transferred assets being seized, taken into custody or otherwise rendered unusable by any tenant due to any illegality to access or to use such site or any part thereof shall be limited to five years after the date of the assignment or novation of such site to TRUEIF.

40. Infrastructure fund transaction (Cont'd)

1. **The Assets and Revenue Sale Transaction:** On 24 December 2013, the Company and subsidiaries, TU, BFKT and AWC have entered into separate Assets and Revenue Sale and Transfer Agreements with TRUEIF to sell assets and transfer the right of certain future revenue. The details are as follows: (Cont'd)

Key obligations of subsidiaries

1. BFKT and AWC are obliged to procure or deliver net cash generated from assets sale according to the schedule stipulated in the agreements.
 2. BFKT and AWC to transfer the ownership of assets sale at specific date as stipulated in the agreements.
 3. Within nine months following to the closing date, to provide an information and assistance as it may reasonably require related to relevant assets which have been delivered and transferred. the subsidiaries, will reasonably endeavor at their own costs to provide assistance to enable the sold assets to be used in all material respects.
 4. If, after any delivery, the site located of assets sale happen to be seized, taken into custody or any incident cause TRUEIF or its representative unable to access, operate and/or use the relevant assets, the subsidiaries, at their own costs and expenses will procure or obtain a new equivalent assets. However, BFKT and/or AWC shall be liable in respect of any claim in relation to the BFKT and/or AWC Transferred Specified Assets if a notice of such claim is given by TRUEIF within two years from the relevant BFKT and/or AWC Asset Closing Date, except for claims arising out of certain material matters as set out in the BFKT and/or AWC Asset and Revenue Sale and Transfer Agreement for which there shall be no time limitation for giving notice of claims (other than pursuant to applicable law). Such matters include, among others, BFKT and/or AWC's warranties on its authority and capacity, ownership of the BFKT and/or AWC Transferred Specified Assets and breach of material undertakings.
2. **The Lease Operation and Management Transaction:** on 24 December 2013, the Company's subsidiaries, TU and TUC have entered into separate Master Lease, Operation, Maintenance and Management Agreements with TRUEIF to lease, operate, perform maintenance of and manage the following assets:
 - 2.1 the property that TUC leases, operates, performs maintenance of and manages consists of:
 - 2.1.1 slots on telecommunications towers; and
 - 2.1.2 passive facilities in relation to certain towers; and
 - 2.2 the property that TU leases, operates, performs maintenance of and manages consists of:
 - 2.2.1 approximately 5,112 km of core FOC grid;
 - 2.2.2 transmission equipment related to the core FOC grid;
 - 2.2.3 upcountry broadband system which comprises passive telecommunications equipment;
 - 2.2.4 upcountry broadband system which comprises active telecommunications equipment

40. Infrastructure fund transaction (Cont'd)

3. **The Investment Unit Subscription Transaction:** The Company has subscribed for and is a unitholder of 1.93 billion units with the subscription price of Baht 10.00 per unit totaling Baht 19.33 billion equivalent to 33.29% of the investment units being offered in the initial offering. TRUEIF is classified as an associate. The first five years commencing from the Fund registration date, the Company must hold and maintain at all time, at least 18.00% of the total investment units issued by TRUEIF.

In addition, the Company's subsidiary, TAM entered into the Services Agreement with TRUEIF to provide Administrative and Marketing Services. Under the provision of the agreement, TAM will charge TRUEIF at the rates stipulated in the agreement upon delivery of services.

The Group prudently and thoroughly reviewed the accounting treatments for the transactions by considering the substance of the transactions and concluded as follows:

- The Company: to deliver 3,000 towers by 31 December 2014 and the remaining 3,000 towers by 31 December 2015 to TRUEIF. The Company will recognise the revenue from sale of towers upon the delivery of the towers. As such, the Company did not recognise revenue from this transaction in 2013 and recorded the net proceed as unearned income in the company and consolidated financial statement.
- BFKT and AWC: transfer their right of net revenues under HSPA lease agreement over the lease period to TRUEIF and will transfer the legal ownership of assets sale upon the expiration date of lease agreement on 3 August 2025. Even though the sales of net revenue do not involve the legal ownership transfer on the asset sale prior to the expiration of lease agreement, the significant risks and rewards of the assets sale have been transferred to TRUEIF and the Group neither has continuing managerial involvement to the degree usually associated with ownership nor has effective control over the assets sale. Therefore, the transaction is considered as a sale of assets to TRUEIF on the initial date.
- TU: sell and transfer its assets to TRUEIF on the transaction date. The lease back transaction has been tested with criterion set out in TAS 17 "Lease" and is considered operating lease.
- In addition, the following facts are taking into consideration that risks and rewards pertaining in the assets sale have been transferred.
 - TRUEIF is an entity to bear risk of loss on the physical damage on the assets sale and exposed to the risk relating to fluctuations in future revenues.
 - The Group does not share any future new revenues to be generated by TRUEIF.
 - After transaction date, BFKT and AWC have only duty to pass the net revenue to TRUEIF, acting as a middleman.
 - Unit holders of TRUEIF exercise decision-making authority as the owner of the assets sale.

