

(Translation)

Ref.: TRUE-SEC 029/2564

15<sup>th</sup> November 2021

The President of the Stock Exchange of Thailand  
The Stock Exchange of Thailand

**Subject: Submission of the Interim Financial Information for Q3/2021**

- Enclosure:
1. A Set of the Reviewed Interim Financial Information for Q3/2021  
(Thai / English)
  2. A Set of the Management's Discussion and Analysis for Q3/2021  
(Thai / English)

True Corporation Public Company Limited (the "Company") would like to submit a reviewed interim consolidated and separate financial information for the third quarter ending 30<sup>th</sup> September 2021 to the Stock Exchange of Thailand.

The Company reported a consolidated net loss to equity holders of the Company of Baht 602.81 million for the third quarter of the Year 2021, representing a change of greater than 20 percent compared with the net results of the same period in the last year. Please see further details in the Management's Discussion and Analysis for Q3/2021 as attached herewith.

Please be informed accordingly.

Respectfully yours,

- Signature -

Ms. Yupa Leewongcharoen  
Group Chief Financial Officer

## Management's Discussion and Analysis

### Overview

True Group reported solid acquisitions for its 5G, broadband and digital arms while the lifted COVID-19 restrictions and continued economic pressure affected performance of the prepaid and pay TV segments in the third quarter of 2021. As a result, consolidated service revenue softened to Baht 26.2 billion while the country's reopening with easing restriction measures and resuming business activities in the fourth quarter should mitigate these challenges.

True Group's cost restructuring efforts, including channel and manpower optimization, outsourcing management, network and digital transformation, content monetization as well as operational efficiency, progressed well and consecutively lowered core operating expenses by 8% YoY, 5% QoQ. These drove EBITDA up 8% to Baht 14.4 billion with margin on service revenue of 55%, and operating profit before interest and tax (EBIT) up 15% to Baht 2.9 billion in 3Q21 compared to the same period last year. Network depreciation, spectrum license amortization and interest, however, pressured bottomline performance in the third quarter. Nevertheless, the peak investment cycle had passed and True Group is now in the harvesting period with fundamental readiness capitalizing on its comprehensive ecosystem with network, digital and platform strengths.

True Group steps ahead and is transforming to a full digital and innovative organization, progressing toward tech company, that is driven by data and AI technology as well as agile work culture to always adapt to evolving lifestyles and needs of consumers and businesses. These not only help it better fulfill customers' needs with personalized offerings and engaging customer relationship programs but also creating savings with more efficiency in terms of spending and end-to-end processes. The Group has worked cohesively with partners in various industrial sectors and expanded its integrated digital, IoT and 5G solutions while synergy channels with nationwide footprint of its strategic partners as well as online and digital commerce should yield more positive results. These, combined with an aggressive array of major cost initiatives lining up, will be key engines to drive profitable growth on a sustainable basis.

**TrueMove H's** service revenue was 19.8 billion in the third quarter, pressured by the prepaid market with continued economic impact on consumers' spending and competition surrounding low-priced unlimited prepaid plans to attract value seekers. The postpaid market remained healthy supported by 5G with more choices of 5G handset models. TrueMove H's 5G users continued upward momentum to 1.5 million, representing 14% of its postpaid subscribers, and boosted its total subscriber base to 32.0 million, of which 21.2 million were prepaid and 10.8 million were postpaid. This solid progression was a result of its continued focus on superior network quality across all 77 provinces with 5G population coverage reaching more than 98% of the BMA and EEC areas as well as strong response to its 5G device-bundling campaigns that matched consumers' increasing needs for high-speed data usage and uplifted ARPU. Furthermore, the business continued to expand partnership with leading global alliances including TikTok, the world-class leading video platform, and Nonvoice Alive, the virtual 5G application and AR technology service provider from the United States, to add more value privileges to True Group's customers. TrueMove H is ready to capture significant growth potential in the B2B segments with various 5G and digital solutions such as smart factory solutions via 5G private network technology, smart hospital via 5G MEC platform and smart farm via drone.

