

TRUE CORPORATION PUBLIC COMPANY LIMITED

**INTERIM CONSOLIDATED AND SEPARATE
FINANCIAL INFORMATION (UNAUDITED)**

30 SEPTEMBER 2017



AUDITOR'S REPORT ON THE REVIEW OF THE INTERIM FINANCIAL INFORMATION

To the Shareholders and the Board of Directors of True Corporation Public Company Limited

I have reviewed the interim consolidated financial information of True Corporation Public Company Limited and its subsidiaries, and the interim separate financial information of True Corporation Public Company Limited. These comprise the consolidated and separate statements of financial position as at 30 September 2017, the consolidated and separate statements of comprehensive income for the three-month and nine-month periods then ended, and the related consolidated and separate statements of changes in equity and cash flows for the nine-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim consolidated and separate financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim consolidated and separate financial information based on my review.

Scope of review

I conducted my review in accordance with the Thai Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim consolidated and separate financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

Emphasis of matter paragraph

I draw attention to Note 26 to the interim financial information 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 interim financial information. My conclusion is not qualified in respect of these matters.

PricewaterhouseCoopers ABAS Ltd.

Prasit Yuengsrikul
Certified Public Accountant (Thailand) No. 4174
Bangkok
14 November 2017

True Corporation Public Company Limited
 Statements of Financial Position
 As at 30 September 2017

	Consolidated		Separate	
	financial information		financial information	
	Unaudited 30 September 2017	Audited 31 December 2016	Unaudited 30 September 2017	Audited 31 December 2016
Notes	Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
Assets				
Current assets				
Cash and cash equivalents	31,668,671	50,183,813	4,168,674	5,463,811
Restricted cash at bank	536,990	42,360	41,807	42,360
Short-term investments	11 2,904	502,312	1,813	501,234
Trade and other receivables	12 44,593,772	36,810,522	10,034,461	8,110,689
Short-term loans to related parties	27 197,000	147,000	5,053,623	3,000,000
Inventories	14,459,485	11,251,975	11,999	20,426
Income tax deducted at sources	8,759,771	8,141,389	333,489	169,232
Claimable value added tax	7,567,070	5,509,182	-	-
Other current assets	13 9,905,340	10,089,763	57,210	66,536
Total current assets	117,691,003	122,678,316	19,703,076	17,374,288
Non-current assets				
Restricted cash at bank	23,388	27,696	-	-
Investment in available for sale securities	11 345,423	-	-	-
Investment in subsidiaries	14.1 -	-	181,028,382	178,678,264
Investment in associates and joint ventures	14.2 19,705,247	18,174,762	16,327,908	16,327,908
General investments	331,348	325,211	240,741	240,741
Investment property	733,711	760,473	-	-
Property, plant and equipment	15 167,759,956	143,688,352	1,538,532	1,708,040
Intangible assets	16 131,547,389	139,745,965	215,308	1,224,493
Goodwill	11,403,094	11,403,094	-	-
Deferred income tax assets	17 5,725,648	5,375,822	-	99,126
Other non-current assets	6,794,914	6,780,769	129,162	149,864
Total non-current assets	344,370,118	326,282,144	199,480,033	198,428,436
Total assets	462,061,121	448,960,460	219,183,109	215,802,724

The accompanying notes on pages 9 to 32 are an integral part of these financial information.

True Corporation Public Company Limited
Statements of Financial Position (Cont'd)
As at 30 September 2017

	Notes	Consolidated financial information		Separate financial information	
		Unaudited 30 September 2017	Audited 31 December 2016	Unaudited 30 September 2017	Audited 31 December 2016
		Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
Liabilities and equity					
Current liabilities					
Short-term borrowings		54,352,153	37,571,675	38,471,722	16,980,391
Trade and other payables	18	101,893,157	98,514,397	2,879,522	2,814,034
Current portion of long-term borrowings	19	30,522,345	20,653,960	3,960,776	19,165,857
Short-term loans from related parties	27	-	-	5,009	-
Income tax payable		4,848	5,629	-	-
Other current liabilities	20	5,423,764	4,098,147	524,638	509,323
Total current liabilities		192,196,267	160,843,808	45,841,667	39,469,605
Non-current liabilities					
Long-term borrowings	19	50,167,917	60,490,046	8,183,260	12,119,200
Deferred income tax liabilities	17	1,953,435	1,995,052	249,178	-
Liabilities under agreements and licences for operations	21	74,013,442	77,652,487	-	-
Employee benefit obligations		2,146,732	1,982,115	893,508	555,044
Other non-current liabilities	22	12,822,354	14,269,013	-	-
Total non-current liabilities		141,103,880	156,388,713	9,325,946	12,674,244
Total liabilities		333,300,147	317,232,521	55,167,613	52,143,849
Equity					
Share capital	23				
Authorised share capital					
Common shares, 33,368,655,464 shares of par Baht 4 each		133,474,622	133,474,622	133,474,622	133,474,622
Issued and fully paid-up share capital					
Common shares, 33,368,195,301 shares of paid-up Baht 4 each		133,472,781	133,472,781	133,472,781	133,472,781
Premium on share capital		26,384,073	26,384,073	26,384,073	26,384,073
Retained earnings					
Appropriated - legal reserve		282,498	282,498	282,498	282,498
Unappropriated (deficits)		(30,376,037)	(27,287,553)	3,876,144	3,519,523
Other components of equity		(1,691,988)	(1,799,588)	-	-
Equity attributable to owners of the parent		128,071,327	131,052,211	164,015,496	163,658,875
Non-controlling interests		689,647	675,728	-	-
Total equity		128,760,974	131,727,939	164,015,496	163,658,875
Total liabilities and equity		462,061,121	448,960,460	219,183,109	215,802,724

The accompanying notes on pages 9 to 32 are an integral part of these financial information.

True Corporation Public Company Limited
Statements of Comprehensive Income (Unaudited)
For the three-month period ended 30 September 2017

	Notes	Consolidated financial information		Separate financial information	
		(Restated)			
		30 September 2017	30 September 2016	30 September 2017	30 September 2016
		Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
Revenues					
Revenues from telephone and other services		29,400,342	27,847,964	3,599,323	2,286,366
Revenues from product sales		3,740,274	2,946,390	-	-
Total revenues		33,140,616	30,794,354	3,599,323	2,286,366
Costs					
Cost of providing services		20,986,624	21,472,655	1,343,172	1,228,870
Cost of sales		3,737,622	3,310,725	-	-
Total costs		24,724,246	24,783,380	1,343,172	1,228,870
Gross profit		8,416,370	6,010,974	2,256,151	1,057,496
Other income		151,252	520,443	458,430	433,357
Selling expenses		(4,595,888)	(4,554,960)	(289,415)	(309,834)
Administrative expenses		(3,237,402)	(2,962,685)	(980,828)	(651,733)
Other expenses		(475,389)	(353,937)	(2,382)	(9,442)
Finance costs	8	(2,115,396)	(1,700,133)	(430,496)	(587,339)
Share of results from investments		426,533	431,508	-	-
Profit (loss) before income tax		(1,429,920)	(2,608,790)	1,011,460	(67,495)
Income tax	9	749,411	94,127	(156,126)	(93,963)
Profit (loss) for the period		(680,509)	(2,514,663)	855,334	(161,458)
Other comprehensive income:					
Item that will be reclassified subsequently to profit or loss:					
Unrealised gain on changes in fair value of available-for-sale securities					
		44,071	-	-	-
Exchange differences on translation					
		(305)	366	-	-
Total comprehensive income for the period		(636,743)	(2,514,297)	855,334	(161,458)
Profit (loss) for the period attributable to:					
Owners of the parent		(691,480)	(2,540,392)	855,334	(161,458)
Non-controlling interests		10,971	25,729	-	-
Profit (loss) for the period		(680,509)	(2,514,663)	855,334	(161,458)
Total comprehensive income for the period attributable to:					
Owners of the parent		(647,714)	(2,540,026)	855,334	(161,458)
Non-controlling interests		10,971	25,729	-	-
Total comprehensive income for the period		(636,743)	(2,514,297)	855,334	(161,458)
Basic earnings per share					
attributable to owners of the parent					
Basic (Baht per share)	10	(0.02)	(0.08)	0.03	-

The accompanying notes on pages 9 to 32 are an integral part of these financial information.

