

**Advanced Info Service Public Company Limited
and its Subsidiaries**

Financial statements for the year ended
31 December 2022
and
Independent Auditor's Report

Independent Auditor’s Report

To the shareholders of Advanced Info Service Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Advanced Info Service Public Company Limited and its subsidiaries (the “Group”) and of Advanced Info Service Public Company Limited (the “Company”), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2022, the consolidated and separate statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2022 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

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

Key Audit Matters

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

Revenue recognition	
Refer to Note 4(q), and 26 to consolidated and separate financial statements.	
The key audit matter	How the matter was addressed in the audit
<p>For the main operating revenues - mobile service, data and internet and sale of equipment, there is a risk around the accuracy and existence of revenue recognition given the complexity of systems and the impact of changing pricing models. In addition, the application of revenue recognition accounting standard is complex.</p> <p>I consider the accounting treatments relevant to the accuracy and existence of revenue recognition as a key audit matter.</p>	<p>My audit procedure included the following:</p> <ul style="list-style-type: none"> • Evaluated the relevant IT systems, and the design and implementation and operating effectiveness of automated controls over the capture of data and interfaces between relevant IT applications, measurement and billing of revenue, and the recording of entries in the general ledger. • Evaluated the process controls over authorising rate changes, new price plans, and the input of this information to the relevant billing systems. We also tested the access controls and change management controls over the systems. • Checked the accuracy of customer bill generation on a sample basis, tested a sample of the credits and discounts applied to customer bills, and tested cash receipts for a sample of customers back to their customer invoices. • Checked key reconciliations used by management from business support systems to billing systems and the general ledger to assess the completeness and accuracy of revenue. • Checked supporting evidence for manual journal entries posted to revenue accounts to identify any unusual items. • Challenged the assumptions and key management estimates adopted where revenue is recognized but the invoice has not yet been issued. • Assessed the appropriateness of the revenue recognition policies for the products and services offered by the Group in respect of TFRS 15 Revenue from contracts with customers, including the appropriateness of the transaction prices and their allocation to performance obligations identified within bundled contracts based on stand-alone selling prices.

Significant commercial disputes and litigation	
Refer to Note 4(v), and 38 to consolidated and separate the financial statements.	
The key audit matter	How the matter was addressed in the audit
<p>The Group's has a number of significant commercial disputes and litigation from which the Group may be exposed to significant losses as a result of any unfavourable outcome of such disputes.</p> <p>Significant judgement is required by management in assessing the likelihood of the outcome of each matter and whether the risk of loss is remote, possible or probable and whether the matter is considered a contingent liability to be disclosed. Where the risk of loss is probable, management is required to estimate the provision amount based on the expected economic outflow resulting from the disputes and litigations, I consider this as a key audit matter.</p>	<p>My audit procedure included the following:</p> <ul style="list-style-type: none"> • Inquired with the management and legal department regarding the procedures followed to collect and monitor all litigation and disputes. • Examined legal expense accounts. • Read minutes of meetings of management executive who monitor commercial disputes and litigation, and correspondence between the management and its external legal counsel. • Inquired with the legal department and external legal counsel as to the progress of the litigation and disputes and their opinion on the possibility of outcomes. • Compared the legal department and external legal counsel's opinion on the possibilities of outcomes to the provisions set up or contingent liability disclosures. • Requested management to provide written representation that all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to me. • Considered of the adequacy of the Group's disclosures in accordance with the related Thai Financial Reporting Standards.

Other Matter

The consolidated and separate financial statements of the Group and the Company for the year ended 31 December 2021 were audited by another auditor who expressed an unmodified opinion on those statements on 7 February 2022.

Other Information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the correction be made.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

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

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

(Sakda Kaothanthong)
Certified Public Accountant
Registration No. 4628

KPMG Phoomchai Audit Ltd.
Bangkok
9 February 2023

ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2022

UNIT : BAHT

	NOTES	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		As at December 31, 2022	As at December 31, 2021	As at December 31, 2022	As at December 31, 2021
ASSETS					
Current assets					
Cash and cash equivalents	5, 35	9,013,520,137	12,739,290,035	496,711,905	469,911,679
Specifically-designated bank deposits	6	980,247,790	1,380,727,500	-	-
Restricted deposits at a financial institution		-	11,200,000	-	-
Trade and other current receivables	7, 35	17,901,787,394	16,552,288,496	282,838,817	422,384,607
Contract assets	8	2,123,105,990	1,819,810,542	-	-
Short-term loans to related parties	35	-	-	59,470,000,000	61,903,000,000
Inventories	9	3,839,281,484	2,104,297,782	-	-
Current tax assets		26,391,418	5,302,230	-	-
Other current financial assets	36	47,797,965	213,374,674	-	-
Other current assets		405,593,740	739,789,349	4,482,275	417,100
Total current assets		34,337,725,918	35,566,080,608	60,254,032,997	62,795,713,386
Non-current assets					
Other non-current financial assets	12	228,090,479	110,251,820	61,584,256	63,140,255
Investments in subsidiaries	10	-	-	42,959,018,534	37,354,147,807
Investments in associates and joint ventures	11	993,613,805	982,875,273	-	299,999,900
Long-term loans to a related party	35	100,000,000	100,000,000	-	-
Property, plant and equipment	13	113,252,047,823	117,843,740,261	82,948,742	69,325,405
Right-of-use assets	14	42,860,580,298	50,574,034,229	69,878,876	189,294,472
Goodwill	15	2,881,699,659	2,881,699,659	-	-
Other intangible assets other than goodwill	17	16,826,778,147	10,864,294,734	3,242,687	6,391,349
Spectrum licenses	16	119,765,330,504	131,774,691,227	-	-
Deferred tax assets	18	4,597,432,375	4,235,516,325	480,452,265	487,521,346
Other non-current assets		1,200,364,773	1,288,558,803	77,271,214	104,665,131
Total non-current assets		302,705,937,863	320,655,662,331	43,734,396,574	38,574,485,665
Total assets		337,043,663,781	356,221,742,939	103,988,429,571	101,370,199,051

The accompanying notes form an integral part of the financial statements.

ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT DECEMBER 31, 2022

UNIT : BAHT

	NOTES	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		As at December 31, 2022	As at December 31, 2021	As at December 31, 2022	As at December 31, 2021
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Short-term borrowings	19, 35	5,000,000,000	-	-	-
Trade and other current payables	20, 35, 39	42,457,135,466	45,055,417,432	2,688,683,542	2,777,862,906
Provision for revenue sharing		3,360,878,693	3,360,878,693	3,220,304,522	3,220,304,522
Unearned income - mobile phone service		3,703,340,212	4,071,667,690	9,176,595	9,176,967
Advanced received from customers	6	980,247,790	1,380,727,500	-	-
Current portion of long-term liabilities	19	15,495,770,423	14,131,682,785	-	-
Current portion of spectrum licenses payable	21	10,903,220,115	10,903,220,115	-	-
Current portion of lease liabilities	19	11,135,476,533	10,537,344,008	48,543,720	146,050,362
Short-term borrowings from related parties	19, 35	-	-	4,720,000,000	5,840,000,000
Corporate income tax payable		2,689,661,511	2,276,078,054	29,236,521	17,868,559
Other current financial liabilities	36	534,273,600	25,050,678	-	-
Other current liabilities		81,190,367	126,204,884	437	11,071,107
Total current liabilities		96,341,194,710	91,868,271,839	10,715,945,337	12,022,334,423
Non-current liabilities					
Long-term liabilities	19, 35	63,914,168,956	73,696,568,812	6,493,873,839	6,492,840,726
Lease liabilities	19, 35	32,871,213,406	40,597,290,717	16,918,363	50,802,732
Provisions for employee benefit	22	2,931,146,300	3,326,560,928	375,721,054	407,968,981
Spectrum licenses payable	21	52,085,347,255	61,415,647,263	-	-
Other non-current financial liabilities	36	162,859,892	722,083,093	-	-
Other non-current liabilities		2,921,378,691	2,770,797,910	27,589,575	27,842,575
Total non-current liabilities		154,886,114,500	182,528,948,723	6,914,102,831	6,979,455,014
Total liabilities		251,227,309,210	274,397,220,562	17,630,048,168	19,001,789,437
Shareholders' equity					
Share capital					
Share capital	23				
Authorised share capital					
4,997 million ordinary shares of Baht 1.00 each		4,997,459,800	4,997,459,800	4,997,459,800	4,997,459,800
Issued and paid share capital					
2,974 million ordinary shares of Baht 1.00 each, fully paid	23, 25	2,974,209,736	2,973,925,791	2,974,209,736	2,973,925,791
Share premium					
Share premium on ordinary shares	23	22,551,566,867	22,506,296,380	22,551,566,867	22,506,296,380
Other deficits					
Deficits arising from change in ownership interest in a subsidiary		(669,657,282)	(669,657,282)	-	-
Retained earnings					
Appropriated					
Legal reserve	24	500,000,000	500,000,000	500,000,000	500,000,000
Unappropriated		60,175,498,864	56,602,515,530	60,175,498,864	56,602,515,530
Other components of shareholders' equity	25	157,105,936	(214,328,087)	157,105,936	(214,328,087)
Total shareholders' equity attributable to owners of the Company		85,688,724,121	81,698,752,332	86,358,381,403	82,368,409,614
Non-controlling interests		127,630,450	125,770,045	-	-
Total shareholders' equity		85,816,354,571	81,824,522,377	86,358,381,403	82,368,409,614
Total liabilities and shareholders' equity		337,043,663,781	356,221,742,939	103,988,429,571	101,370,199,051

The accompanying notes form an integral part of the financial statements.

ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF INCOME

FOR THE YEAR ENDED DECEMBER 31, 2022

UNIT : BAHT

	NOTES	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2022	2021	2022	2021
Revenues					
Revenues from rendering of services and equipment rentals	26, 27, 35	146,009,161,880	144,791,099,393	1,840,001,000	1,992,289,560
Revenue from sale of goods	26, 27, 35	39,475,613,021	36,541,790,371	-	-
Total revenues		<u>185,484,774,901</u>	<u>181,332,889,764</u>	<u>1,840,001,000</u>	<u>1,992,289,560</u>
Costs					
Cost of rendering of services and equipment rentals	30, 35	(87,075,461,059)	(85,237,940,713)	(1,364,177,699)	(1,225,597,593)
Cost of sale of goods		(39,096,158,755)	(36,215,252,521)	-	-
Total costs		<u>(126,171,619,814)</u>	<u>(121,453,193,234)</u>	<u>(1,364,177,699)</u>	<u>(1,225,597,593)</u>
Gross profit		59,313,155,087	59,879,696,530	475,823,301	766,691,967
Distribution costs and administrative expenses					
Distribution costs	30	(7,026,138,980)	(6,035,057,467)	(1,928,331)	(2,647,000)
Administrative expenses	30	(15,327,010,851)	(15,665,391,668)	(100,733,971)	(94,934,288)
Total distribution costs and administrative expenses		<u>(22,353,149,831)</u>	<u>(21,700,449,135)</u>	<u>(102,662,302)</u>	<u>(97,581,288)</u>
Profit from operating activities		36,960,005,256	38,179,247,395	373,160,999	669,110,679
Finance income	28, 35	126,466,956	217,443,626	558,875,555	431,017,966
Other income	35	531,674,770	1,055,201,967	30,017,952	82,598,120
Share of profit/(loss) of subsidiaries, associates and joint ventures accounted for using equity method	10, 11	(36,220,179)	(140,730,862)	25,481,678,328	26,189,272,844
Net gain/(loss) on foreign exchange rate		(343,574,012)	(1,488,550,388)	410,027	(4,398,396)
Gain from fair value measurement of derivative assets		306,925,122	842,960,470	-	-
Management benefit expenses	35	(133,086,219)	(145,488,578)	(133,086,219)	(145,488,578)
Finance costs	31, 35	(5,230,441,004)	(5,626,071,941)	(192,774,061)	(139,879,810)
Profit before tax expense		32,181,750,690	32,894,011,689	26,118,282,581	27,082,232,825
Tax expense	32	(6,167,844,641)	(5,969,548,235)	(106,998,174)	(160,087,170)
Profit for the years		<u>26,013,906,049</u>	<u>26,924,463,454</u>	<u>26,011,284,407</u>	<u>26,922,145,655</u>
Profit attributable to:					
Owners of the Company		26,011,284,407	26,922,145,655	26,011,284,407	26,922,145,655
Non-controlling interests		2,621,642	2,317,799	-	-
Profit for the years		<u>26,013,906,049</u>	<u>26,924,463,454</u>	<u>26,011,284,407</u>	<u>26,922,145,655</u>
Earnings per share (in Baht)					
	33				
Basic earnings per share		8.75	9.05	8.75	9.05
Diluted earnings per share		8.75	9.05	8.75	9.05

The accompanying notes form an integral part of the financial statements.

ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2022

UNIT : BAHT

	NOTES	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2022	2021	2022	2021
Profit for the years		26,013,906,049	26,924,463,454	26,011,284,407	26,922,145,655
Other comprehensive income					
Components of other comprehensive income that will or may be subsequently reclassified to profit or loss					
Exchange differences on translating financial statement		(10,894,848)	7,973,466	-	-
Gain on cash flow hedges	36	590,847,540	506,890,258	-	-
Share of other comprehensive income of subsidiaries accounted for using equity method	10	-	-	461,783,184	413,485,673
Income tax relating to components of other comprehensive income that will or may be subsequently reclassified to profit or loss	32	(118,169,508)	(101,378,051)	-	-
Total components of other comprehensive income that will or may be subsequently reclassified to profit or loss		461,783,184	413,485,673	461,783,184	413,485,673
Components of other comprehensive income that will or may not be subsequently reclassified to profit or loss					
Losses on investment in equity designated at fair value through other comprehensive income		(58,456,934)	(8,668,762)	(1,555,999)	(4,554,193)
Gain on remeasurements of defined benefit plans	22	539,709,898	-	50,670,754	-
Share of other comprehensive income (loss) of subsidiaries accounted for using equity method	10	-	-	345,793,818	(3,291,655)
Income tax relating to components of other comprehensive income that will or may not be subsequently reclassified to profit or loss	32	(96,098,737)	1,733,753	(9,822,951)	910,839
Total components of other comprehensive income that will or may not be subsequently reclassified to profit or loss		385,154,227	(6,935,009)	385,085,622	(6,935,009)
Other comprehensive income for the years, net of income tax		846,937,411	406,550,664	846,868,806	406,550,664
Total comprehensive income for the years		<u>26,860,843,460</u>	<u>27,331,014,118</u>	<u>26,858,153,213</u>	<u>27,328,696,319</u>
Total comprehensive income attributable to:					
Owners of the Company		26,858,153,213	27,328,696,319	26,858,153,213	27,328,696,319
Non-controlling interests		2,690,247	2,317,799	-	-
Total comprehensive income for the years		<u>26,860,843,460</u>	<u>27,331,014,118</u>	<u>26,858,153,213</u>	<u>27,328,696,319</u>

The accompanying notes form an integral part of the financial statements.

ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

UNIT : BAHT

Notes	Issued and paid share capital		Other deficits	Retained earnings		Other components of shareholders' equity					Total other components of shareholders' equity	Total shareholders' equity attributable to owners of the Company	Non-controlling interests	Total shareholders' equity
	Share premium	Share premium	Deficits arising from change in ownership interest in subsidiaries	Legal reserve	Unappropriated	Reserve for share-based payment	Gain on dilution of investment	Currency Conversion	Hedging reserves	Fair value reserves				
Balance as at January 1, 2021	2,973,554,313	22,446,531,121	(669,657,282)	500,000,000	50,882,427,533	146,535,373	161,186,663	2,921,382	(922,874,118)	43,358,977	(568,871,723)	75,563,983,962	125,383,375	75,689,367,337
Transactions with owners, recorded directly in shareholders' equity														
Contributions by and distributions to owners of the Company														
Increase in share capital	23	371,478	59,765,259	-	-	(60,136,737)	-	-	-	-	(60,136,737)	-	-	-
Share-based payment transaction	25	-	-	-	-	8,129,709	-	-	-	-	8,129,709	8,129,709	-	8,129,709
Dividends paid	34, 35	-	-	-	(21,202,057,658)	-	-	-	-	-	-	(21,202,057,658)	(1,051,129)	(21,203,108,787)
Total contributions by and distributions to owners of the Company		371,478	59,765,259	-	(21,202,057,658)	(52,007,028)	-	-	-	-	(52,007,028)	(21,193,927,949)	(1,051,129)	(21,194,979,078)
Change in ownership interests in a subsidiary														
Change in ownership interest in a subsidiary		-	-	-	-	-	-	-	-	-	-	-	(880,000)	(880,000)
Total changes in ownership interest in a subsidiary		-	-	-	-	-	-	-	-	-	-	-	(880,000)	(880,000)
Total transactions with owners, recorded directly in shareholders' equity		371,478	59,765,259	-	(21,202,057,658)	(52,007,028)	-	-	-	-	(52,007,028)	(21,193,927,949)	(1,931,129)	(21,195,859,078)
Comprehensive income for the year														
Profit for the year		-	-	-	26,922,145,655	-	-	-	-	-	-	26,922,145,655	2,317,799	26,924,463,454
Other comprehensive income		-	-	-	-	-	-	7,973,466	405,512,207	(6,935,009)	406,550,664	406,550,664	-	406,550,664
Total comprehensive income for the year		-	-	-	26,922,145,655	-	-	7,973,466	405,512,207	(6,935,009)	406,550,664	27,328,696,319	2,317,799	27,331,014,118
Balance as at December 31, 2021		2,973,925,791	22,506,296,380	(669,657,282)	500,000,000	56,602,515,530	94,528,345	161,186,663	10,894,848	(517,361,911)	36,423,968	81,698,752,332	125,770,045	81,824,522,377

The accompanying notes form an integral part of the financial statements.

ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
 CONSOLIDATED FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2022

UNIT : BAHT

Notes	Issued and paid share capital		Other deficits	Retained earnings		Other components of shareholders' equity					Total other components of shareholders' equity	Total shareholders' equity attributable to owners of the Company	Non-controlling interests	Total shareholders' equity
	Share premium	Deficits arising from change in ownership interest in subsidiaries	Legal reserve	Unappropriated	Reserve for share-based payment	Gain on dilution of investment	Currency Conversion	Hedging reserves	Fair value reserves					
Balance as at January 1, 2022	2,973,925,791	22,506,296,380	(669,657,282)	500,000,000	56,602,515,530	94,528,345	161,186,663	10,894,848	(517,361,911)	36,423,968	(214,328,087)	81,698,752,332	125,770,045	81,824,522,377
Transactions with owners, recorded directly in shareholders' equity														
Contributions by and distributions to owners of the Company														
Increase in share capital	23	283,945	45,270,487	-	-	(45,554,432)	-	-	-	-	(45,554,432)	-	-	-
Share-based payment transaction	25	-	-	-	-	1,970,649	-	-	-	-	1,970,649	1,970,649	-	1,970,649
Dividends paid	34, 35	-	-	-	(22,870,152,073)	-	-	-	-	-	-	(22,870,152,073)	(752,702)	(22,870,904,775)
Total contributions by and distributions to owners of the Company		283,945	45,270,487	-	(22,870,152,073)	(43,583,783)	-	-	-	-	(43,583,783)	(22,868,181,424)	(752,702)	(22,868,934,126)
Change in ownership interests in a subsidiary														
Change in ownership interest in a subsidiary		-	-	-	-	-	-	-	-	-	-	-	(77,140)	(77,140)
Total changes in ownership interest in a subsidiary		-	-	-	-	-	-	-	-	-	-	-	(77,140)	(77,140)
Total transactions with owners, recorded directly in shareholders' equity		283,945	45,270,487	-	(22,870,152,073)	(43,583,783)	-	-	-	-	(43,583,783)	(22,868,181,424)	(829,842)	(22,869,011,266)
Comprehensive income for the year														
Profit for the year		-	-	-	26,011,284,407	-	-	-	-	-	-	26,011,284,407	2,621,642	26,013,906,049
Other comprehensive income		-	-	-	431,851,000	-	-	(10,894,848)	472,678,032	(46,765,378)	415,017,806	846,868,806	68,605	846,937,411
Total comprehensive income for the year		-	-	-	26,443,135,407	-	-	(10,894,848)	472,678,032	(46,765,378)	415,017,806	26,858,153,213	2,690,247	26,860,843,460
Balance as at December 31, 2022		2,974,209,736	22,551,566,867	(669,657,282)	500,000,000	60,175,498,864	50,944,562	161,186,663	-	(44,683,879)	(10,341,410)	85,688,724,121	127,630,450	85,816,354,571

The accompanying notes form an integral part of the financial statements.

ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
 SEPARATE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2022

UNIT : BAHT

	Notes	Retained earnings				Other components of shareholders' equity					
		Issued and paid share capital	Share premium	Legal reserve	Unappropriated	Reserve for share- based payment	Gain on dilution of investment	Fair value reserves	Share of other comprehensive gain (loss) of subsidiaries accounted for using equity method	Total other components of shareholders' equity	Total shareholders' equity
Balance as at January 1, 2021		2,973,554,313	22,446,531,121	500,000,000	50,882,427,533	146,535,373	161,186,663	16,556,110	(893,149,869)	(568,871,723)	76,233,641,244
Transactions with owners, recorded directly in shareholders' equity											
Increase in share capital	23	371,478	59,765,259	-	-	(60,136,737)	-	-	-	(60,136,737)	-
Share-based payment transaction	25	-	-	-	-	8,129,709	-	-	-	8,129,709	8,129,709
Dividends paid	34, 35	-	-	-	(21,202,057,658)	-	-	-	-	-	(21,202,057,658)
Total transactions with owners, recorded directly in shareholders' equity		371,478	59,765,259	-	(21,202,057,658)	(52,007,028)	-	-	-	(52,007,028)	(21,193,927,949)
Comprehensive income for the year											
Profit for the year		-	-	-	26,922,145,655	-	-	-	-	-	26,922,145,655
Other comprehensive income		-	-	-	-	-	-	(3,643,354)	410,194,018	406,550,664	406,550,664
Total comprehensive income for the year		-	-	-	26,922,145,655	-	-	(3,643,354)	410,194,018	406,550,664	27,328,696,319
Balance as at December 31, 2021		2,973,925,791	22,506,296,380	500,000,000	56,602,515,530	94,528,345	161,186,663	12,912,756	(482,955,851)	(214,328,087)	82,368,409,614

The accompanying notes form an integral part of the financial statements.

ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

UNIT : BAHT

	Notes	Retained earnings				Other components of shareholders' equity					
		Issued and paid share capital	Share premium	Legal reserve	Unappropriated	Reserve for share- based payment	Gain on dilution of investment	Fair value reserves	Share of other	Total other components of shareholders' equity	Total shareholders' equity
									comprehensive gain (loss) of subsidiaries accounted for using equity method		
Balance as at January 1, 2022		2,973,925,791	22,506,296,380	500,000,000	56,602,515,530	94,528,345	161,186,663	12,912,756	(482,955,851)	(214,328,087)	82,368,409,614
Transactions with owners, recorded directly in shareholders' equity											
Increase in share capital	23	283,945	45,270,487	-	-	(45,554,432)	-	-	-	(45,554,432)	-
Share-based payment transaction	25	-	-	-	-	1,970,649	-	-	-	1,970,649	1,970,649
Dividends paid	34, 35	-	-	-	(22,870,152,073)	-	-	-	-	-	(22,870,152,073)
Total transactions with owners, recorded directly in shareholders' equity		283,945	45,270,487	-	(22,870,152,073)	(43,583,783)	-	-	-	(43,583,783)	(22,868,181,424)
Comprehensive income for the year											
Profit for the year		-	-	-	26,011,284,407	-	-	-	-	-	26,011,284,407
Other comprehensive income		-	-	-	431,851,000	-	-	(1,244,799)	416,262,605	415,017,806	846,868,806
Total comprehensive income for the year		-	-	-	26,443,135,407	-	-	(1,244,799)	416,262,605	415,017,806	26,858,153,213
Balance as at December 31, 2022		2,974,209,736	22,551,566,867	500,000,000	60,175,498,864	50,944,562	161,186,663	11,667,957	(66,693,246)	157,105,936	86,358,381,403

The accompanying notes form an integral part of the financial statements.

ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2022

UNIT : BAHT

	NOTES	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2022	2021	2022	2021
Cash flows from operating activities					
Profit for the years		26,013,906,049	26,924,463,454	26,011,284,407	26,922,145,655
Adjustments for					
Depreciation and amortization	13, 14, 16, 17, 30	52,901,992,714	53,374,025,722	165,110,750	139,962,092
Finance income	28, 35	(126,466,956)	(217,443,626)	(558,875,555)	(431,017,966)
Finance costs	31, 35	5,230,441,004	5,626,071,941	192,774,061	139,879,810
(Reversal of) expected credit losses		2,181,783,913	2,066,791,618	239,000	(1,799,946)
Share-based payment transaction	25	1,970,649	8,129,709	1,970,649	8,129,709
Loss for obsolete, decline in value and write-off inventories	9	10,043,975	9,289,106	-	-
Loss for unused equipment	13	1,338,883,356	635,510,991	-	-
Loss on terminate contract assets		104,823,385	223,542,819	-	-
(Gain)/Loss on sales and write-off of assets		26,768,323	29,433,916	419,311	(4,970,608)
Net unrealised loss on foreign exchange rate and fair value measurement of derivative assets		520,777,406	242,558,226	513,951	2,236,976
(Gain)/Loss on sales of investment		(11,072,045)	-	49,878,265	-
Share of (profit)/loss of subsidiaries, associates and joint ventures accounted for using equity method	10, 11	36,220,179	140,730,862	(25,481,678,328)	(26,189,272,844)
Employee benefit expense	22	208,024,755	202,593,812	45,521,516	30,156,197
Tax expense	32	6,167,844,641	5,969,548,235	106,998,174	160,087,170
Cash provided by operation before changes in operating assets and liabilities		94,605,941,348	95,235,246,785	534,156,201	775,536,245
Changes in operating assets and liabilities					
Specifically-designated bank deposits		400,479,710	528,973,398	-	-
Trade and other current receivables		(3,523,133,649)	(2,417,168,521)	168,596,996	(142,565,162)
Contract assets		(408,118,833)	(595,030,389)	-	-
Inventories		(1,745,027,678)	258,498,845	-	-
Other current assets		74,754,686	(527,885,173)	(4,065,175)	4,874,327
Other non-current assets		352,915,676	123,453,100	27,393,917	214,139,369
Trade and other current payables		(998,257,093)	1,012,583,961	(120,552,843)	(49,487,237)
Provision for revenue sharing		-	(303,821,738)	-	(313,293,998)
Unearned income - mobile phone service		(368,327,478)	(277,005,882)	(372)	-
Advanced received from customers		(400,479,710)	(528,973,398)	-	-
Other current liabilities		(45,014,516)	53,962,697	(11,070,670)	10,916,900
Other financial liabilities		(34,406,762)	(5,174,726)	-	-
Other non-current liabilities		(22,360,373)	(26,903,604)	-	-
Cash generated from operating activities		87,888,965,328	92,530,755,355	594,458,054	500,120,444
Employee benefit paid	22	(127,232,580)	(116,055,634)	(35,298,508)	(24,044,541)
Tax paid		(6,356,815,389)	(5,780,655,265)	(98,384,082)	(179,098,268)
Net cash provided by operating activities		81,404,917,359	86,634,044,456	460,775,464	296,977,635

The accompanying notes form an integral part of the financial statements.

ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2022

UNIT : BAHT

	NOTES	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2022	2021	2022	2021
Cash flows from investing activities					
Interest received		133,673,149	219,702,005	529,585,349	332,644,290
Purchase of property, plant, equipment and other intangible assets other than goodwill		(32,319,123,069)	(25,786,081,883)	(46,702,280)	(27,716,676)
Proceeds from sale of equipment		366,529,389	111,392,524	4,980,205	6,796,701
Payment of spectrum licenses	21	(11,039,200,000)	(19,511,950,000)	-	-
Net (increase) decrease in short-term loans to related parties	35	-	-	2,433,000,000	(9,360,000,000)
Net decrease in current investments		11,200,000	-	-	-
Net (increase) decrease in investments in associates and joint ventures	11	(165,736,881)	(299,999,900)	210,763,119	(299,999,900)
Increase in investments in a subsidiary	10	-	-	(999,700)	-
Increase in long-term loan to a related party	35	-	(100,000,000)	-	-
Dividend received		16,799,944	15,000,000	20,724,742,819	23,064,685,442
Net cash provided by (used in) investing activities		(42,995,857,468)	(45,351,937,254)	23,855,369,512	13,716,409,857
Cash flows from financing activities					
Finance cost paid		(3,377,690,931)	(3,692,107,561)	(175,733,469)	(132,175,607)
Lease liabilities paid	19	(12,447,416,013)	(11,882,214,110)	(149,305,988)	(119,136,035)
Net increase (decrease) in short-term borrowings	19, 35	5,000,000,000	(4,900,000,000)	-	-
Net increase (decrease) in short-term borrowings from related parties	19, 35	-	-	(1,120,000,000)	760,000,000
Proceed from long-term borrowings	19	5,700,000,000	8,600,000,000	-	6,500,000,000
Repayments of long-term borrowings	19, 35	(14,142,669,600)	(13,884,860,000)	-	-
Proceeds from issue of ordinary shares		-	-	25,846,399	35,086,745
Net cash paid for purchase of a subsidiary from non-controlling interests		(77,140)	(880,000)	-	-
Dividend paid	34	(22,870,904,775)	(21,203,108,787)	(22,870,152,073)	(21,202,057,658)
Net cash used in financing activities		(42,138,758,459)	(46,963,170,458)	(24,289,345,131)	(14,158,282,555)
Effect of exchange rate changes on balances held in foreign currencies		3,928,670	(415,565)	381	1,125
Net increase (decrease) in cash and cash equivalents		(3,725,769,898)	(5,681,478,821)	26,800,226	(144,893,938)
Cash and cash equivalents as at January 1,		12,739,290,035	18,420,768,856	469,911,679	614,805,617
Cash and cash equivalents as at December 31,	5	9,013,520,137	12,739,290,035	496,711,905	469,911,679
Supplemental disclosures of cash flow information					
Non-cash transactions					
Outstanding debts arising from investments in capital expenditures, spectrum license and lease liabilities		124,028,824,195	142,014,482,524	66,210,450	200,396,373
Provision for revenue sharing presented net of accrued income		-	1,583,716,260	-	1,574,244,000

The accompanying notes form an integral part of the financial statements.

ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

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**ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

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ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on February 9, 2023.

