

(Translation)

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18th February 2022

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

Subject: Submission of the Audited Financial Statements for the Fiscal Year 2021

- Enclosure:
1. A Set of the Audited Financial Statements for the Fiscal Year 2021
(Thai / English)
 2. A Set of the Management's Discussion and Analysis for the Fiscal Year 2021
(Thai / English)

True Corporation Public Company Limited (the "Company") would like to submit the Audited Financial Statements for the Fiscal Year 2021 ending 31st December 2021 to the Stock Exchange of Thailand.

The Company reported a consolidated net loss to equity holders of the Company of Baht 1,428.40 million for the Year 2021 ending 31st December 2021, representing a change of greater than 20 percent compared with the net results of the last year. Please see further details in the Management's Discussion and Analysis for the Fiscal Year 2021 as attached herewith.

Please be informed accordingly.

Respectfully yours,

- Signature -

Ms. Yupa Leewongcharoen
Group Chief Financial Officer

Management's Discussion and Analysis

2021 Overview

2021 was another challenging year with the COVID-19 impact on economy, consumers' spending and business activities across the country remained to be seen. The fourth quarter, however, saw improvement after the country's reopening and easing restrictions measures. True Group continued to support Thais through its high-quality digital infrastructure and telecommunication networks, particularly 5G and fiber, improving service experience as well as value-driven convergence offerings and privileges that respond to customers' preferences and digital lifestyles. These, together with continued progress of cost restructuring and optimization drove EBITDA and margin growth in 2021. Although the deployment of Telecommunication and digital infrastructures throughout the country and newly acquired spectrum licenses pressured True Group's bottom line performance during the year, they equipped the Group with strong fundamentals to better serve increasing demands from both consumers and enterprises and pave the way to grow profitability in a sustainable manner.

TrueMove H's service revenue was 79.8 billion in 2021, increasing QoQ in Q4 but flat from the previous year amid weakened consumers' spending and competition surrounding low-priced unlimited data packages which caused industry's ARPU decline. TrueMove H's high-quality 5G experience as well as attractive device bundling campaigns with more affordable 5G inter brand models led to its surging 5G user base to over 2 million. Additionally, TrueMove H added value-driven benefits to consumers with AR, VR and exclusive contents, cloud game, as well as device loan and installments via "True Pay Next". At the same time, TrueMove H continued to expand its 5G ecosystem and partnership with various vertical industries to further elevate 5G potentials and usage in the country by developing 5G use cases and distinguished services including smart hospital via MEC platform, smart factory via 5G private network technology, smart agriculture via drone, and various solutions for smart tourism. All these are expected to drive higher 5G adoption and uplift ARPU further. TrueMove H ended 2021 with the total subscriber base of 32.25 million, comprising of approximately 10.97 million postpaid subscribers and 21.28 million prepaid subscribers.

TrueOnline maintained its broadband leadership in both revenue and subscriber base along with healthy growth of the broadband market value given positive momentum of remote working and learning while operators continued to focus on speeds, service quality, and bundled contents. TrueOnline recorded solid net adds of 101k in Q4 and 442k in 2021. This drove its broadband internet revenue up 8.9% YoY to Baht 29.5 billion in 2021 on its total subscriber base of 4.6 million as 2021's launches of various campaigns and advanced devices particularly the "True Gigatex Fiber Pro" with WiFi6 router and content-led bundling with TrueID TV received strong market responses. The flexible speed service "True Gigatex Flexi" was also introduced in Q4 allowing customers to adjust internet speed in accordance with their preference and lifestyle, including work & learn, streaming and gaming modes, at their convenience. TrueOnline's relentless efforts to deliver an ultimate internet experience and fulfill customers' needs focusing on superior fiber network, technological and device innovation, value-added content, and proactive customer care should continue to push its strong growth in the years to come.