**TrueOnline** reaffirmed its broadband leadership with the total subscriber base of 4.5 million, once again recording industry's highest net adds of 135k in the third quarter of 2021. This boosted its broadband internet revenue up 9.5% YoY and 2.2% QoQ to Baht 7.5 billion in 3Q21 alongside increasing market value for the broadband internet business as online connectivity and transactions continued to upsurge. Industry's ARPU remained under pressure with certain discounts but value-added offerings such as content and privilege bundled as well as speed boost and device upgrade had been offered by operators to mitigate this while enhancing customers' experiences at the same time. TrueOnline remains committed to providing superior service quality throughout the whole customer journey. This includes constantly enhancing FTTx network coupled with new technology devices to deliver better speeds and signal strength, proactive maintenance and customer care with fast, quality installation and guarantee problem fixed within 24 hours as well as convenient service via True iService application. The business has placed importance on adding values to customers through engaging privileges and world-class entertainment contents from TrueID and TrueVisions. All these strengths, catering to customers' fast-growing broadband demand, should further push growth and solidify TrueOnline's position as the leading provider of home internet and entertainments.

**TrueVisions'** service revenue was Baht 2.4 billion in 3Q21 with continued impact from the economy and consumers' increasing trend toward OTT and online platform. Subscription remained the key revenue stream accounting for 57.4% of its service revenue in 3Q21. The business ended the quarter with the total customer base of 3.5 million. TrueVisions continues to equip its portfolio with a comprehensive range of content offerings shared across True Group's various platforms, strengthening its position as the King of content particularly sports, and enhance customers' experiences beyond linear contents to fully accommodate increasing demand for digital and OTT services. TrueVisions NOW, the value content streaming packages enabling customers to access high-quality content anytime, anywhere on multiple platforms with 7-day rerun service, was launched to better respond to customers' preferences and lifestyles. These, together with a recovery of domestic tourism with the country's reopening in the fourth quarter should alleviate the aforementioned business challenges and match consumers' behavior shift in this digital era.

**True Digital Group** continued to gain scale and partnerships driving double-digit revenue growth from the previous year in both consumer and enterprise markets in the third quarter. The digital platform, TrueID, strengthened services and contents by redesigning the new application with user-friendly features and providing new exclusive contents to attract more targeted users. With TrueID's monthly active users or MAU of over 26 million, its average monthly video views reached a new high of 417 million while content sales surged 67% YoY and 40% QoQ to 519,000 transactions. TrueID TV also saw the same upward trend registering over 3 million boxes as of 3Q21. In the enterprise segment, True Digital Solutions revenue grew 33% YoY and 8% QoQ in the third quarter along with expanding client base. The business officially launched a new digital solution for the agriculture sector, True Grow, which is a smart irrigation system for better and more efficient farming. Additionally, True Smart Energy Management has been applied in customer's retailed outlet creating efficiency and cost saving benefits with 24/7 energy monitoring and alerts. Furthermore, True Digital Group strengthened partnership and enhanced property management at client's shopping centers and office buildings by utilizing its property integration system such as CCTV/ smart security, smart parking and smart meeting room.

### **3Q21 Financial Summary**

True Group reported a consolidated net loss to shareholders of the parent company of Baht 602.8 million in 3Q21, representing a change of greater than 20% YoY, which is summarized as below:

True Group's consolidated service revenue was Baht 26,187 million, softening 1.1% YoY on economic pressure and impact from the tightened COVID-19 restrictions in the third quarter particularly in the price-sensitive prepaid and pay TV markets. Nevertheless, subscriber base of 5G, broadband and digital businesses consistently expanded with strong growth potentials. Cost restructuring programs yielded positive results lowering core operating expenses by 8.0% from the same period last year. These drove EBITDA and operating profit up 7.6% and 15.2% YoY to Baht 14,366 million and Baht 2,939 million, respectively.

Net loss to shareholders of the parent company was Baht 602.8 million, compared to profit of 104.2 million in 3Q20 with one-time gain from selling DIF units totaling Baht 1.5 billion; excluding this, bottom line improved 57% from the same period last year.

Remark: Core operating expense comprises cost of providing services and other S&A excluding IC, depreciation and amortization.