True Corporation Public Company Limited
Statements of Comprehensive Income (Unaudited)
For the nine-month period ended 30 September 2017

	Notes	Consolidated financial information		Separate financial information	
		(Restated)			
		30 September 2017	30 September 2016	30 September 2017	30 September 2016
		Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
Revenues					
Revenues from telephone and other services		88,132,158	79,771,851	7,844,081	7,021,317
Revenues from product sales		12,406,958	10,787,875	-	-
Total revenues		100,539,116	90,559,726	7,844,081	7,021,317
Costs					
Cost of providing services		63,667,648	58,781,518	3,541,973	3,568,454
Cost of sales		12,525,300	11,453,596	-	-
Total costs		76,192,948	70,235,114	3,541,973	3,568,454
Gross profit		24,346,168	20,324,612	4,302,108	3,452,863
Other income	22	2,849,505	1,279,849	1,392,595	2,027,486
Selling expenses		(14,171,641)	(12,256,152)	(744,087)	(730,118)
Administrative expenses		(10,375,683)	(8,807,388)	(2,421,142)	(2,035,724)
Other expenses		(2,246,577)	(708,471)	(223,949)	(66,561)
Finance costs	8	(6,436,694)	(4,305,679)	(1,600,601)	(1,858,375)
Share of results from investments	14.2	2,654,465	4,129,674	-	-
Profit (loss) before income tax		(3,380,457)	(343,555)	704,924	789,571
Income tax	9	305,892	(99,796)	(348,303)	(301,397)
Profit (loss) for the period		(3,074,565)	(443,351)	356,621	488,174
Other comprehensive income:					
Item that will be reclassified subsequently to profit or loss:					
Unrealised gain on changes in fair value of available-for-sale securities					
		108,052	-	-	-
Exchange differences on translation					
		(442)	674	-	-
Total comprehensive income for the period		(2,966,955)	(442,677)	356,621	488,174
Profit (loss) for the period attributable to:					
Owners of the parent		(3,088,484)	(461,371)	356,621	488,174
Non-controlling interests		13,919	18,020	-	-
Profit (loss) for the period		(3,074,565)	(443,351)	356,621	488,174
Total comprehensive income for the period attributable to:					
Owners of the parent		(2,980,874)	(460,697)	356,621	488,174
Non-controlling interests		13,919	18,020	-	-
Total comprehensive income for the period		(2,966,955)	(442,677)	356,621	488,174
Basic earnings per share					
attributable to owners of the parent					
Basic (Baht per share)	10	(0.09)	(0.02)	0.01	0.02

The accompanying notes on pages 9 to 32 are an integral part of these financial information.

True Corporation Public Company Limited
 Statements of Changes in Equity (Unaudited)
 For the nine-month period ended 30 September 2017

	Consolidated financial information										Baht Thousand
	Attributable to owners of the parent										
					Other components of equity						
	Issued and fully paid-up common shares	Premium on shares	Legal reserve	Deficits	Unrealised gain on revaluation of available for sale securities	Change in non-controlling interest	Translating financial statements	Total other components of equity	Total owners of the parent	Non- Controlling interest	Total
Opening balance as at 1 January 2016	98,431,713	-	275,914	(22,362,876)	-	(1,806,543)	9,241	(1,797,302)	74,547,449	659,084	75,206,533
Issue of shares	35,041,068	26,384,073	-	-	-	-	-	-	61,425,141	-	61,425,141
Addition investment in subsidiary by non-controlling interests	-	-	-	-	-	-	-	-	-	14,154	14,154
Addition investment in subsidiary by purchasing shares from non-controlling interest	-	-	-	-	-	-	-	-	-	(7,668)	(7,668)
Dilution due to change in non-controlling interest	-	-	-	-	-	6,812	-	6,812	6,812	(6,812)	-
Dividends paid	-	-	-	(1,640,532)	-	-	-	-	(1,640,532)	-	(1,640,532)
Total comprehensive income for the period - restated	-	-	-	(461,371)	-	-	674	674	(460,697)	18,020	(442,677)
Closing balance as at 30 September 2016	133,472,781	26,384,073	275,914	(24,464,779)	-	(1,799,731)	9,915	(1,789,816)	133,878,173	676,778	134,554,951
Opening balance as at 1 January 2017	133,472,781	26,384,073	282,498	(27,287,553)	-	(1,809,489)	9,901	(1,799,588)	131,052,211	675,728	131,727,939
Addition investment in subsidiary by purchasing shares from non-controlling interests	-	-	-	-	-	-	-	-	-	(10)	(10)
Dilution due to change in non-controlling interests	-	-	-	-	-	(10)	-	(10)	(10)	10	-
Total comprehensive income for the period	-	-	-	(3,088,484)	108,052	-	(442)	107,610	(2,980,874)	13,919	(2,966,955)
Closing balance as at 30 September 2017	133,472,781	26,384,073	282,498	(30,376,037)	108,052	(1,809,499)	9,459	(1,691,988)	128,071,327	689,647	128,760,974

The accompanying notes on pages 9 to 32 are an integral part of these financial information.

True Corporation Public Company Limited
Statements of Changes in Equity (Unaudited) (Cont'd)
For the nine-month period ended 30 September 2017

	Separate financial information				Baht Thousand
	Issued and fully paid-up common shares	Premium on shares	Legal reserve	Retained earnings	Total
Opening balance as at 1 January 2016	98,431,713	-	275,914	5,208,953	103,916,580
Issue of shares	35,041,068	26,384,073	-	-	61,425,141
Dividends paid	-	-	-	(1,640,532)	(1,640,532)
Total comprehensive income for the period	-	-	-	488,174	488,174
Closing balance as at 30 September 2016	<u>133,472,781</u>	<u>26,384,073</u>	<u>275,914</u>	<u>4,056,595</u>	<u>164,189,363</u>
Opening balance as at 1 January 2017	133,472,781	26,384,073	282,498	3,519,523	163,658,875
Total comprehensive income for the period	-	-	-	356,621	356,621
Closing balance as at 30 September 2017	<u>133,472,781</u>	<u>26,384,073</u>	<u>282,498</u>	<u>3,876,144</u>	<u>164,015,496</u>

The accompanying notes on pages 9 to 32 are an integral part of these financial information.

True Corporation Public Company Limited
Statements of Cash Flows (Unaudited)
For the nine-month period ended 30 September 2017

	Notes	Consolidated financial information		Separate financial information	
		(Restated)			
		30 September 2017	30 September 2016	30 September 2017	30 September 2016
		Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
Cash flows from operating activities	24	(4,838,330)	3,476,049	(606,215)	(1,421,811)
Cash flows from investing activities					
(Deposit) withdrawal in restricted cash at bank		(490,320)	540,898	553	516,405
Proceeds from (acquisition of) short-term investments		499,424	(1,198,469)	499,421	(1,198,469)
Loans made to related parties	27	(50,000)	(300)	(20,220,535)	(22,770,000)
Acquisition of property, plant and equipment		(25,417,511)	(25,804,342)	(77,581)	(24,332)
Acquisition of intangible assets		(2,570,065)	(10,969,180)	(47,791)	(7,443)
Acquisition of investment in subsidiaries	14.1	-	-	(4,500,000)	(67,246,478)
Acquisition of investment in associate	14.2	(35,600)	(51,111)	-	-
Acquisition of investment in other company		(6,137)	-	-	-
Acquisition of available for sale securities	11	(213,010)	-	-	-
Repayment received from loans to related parties	27	-	300	18,166,912	41,885,000
Proceeds from liquidation of subsidiary	14.1	-	-	2,134,454	-
Proceeds from disposals of property, plant and equipment and intangible assets		25,614	36,331	17,265	11,978
Dividends received	27	1,188,672	1,166,629	1,188,672	1,567,258
Net cash used in investing activities		(27,068,933)	(36,279,244)	(2,838,630)	(47,266,081)
Cash flows from financing activities					
Issue of common shares (net of issuance cost)		-	59,948,800	-	59,948,800
Subscription of newly issued shares in subsidiary by non-controlling interests		-	14,154	-	-
Addition investment in subsidiary by purchasing shares from non-controlling interest		(10)	(7,668)	-	-
Proceeds from loans from related parties	27	-	-	2,083,548	3,980,000
Proceeds from short-term borrowings		55,257,724	63,140,758	38,318,831	16,110,355
Proceeds for borrowing, net of cash paid for debt issuance cost	19	17,665,533	-	-	-
Repayment to loans from related parties	27	-	-	(2,078,539)	(4,085,000)
Repayments to short-term borrowings		(38,810,000)	(50,795,000)	(17,000,000)	(24,325,000)
Repayments to borrowings	19	(20,710,287)	(1,808,600)	(19,174,132)	(283,235)
Dividends paid		-	(164,190)	-	(164,190)
Net cash received from financing activities		13,402,960	70,328,254	2,149,708	51,181,730
Net (decrease) increase in cash and cash equivalents		(18,504,303)	37,525,059	(1,295,137)	2,493,838
Opening balance		50,183,813	10,590,382	5,463,811	2,193,900
Effects of exchange rate changes		(10,839)	(35,773)	-	-
Closing balance		31,668,671	48,079,668	4,168,674	4,687,738