1. COMPANY OPERATIONS AND OTHER GENERAL INFORMATION

Advanced Info Service Public Company Limited (the “Company”) is incorporated in Thailand and has its registered office at 414 Phaholyothin Road, Samsen Nai, Phayathai, Bangkok, Thailand.

The Company was listed on the Stock Exchange of Thailand in November 1991.

As at December 31, 2022, Intouch Holdings Public Company Limited is a major shareholder, holding 40.44% (as at December 31, 2021 : 40.44%) of the authorised share capital of the Company and is incorporated in Thailand and Singtel Strategic Investments Pte Ltd. is a shareholder, holding 23.31% (as at December 31, 2021 : 23.31%) of the authorised share capital of the Company and is incorporated in Singapore.

The major principal business operations of the Company are to provide consulting and management services to its subsidiaries. The Company and its subsidiaries (the “Group”) are summarised as follows:

- 1) Advanced Wireless Network Co., Ltd. (“AWN”), a subsidiary, has been granted permission from the Office of the National Broadcasting and Telecommunications Commission (“NBTC”) to operate and service Cellular Mobile Telephone. AWN can use the granted frequencies under each license’s conditions to use the spectrum and is obliged to pay for the license fee at the bid price and comply with various condition of various frequency bands as follows:

Frequency Band	Range (MHz)	Grant period	
		Start	End
700 MHz	723 - 733 MHz and 778 - 788 MHz	January 15, 2021	January 14, 2036
	733 - 738 MHz and 788 - 793 MHz	April 1, 2021	March 31, 2036
900 MHz	895 - 905 MHz and 940 - 950 MHz	July 1, 2016	June 30, 2031
1800 MHz	1725 - 1740 MHz and 1820 - 1835 MHz	November 26, 2015	September 15, 2033
	1740 - 1745 MHz and 1835 - 1840 MHz	September 24, 2018	September 15, 2033
2100 MHz	1950 - 1965 MHz and 2140 - 2155 MHz	December 7, 2012	December 6, 2027
2600 MHz	2500 - 2600 MHz	February 21, 2020	February 20, 2035
26 GHz	25.2 - 26.4 GHz	February 18, 2021	February 17, 2036

- 2) Super Broadband Network Co., Ltd. (“SBN”), a subsidiary, has been granted permission from the Office of the National Broadcasting and Telecommunications Commission (“NBTC”) under the broadcasting network license for national non-frequency business. The license certificate (the “License”) No. B1-N21331-0001-60, dated on March 20, 2017, will expire on March 19, 2032. In addition, SBN has been granted licenses from NBTC for the operation of television broadcasting service on several channels for the period of 1 - 8 years each. SBN is obliged to comply with various conditions and pay fees within the time period as specified in the License.

ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

- 3) CS LoxInfo Public Company Limited (“CSL”), an indirect subsidiary, has been granted permission from the Office of the National Broadcasting and Telecommunications Commission (“NBTC”) under the Telecom Operation License type I, type II and type III to operate internet data centres, provide internet and satellite uplink-downlink services for domestic and international communications and distribute internet equipment. CSL has terminated the Internet Operation License Type III on December 19, 2022 onwards.

According to the conditions specified by NBTC, provided that the authorised licenses is not in significant violation of the conditions specified in the license, NBTC will consider renewing the license as a normal procedure.

Details of the Company’s subsidiaries, associates, and joint ventures as at December 31, are as follows:

Name of the entities	Type of business	Country of incorporation	Ownership interest (%)	
			2022	2021
Subsidiaries				
Advanced Contact Center Company Limited	Service provider of call center	Thailand	99.99	99.99
Digital Phone Company Limited	Ceased mobile phone operation	Thailand	98.55	98.55
Advanced Magic Card Company Limited	Service provider of electronic payment network	Thailand	99.99	99.99
Advanced Mpay Company Limited	Service provider of electronic payment and cash card	Thailand	99.99	99.99
AIN GlobalComm Company Limited	Service provider of international telephone service/gateway	Thailand	99.99	99.99
Advanced Wireless Network Company Limited	Service provider of cellular telephone network, distributor of handsets and international telephone service, network operator, telecommunication service operator and internet	Thailand	99.99	99.99
Super Broadband Network Company Limited	Network operator and telecom service operator, including as service provider of broadcasting network and television broadcasting service several channels	Thailand	99.99	99.99
AIS Digital Life Company Limited	Service provider of digital platform	Thailand	99.99	99.99
Fax Lite Company Limited	Service provider of operation in space, land and building services, and related facilities	Thailand	99.98	99.98
MIMO Tech Company Limited	Developer of IT systems service provider of content aggregator and outsourcing service for billing and collection	Thailand	99.99	99.99
Advanced Broadband Network Company Limited	As a holding company	Thailand	99.99	99.99
Advanced Digital Distribution Company Limited	Service provider of insurance broker	Thailand	99.99	99.99
LearnDi Company Limited	Service provider of training	Thailand	99.99	99.99
AIS DC Venture Company Limited	As a holding company	Thailand	99.97	-
Indirect Subsidiaries				
Advanced Datanetwork Communications Company Limited ²	Under liquidation process	Thailand	51.00 ¹	51.00 ¹
CS LoxInfo Public Company Limited	Service provider of internet data center services, internet and distribute internet equipment	Thailand	99.68 ³	99.68 ³

ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Name of the entities	Type of business	Country of incorporation	Ownership interest (%)	
			2022	2021
Teleinfo Media Public Company Limited	Service provider of the online advertising and being the outsourced contact center	Thailand	99.99 ¹	99.99 ¹
AD Venture Public Company Limited	Service provider of mobile contents, develop application and digital marketing	Thailand	99.99 ¹	99.99 ¹
Yellow Pages Commerce Company Limited	Service provider of online advertising business	Thailand	99.94 ¹	99.94 ¹
Associates				
Information Highway Company Limited	Service provider of transmission network	Thailand	29.00 ¹	29.00 ¹
Choco Card Enterprise Co., Ltd.	Develop a customer relationship management system	Thailand	17.35 ¹	-
Datafarm Co., Ltd.	Service provider of penetration testing and IT audit	Thailand	25.00 ¹	-
Swift Dynamics Co., Ltd.	Providing software and consulting service using IoT technology	Thailand	16.67 ¹	-
GSA Data Centre Company Limited	Data Centre business	Thailand	25.00 ¹	-
Joint Ventures				
Amata Network Company Limited	Service provider of infrastructure developer of fibre optic network	Thailand	60.00 ¹	60.00 ¹
Rabbit - Line Pay Company Limited	Service provider of electronic money and electronic payment service business	Thailand	33.33 ¹	33.33 ¹
Digital Games International Private Limited ⁴	Service provider of games online	Singapore	-	33.33 ¹
Saha Advance Network Company Limited	Service provider of infrastructure developer of fibre optic network	Thailand	70.00 ¹	70.00 ¹
AISCB Company Limited ⁵	Service provider of digital lending via online platform	Thailand	-	50.00

¹ % ownership interest in indirect subsidiaries, an associate and joint ventures are presented by ownership interest held by subsidiaries.