TrueVisions' service revenue was Baht 9.8 billion in 2021 amid continued shift of consumers' behavior and lifestyle toward digital media and OTT platform. TrueVisions NOW,

the 24/7 content streaming services, was launched during the year to serve such high-potential market with increasing contribution. TrueVisions will further capitalize on the Group's comprehensive assets of contents, media and influencer networks as well as placing importance on enhancing customers' viewing experiences to capture growth and expand its total customer base beyond 3.5 million at the end of 2021.

True Digital Group ramped up its digital platforms and solution businesses with revenues from TrueID and True Digital Solutions surging 66% and 37% YoY, respectively, in the fourth quarter of 2021. TrueID focused on strengthening its entertainment libraries by releasing new original series and exclusive Chinese series while entertainment experience on the platform were enhanced with live event tickets for a virtual concert and live sport matches. These accelerated its monthly active users or MAU to a new high of over 30 million, average video views to 431 million per month and the content sales to 671,000 transactions in 4Q21. There were 3 million TrueID TV boxes at customers' premises, increasing by approximately 300,000 compared to Q3. For the Digital Solution business, True Digital Group strengthened the 'Smart Living' business and added value through bundled offerings with TrueOnline and TrueMove H, as well as the official release of the 'True LivingTECH' application that can connect all smart devices with high convenience and security. At the same time, it rolled out the 'Smart Retail Solutions' which can help stores analyze customers' behaviors and generate insights to improve shelf management, store management and product offerings.

2021 Financial Summary

True Group reported a consolidated net loss to shareholders of the parent company of Baht 1,428.4 million in 2021, representing a change of greater than 20% YoY, which is summarized as below:

True Group reported total revenue of Baht 143,655 million and service revenue of Baht 106,256 million in 2021 following a pickup of service revenue in the fourth quarter with growing mobile, broadband and digital users as well as higher handset sales. This combined with continued cost discipline drove EBITDA up 9.7% YoY to Baht 57,761 million in 2021

Net loss to shareholders of the parent company was Baht 1.4 billion in 2021, compared to profit of 1.0 billion with one-time gain from selling DIF units totaling Baht 3.4 billion in 2020; excluding this, bottom line improved from the same period last year despite higher expenses related to continued network and service expansion as well as spectrum acquisition.

Looking forward

True Group determines to propel its growth toward the digital era by transforming into a tech and data driven company that can meet the challenges of fast-paced global market disruptions and local competition, enhance its ability to invest in next-generation networks, as well as become a key player in Thailand's digital development. Telecommunication business remains the core of the company while greater emphasis will be on development of capabilities in New S-Curve and new technologies with high growth potentials such as artificial intelligence, cloud technology, IoT, smart devices, smart living and cities, digital media solutions and social e-commerce.

True Group will continue to place importance on enhancing its digital infrastructure and telecommunication networks especially in the high demand areas for 5G, IoT and fiber broadband usage as seamless connectivity is vital to live a digital lifestyle and to run a day-to-day in-person and virtual operation. AI and deepening analytics capability will be fully utilized to provide personalized offerings, combining strengths of True Group's multiple products and platforms with higher cross sell and up sell opportunities, and better fulfill customers' intrinsic preferences in both online and offline worlds. These should improve customer value management and satisfaction, resulting in higher scale and ROI with longer subscription lifespan.

Furthermore, this data centric revolution along with digital marketing, online channel and nationwide footprint particularly through synergy channels with strategic and business partners will pave the way on how customer segmentation and channel optimization are formed, leading to the spontaneous and simultaneous communications as well as facilitation between True Group and our value customers. Cost structure will be significantly improved as a result.

True Group believes that this transformation should enhance the quality of life of Thais, empower the abilities of entrepreneurs and enterprises to turn into smart industries, and last but not least, support the digitization of the country towards Thailand 4.0 strategy in a year to come.