Non-cash transactions

The significant non-cash transactions are as follows:

	Consolidated financial information		Separate financial information	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	Baht Million	Baht Million	Baht Million	Baht Million
Acquisition of property, plant and equipment using finance leases	2,405.93	1,840.74	-	-
Acquisition of property, plant and equipment and intangible assets, not yet paid	140,260.94	131,694.90	-	-

The accompanying notes on pages 9 to 32 are an integral part of these financial information.

1. General information

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

For reporting purposes, the Company and its subsidiaries are referred to as the Group.

These interim consolidated and separate financial information were authorised for issue by the Audit Committee on 14 November 2017.

These interim consolidated and separate financial information have been reviewed, not audited.

2. Accounting policies

2.1 Basis of preparation

The interim consolidated and separate financial information has been prepared in accordance with Thai Accounting Standard 34 Interim Financial Reporting. The primary financial information (statement of financial position, statement of comprehensive income, statement of changes in equity and cash flows) are presented in a format consistent with the annual financial statements complying with Thai Accounting Standard 1 Presentation of Financial Statements. The notes to the financial information are prepared in a condensed format. Additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2016.

An English version of the interim consolidated and separate financial information has been prepared from the interim financial information that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2016.

Costs that are incurred unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit.

2.2 New/revised financial reporting standards, and related interpretations

Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2017 and 2018.

The Group’s management assessed and considered that revised standards do not have a material impact on the Group except for disclosure.

3. Estimates

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim financial information, the significant judgements made by management in applying the group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated and separate financial statements for the year ended 31 December 2016.

4. Restatement and change in accounting estimates

4.1 Restatement

On 4 December 2015, a subsidiary, True Move H Universal Communication Co., Ltd. ("TUC") was granted the 1800MHz Bandwidth licence by NBTC. The licence authorised TUC to provide mobile telephone services under those spectrums for a period of 18 years. During 2016, the Group identified additional direct attributable costs of acquisition of licence, which should be capitalised as initial cost of licence.

The adjustments to the statement of comprehensive income for the three-month and nine-month periods ended 30 September 2016 are as follows:

Statement of comprehensive income

	Consolidated financial information		
	As previously reported Baht Million	Adjustment Baht Million	As restated Baht Million
For the three-month period ended 30 September 2016			
Cost of providing services	21,402.97	69.69	21,472.66
Finance cost	1,982.93	(282.80)	1,700.13
For the nine-month period ended 30 September 2016			
Cost of providing services	58,688.13	93.39	58,781.52
Finance cost	5,093.93	(788.25)	4,305.68

4.2 Change in accounting estimates

During September 2017, the management conducted an annual review of economic useful lives of assets. The key factors taking into accounts of the review included benchmarking with international telecommunication industry, technology development, environmental factors, well-maintenance standard and usage conditions. The recommendations from manufacturers and opinion from expert engineer have been obtained during the review process as well. Estimated useful lives of certain classes of assets as follows were concluded to be extended commencing 1 January 2017.

	Previous useful lives Years	New useful lives Years
Passive network equipment	20 - 25	25 - 30

Effect of the change to the consolidated statement of comprehensive income for the three-month and nine-month periods ended 30 September 2017 can be summarised as follows:

	Consolidated statement of comprehensive income	
	Previous useful life Baht Million	New useful life Baht Million
Depreciation charges		
For the three-month period	267.18	188.19
For the nine-month period	753.51	530.19

5. Segment information

The Group Management is the Group's Chief Operating Decision-Maker ("CODM"). The Group Management has determined the operating segment based on the information internally reviewed on quarterly basis. During 2017, the Group Management has changed the measurements for the Group's operating performance review, resulting in the changes of the Group's reportable information. The following are the Group's reportable segments.

1. TrueMove H
2. TrueOnline
3. TrueVisions

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

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

Consolidated reportable segments:

External revenue:

For the nine-month periods ended

	30 September 2017 Baht Million	30 September 2016 Baht Million
TrueMove H	76,089.27	65,994.86
TrueOnline	17,261.51	17,268.73
TrueVisions	7,188.34	7,296.14
Total	100,539.12	90,559.73

Segment profit before tax:

For the nine-month periods ended

	30 September 2017 Baht Million	(Restated) 30 September 2016 Baht Million
TrueMove H	(543.99)	1,153.92
TrueOnline	(345.14)	1,284.08
TrueVisions	(2,491.33)	(2,781.56)
Total	(3,380.46)	(343.56)

Segment assets:

	At 30 September 2017 Baht Million	At 31 December 2016 Baht Million
TrueMove H	334,044.54	330,609.02
TrueOnline	102,378.27	90,175.52
TrueVisions	25,638.31	28,175.92
Total	462,061.12	448,960.46

Segment liabilities:

	At 30 September 2017 Baht Million	At 31 December 2016 Baht Million
TrueMove H	240,233.31	225,977.87
TrueOnline	84,236.21	80,988.09
TrueVisions	8,830.63	10,266.56
Total	333,300.15	317,232.52

6. Fair value

6.1 Fair value estimation

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

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

The following table presents the group's financial assets and liabilities that are measured at fair value at 30 September 2017.

	Consolidated financial information			
	30 September 2017		31 December 2016	
	Level 1 Baht Million	Level 2 Baht Million	Level 1 Baht Million	Level 2 Baht Million
Asset				
Trading financial assets				
• Mutual funds	-	1.92	-	1.91
Available-for-sale financial assets				
• Equity securities	345.42	-	-	-
Derivative receivables	-	17.94	-	514.41
Liabilities				
Derivative payables	-	2,411.41	-	23.50
	Separate financial information			
	30 September 2017		31 December 2016	
	Level 1 Baht Million	Level 2 Baht Million	Level 1 Baht Million	Level 2 Baht Million
Asset				
Trading financial assets				
• Mutual funds	-	1.81	-	1.80
Liabilities				
Derivative payables	-	-	-	21.55

6.2 Valuation techniques used to derive Level 2 fair values

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

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

7. Operating profit (loss)

The following expenditures, classified by nature, have been charged in arriving at operating profit (loss).