## Consolidated Results of Operations - Normalized Basis

	3Q21	2Q21	3Q20	% Change		9M21	9M20	% Change
				Y-o-Y	Q-o-Q			
(Baht in millions unless otherwise indicated)								
Revenues from providing services	29,732	30,170	30,011	(0.9)	(1.5)	90,277	90,207	0.1
Interconnection revenue	404	381	405	(0.3)	6.0	1,150	1,183	(2.7)
Network rental revenue	3,141	3,141	3,140	0.0	0.0	9,424	9,365	0.6
Service revenue	26,187	26,648	26,466	(1.1)	(1.7)	79,703	79,659	0.1
Revenues from product sales	3,234	3,627	2,997	7.9	(10.8)	11,911	11,523	3.4
<b>Total revenues</b>	<b>32,966</b>	<b>33,797</b>	<b>33,008</b>	<b>(0.1)</b>	<b>(2.5)</b>	<b>102,188</b>	<b>101,730</b>	<b>0.5</b>
Total cost of providing services	20,594	19,851	20,606	(0.1)	3.7	60,580	60,837	(0.4)
Regulatory costs	770	250	764	0.8	208.2	1,561	2,149	(27.4)
Interconnection cost	448	440	533	(15.9)	1.9	1,312	1,612	(18.6)
Cost of providing services exclude IC	9,443	9,621	10,268	(8.0)	(1.8)	29,158	31,211	(6.6)
Depreciation and amortization	9,932	9,540	9,041	9.9	4.1	28,548	25,865	10.4
Cost of sales	3,491	3,805	3,256	7.2	(8.3)	12,613	12,913	(2.3)
Selling and administrative expenses	5,942	6,520	6,595	(9.9)	(8.9)	19,148	20,429	(6.3)
Depreciation and amortization	1,495	1,526	1,759	(15.0)	(2.0)	4,710	5,214	(9.7)
Others	4,446	4,994	4,836	(8.1)	(11.0)	14,438	15,215	(5.1)
<b>Total operating expenses excl. depreciation and amortization</b>	<b>18,600</b>	<b>19,111</b>	<b>19,657</b>	<b>(5.4)</b>	<b>(2.7)</b>	<b>59,082</b>	<b>63,100</b>	<b>(6.4)</b>
<b>EBITDA</b>	<b>14,366</b>	<b>14,687</b>	<b>13,351</b>	<b>7.6</b>	<b>(2.2)</b>	<b>43,106</b>	<b>38,630</b>	<b>11.6</b>
Depreciation and amortization	(11,427)	(11,066)	(10,800)	5.8	3.3	(33,259)	(31,079)	7.0
<b>Operating profit</b>	<b>2,939</b>	<b>3,620</b>	<b>2,550</b>	<b>15.2</b>	<b>(18.8)</b>	<b>9,847</b>	<b>7,551</b>	<b>30.4</b>
Interest expense (net)	(2,503)	(2,499)	(2,323)	7.8	0.2	(7,313)	(6,574)	11.2
Interest income	26	42	66	(60.7)	(37.9)	111	244	(54.6)
Interest expense	(2,529)	(2,541)	(2,389)	5.9	(0.5)	(7,424)	(6,818)	8.9
Interest expense related to lease liabilities	(1,496)	(1,525)	(1,605)	(6.8)	(1.9)	(4,577)	(4,861)	(5.8)
Other financial fees	(204)	(205)	(225)	(9.2)	(0.3)	(637)	(572)	11.5
Financial cost related to license	(588)	(587)	(473)	24.3	0.1	(1,814)	(1,416)	28.1
Income tax (expense) revenue	(47)	(19)	(27)	76.5	146.9	(111)	(14)	687.1
Share of results in subsidiaries and associates	888	873	913	(2.8)	1.7	2,635	2,946	(10.6)
Foreign exchange gain (loss)	218	(205)	(234)	NM	NM	(123)	399	NM
Other (expense) income	163	195	1,486	(89.0)	(16.5)	524	3,629	(85.6)
Non-controlling interests	29	53	41	(31.1)	0.5	88	118	(25.8)
<b>Net profit (loss) to equity holders of the Company</b>	<b>(603)</b>	<b>(299)</b>	<b>104</b>	<b>NM</b>	<b>101.9</b>	<b>(1,483)</b>	<b>1,205</b>	<b>NM</b>
<b>Net profit (loss) to equity holders of the Company</b> excl. gain from selling DIF units	<b>(603)</b>	<b>(299)</b>	<b>(1,406)</b>	<b>(57.1)</b>	<b>101.9</b>	<b>(1,483)</b>	<b>(2,191)</b>	<b>32.3</b>

Remark: 3Q21 non-recurring items partly comprised foreign exchange gain totaling Baht 218 million.