Consolidated Results of Operations - Normalized Basis

(Baht in millions unless otherwise indicated)	4Q21	3Q21	4Q20	% Change		2021	2020	% Change
				Y-o-Y	Q-o-Q			Y-o-Y
Revenues from providing services	30,093	29,732	31,119	(3.3)	1.2	120,370	121,326	(0.8)
Interconnection revenue	398	404	394	1.0	(1.4)	1,548	1,577	(1.8)
Network rental revenue	3,142	3,141	3,144	(0.1)	0.0	12,566	12,509	0.5
Service revenue	26,553	26,187	27,581	(3.7)	1.4	106,256	107,240	(0.9)
Revenues from product sales	11,374	3,234	5,364	112.1	251.7	23,285	16,886	37.9
Total revenues	41,467	32,966	36,483	13.7	25.8	143,655	138,212	3.9
Total cost of providing services	21,054	20,594	21,147	(0.4)	2.2	81,634	81,984	(0.4)
Regulatory costs	742	770	769	(3.5)	(3.7)	2,303	2,918	(21.1)
Interconnection cost	412	448	537	(23.2)	(8.2)	1,724	2,149	(19.8)
Cost of providing services exclude IC	9,573	9,443	10,532	(9.1)	1.4	38,730	41,742	(7.2)
Depreciation and amortization	10,328	9,932	9,310	10.9	4.0	38,876	35,176	10.5
Cost of sales	11,227	3,491	5,741	95.6	221.6	23,840	18,654	27.8
Selling and administrative expenses	6,620	5,942	6,499	1.9	11.4	25,768	26,928	(4.3)
Depreciation and amortization	1,760	1,495	1,618	8.8	17.7	6,471	6,832	(5.3)
Others	4,860	4,446	4,881	(0.4)	9.3	19,298	20,096	(4.0)
Total operating expenses excl. depreciation and amortization	26,812	18,600	22,459	19.4	44.2	85,895	85,558	0.4
EBITDA	14,655	14,366	14,024	4.5	2.0	57,761	52,654	9.7
Depreciation and amortization	(12,089)	(11,427)	(10,929)	10.6	5.8	(45,347)	(42,008)	7.9
Operating profit	2,566	2,939	3,095	(17.1)	(12.7)	12,413	10,646	16.6
Interest expense (net)	(2,599)	(2,503)	(2,344)	10.9	3.8	(9,912)	(8,919)	11.1
Interest income	37	26	64	(43.0)	40.8	147	308	(52.2)
Interest expense	(2,635)	(2,529)	(2,409)	9.4	4.2	(10,060)	(9,227)	9.0
Interest expense related to lease liabilities	(1,464)	(1,496)	(1,586)	(7.7)	(2.2)	(6,041)	(6,447)	(6.3)
Other financial fees	(206)	(204)	(230)	(10.6)	0.8	(843)	(802)	5.2
Financial cost related to license	(588)	(588)	(474)	24.3	0.0	(2,403)	(1,890)	27.2
Income tax (expense) revenue	(44)	(47)	(5)	NM	(7.3)	(155)	(19)	NM
Share of results in subsidiaries and associates	1,042	888	1,207	(13.7)	17.4	3,677	4,153	(11.5)
Foreign exchange gain (loss)	(101)	218	(43)	(136.7)	NM	(224)	357	NM
Other (expense) income	1,442	163	217	564.8	784.8	1,966	3,846	(48.9)
Non-controlling interests	5	29	5	16.4	0.2	93	123	(24.2)
Net profit (loss) to equity holders of the Company	54	(603)	(157)	NM	NM	(1,428)	1,048	NM
Net profit (loss) to equity holders of the Company excl. gain from selling DIF units	54	(603)	(157)	NM	NM	(1,428)	(2,348)	39.2