	Consolidated financial information		Separate financial information	
	(Restated)		30 September 2017 Baht Million	30 September 2016 Baht Million
	30 September 2017 Baht Million	30 September 2016 Baht Million		
For the three-month periods ended				
Depreciation and amortisation	8,961.08	8,625.22	452.74	450.51
Doubtful accounts	467.98	395.98	42.09	50.99
	Consolidated financial information		Separate financial information	
	(Restated)		30 September 2017 Baht Million	30 September 2016 Baht Million
	30 September 2017 Baht Million	30 September 2016 Baht Million		
For the nine-month periods ended				
Depreciation and amortisation	27,048.76	21,206.17	1,348.13	1,352.24
Doubtful accounts	1,532.04	1,121.85	127.72	165.43

8. Finance costs

	Consolidated financial information		Separate financial information	
	(Restated)		30 September 2017 Baht Million	30 September 2016 Baht Million
	30 September 2017 Baht Million	30 September 2016 Baht Million		
For the three-month periods ended				
Interest expense	1,492.70	1,115.48	413.01	576.41
Foreign exchange (gain) loss	(3.02)	0.26	0.67	(4.49)
Finance cost related to licences	597.49	554.64	-	-
Other financial fees	28.23	29.75	16.82	15.42
Finance costs	2,115.40	1,700.13	430.50	587.34
	Consolidated financial information		Separate financial information	
	(Restated)		30 September 2017 Baht Million	30 September 2016 Baht Million
	30 September 2017 Baht Million	30 September 2016 Baht Million		
For the nine -month periods ended				
Interest expense	4,542.08	3,384.92	1,542.45	1,807.72
Foreign exchange loss	11.41	27.73	1.02	4.77
Finance cost related to licences	1,793.35	824.75	-	-
Other financial fees	89.85	68.28	57.13	45.89
Finance costs	6,436.69	4,305.68	1,600.60	1,858.38

True Corporation Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the nine-month period ended 30 September 2017

9. Income tax

For the three-month periods ended	Consolidated financial information		Separate financial information	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	Baht Million	Baht Million	Baht Million	Baht Million
Current tax	(59.38)	(16.59)	-	-
Deferred income taxes	808.79	110.72	(156.13)	(93.96)
Income tax	<u>749.41</u>	<u>94.13</u>	<u>(156.13)</u>	<u>(93.96)</u>
For the nine-month periods ended	Consolidated financial information		Separate financial information	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	Baht Million	Baht Million	Baht Million	Baht Million
Current tax	(112.56)	(383.58)	-	-
Deferred income taxes	418.45	283.79	(348.30)	(301.40)
Income tax	<u>305.89</u>	<u>(99.79)</u>	<u>(348.30)</u>	<u>(301.40)</u>

10. Basic earnings per share

Basic earnings per share attributable to equity holders of the Company is calculated by dividing the profit attributable to the equity holders of the Company by the weighted average number of common shares outstanding during the period ended 30 September 2017, that is 33,368.20 million shares (2016: 33,368.20 million shares and 27,855.74 million shares for three-month and nine-month periods, respectively).

11. Investments

	Consolidated financial information		Separate financial information	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
	Baht Million	Baht Million	Baht Million	Baht Million
Current	2.90	502.31	1.81	501.23
Non-current	345.42	-	-	-
	<u>348.32</u>	<u>502.31</u>	<u>1.81</u>	<u>501.23</u>
Current				
Time deposits	0.98	0.97	-	-
Trading securities - debt securities	-	499.43	-	499.43
Trading securities - mutual funds	1.92	1.91	1.81	1.80
Total short-term investments	<u>2.90</u>	<u>502.31</u>	<u>1.81</u>	<u>501.23</u>

Movement of short-term investments can be summarised as follows:

	Consolidated financial information	Separate financial information
	Baht Million	Baht Million
For the nine-month period ended 30 September 2017		
Opening net book amount	502.31	501.23
Disposal	(500.00)	(500.00)
Interest received	0.57	0.57
Fair value adjustment	0.02	0.01
Closing net book amount	<u>2.90</u>	<u>1.81</u>

11. Investments (Cont'd)

Movement of short-term investments can be summarised as follows: (Cont'd)

	Consolidated financial information	
	30 September 2017 Baht Million	31 December 2016 Baht Million
Non-current		
Available for sale securities		
- equity securities	345.42	-

The available for sale securities are restricted to sell for 3 years from the first quarter of 2017. Consequently, the securities are presented as non-current portion.

The analysis of the available-for-sale securities is as follows:

	Consolidated financial information	
	30 September 2017	
	Cost Baht Million	Fair value Baht Million
Available-for-sale securities	210.35	210.35
<u>Add</u> Fair value adjustment	-	135.07
Total available-for-sale securities	210.35	345.42

Movement of investment in available-for-sale securities are as follows:

	Consolidated financial information Baht Million
For the nine-month period ended 30 September 2017	
Opening net book amount	-
Addition	213.01
Currencies translations	(2.66)
Fair value adjustment	135.07
Closing net book amount	345.42

12. Trade and other receivables

	Consolidated financial information		Separate financial information	
	30 September 2017 Baht Million	31 December 2016 Baht Million	30 September 2017 Baht Million	31 December 2016 Baht Million
Receivable from TOT	731.00	685.29	731.00	685.29
Billed customers	21,855.76	20,293.14	1,905.88	1,994.15
Receivable from related parties (Note 27)	9,771.81	7,873.13	8,072.00	6,176.90
Trade accounts receivable	32,358.57	28,851.56	10,708.88	8,856.34
Accrued income	16,119.12	11,025.30	2,371.09	2,220.65
Total trade accounts receivable	48,477.69	39,876.86	13,079.97	11,076.99
<u>Less</u> Allowance for doubtful accounts	(8,242.70)	(7,127.71)	(3,189.68)	(3,113.67)
Trade accounts receivable, net	40,234.99	32,749.15	9,890.29	7,963.32
Prepaid expenses	3,048.02	2,420.07	53.23	80.46
Other receivables	1,187.53	1,573.90	62.13	57.54
Interest receivable	123.23	67.40	28.81	9.37
Trade and other receivables	44,593.77	36,810.52	10,034.46	8,110.69

True Corporation Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the nine-month period ended 30 September 2017

12. Trade and other receivables (Cont'd)

Outstanding trade accounts receivable as at 30 September 2017 and 31 December 2016 can be analysed as follows:

	Consolidated financial information		Separate financial information	
	30 September 2017 Baht Million	31 December 2016 Baht Million	30 September 2017 Baht Million	31 December 2016 Baht Million
Current	14,840.95	14,473.16	3,074.36	1,132.24
Less than 3 months	7,096.71	5,524.89	1,309.45	1,205.03
3 - 6 months	1,392.22	871.59	211.04	269.97
6 - 12 months	3,146.93	3,137.17	1,661.39	4,147.20
More than 12 months	5,881.76	4,844.75	4,452.64	2,101.90
Trade accounts receivable	32,358.57	28,851.56	10,708.88	8,856.34
Accrued income	16,119.12	11,025.30	2,371.09	2,220.65
Total trade accounts receivable	48,477.69	39,876.86	13,079.97	11,076.99
<u>Less</u> Allowance for doubtful accounts	(8,242.70)	(7,127.71)	(3,189.68)	(3,113.67)
Trade accounts receivable, net	40,234.99	32,749.15	9,890.29	7,963.32

As at 30 September 2017, in the interim consolidated and separate statements of financial position included accrued income receivable from TOT amounting to Baht 256.74 million (2016: Baht 252.96 million) in respect of interconnection with TOT services. However, 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 information of minutes of international calls. This matter is under negotiation with TOT. The Company's management believes that the accrued income is recoverable.