² On September 1, 2020, Advanced Datanetwork Communications Company Limited (“ADC”) registered for liquidation with the Ministry of Commerce. On December 31, 2022, ADC has cash and cash equivalent of Baht 101 million presented in cash and cash equivalent of consolidated financial statement and the other items are not significant to consolidated financial statement.

³ During the year ended December 31, 2022, Awn purchased 8,800 additional ordinary shares of CSL at the price of Baht 8.80 per share, totaling Baht 0.08 million. As at December 31, 2022, Awn held 592,633,324 ordinary shares of CSL or equivalent to 99.68% of total issued and paid-up shares of CSL. (As at December 31, 2021, Awn held 592,624,524 ordinary shares of CSL or equivalent to 99.68% of total issued and paid-up shares of CSL).

⁴ During the first quarter ended March 31, 2022, AIS Digital Life Company Limited (“ADL”) entered into a Share Sales & Purchase Agreement to swap 51% of its holding of Digital Games International Private Limited (“DGI”)’s shares with iCANDY Interactive Ltd (“iCandy”). As a result, ADL’s holdings in DGI reduced to 4,900,000 shares, representing a 16.33% interest in the issued share capital of DGI. In the third quarter ended September 30, 2022, ADL swapped all of its remaining shares in DGI for shares in iCandy. As a result, as at December 31, 2022, ADL has no shares in DGI.

⁵ On December 29, 2022, the Company disposed all investment in AISCB Company Limited to the SCB X Public Company Limited.

The Group and the Company have extensive transactions and relationships with the related parties. Accordingly, the accompanying financial statements may not necessarily be indicative of the conditions that would have existed or the results of operations that would have occurred if the Group and the Company had operated without such affiliation.

2. BASIS FOR PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The financial statements are presented in Thai Baht, which is the Company’s functional currency. The accounting policies, described in the notes, have been applied consistently to all periods presented in these financial statements.

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Group’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions that are described in each note are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

3. CHANGE IN ACCOUNTING POLICY

From January 1, 2022, the Group has adopted TFRS 9 Financial Instruments and TFRS 7 Financial Instruments: Disclosures which have been amended in respect to Interbank Offer Rate (IBOR) reform - Phase 2 (Phase 2 amendments). The detail of the accounting policies are disclosed in note 4(c).

The Phase 2 amendments are applicable when an existing interest rate benchmark is replaced by another interest rate benchmark. The Phase 2 amendments provide a practical expedient that modifications to asset and liability values as a direct consequence of the interest rate benchmark reform and the new basis for determining the contractual cash flows is economically equivalent to the previous basis (i.e. the basis immediately preceding the change), can be accounted for by only updating the effective interest rate.

Additionally, hedge accounting is not discontinued solely because of the replacement of another interest rate benchmark. Hedging relationships (and related documentation) must instead be amended to reflect modifications to the hedged item, hedging instrument and hedged risk.

4. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the measurement basis of historical cost except as disclosed in the significant accounting policies as follows:

(a) *Basis of consolidation*

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in its associates and joint ventures.

Business combinations

The Group and the Company apply the acquisition method for all business combinations when control is transferred to the Group other than those with entities under common control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group and the Company take into consideration potential voting rights that currently are exercisable. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

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Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group and the Company to the previous owners of the acquiree, and equity interests issued by the Group and the Company. Consideration transferred also includes the fair value of any contingent consideration and share-based payment awards of the acquiree that are replaced mandatorily in the business combination. If a business combination results in the termination of pre-existing relationships between the Group and the Company and the acquiree, then the lower of the termination amount, as contained in the agreement, and the value of the off-market element is deducted from the consideration transferred and recognised in other expenses.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

The Group and the Company measure any non-controlling interest (NCI) at its proportionate interest in the identifiable net assets of the acquiree.

Transaction costs that the Group and the Company incur in connection with a business combination such as legal fees, other professional and consulting fees are expensed as incurred.

Acquisitions from entities under common control

Business combinations of entities or businesses under common control are accounted for using a method similar to the pooling of interest method and in accordance with the Guideline issued in 2009 by the Federation of Accounting Professions.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in the statement of profit or loss and the statement of profit or loss and other comprehensive income. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Interests in equity - accounted investees

The Group's interests in equity-accounted investees comprise interests in an associate and joint ventures.

The Company's interests in equity-accounted investees comprise interests in subsidiaries.

Associate is entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

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Joint venture is a joint arrangement whereby the parties that have a joint control arrangement have rights to the net assets of the arrangement. The investment in a joint venture is accounted for in the consolidated financial statements using the equity method and is recognised initially at cost.

Interests in an associate, subsidiaries and joint ventures are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated and separate financial statements include the Group's and the Company's share of profit or loss of equity-accounted investees in the profit or loss and other comprehensive income, until the date on which significant influence or joint control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency (Thai Baht) of the Group at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognised in the statement of profit or loss.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency using the foreign exchange rates ruling at the dates of the transactions.

(c) Financial instruments

Financial assets and financial liabilities are recognised in the Group and the Company consolidated statement of financial position and separate statement of financial position when the Group and the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

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Financial assets

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost;

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, the Group and the Company may make the following irrevocable election/designation at initial recognition of a financial asset;

- The Group and the Company may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met (see (2) below); and
- The Group and the Company may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (see (3) below).

(1) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

Interest income is recognised in profit or loss and is included in the “finance income” line item.

(2) Equity instruments classified as at FVTOCI

On initial recognition, the Group and the Company may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs.

Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss is not be classified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

The Group and the Company have designated all investments in equity instruments that are not held for trading as at FVTOCI on initial application of TFRS 9.