CONSOLIDATED RESULTS OF OPERATIONS IN 2021

- True Group's **total revenue** increased 3.9% YoY to Baht 143.7 billion in 2021 driven mainly by higher product sales revenue. **Consolidated service revenue** was flat at Baht 106.3 billion with improvement in the fourth quarter as growing subscriber bases, particularly 5G, broadband and digital businesses, offset continued pressure from the economy and COVID-19 pandemic on consumers' spending.
 - **TrueMove H's mobile service revenue** was Baht 79.8 billion, flat YoY as impact from the lengthy COVID-19 and competition pressuring ARPU offset growth of 5G and postpaid market. The fourth quarter of 2021 showed QoQ revenue improvement trend following the country's reopening with easing restriction measures. Continued development of 5G and ecosystem with more affordable 5G and IoT devices as well as materialized synergy with partners in various vertical industries are keys to drive higher growth.
 - TrueMove H registered 231.5k net adds in 2021 and expanded its total subscriber base to 32.25 million, of which 21.28 million were prepaid and 10.97 million were postpaid.
 - **TrueOnline's broadband internet revenue** grew 8.9% YoY to Baht 29.5 billion reiterating its leadership in both revenue and subscriber base. The business recorded broadband net adds of 101k in 4Q21 and 442k in 2021, boosting its total subscriber base to 4.6 million. This positive development was driven by its continued focus on adding value to customers through high-speed and high-quality services, innovative devices and content bundled. The recent launch of 2Gbps speed with Tri-band Mesh Wifi and TrueID TV bundled will further enhance customer's usage and speed experiences.

TrueOnline's **other service revenue** decreased in 2021 on intercompany revenues related to O&M services with no effect to consolidated service revenue.
 - **TrueVisions' service revenue** was Baht 9.8 billion, declining 7.7% YoY on softened **subscription and installation revenue** to Baht 5.8 billion amid continued shift of consumers' behavior and lifestyle toward OTT and online platform. In response to this rising trend, True Group launched the content streaming packages leveraging strengths of TrueID+ and TrueVisions NOW for a comprehensive range of on-demand entertainment and high-quality content for all family members. These received promising market responses well positioning True Group to capture higher growth from OTT.

TrueVisions' **other service revenues** (comprising entertainment, sponsorship, advertising and other revenues) grew to Baht 4.1 billion driven by sponsorship and music related revenues.
- **Product sales** was Baht 23.3 billion, increasing on strong responses to device campaigns particularly the new iPhone model, which was launched earlier compared to prior year, and shop reopening in the fourth quarter. The Group's ongoing focus on quality acquisitions, optimizing inventory level and improving device margin reduced net product loss by more than half in 2021, supported by positive margin of 1% in Q4.
- **Net IC expense** dropped 69% YoY to Baht 176 million following continued price optimization efforts.
- **Core operating expense** (comprising cost of providing services excluding IC and other

S&A) declined 6.2% YoY to Baht 58.0 billion driven by continued efforts on optimizing cost in various categories including network roaming, selling related, personnel, content as well as office space consolidation following the COVID-19 and working anywhere trend.

- **EBITDA** increased 9.7% YoY to Baht 57.8 billion with margin on service revenue of 54% compared to 49% in the previous year, supported by continued progress of cost measures which lowered both core operating expenses and subsidy.
- **Depreciation and amortization expenses** increased to Baht 45.3 billion on expanding network footprint, particularly 5G in key areas of all 77 provinces, as well as amortization of the 700 MHz and 26 GHz spectrum licenses.
- Growing EBITDA drove **operating profit** up to Baht 12.4 billion despite higher depreciation and amortization.
- **Interest expense** (net) increased 11% YoY to Baht 9.9 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, interest and unrealized foreign exchange loss pressured bottom line to a loss of Baht 1.4 billion in 2021 although core performance improved compared to 2020.