13. Other current assets

	Consolidated financial information		Separate financial information	
	30 September 2017 Baht Million	31 December 2016 Baht Million	30 September 2017 Baht Million	31 December 2016 Baht Million
Value added tax pending for receipt of tax invoices	2,759.73	3,075.23	57.21	66.54
Film and program rights	474.58	555.70	-	-
Subscriber acquisition cost, net	6,655.42	6,062.72	-	-
Derivative receivables	15.61	396.11	-	-
Total	9,905.34	10,089.76	57.21	66.54

14. Investments in subsidiaries, associates and interests in joint ventures

14.1 Investment in subsidiaries

Movements of investments in subsidiaries are as follows:

	Separate Financial information Baht Million
For the nine-month period ended 30 September 2017	
Opening net book value	178,678.26
Addition of investment	4,500.00
Liquidation of subsidiary	(2,149.88)
Closing net book value	181,028.38

True Corporation Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the nine-month period ended 30 September 2017

14. Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

14.1 Investment in subsidiaries (Cont'd)

		Separate financial information					
		30 September 2017			31 December 2016		
Business		Investment	Impairment	Net	Investment	Impairment	Net
		- at cost method Baht Million	Baht Million	investment Baht Million	- at cost method Baht Million	Baht Million	investment Baht Million
Subsidiaries							
Telecom Holding Co., Ltd.	Holding company	46,019.04	10,271.43	35,747.61	41,519.04	10,271.43	31,247.61
True Move H Universal Communication Co., Ltd.	Wireless telecommunication services	144,843.77	-	144,843.77	144,843.77	-	144,843.77
True Internet Co., Ltd.	Internet solution provider	-	-	-	2,149.88	-	2,149.88
True International Gateway Co., Ltd.	Telecommunication and internet services	436.00	-	436.00	436.00	-	436.00
K.I.N. (Thailand) Limited	Holding company	180.40	180.40	-	180.40	180.40	-
True Public Communication Co., Ltd.	Telecommunication services	97.00	97.00	-	97.00	97.00	-
True Vistas Co., Ltd	Production and distribution of movies	46.63	46.63	-	46.63	46.63	-
True Internet Corporation Co., Ltd.	Telecommunication services and Internet solution provider	1.00	-	1.00	1.00	-	1.00
Total investment in subsidiaries, net		191,623.84	10,595.46	181,028.38	189,273.72	10,595.46	178,678.26

True Corporation Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the nine-month period ended 30 September 2017

14. Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

14.1 Investment in subsidiaries (Cont'd)

Indirect subsidiaries included in the consolidated financial information:

Name of subsidiaries	% Ownership	Business	Country of incorporation
AP&J Production Co., Ltd.	70.00	Entertainment	Thailand
Asia Wireless Communication Co., Ltd.	100.00	Mobile equipment Lessor	Thailand
Bangkok Inter Teletech Public Company Limited	99.74	Holding company	Thailand
BeboydCG Company Limited	84.67	Production of animation	Thailand
BFKT (Thailand) Limited	100.00	Mobile equipment Lessor	Thailand
Cineplex Co., Ltd.	100.00	Program production	Thailand
Hutchison CAT Wireless MultiMedia Limited	68.20	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	92.26	Holding company	Thailand
Internet Knowledge Service Center Co., Ltd.	56.93	Non-government telecommunication	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.	99.99	Artist management and related business	Thailand
Real Move Co., Ltd.	99.74	Reseller of mobile phone service	Thailand
Samut Pakan Media Corporation Co., Ltd.	99.69	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.	99.67	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 Platform Co., Ltd.	99.97	Trading and internet provider including online digital media services on website and telecommunication devices	Thailand
True Digital Park Co., Ltd.	100.00	Business solution provider	Thailand
True Distribution and Sales Co., Ltd.	99.70	Distribution Center Services	Thailand
True4U Station Co., Ltd.	100.00	Television and related business	Thailand
True Icontent Co., Ltd.	100.00	Contents provider	Thailand
True Incube Co., Ltd.	100.00	Holding Company	Thailand
True Information Technology Co., Ltd.	100.00	IT services and training	Thailand
True International Communication Co., Ltd.	100.00	Telecommunication services	Thailand
True International Gateway Co., Ltd.	100.00	Telecommunication and internet service	Thailand
True Internet Corporation Co., Ltd.	100.00	Telecommunication services and internet solution provider	Thailand
True Life Plus Co., Ltd.	100.00	Telecommunication services reseller	Thailand
True Media Solutions Co., Ltd.	100.00	Advertising sale and agency	Thailand
True Move Co., Ltd.	99.70	Telecommunication management service	Thailand
True Move H Universal Communication Co., Ltd.	100.00	Wireless Telecommunication services	Thailand
True Multimedia Co., Ltd.	91.08	NON-POTS and multimedia services	Thailand
True Music Co., Ltd.	99.67	Content provider	Thailand
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 Visions Cable Public Company Limited	99.10	Pay Television via cable system	Thailand
True Visions Group Co., Ltd.	100.00	Pay Television	Thailand
True Visions Public Company Limited	99.53	Pay Television	Thailand
True Vistas Co., Ltd.	100.00	Production and distribution of movie films	Thailand

14. Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

14.1 Investment in subsidiaries (Cont'd)

Indirect subsidiaries included in the consolidated financial information: (Cont'd)

Name of subsidiaries	% Ownership	Business	Country of incorporation
K.I.N. (Thailand) Co., Ltd.	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
Rosy Legend Limited	99.74	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
True Trademark Holdings Company Limited	100.00	Holding company	British Virgin Island

Even though the Group has investment in Telecom KSC Co., Ltd. ("TKSC") only at 34.39%, 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 2017:

During the nine-month period ended 30 September 2017, the Company additionally invested in the wholly owned subsidiary, Telecom Holding Co., Ltd. amounting to Baht 4,500.00 million.

On 6 January 2017, a subsidiary invested in True Digital & Media Platform Co., Ltd. ("TDMP"), a newly established company amounting to Baht 1.00 million. TDMP engages in online digital media services on website and telecommunication devices.

On 17 February 2017, True Music Radio Co., Ltd., a 69.94% owned subsidiary, completed the liquidation process. The Group recognised gain from liquidation amounting to Baht 5.28 million in the interim consolidated financial information for nine-month period ended 30 September 2017.

On 13 June 2017, True Internet Co., Ltd., a wholly owned subsidiary registered for liquidation with the Ministry of Commerce. The Company received proceeds amounting to Baht 2,134.45 million in return of invested capital and recognised loss from liquidation of Baht 15.43 million in the separate financial information for the period ended 30 September 2017.

On 11 August 2017, a subsidiary invested in True Digital Park Co., Ltd. ("TDPK"), a newly established company amounting to Baht 1.00 million. TDPK engages in one-stop services and business solutions provider.

14.2 Investments in associates and interests in joint ventures

	Consolidated financial information		Separate financial information	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
	Baht Million	Baht Million	Baht Million	Baht Million
Associates	19,641.00	18,101.48	16,327.91	16,327.91
Joint ventures	64.25	73.28	-	-
	19,705.25	18,174.76	16,327.91	16,327.91

14. Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

14.2 Investments in associates and interests in joint ventures (Cont'd)

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

For the nine-month period ended	Consolidated financial information	
	30 September 2017 Baht Million	30 September 2016 Baht Million
Share of results		
- Associates	2,692.59	4,168.04
- Joint ventures	(9.03)	(10.53)
	2,683.56	4,157.51
Elimination	(29.10)	(27.84)
	<u>2,654.46</u>	<u>4,129.67</u>

Associate undertakings

Name of associates	% Ownership	Business	Country of incorporation
Digital Telecommunications Infrastructure Fund ("DIF")	28.11	Leasing of telecommunication infrastructure	Thailand
True GS Co., Ltd.*	46.80	Home shopping	Thailand
True Axion Interactive Ltd.* (formerly "True Axion Games Ltd.")	40.00	Games and application development	Thailand

*indirectly hold through subsidiary

During the nine-month period ended 30 September 2017, the Group invested in True Axion Interactive Ltd. amounting to Baht 35.60 million representing 40.00% of its equity. True Axion Interactive Ltd. engages in the business of video game and application development and training academy.

Joint ventures

Name of joint ventures	% Ownership	Business	Country of incorporation
Asia Infonet Co., Ltd. *	65.00	Dormant	Thailand
BEC-TERO True Visions Co., Ltd. *	50.00	Sport and Entertainment	Thailand
Transformation Films Co., Ltd. *	28.57	Manufacturing and filmmaker	Thailand
True CJ Creations Co., Ltd. *	51.00	Production House	Thailand
True Voice Co., Ltd. *	55.00	Voice recognised service and related software and hardware	Thailand

*indirectly hold through subsidiary

On 20 July 2017, BEC-TERO True Visions Co., Ltd., the joint venture registered for liquidation with the Ministry of Commerce and is under the liquidation process. The management believed that there will be no material impact from this liquidation.