### 3Q21 CONSOLIDATED RESULTS OF OPERATIONS

- True Group's **consolidated service revenue** was Baht 26.2 billion, softening 1.1% YoY and 1.7% QoQ on continued economic pressure and tightened COVID-19 restriction measures during the quarter. The impact was mainly seen in the price-sensitive prepaid and pay TV markets while True Group's core 5G, broadband and digital businesses consistently expanded. The rebound is expected following the country's reopening and easing restrictions in the fourth quarter. **Total revenue** reached Baht 33.0 billion in 3Q21.
  - **TrueMove H's mobile service revenue** was Baht 19.8 billion, flat YoY and softened 2.0% QoQ, as prepaid declined following economic and restriction impact while postpaid grew with 5G users surging to 1.5 million. 5G potential will be key to push growth in both consumer and enterprise segments along with more affordable 5G handsets and IoT devices as well as proven 5G used cases.

TrueMove H recorded 318.8k net adds in 3Q21 and expanded its total subscriber base to 32.0 million, of which 21.2 million were prepaid and 10.8 million were postpaid.
  - **TrueOnline's broadband internet revenue** grew 9.5% YoY and 2.2% QoQ to Baht 7.5 billion along with strong subscriber expansion to 4.5 million, gaining 135k net broadband subscribers in 3Q21. TrueOnline's improving services as well as bundling with innovative devices and content well positioned it to capture growth from higher broadband installation demands as work and learn from home trend remains prevalent.

TrueOnline's **other service revenue** decreased both QoQ and YoY on intercompany revenues related to O&M services with no effect to consolidated service revenue; excluding intercompany transactions for a meaningful performance comparison, TrueOnline's revenue increased 4.1% YoY and 3.4% QoQ following broadband Internet growth.
  - **TrueVisions' service revenue** was Baht 2.4 billion, decreasing YoY on continued impact from economy and consumers' increasing behavior toward OTT and online viewing. These softened **subscription and installation revenue** to Baht 1.4 billion. **Other service revenues** (comprising entertainment, sponsorship, advertising and other revenues) picked up QoQ and YoY to Baht 1.0 billion along with higher advertising and sponsorship revenues supported by sports content.

The business aims to optimize its content inventory, shared across True Group's multiple platforms, and to drive growth via OTT packages "TrueVisions NOW" highlighting all-year around sports as its key competitive strength. TrueVisions ended the third quarter with total customer base of 3.5 million.
  - **True Digital Group's** comprehensive digital ecosystem gives True Group a competitive edge as its flagship digital media platform, TrueID, continued to gain traction with growing monthly active users of over 26 million while TrueID TV boxes expanded further to 3.0 million. The Group is well positioned to propel alongside significant growth potential of the OTT market as well as the IoT and digital solutions unit whose revenue continued double-digital growth at 33% YoY.
- **Product sales** increased 7.9% YoY to Baht 3.2 billion but decreased 10.8% QoQ, the same trend as the industry, with lifted COVID-19 restrictions in the third quarter of 2021.

- **Net IC expense** decreased 24% QoQ and 65% YoY to Baht 45 million supported by price optimization efforts.
- **Core operating expense** (comprising cost of providing services excluding IC and other S&A) consecutively declined at 8.0% YoY, 5.0% QoQ to Baht 13.9 billion. This was driven by the Group's cost efficiency programs in various categories including channel efficiency, sales and marketing, personnel, content as well as office and outlet following COVID-19 situation and lockdown measures.
- **EBITDA** grew 7.6% YoY to Baht 14.4 billion on continued declining trend of core operating expenses with margin on service revenue of 55% compared to 50% in the same period last year.
- **Depreciation and amortization expenses** were Baht 11.4 billion, increasing 3.3% QoQ and 5.8% YoY on continued network expansion for capacity and coverage particularly 5G in key areas of all 77 provinces. Amortization of the 700 MHz and 26 GHz spectrum licenses also contributed to the YoY increase.
- These resulted in **operating profit** of Baht 2.9 billion in 3Q21, increasing YoY but decreasing QoQ in the same trend as EBITDA.
- **Interest expense** (net) was flat QoQ and increased 7.8% YoY to Baht 2.5 billion, excluding the TFRS16 impact, due to higher long-term borrowings to support business expansion with lower weighted average interest rate.
- Expenses related to ongoing network and service expansion, spectrum licenses and interest pressured bottom line performance to a loss of Baht 602.8 million in the third quarter of 2021.