Normalized Revenue Profile (YTD)

(Baht in millions unless otherwise indicated)	Consolidated Revenues (Before Intersegment Eliminations)				
	2021		2020		% Change
	Revenue	% of revenue after eliminations	Revenue	% of revenue after eliminations	YoY
TrueMove H					
Mobile Service revenue	79,756		80,130		(0.5)
Interconnection revenue	1,561		1,578		(1.1)
Network rental revenue	12,095		12,057		0.3
Product sales	23,137		17,980		28.7
Intersegment elimination	(5,461)		(6,365)		(14.2)
TrueMove H after elimination	111,088	77.3%	105,379	76.2%	5.4
TrueOnline					
Broadband Internet revenue	29,503		27,103		8.9
Others service revenue	7,151		10,931		(34.6)
Network rental revenue (FOC)	471		452		4.1
Product sales	331		307		7.7
Intersegment elimination	(12,242)		(14,260)		(14.2)
TrueOnline after elimination	25,215	17.6%	24,533	17.8%	2.8
TrueVisions					
Subscription and installation revenue	5,782		6,969		(17.0)
Others service revenue	4,057		3,693		9.8
Product sales	(0)		1		NM
Intersegment elimination	(2,486)		(2,364)		5.2
TrueVisions after elimination	7,353	5.1%	8,300	6.0%	(11.4)
Consolidated service revenues	106,256		107,240		(0.9)
Consolidated total revenues	143,655	100%	138,212	100%	3.9

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

Normalized Revenue Profile (Quarterly)

(Baht in millions unless otherwise indicated)	Consolidated Revenues (Before Intersegment Eliminations)							
	4Q21		3Q21		4Q20		% Change	
	Revenue	% of revenue after eliminations	Revenue	% of revenue after eliminations	Revenue	% of revenue after eliminations	YoY	QoQ
TrueMove H								
Service revenue	19,888		19,759		19,926		(0.2)	0.7
Interconnection revenue	405		407		394		2.7	(0.6)
Network rental revenue	3,024		3,024		3,026		(0.1)	0.0
Product sales	11,288		3,174		5,462		106.7	255.6
Intersegment elimination	(1,342)		(1,462)		(1,379)		(2.6)	(8.2)
TrueMove H after elimination	33,262	80.2%	24,903	75.5%	27,429	75.2%	21.3	33.6
TrueOnline								
Broadband Internet revenue	7,517		7,479		7,066		6.4	0.5
Others service revenue	1,307		1,201		3,174		(58.8)	8.8
Network rental revenue (FOC)	118		118		118		0.0	0.0
Product sales	141		83		106		33.2	70.8
Intersegment elimination	(2,721)		(2,555)		(3,498)		(22.2)	6.5
TrueOnline after elimination	6,362	15.3%	6,326	19.2%	6,965	19.1%	(8.7)	0.6
TrueVisions								
Subscription and installation revenue	1,364		1,382		1,685		(19.0)	(1.3)
Others service revenue	1,100		1,024		1,075		2.4	7.5
Intersegment elimination	(621)		(669)		(671)		(7.4)	(7.1)
TrueVisions after elimination	1,843	4.4%	1,737	5.3%	2,088	5.7%	(11.8)	6.1
Consolidated service revenues	26,553		26,187		27,581		(3.7)	1.4
Consolidated total revenues	41,467	100%	32,966	100%	36,483	100%	13.7	25.8

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

Consolidated Balance Sheet and Cash Flows

	31 Dec 21	31 Dec 20	% Change
(Baht in millions unless otherwise indicated)			
Balance Sheet			
Cash and cash equivalents	21,963	24,330	(9.7)
Trade accounts receivable, net	48,737	42,274	15.3
Other receivables	3,060	2,644	15.7
Other current assets	26,370	35,157	(25.0)
<i>Total current assets</i>	<i>100,130</i>	<i>104,406</i>	<i>(4.1)</i>
Property, plant and equipment, net	245,337	231,894	5.8
Goodwill, net	10,160	9,994	1.7
Intangible assets, net	128,325	132,749	(3.3)
Deferred income tax assets	5,862	6,081	(3.6)
Right-of-use assets	94,223	103,336	(8.8)
Other non-current assets	40,877	29,089	40.5
<i>Total non-current assets</i>	<i>524,784</i>	<i>513,142</i>	<i>2.3</i>
Total assets	624,915	617,548	1.2
Short-term borrowings	5,999	3,500	71.4
Trade accounts payable	61,904	64,480	(4.0)
Other payables	30,761	25,796	19.2
Current portion of long-term borrowings	59,313	61,008	(2.8)
Current portion of lease liabilities	9,020	12,654	(28.7)
Other current liabilities	6,950	8,347	(16.7)
<i>Total current liabilities</i>	<i>173,948</i>	<i>175,786</i>	<i>(1.0)</i>
Long-term borrowings	192,196	158,491	21.3
Deferred income tax liabilities	5,498	6,251	(12.0)
Liabilities under agreements and licenses for operations	47,298	55,522	(14.8)
Employee benefit obligations	3,495	3,990	(12.4)
Lease liabilities	105,149	113,751	(7.6)
Other non-current liabilities	15,513	18,140	(14.5)
<i>Total non-current liabilities</i>	<i>369,149</i>	<i>356,145</i>	<i>3.7</i>
Total liabilities	543,097	531,931	2.1
Total shareholder's equity	81,818	85,617	(4.4)
Total liabilities and shareholder's equity	624,915	617,548	1.2