15. Property, plant and equipment

	Consolidated financial information		
	Non-Network Baht Million	Network Baht Million	Total Baht Million
For the nine-month period ended 30 September 2017			
Opening net book amount	5,047.05	138,641.30	143,688.35
Additions	1,783.07	32,312.25	34,095.32
Disposals, net	(32.43)	(77.01)	(109.44)
Adjustments/reclassifications	(32.27)	8.82	(23.45)
Depreciation	(1,021.02)	(8,869.80)	(9,890.82)
Closing net book amount	5,744.40	162,015.56	167,759.96

	Separate financial information		
	Non-Network Baht Million	Network Baht Million	Total Baht Million
For the nine-month period ended 30 September 2017			
Opening net book amount	130.42	1,577.62	1,708.04
Additions	75.51	2.07	77.58
Disposals, net	(3.03)	(5.72)	(8.75)
Depreciation	(44.58)	(193.76)	(238.34)
Closing net book amount	158.32	1,380.21	1,538.53

Capital commitments

	Consolidated financial information Baht Million	Separate financial information Baht Million
As at 30 September 2017	30,373.90	30.11
As at 31 December 2016	28,636.81	25.46

16. Intangible assets

	Consolidated financial information		Separate financial information	
	30 September 2017 Baht Million	31 December 2016 Baht Million	30 September 2017 Baht Million	31 December 2016 Baht Million
Current (included in "Other current assets" (Note 13))	474.58	555.70	-	-
Non-current	131,547.39	139,745.97	215.31	1,224.49
Total	132,021.97	140,301.67	215.31	1,224.49

Movements of intangible assets can be analysed as follows:

	Consolidated financial information Baht Million	Separate financial information Baht Million
For the nine-month period ended 30 September 2017		
Opening net book amount	140,301.67	1,224.49
Additions	2,690.49	47.79
Disposals, net	(0.80)	(4.31)
Adjustments/reclassifications	33.42	-
Amortisation charge	(11,002.81)	(1,052.66)
Closing net book amount	132,021.97	215.31

17. Deferred income taxes

Deferred income taxes are calculated in full on temporary differences, using the liability method and using 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 as follows:

	Consolidated financial information		Separate financial information	
	30 September 2017 Baht Million	31 December 2016 Baht Million	30 September 2017 Baht Million	31 December 2016 Baht Million
Deferred income tax assets				
Depreciation and amortisation	908.03	1,134.56	11.96	321.86
Tax loss carry forwards	6,329.36	5,532.97	-	-
Allowances	2,613.05	2,594.00	27.68	27.68
Borrowings	24.21	77.65	-	57.37
Unearned income	180.58	193.20	-	-
Accrued expenses	16.43	33.12	-	-
Films and program rights	19.46	20.75	-	-
Employee benefits obligations	95.20	89.26	-	-
Provisions	-	457.18	-	-
Derivative payables	478.82	4.31	-	4.31
	<u>10,665.14</u>	<u>10,137.00</u>	<u>39.64</u>	<u>411.22</u>
Deferred income tax liabilities				
Borrowings	(2,140.24)	(2,308.33)	-	-
Depreciation and amortisation	(2,213.68)	(2,177.47)	(1.91)	(3.81)
Accounts receivable - billed customers	(254.81)	(270.46)	(254.80)	(270.45)
Debt issuance cost	(50.89)	(54.56)	(32.11)	(37.83)
Leased assets	(23.40)	(91.64)	-	-
Other current assets	(2,183.43)	(1,751.28)	-	-
Available for sale securities	(26.48)	-	-	-
Derivative receivables	-	(102.49)	-	-
	<u>(6,892.93)</u>	<u>(6,756.23)</u>	<u>(288.82)</u>	<u>(312.09)</u>
	<u>3,772.21</u>	<u>3,380.77</u>	<u>(249.18)</u>	<u>99.13</u>

Presentation in the statements of financial position are as follows:

	Consolidated financial information		Separate financial information	
	30 September 2017 Baht Million	31 December 2016 Baht Million	30 September 2017 Baht Million	31 December 2016 Baht Million
Deferred income tax assets	5,725.65	5,375.82	-	99.13
Deferred income tax liabilities	(1,953.44)	(1,995.05)	(249.18)	-
Deferred income tax, net	<u>3,772.21</u>	<u>3,380.77</u>	<u>(249.18)</u>	<u>99.13</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.

18. Trade and other payables

	Consolidated financial information		Separate financial information	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
	Baht Million	Baht Million	Baht Million	Baht Million
Trade accounts payable	63,219.83	64,421.77	1,347.66	988.32
Accrued expenses	35,708.14	31,126.71	1,443.63	1,537.94
Unearned income	2,785.15	2,800.50	13.38	184.64
Other payables	180.04	165.42	74.85	103.13
Trade and other payables	<u>101,893.16</u>	<u>98,514.40</u>	<u>2,879.52</u>	<u>2,814.03</u>

19. Borrowings

The Group's borrowings are denominated in Thai Baht, United States Dollar and Japanese Yen.

	Consolidated financial information		Separate financial information	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
	Baht Million	Baht Million	Baht Million	Baht Million
Current				
- Finance leases	1,881.07	1,488.10	-	-
- Debentures	28,641.27	18,899.57	3,960.78	18,899.57
- Supplier credit	-	266.29	-	266.29
Total current	<u>30,522.34</u>	<u>20,653.96</u>	<u>3,960.78</u>	<u>19,165.86</u>
Non-current				
- Finance leases	6,055.47	5,451.99	-	-
- Debentures	44,112.45	55,038.06	8,183.26	12,119.20
Total non-current	<u>50,167.92</u>	<u>60,490.05</u>	<u>8,183.26</u>	<u>12,119.20</u>
Total borrowings	<u>80,690.26</u>	<u>81,144.01</u>	<u>12,144.04</u>	<u>31,285.06</u>

Movements of borrowings can be analysed as follows:

	Consolidated financial information Baht Million	Separate financial information Baht Million
For the nine-month period ended 30 September 2017		
Opening net book amount	81,144.01	31,285.06
Additional borrowings		
- principal (net of debt issuance cost)	17,665.53	-
- non-cash finance leases	2,405.93	-
- interest	273.30	0.16
Repayments of borrowings		
- cash item	(20,710.28)	(19,174.13)
- Realised loss on foreign exchange	(3.31)	(3.31)
Amortisation of debt issuance costs	61.57	36.26
Currencies translations	(146.49)	-
Closing net book amount	<u>80,690.26</u>	<u>12,144.04</u>

20. Other current liabilities

	Consolidated financial information		Separate financial information	
	30 September 2017 Baht Million	31 December 2016 Baht Million	30 September 2017 Baht Million	31 December 2016 Baht Million
Output VAT pending tax invoices	2,977.20	3,113.03	443.65	429.91
Derivative payables	874.20	22.79	-	21.55
Others	1,572.36	962.33	80.99	57.86
Total	5,423.76	4,098.15	524.64	509.32

21. Liabilities under agreements and licences for operation

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

	Consolidated financial information	
	30 September 2017 Baht Million	31 December 2016 Baht Million
Current (included in "Accrued expenses")	15,658.80	11,795.29
Non-current	74,013.44	77,652.49
	89,672.24	89,447.78

Movement of liabilities under agreements and licences for operation can be analysed as follows:

	Consolidated financial information Baht Million
For the nine-month period ended 30 September 2017	
Opening net book amount	89,447.78
Repayments	(1,568.88)
Finance costs	1,793.34
Closing net book amount	89,672.24

22. Other non-current liabilities

	Consolidated financial information	
	30 September 2017 Baht Million	31 December 2016 Baht Million
Advance received for long-term operating lease	10,090.59	10,551.58
Deposit received from customers	1,124.55	1,360.05
Provision	-	2,285.89
Derivative payables	1,537.21	0.71
Others	70.00	70.78
Total	12,822.35	14,269.01

During the nine-month period ended 30 September 2017, the call option provision of Baht 2,285.89 million was recognised as other income in the interim consolidated financial information because the counter party indicated its intention not to exercise the option.