## Normalized Revenue Profile (Quarterly)

(Baht in millions unless otherwise indicated)	Consolidated Revenues (Before Intersegment Eliminations)							
	3Q21		2Q21		3Q20		% Change	
	Revenue	% of revenue after eliminations	Revenue	% of revenue after eliminations	Revenue	% of revenue after eliminations	YoY	QoQ
<b>TrueMove H</b>								
Service revenue	19,759		20,171		19,940		(0.9)	(2.0)
Interconnection revenue	407		382		406		0.5	6.5
Network rental revenue	3,024		3,023		3,025		(0.1)	0.0
Product sales	3,174		3,772		3,367		(5.7)	(15.8)
Intersegment elimination	(1,462)		(1,494)		(1,853)		(21.1)	(2.2)
TrueMove H after elimination	24,903	75.5%	25,855	76.5%	24,885	75.4%	0.1	(3.7)
<b>TrueOnline</b>								
Broadband Internet revenue	7,479		7,317		6,832		9.5	2.2
Others service revenue	1,201		2,271		2,623		(54.2)	(47.1)
Network rental revenue (FOC)	118		118		115		2.5	0.0
Product sales	83		62		88		(6.6)	32.4
Intersegment elimination	(2,555)		(3,651)		(3,583)		(28.7)	(30.0)
TrueOnline after elimination	6,326	19.2%	6,116	18.1%	6,075	18.4%	4.1	3.4
<b>TrueVisions</b>								
Subscription and installation revenue	1,382		1,463		1,726		(19.9)	(5.6)
Others service revenue	1,024		918		922		11.0	11.5
Intersegment elimination	(669)		(555)		(599)		11.6	20.5
TrueVisions after elimination	1,737	5.3%	1,826	5.4%	2,049	6.2%	(15.2)	(4.9)
<b>Consolidated service revenues</b>	<b>26,187</b>		<b>26,648</b>		<b>26,466</b>		<b>(1.1)</b>	<b>(1.7)</b>
<b>Consolidated total revenues</b>	<b>32,966</b>	<b>100%</b>	<b>33,797</b>	<b>100%</b>	<b>33,008</b>	<b>100%</b>	<b>(0.1)</b>	<b>(2.5)</b>

Remark: TrueOnline's other revenues such as revenues related to network O&M and non-recurring contracted business.



## Normalized Revenue Profile (YTD)

(Baht in millions unless otherwise indicated)	Consolidated Revenues (Before Intersegment Eliminations)				
	9M21		9M20		% Change
	Revenue	% of revenue after eliminations	Revenue	% of revenue after eliminations	YoY
<b>TrueMove H</b>					
Mobile Service revenue	59,868		60,205		(0.6)
Interconnection revenue	1,156		1,184		(2.4)
Network rental revenue	9,071		9,031		0.4
Product sales	11,849		12,518		(5.3)
Intersegment elimination	(4,118)		(4,987)		(17.4)
TrueMove H after elimination	77,825	76.2%	77,950	76.6%	(0.2)
<b>TrueOnline</b>					
Broadband Internet revenue	21,986		20,037		9.7
Others service revenue	5,845		7,757		(24.7)
Network rental revenue (FOC)	353		334		5.6
Product sales	190		201		(5.7)
Intersegment elimination	(9,521)		(10,762)		(11.5)
TrueOnline after elimination	18,853	18.4%	17,568	17.3%	7.3
<b>TrueVisions</b>					
Subscription and installation revenue	4,418		5,285		(16.4)
Others service revenue	2,956		2,618		12.9
Product sales	(0)		1		NM
Intersegment elimination	(1,864)		(1,693)		10.1
TrueVisions after elimination	5,510	5.4%	6,211	6.1%	(11.3)
<b>Consolidated service revenues</b>	<b>79,703</b>		<b>79,659</b>		<b>0.1</b>
<b>Consolidated total revenues</b>	<b>102,188</b>	<b>100%</b>	<b>101,730</b>	<b>100%</b>	<b>0.5</b>