In summary, the Group recognised gain on assets sale of BFKT, AWC and TU of Baht 6,334.90 million under "Other income" in the consolidated statement of comprehensive income for the year ended 31 December 2013 and recognised the advance received for 6,000 towers amounting to Baht 16,390.56 million as unearned income, presented under "Trade and other payable" (Note 27) in the company and consolidated financial statements. The Group derecognised net book value of the infrastructure assets and service contract, as the cost of the assets sale, amounting to Baht 20.22 billion (Note 21) and Baht 2,964.38 million (Note 23), respectively. The Group also recorded an estimate for the liabilities relating to these transactions of Baht 6,761.29 million, presented under "Other non-current liabilities" (Note 31), which including Baht 5,811.00 million as the provision for CAT's call option. The provision is provided for the purposes of prudent and conservative as the transactions involve public interests and contract with state enterprise.

In 2014, CAT's call option provision of Baht 1,162.47 million was reversed and presented under "Other income".

40. Infrastructure fund transaction (Cont'd)

The assets sale transactions are summarised as follows:

	Consolidated	Company
	2013	2013
	Baht Million	Baht Million
Amount proceed	58,080.00	16,390.56
Less: Advance received (Note 27)	(16,390.56)	(16,390.56)
Cash proceed, net advance received	41,689.44	-
Less: Costs of assets sale and relevant costs	(30,570.44)	-
Less: Related expenses	(1,437.17)	-
Total gain from assets sale	9,681.83	-
Less: Unrealised gain from assets sale	(3,346.93)	-
Gain recognised in 2013	6,334.90	-

The unrealised gain is the Company's 33.29% interest in the total gain which cannot be recognised when TRUEIF is an associate.

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 following transactions were carried out with related parties:

i) Sales of goods and services

For the years ended 31 December	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
	Million	Million	Million	Million
Sales of goods:				
Subsidiaries	-	-	4.21	0.79
Joint ventures	-	0.01	-	-
Associates	8,255.55	20,346.48	8,252.64	-
Related company				
CP Group of companies	2,021.66	1,671.17	0.07	-
	<u>10,277.21</u>	<u>22,017.66</u>	<u>8,256.92</u>	<u>0.79</u>
Sales of services:				
Subsidiaries	-	-	5,543.60	5,330.57
Joint ventures	-	10.45	-	0.87
Associates	91.64	84.27	-	-
Related company				
CP Group of companies	953.84	967.15	58.54	23.47
	<u>1,045.48</u>	<u>1,061.87</u>	<u>5,602.14</u>	<u>5,354.91</u>

CP Group of companies is the major shareholder of the Company.

As at 31 December, 2014 the Group holds a 9.42% (2013: 9.42%) equity interest in NEC Corporation (Thailand) Co., Ltd.

41. Related party transactions (Cont'd)

ii) Purchases of goods and services

For the years ended 31 December	Consolidated		Company	
	2014 Baht Million	2013 Baht Million	2014 Baht Million	2013 Baht Million
Purchases of goods:				
Subsidiaries	-	-	0.34	1.96
Joint venture	-	0.03	-	-
Related company				
CP Group of companies	7,201.92	2,315.62	1,051.39	10.10
	<u>7,201.92</u>	<u>2,315.65</u>	<u>1,051.73</u>	<u>12.06</u>
Purchases of services:				
Subsidiaries	-	-	631.05	799.02
Joint ventures	1.88	79.59	-	14.43
Associates	3,287.30	35.51	-	-
Related companies				
CP Group of companies	3,927.60	1,879.37	410.93	146.69
NEC Corporation (Thailand) Co., Ltd.	0.06	0.41	0.02	0.07
	<u>7,216.84</u>	<u>1,994.88</u>	<u>1,042.00</u>	<u>960.21</u>