Refer to Long-term Lease Agreement with call option between Asia Wireless Communication Co., Ltd. ("AWC"), a wholly owned subsidiary, and Digital Telecommunication Infrastructure Fund ("DIF") dated on 5 March 2015, DIF made a prepayment amounting to Baht 12,293.12 million (VAT excluded) for rental of fiber optic cable with lease term of 20 year to AWC. As at 30 September 2017, balances of current and non-current unearned income amounting to Baht 614.66 million and Baht 10,090.59 million were presented under "Trade and other payable" and "Other non-current liabilities", respectively. The Group recognised Baht 331.39 million of rental revenue for the nine-month period ended 30 September 2017.

True Corporation Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the nine-month period ended 30 September 2017

23. Share capital, premium and discount on share capital

	Number of issued shares Million	Common shares Baht Million	Share premium Baht Million	Total Baht Million
At 31 December 2016	33,368.20	133,472.78	26,384.07	159,856.85
At 30 September 2017	33,368.20	133,472.78	26,384.07	159,856.85

The total authorised number of shares is 33,368.66 million shares (2016: 33,368.66 million shares) with a par value of Baht 4 per share (2016: Baht 4 per share). All issued shares are fully paid.

24. Cash flows from operating activities

Reconciliation of profit (loss) for the period to cash flows from operating activities:

For the nine-month periods ended	Notes	Consolidated financial information		Separate financial information	
		(Restated)		30 September 2017 Baht Million	30 September 2016 Baht Million
		30 September 2017 Baht Million	30 September 2016 Baht Million		
		(3,380.46)	(343.54)	704.92	789.57
(Loss) profit before income tax					
Adjustments for:					
Depreciation and amortisation	7	27,048.76	21,206.17	1,348.13	1,352.24
Interest income		(419.59)	(296.71)	(181.08)	(446.16)
Interest expense	8	4,542.08	3,384.92	1,542.45	1,807.72
Finance cost related to licences	8	1,793.35	824.75	-	-
Dividends received		-	-	(1,188.67)	(1,567.26)
Loss (gain) on disposals of property, plant and equipment		84.64	83.71	(4.20)	(3.61)
Doubtful accounts	7	1,532.04	1,121.85	127.72	165.43
(Gain) loss from liquidation of investment	14	(5.28)	24.88	15.43	-
Reversal of provision for call option	22	(2,285.89)	(890.46)	-	-
Increase in retirement benefit obligations		175.17	127.46	338.46	32.45
Unrealised loss (gain) on foreign exchange		72.75	872.83	(21.55)	11.27
Realised loss on foreign exchange related to repayment of borrowings	19	(3.31)	17.85	(3.31)	17.85
Share of net results of investments	14.2	(2,683.56)	(4,157.51)	-	-
Changes in working capital					
- Trade and other receivables		(9,276.58)	(3,683.94)	(2,066.48)	(2,465.27)
- Short-term investment - trading securities		(0.02)	-	-	-
- Inventories		(3,217.52)	(1,322.01)	8.43	4.68
- Other current assets		(8,182.18)	(8,918.59)	30.84	20.14
- Films and program rights		(1,737.40)	(1,872.40)	-	-
- Other non-current assets		(320.60)	(577.26)	20.70	48.40
- Trade and other payables		(5,469.21)	676.14	(144.86)	(881.56)
- Other current liabilities		464.19	578.04	49.11	311.16
- Other non-current liabilities		(237.89)	(98.57)	-	(23.47)
Cash (used in) generated from operations		(1,506.51)	6,757.59	576.04	(826.42)
<u>Add</u> Interest received		363.93	203.74	161.64	442.93
Income tax received		1,781.54	1,486.22	-	669.74
<u>Less</u> Interest paid		(2,964.02)	(2,432.01)	(1,179.63)	(1,568.06)
Income tax paid		(2,513.27)	(2,539.50)	(164.26)	(140.00)
Net cash (used in) generated from operating activities		(4,838.33)	3,476.05	(606.21)	(1,421.81)

25. Contingent liabilities

25.1 Collateral

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

	Consolidated financial information		Separate financial information	
	30 September 2017 Baht Million	31 December 2016 Baht Million	30 September 2017 Baht Million	31 December 2016 Baht Million
Fixed and saving deposits	560.38	70.06	41.81	42.36
Investments in shares of associate	834.22	770.00	694.55	694.55

25.2 Contingencies

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

	Consolidated financial information Baht Million	Separate financial information Baht Million
As at 30 September 2017	103,320.56	3,797.09
As at 31 December 2016	102,781.79	3,798.07

26. Contracts, litigations and Arbitration disputes

26.1 Subsidiary's access charges

Refer to Note 40.2 to the 2016 annual financial statements, the subsidiary ceased payment to TOT and CAT 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. In 2011, TOT has filed a lawsuit against CAT and the subsidiary, claiming for the access charge totalling 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 had to pay such access charges, the subsidiary would be liable to accrue access charges for the period from 18 November 2006 to 15 September 2013 as follows:

	Accrued access charges Baht Million	Net effect to the consolidated statement of comprehensive income, net of revenue sharing to CAT Baht Million
For the periods from 18 November 2006 to 15 September 2013	32,344.56	23,762.55

The management and its external lawyers 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 information.

26. Contracts, litigations and Arbitration disputes (Cont'd)

26.2 Contracts

3G HSPA

On 27 January 2011, a subsidiary, BFKT entered into an agreement with CAT to lease telecommunication equipment under HSPA technologies for the periods of 14.5 years. Under the terms and conditions of HSPA agreement, BFKT has certain commitments including acquiring, installing, managing, and maintaining all equipment necessary to provide mobile phone service using HSPA technology according to the capacity stipulated in the agreement and amended agreement 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 27 January 2011, a subsidiary, Real Move Company Limited ("RMV") entered into a re-sales and wholesales agreement with CAT ("the Agreement"). Under the terms and conditions of the Agreement, RMV provides mobile phone services using HSPA technology wholesale from CAT for the period of 14.5 years. On 16 December 2015, RMV was granted the renewal of Type I licences by NBTC for resale of mobile services and internet services. RMV is entitled to maintain rights and obligations according to The Telecommunication Act B.E. 2544 under the terms and conditions as stipulated in the licences, and has obligation to pay expenses to CAT according to the agreement. The licences will expire on 15 December 2020.

There have been disagreements between the Group and CAT regarding the interpretation of the agreements and details of computations of related revenues and costs.

As of 30 September 2017, the Group and CAT have settled certain portion of rental and services revenue in BFKT and accrued operating cost in RMV for transactions incurred during July 2011 to July 2017.

Currently, all parties are discussing the details to finalise all unsettled balances. The management has strong view that the Group has recorded related revenue and costs appropriately according to the agreements and there will be no material impact to the Group's operations as a result of the discussion.

26.3 Litigations and arbitration disputes

Except as set forth, there is no new development in the litigations and arbitration disputes disclosed in Note 39 to the 2016 annual financial statements. Progress of litigations occurred during the period ended 30 September 2017 are summarised as follows:

Litigation and arbitration disputes of the Company:

Dispute in relation to use of Company's logo on the public payphone booths: On 15 February 2017, the Supreme Administrative Court has uphold the judgement in which is in line with the Central Administrative Court and the Arbitration's ruling. The Company recognised Baht 192.69 million as other expenses in the separate financial information for the period ended 30 September 2017.

Dispute in relation to TA1234 campaign: On 6 January 2017, the Company filed with the Central Administrative Court to revoke the Arbitration's ruling. Currently, the case is under the consideration of the Central Administrative Court.

Dispute in relation to revenue sharing collected from international call services: On 18 January 2017, the Company submitted to amend the claimed amount from Baht 8,810.25 million to Baht 8,699.00 million with arbitration tribunal. Currently, the case is under the arbitration process.

Dispute in relation to public telephone booths: On 15 May 2017, TOT filed an arbitration against the Company, claiming for Baht 1,052.65 million for advertising on TOT's public telephone booths and allowing the Company's subsidiary to render cash top-up service through TOT's public telephone booths. Currently, the case is under the arbitration process.

26. Contracts, litigations and Arbitration disputes (Cont'd)

26.3 Litigations and arbitration disputes (Cont'd)

Litigation and arbitration disputes of the subsidiaries:

Dispute in relation to the numbering fee claimed of Baht 113.58 million between CAT and a subsidiary: on 1 June 2017, the Central Administrative Court ruled to revoke CAT's petition.