	31 Dec 21	31 Dec 20	% Change
Cash Flows			
Cash flows from operating activities before interest and tax	51,416	50,135	2.6
Net interest and tax paid	(15,960)	(12,463)	28.1
Cash flows from operating activities (net)	35,456	37,672	(5.9)
Cash flows (used in) from investing activities	(56,813)	(64,572)	(12.0)
Cash flows (used in) from financing activities	18,976	1,808	949.4
Net (decrease) increase in cash and cash equivalents	(2,381)	(25,092)	(90.5)
Beginning cash balance and effects of exchange rate changes	24,344	49,422	(50.7)
Ending cash balance	21,963	24,330	(9.7)

FINANCIAL POSITION

True Group's liquidity remained strong amid the economy and COVID-19 impact in 2021 with stable current ratio of 0.6. Its focus on inventory management and prioritization continued to gain traction, lowering inventory days to 43 days in 2021, and improved cash cycle to a negative of 59 days.

True Group is in compliance with and meets all of its debt obligations. Its capital structure remained at a comfortable level with the net interest-bearing debt to EBITDA ratio of 4.1 and net interest-bearing debt to equity of 2.9 times, increasing YoY on higher debt level to support business expansion. True Group's ROE and net profit margin were negative of 1.7% and 1.0%, respectively, pressured by costs related to continued network expansion and mobile spectrum acquisition.

True Group's primary capital resources in 2021 were cash flows from operation. While True Group expects to rely more from its operating cash flows, it has other funding alternatives including debenture issuance, vendor financing and asset divestment. The Group is committed to maintain its financial discipline and will select an optimal mix of capital structure to support future expansion.

Financial Ratios

		<u>2021</u>	<u>2020</u>
Current Ratio	Times	0.6	0.6
Net interest-bearing Debt to EBITDA	Times	4.1	3.8
Net interest-bearing Debt to Equity	Times	2.9	2.3
Return on Equity	%	-1.7	1.0
Return on Equity (excl. gain from selling DIF units)	%	-1.7	-2.2

Remark: Gain from selling DIF units in 2020 was Baht 3.4 billion.

Assets

- **True Group's assets** increased 1.2% from the end of 2020 to Baht 624.9 billion mainly driven by higher **property, plant and equipment (net)** which grew 5.8% to Baht 245.3 billion due to continued network and service expansion of both mobile and broadband businesses.
- **Intangible assets (net)** decreased 3.3% from the end of last year to Baht 128.3 billion driven by the amortization of the mobile spectrum licenses during the year.
- **Inventory (net)** dropped to Baht 1.4 billion along with continued focus on end-to-end inventory management and stock prioritization.
- **Investment in associates and interest in joint ventures** increased 5.5% from the end of 2020 to Baht 24.5 billion and **Goodwill (net)** increased 1.7% from the end of 2020 to Baht 10.2 billion. The increase was driven by investments in ChiiWii, which engages in medical teleconsultation services, and in ZAP, which engages in privilege and

online-to offline platforms, to capitalize on their expertise and strengthen True Group's digital platform business further (see more detail in the note to financial statements section 20 and 23).