## Consolidated Balance Sheet and Cash Flows

	30 Sep 21	31 Dec 20	% Change
(Baht in millions unless otherwise indicated)			
<b>Balance Sheet</b>			
Cash and cash equivalents	16,024	24,330	(34.1)
Trade accounts receivable, net	45,617	42,274	7.9
Other receivables	3,372	2,644	27.5
Other current assets	35,843	35,157	2.0
<i>Total current assets</i>	<i>100,857</i>	<i>104,406</i>	<i>(3.4)</i>
Property, plant and equipment, net	243,581	231,894	5.0
Goodwill, net	10,163	9,994	1.7
Intangible assets, net	130,895	132,749	(1.4)
Deferred income tax assets	5,817	6,081	(4.3)
Right-of-use assets	97,463	103,336	(5.7)
Other non-current assets	33,001	29,089	13.4
<i>Total non-current assets</i>	<i>520,921</i>	<i>513,142</i>	<i>1.5</i>
<b>Total assets</b>	<b>621,777</b>	<b>617,548</b>	<b>0.7</b>
Short-term borrowings	2,501	3,500	(28.5)
Trade accounts payable	63,836	64,480	(1.0)
Other payables	29,812	25,796	15.6
Current portion of long-term borrowings	59,782	61,008	(2.0)
Current portion of lease liabilities	12,642	12,654	(0.1)
Other current liabilities	9,459	8,347	13.3
<i>Total current liabilities</i>	<i>178,031</i>	<i>175,786</i>	<i>1.3</i>
Long-term borrowings	182,181	158,491	14.9
Deferred income tax liabilities	5,370	6,251	(14.1)
Liabilities under agreements and licenses for operations	47,018	55,522	(15.3)
Employee benefit obligations	3,609	3,990	(9.6)
Lease liabilities	107,249	113,751	(5.7)
Other non-current liabilities	16,483	18,140	(9.1)
<i>Total non-current liabilities</i>	<i>361,910</i>	<i>356,145</i>	<i>1.6</i>
<b>Total liabilities</b>	<b>539,941</b>	<b>531,931</b>	<b>1.5</b>
<b>Total shareholder's equity</b>	<b>81,836</b>	<b>85,617</b>	<b>(4.4)</b>
<b>Total liabilities and shareholder's equity</b>	<b>621,777</b>	<b>617,548</b>	<b>0.7</b>

	30 Sep 21	30 Sep 20	% Change
<b>Cash Flows</b>			
Cash flows from operating activities before interest and tax	38,234	43,470	(12.0)
Net interest and tax paid	(7,245)	(4,839)	49.7
Cash flows from operating activities (net)	30,989	38,631	(19.8)
Cash flows (used in) from investing activities	(44,218)	(54,800)	(19.3)
Cash flows (used in) from financing activities	4,908	(1,241)	NM
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(8,321)</b>	<b>(17,410)</b>	<b>(52.2)</b>
Beginning cash balance and effects of exchange rate changes	24,345	49,429	(50.7)
<b>Ending cash balance</b>	<b>16,024</b>	<b>32,020</b>	<b>(50.0)</b>

## FINANCIAL POSITION

True Group is in compliance with and meets all of its debt obligations. Its capital structure remained at a comfortable level with net interest-bearing debt to EBITDA ratio of 4.0 times, flat QoQ, and net interest-bearing debt to equity ratio of 2.8 times compared to 2.7 times at the end of Q2 driven by lower cash to support business expansion and debenture repayment. The Group's current ratio was flat from prior quarter at 0.6 times while ROE and net profit margin were negative of 2.0% and 1.8%, respectively, pressured by costs related to network expansion and mobile spectrum acquisition.