Dispute in relation to the domestic roaming claimed by CAT against a subsidiary amounting to Baht 22,972.07 million: On 29 May 2017, CAT filed additional claimed of Baht 376.86 million. Total amount claimed became Baht 23,348.93 million. The case is under consideration of Central Administrative Court.

Dispute in relation to a license of broadcasting football program: On 5 April 2017, a subsidiary filed a lawsuit with the Central Intellectual Property and International Trade Court against a Public Company, a contractual party on a license of broadcasting football program claiming for reimbursement of Baht 390.75 million which the subsidiary paid because the said Public Company could not deliver such broadcasting. Subsequently, on 27 June 2017, the said Public Company filed a lawsuit with the Central Intellectual Property and International Trade Court against the broadcasting right owner and the said subsidiary together with other 18 defendants claiming for Baht 1,401.22 million regarding the termination of the agreement. Currently, the cases are under the proceedings of the Central Intellectual Property and International Trade Court.

The ultimate outcome of the litigations and arbitration disputes are presently unable to be determined, and accordingly, no provision for liability has been made in the interim financial information.

27. Related party transactions

The following transactions were carried out with related parties:

i) Sales of goods and services

For the three-month periods ended	Consolidated financial information		Separate financial information	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	Baht Million	Baht Million	Baht Million	Baht Million
Sales of goods:				
Associate	0.08	0.50	-	-
Related companies:				
CP Group of companies	240.54	273.74	-	-
	<u>240.62</u>	<u>274.24</u>	<u>-</u>	<u>-</u>
Sales of services:				
Subsidiaries	-	-	2,860.12	1,261.78
Joint venture	0.73	0.29	-	-
Associates	178.18	188.02	-	-
Related companies:				
CP Group of companies	258.42	215.40	5.33	12.24
China Mobile Group of companies	45.62	49.73	-	-
	<u>482.95</u>	<u>453.44</u>	<u>2,865.45</u>	<u>1,274.02</u>

27. Related party transactions (Cont'd)

i) Sales of goods and services (Cont'd)

For the nine-month periods ended	Consolidated financial information		Separate financial information	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	Baht Million	Baht Million	Baht Million	Baht Million
Sales of goods:				
Associate	0.49	1.14	-	-
Related companies:				
CP Group of companies	587.52	1,485.08	-	-
	<u>588.01</u>	<u>1,486.22</u>	<u>-</u>	<u>-</u>
Sales of services:				
Subsidiaries	-	-	5,451.83	3,853.44
Joint venture	1.33	0.93	-	-
Associates	545.06	554.92	-	-
Related companies:				
CP Group of companies	802.56	735.58	18.21	36.11
China Mobile Group of companies	123.00	112.45	-	-
	<u>1,471.95</u>	<u>1,403.88</u>	<u>5,470.04</u>	<u>3,889.55</u>

ii) Purchases of goods and services

For the three-month periods ended	Consolidated financial information		Separate financial information	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	Baht Million	Baht Million	Baht Million	Baht Million
Purchases of goods:				
Subsidiaries	-	-	0.30	-
Related companies:				
CP Group of companies	194.30	764.21	-	-
	<u>194.30</u>	<u>764.21</u>	<u>0.30</u>	<u>-</u>
Purchases of services:				
Subsidiaries	-	-	219.05	289.42
Joint ventures	5.16	0.41	-	-
Associates	1,406.63	1,378.26	-	-
Related companies:				
CP Group of companies	1,650.23	1,475.03	170.65	107.86
China Mobile Group of companies	11.14	34.20	-	-
NEC Corporation (Thailand) Co., Ltd.	-	0.01	-	-
	<u>3,073.16</u>	<u>2,887.91</u>	<u>389.70</u>	<u>397.28</u>

27. Related party transactions (Cont'd)

ii) Purchases of goods and services (Cont'd)

For the nine-month periods ended	Consolidated financial information		Separate financial information	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	Baht Million	Baht Million	Baht Million	Baht Million
Purchases of goods:				
Subsidiaries	-	-	0.30	-
Joint venture	0.36	-	-	-
Related companies:				
CP Group of companies	2,073.47	4,481.85	-	-
	<u>2,073.83</u>	<u>4,481.85</u>	<u>0.30</u>	<u>-</u>
Purchases of services:				
Subsidiaries	-	-	774.12	787.43
Joint ventures	6.33	1.23	-	-
Associates	4,224.56	4,148.49	-	-
Related companies:				
CP Group of companies	4,625.76	4,319.88	395.07	330.38
China Mobile Group of companies	47.64	64.58	-	-
NEC Corporation (Thailand) Co., Ltd.	-	0.29	-	-
	<u>8,904.29</u>	<u>8,534.47</u>	<u>1,169.19</u>	<u>1,117.81</u>

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

	Consolidated financial information		Separate financial information	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
	Baht Million	Baht Million	Baht Million	Baht Million
Receivables from related parties: (included in "Trade accounts receivable" (Note 12))				
Subsidiaries	-	-	7,931.17	6,043.19
Joint venture	0.58	0.15	-	-
Associates	84.65	86.59	-	-
Related companies:				
CP Group of companies	9,634.74	7,629.14	140.83	133.71
China Mobile Group of companies	51.84	157.25	-	-
	<u>9,771.81</u>	<u>7,873.13</u>	<u>8,072.00</u>	<u>6,176.90</u>
Payables to related parties:				
Subsidiaries	-	-	1,111.09	733.17
Joint venture	3.90	3.49	-	-
Associates	527.54	315.85	-	-
Related companies:				
CP Group of companies	4,319.80	3,419.11	140.64	74.31
China Mobile Group of companies	0.74	21.16	-	-
	<u>4,851.98</u>	<u>3,759.61</u>	<u>1,251.73</u>	<u>807.48</u>

27. Related party transactions (Cont'd)

iv) Loans to related parties

	Consolidated financial information		Separate financial information	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
	Baht Million	Baht Million	Baht Million	Baht Million
Current	197.00	147.00	5,053.62	3,000.00

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

	Consolidated financial information Baht Million	Separate financial information Baht Million
For the nine-month period ended 30 September 2017		
Opening net book amount	147.00	3,000.00
Additions	50.00	20,220.53
Repayment received	-	(18,166.91)
Closing net book amount	197.00	5,053.62

The interest income in the interim consolidated financial information for the three-month and nine-month periods ended 30 September 2017 was Baht 2.68 million and Baht 8.03 million, respectively (2016: Baht 2.72 million and Baht 8.18 million, respectively) and the interest income in the interim separate financial information for the three-month and nine-month periods ended 30 September 2017 were Baht 40.52 million and Baht 59.66 million, respectively (2016: Baht 2.12 million and Baht 387.23 million, respectively).

v) Loans from related parties

	Separate financial information	
	30 September 2017	31 December 2016
	Baht Million	Baht Million
Current	5.01	-

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

	Separate financial information Baht Million
For the nine-month period ended 30 September 2017	
Opening net book amount	-
Additions	2,083.55
Repayment	(2,078.54)
Closing net book amount	5.01

The interest expense in the interim separate financial information for the three-month and nine-month periods ended 30 September 2017 was Baht 0.02 million and Baht 1.13 million, respectively (2016: Baht 2.40 million and Baht 5.60 million, respectively).

27. Related party transactions (Cont'd)

vi) Interest receivable arising from loans to related parties

	Consolidated financial information		Separate financial information	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
	Baht Million	Baht Million	Baht Million	Baht Million
Interest receivable: (included in "Trade and other receivables")				
Subsidiaries	-	-	13.92	-
Related companies	45.67	42.43	-	-
	<u>45.67</u>	<u>42.43</u>	<u>13.92</u>	<u>-</u>

vii) Dividends received

During the nine-month period ended 30 September 2017, the Company received dividends from an associate of Baht 1,188.67 million (2016: Baht 1,166.63 million). Dividends income were recognised as other income in the interim separate profit or loss and recognised directly to investment in associate in the interim consolidated financial information. During the period, there was no dividend received from subsidiary (2016: Baht 400.63 million).