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

As at 31 December	Consolidated		Company	
	2014 Baht Million	2013 Baht Million	2014 Baht Million	2013 Baht Million
Receivables from related parties: (included in "Trade accounts receivable" (Note 16))				
Subsidiaries	-	-	1,626.85	1,789.51
Joint venture	-	-	0.03	0.03
Associates	23.53	24.18	(0.03)	(0.03)
Related companies				
CP Group of companies	10,526.67	8,576.35	87.22	93.20
NEC Corporation (Thailand) Co., Ltd.	0.16	0.16	0.17	0.16
	<u>10,550.36</u>	<u>8,600.69</u>	<u>1,714.24</u>	<u>1,882.87</u>
Receivables from related parties: (included in "Other receivable")				
Related companies:				
Associate	2.00	2,224.22	-	1,147.34
Related companies				
CP Group of companies	25.44	25.04	-	-
NEC Corporation (Thailand) Co., Ltd.	2.31	2.31	2.31	2.31
	<u>29.75</u>	<u>2,251.57</u>	<u>2.31</u>	<u>1,149.65</u>

41. Related party transactions (Cont'd)

iii) Outstanding balances arising from sales and purchases of goods and services (Cont'd)

As at 31 December	Consolidated		Company	
	2014 Baht Million	2013 Baht Million	2014 Baht Million	2013 Baht Million
Payables to related parties: (included in "Trade and other payables")				
Subsidiaries	-	-	359.67	296.12
Joint venture	-	-	-	0.05
Associates	316.67	341.93	-	-
Related company				
CP Group of companies	9,522.81	8,885.40	581.47	115.00
	<u>9,839.48</u>	<u>9,227.33</u>	<u>941.14</u>	<u>411.17</u>

iv) Loans to related parties

As at 31 December	Consolidated		Company	
	2014 Baht Million	2013 Baht Million	2014 Baht Million	2013 Baht Million
Loans to related parties				
Current	147.00	147.00	9,450.00	1,500.00
Total	<u>147.00</u>	<u>147.00</u>	<u>9,450.00</u>	<u>1,500.00</u>

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

	Consolidated Baht Million	Company Baht Million
For the year ended 31 December 2014		
Opening net book value	147.00	1,500.00
Additions		
- Principal	-	11,495.00
Payment received		
- Principal	-	(3,545.00)
Closing net book value	<u>147.00</u>	<u>9,450.00</u>

The outstanding loan to related party in the consolidate financial statements as at 31 December 2014 is a loan to CP Group of companies for Baht 147.00 million (2013: Baht 147.00 million), which were call promissory notes bearing interest at MLR per annum.

The consolidated and the Company related interest income for the year ended 31 December 2014 Baht 11.31 million and Baht 92.06 million, respectively (2013: Baht 2.88 million and Baht 294.61 million, respectively).

41. Related party transactions (Cont'd)

v) Loans from a related party

As at 31 December	Company	
	2014 Baht Million	2013 Baht Million
Current	700.00	19,665.00
Total	700.00	19,665.00

Movement of loans from a related party can be analysed as follows:

For the year ended 31 December 2014	Company Baht Million
Opening net book value	19,665.00
Additional borrowings	1,700.00
Repayment	(20,665.00)
Closing net book value	700.00

The interest expense in connection with these loans in the company financial statement for the year ended 31 December 2014 Baht 572.29 million (2013: Baht 89.83 million).

vi) Interest receivable arising from loans to related parties

As at 31 December	Consolidated		Company	
	2014 Baht Million	2013 Baht Million	2014 Baht Million	2013 Baht Million
Interest receivable: (included in "Trade and other receivables")				
Related companies	27.37	20.65	11.89	38.95
	27.37	20.65	11.89	38.95

vii) Directors and key management's remuneration

The total remuneration of the directors and the key management of the Group and the Company in 2014 were Baht 334.99 million and Baht 270.62 million, respectively (2013: Baht 288.83 million and Baht 224.49 million, respectively).

The post retirement benefit for directors and senior executive for 2014 is Baht 7.12 million (2013: Baht 6.11 million).

41. Related party transactions (Cont'd)

viii) Dividends received

During 2014, the Company received dividends from subsidiaries and associate of Baht 1,345.75 million (2013: Baht 55.80 million). Dividends were recognised as “Dividends income” under “Other income” in the Company profit or loss. A subsidiary received dividends from other company amounting to Baht 10.00 million.

42. Event after the reporting date

- 1) On 27 February 2015, the Company’s Board of Directors has approved the reduction of the par value of Company’s share capital to compensate the Company’s deficit and the discount on share capital.
- 2) The Company’s Board of Directors also approved of the Company’s subsidiaries to enter into the transactions with TRUEIF. The transactions include selling and transferring certain assets, future revenues and/or leasing certain assets of the Group.