### Assets

- **True Group's assets** increased 0.7% from the end of 2020 to Baht 621.8 billion mainly driven by higher **property, plant and equipment (net)** which grew 5.0% to Baht 243.6 billion along with continued network and service expansion of both mobile and broadband businesses.
- **Intangible assets (net)** decreased 1.4% from the end of last year to Baht 130.9 billion driven by the amortization of the mobile spectrum licenses during the period.
- **Goodwill (net)** remained relatively flat at approximately Baht 10 billion.
- **Trade account receivables (net)** increased 7.9% from the end of 2020 to Baht 45.6 billion along with business expansion while average collection period was 114 days (see more detail in the note to financial statements section 8).

	Consolidated financial information		Separate financial information	
	30 September 2021 Baht Million	31 December 2020 Baht Million	30 September 2021 Baht Million	31 December 2020 Baht Million
Receivable from National Telecom Public Company Limited ("NT")	-	360.41	-	360.41
Billed customers	27,378.32	23,994.49	671.25	822.37
Receivables and accrued income from related parties (Note 20)	14,838.12	14,169.50	22,740.99	18,675.66
Trade accounts receivable	42,216.44	38,524.40	23,412.24	19,858.44
Accrued income	11,245.80	11,658.49	403.52	2,273.31
Total trade accounts receivable	53,462.24	50,182.89	23,815.76	22,131.75
Less Expected credit loss (Note 20)	(7,845.33)	(7,908.51)	(1,055.60)	(2,947.21)
Trade accounts receivable, net	45,616.91	42,274.38	22,760.16	19,184.54

At 30 September 2021 and 31 December 2020, trade receivables, included in trade and other receivables in statements of financial position, breakdown by aging as follows:

	Consolidated financial information		Separate financial information	
	30 September 2021	31 December 2020	30 September 2021	31 December 2020
	Baht Million	Baht Million	Baht Million	Baht Million
Current	14,860.92	9,172.32	1,333.42	1,728.97
Less than 3 months	8,044.74	9,709.07	1,538.22	2,979.00
3 - 6 months	2,899.55	5,616.09	2,892.82	2,212.35
6 - 12 months	5,942.83	7,315.36	8,252.87	4,804.98
More than 12 months	10,468.40	6,711.56	9,394.91	8,133.14
Trade accounts receivable	42,216.44	38,524.40	23,412.24	19,858.44
Accrued income	11,245.80	11,658.49	403.52	2,273.31
Total trade accounts receivable	53,462.24	50,182.89	23,815.76	22,131.75
<u>Less</u> Expected credit loss (Note 20)	(7,845.33)	(7,908.51)	(1,055.60)	(2,947.21)
Trade accounts receivable, net	45,616.91	42,274.38	22,760.16	19,184.54

Trade accounts receivable are carried at the amount of consideration that is unconditional unless they contain significant financing components, they are recognized at fair value and subsequently measured at amortized cost less allowance for expected credit loss.

The allowance for expected credit loss is 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. Management is confident that the allowance for doubtful accounts (Baht 7,845.33 million) is sufficient given the Company's experience in collecting accounts receivables using various mechanisms.

Concentrations of credit risk with respect to trade accounts receivable are limited as the Group has a large number of customers, who are end users 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.

## Liabilities

- **True Group's total liabilities** increased 1.5% from the end of 2020 to Baht 540.0 billion as **Interest bearing debt** (short-term and long-term borrowings excluding financial leases) increased 9.6% from year end to Baht 244.5 billion along with continued business expansion and working capital requirements.
- **Trade accounts payable** decreased 1.0% from the end of 2020 to Baht 63.8 billion following vendor payments during the period with average payment period of 231 days.

## Shareholders' equity

- **Shareholders' equity** declined 4.4% from year end to Baht 81.8 billion driven mainly by dividend payment in May 2021.

## Cash Flow

- True Group's primary capital resources in 9M21 were **cash flows from operating activities** of Baht 38.2 billion before interest and tax and Baht 31.0 billion after interest and tax payments, declined YoY on a high base of VAT refund last year; excluding this, net operating cash flows grew 33% YoY along with EBITDA growth.
- **Cash flows used in investing activities** decreased YoY to Baht 44.2 billion with lower mobile spectrum installments compared to the same period last year while Cash CAPEX on PPE was Baht 29.8 billion in 9M21.
- **Cash flows from financing activities** increased to Baht 4.9 billion on long-term borrowings to support business expansion and debenture repayment.
- True Group ended the first nine months of 2021 with cash and cash equivalents of Baht 16.0 billion.