- **Trade account receivables (net)** increased 15.3% from the end of 2020 to Baht 48.7 billion along with the Group's continued business expansion. The credit term granted by the Company is generally in the approximate range of 15 days to 120 days subject to type of services and customer segment. For consumer segment, the normal term is 30 days along with their monthly subscription for mobile, broadband, and television services. For business and corporate customers, the credit term is varied and generally longer than consumer segment depending on type of services and customers. The average collection period was 114 days in 2021 compared to 104 days in 2020 along with COVID-19 measures with relaxed payment for customers.

	Consolidated financial information		Separate financial information	
	31 December 2021 Baht Million	31 December 2020 Baht Million	2021 Baht Million	31 December 2020 Baht Million
Receivable from NT	-	360.41	-	360.41
Billed customers	25,950.33	23,994.49	671.24	822.37
Receivables and accrued income from related parties (Note 41)	18,403.36	14,169.50	21,503.27	18,675.66
Trade accounts receivable	44,353.69	38,524.40	22,174.51	19,858.44
Accrued income	11,163.32	11,658.49	403.60	2,273.31
Total trade accounts receivable	55,517.01	50,182.89	22,578.11	22,131.75
<u>Less Expected credit loss (Note 41)</u>	<u>(6,779.80)</u>	<u>(7,908.51)</u>	<u>(1,055.60)</u>	<u>(2,947.21)</u>
Trade accounts receivable, net	48,737.21	42,274.38	21,522.51	19,184.54

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

	Consolidated financial information		Separate financial information	
	31 December 2021 Baht Million	31 December 2020 Baht Million	31 December 2021 Baht Million	31 December 2020 Baht Million
Current	15,780.76	9,172.32	661.32	1,728.97
Less than 3 months	10,473.44	9,709.07	2,768.39	2,979.00
3 - 6 months	2,436.08	5,616.09	3,017.81	2,212.35
6 - 12 months	4,436.79	7,315.36	5,664.39	4,804.98
More than 12 months	11,226.62	6,711.56	10,062.60	8,133.14
Trade accounts receivable	44,353.69	38,524.40	22,174.51	19,858.44
Accrued income	11,163.32	11,658.49	403.60	2,273.31
Total trade accounts receivable	55,517.01	50,182.89	22,578.11	22,131.75
<u>Less Expected credit loss (Note 41)</u>	<u>(6,779.80)</u>	<u>(7,908.51)</u>	<u>(1,055.60)</u>	<u>(2,947.21)</u>
Trade accounts receivable, net	48,737.21	42,274.38	21,522.51	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 6,779.8 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 2.1% from the end of 2020 to Baht 543.1 billion mainly due to higher **interest bearing debt** (short-term and long-term borrowings excluding financial leases) to Baht 257.5 billion in order to support continued business expansion as well as spectrum license payments.
- **Trade accounts payable** decreased 4.0% from the end of 2020 to Baht 61.9 billion following vendor payments during the year with average payment period of 216 days.

Shareholders' equity

- **Shareholders' equity** was Baht 81.8 billion, declining from the end of 2020 driven mainly by dividend payment during the year.

Cash Flow

- True Group's primary capital resources in 2021 were **Cash flows from operating activities** of Baht 51.4 billion before interest and tax payments, growing along with EBITDA expansion, and Baht 35.5 billion after interest and tax payments, declining YoY on higher interest and tax payments.
- **Cash flows used in investing activities** decreased YoY to Baht 56.8 billion in 2021 with lower mobile spectrum installments compared to the same period last year as well as lower cash CAPEX on PPE to Baht 40.8 billion in 2021 as guided.
- **Cash flows from financing activities** increased to Baht 19.0 billion on long-term borrowings to support business expansion and debenture repayment.
- True Group ended 2021 with cash and cash equivalents of approximately Baht 22.0 billion.