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(3) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI (see (1) to (2) above) are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship (see hedge accounting policy). The net gain or loss recognised in profit or loss and is included in the “gain (loss) from fair value measurement of derivative assets” line item. Fair value is determined in the manner described in Note 4(w).

Impairment of financial assets

The Group and the Company recognise a loss allowance for expected credit losses on trade receivables and contract assets. The amount of expected credit losses is updated at each reporting period date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group and the Company always recognise lifetime ECL for trade receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group and the Company’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(1) Write-off policy

The Group and the Company write-off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. Financial assets written-off may still be subject to enforcement activities under the Group’s and the Company’s recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

(2) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default, for financial assets, this is represented by the asset’s gross carrying amount at the reporting date.

If the Group and the Company have measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group and the Company measure the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

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Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

A financial liability may be designated as at FVTPL upon initial recognition if;

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- The financial liability is managed and its performance is evaluated on a fair value basis, in accordance with the Group's and the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis.

Financial liabilities measured subsequently at amortised cost.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derivative financial instruments

The Group and the Company enter into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and interest rate swaps.

Derivatives are recognised initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements. A derivative is presented as a non-current asset or non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Hedge accounting

The Group designates certain derivatives as hedging instruments in respect of interest rate risk in cash flow hedges.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in fair value or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements;

- There is an economic relationship between the hedged item and the hedging instrument;
- The effect of credit risk does not dominate the value changes that result from that economic relationships; and
- The hedged ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Interest rate benchmark reform

When the basis of determining the contractual cash flows of a financial asset or financial liability measured at amortised cost changed as a result of interest rate benchmark reform (IBOR reform), the Group first updated the effective interest rate of the financial asset or financial liability to reflect the change that is required by IBOR reform. If there were any other additional changes, the Group applied the policies on accounting for modifications to those changes.

Hedges directly affected by IBOR reform

When the basis for determining the contractual cash flows of the hedged item or hedging instrument changes as a result of IBOR reform and therefore there is no longer uncertainty arising about the cash flows of the hedged item or the hedging instrument, the Group amends the hedge documentation of that hedging relationship to reflect the changes required by IBOR reform. For this purpose, the hedge designation is amended once the following changes:

- designating an alternative benchmark rate as the hedged risk;
- updating the description of the hedged item, including the description of the designated portion of the cash flows or fair value being hedged

The Group amends the formal hedge documentation by the end of the reporting period during which a change required by IBOR reform is made to the hedged risk, hedge item or hedging instrument. These amendments in the formal hedge documentation do not constitute the discontinuation of the hedging relationship or the designation of a new hedging relationship.

If changes are made in addition to those changes required by IBOR reform, then the Group first considers whether those additional changes result in the discontinuation of the hedge accounting relationship. If the additional changes do not result in the discontinuation of the hedge accounting relationship, then the Group amends the formal hedge documentation for changes required by IBOR reform as mentioned above.

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When the interest rate benchmark on which the hedged future cash flows had been based is changed as required by IBOR reform, for the purpose of determining whether the hedged future cash flows are expected to occur, the Group deems that the hedging reserve recognised in OCI for that hedging relationship is based on the alternative benchmark rate on which the hedged future cash flows will be based.

Cash flow hedges

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualified as cash flow hedges is recognised in other comprehensive income.

The Group designates only the change in fair value of the spot element of interest rate swap as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of interest rate swap is recognised in a cash flow hedging reserve within equity.

For all other hedged forecast transactions, the amount accumulated in the cash flow hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expired, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the cash flow hedging reserve remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the cash flow hedging reserve are immediately reclassified to profit or loss.

(d) *Cash and cash equivalents*

Cash and cash equivalents comprise cash, cash at banks being types of current accounts, saving accounts and fixed accounts not exceeding 3 months, excluding cash at banks used as collateral, and highly liquid short-term investments with original maturities of three months or less.

(e) *Trade and other current receivables*

Trade and other current receivables are stated at cost less allowance for expected credit losses.

The allowance for expected credit losses has disclosed in Note 7.

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(f) Inventories

Inventories comprise mobile phones, sim cards and spare parts used for repairs and services.

Inventories are stated at the lower of cost and net realisable value. The Group's and the Company's cost of inventories are calculated by using moving weighted average method.

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

An allowance for obsolescence and decline in value are made for all deteriorated, changed, obsolete and slow-moving inventories.

(g) Investments

Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries in the separate financial statements of the Company and investments in associates and joint ventures in the consolidated and separate financial statements are accounted for using the equity method.

Investments in fixed deposit at banks

Fixed deposit at bank is classified as part of current investment with maturities over three months, not exceeding one year.

(h) Property, plant and equipment

Recognition and measurement

Owned assets

Property is stated at cost less allowance for impairment (if any).

Plant and equipment are stated at cost less accumulated depreciation and allowance for impairment loss.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items for each major components of property, plant and equipment.

Gains or losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net in the statement of profit or loss.

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Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of plant and equipment, or other amount substituted for cost, less its residual value.

Depreciation is recognised in the statement of profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Buildings and building improvements	5 - 30 years
Leasehold building improvements	5, 10 years
Computer, tools and equipment	3 - 20 years
Furniture, fixtures and office equipment	2 - 18 years
Vehicles	5 years

The Group and the Company have no depreciation provided on freehold land and assets under construction and installation.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(i) *Right-of-use assets and Lease liabilities*

The Group and the Company as lessee

The Group and the Company assess whether a contract is or contains a lease, at inception of the contract. The Group and the Company recognise a right-of-use asset and corresponding lease liability with respect to all lease arrangements in which it is the lease, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group and the Company recognise the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leases assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group and the Company use its incremental borrowing rate.

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Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lease under residual value guarantees;
- The exercise price of purchase options, if the lease is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position and the separate statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group and the Company remeasure the lease liability (and make a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a yield interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group and the Company incur an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under TAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group and the Company expect to exercise a purchase option, the related right-of-use is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

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Depreciation of right-of-use assets are calculated by reference to their costs on a straight-line basis over the shorter of the lease term as follows:

Land and Buildings	1 - 11	years
Spectrum Licenses	6	years
Leasehold for Towers	9	years
Equipment for Telecom	1 - 15	years
Office Buildings	1 - 5	years
Vehicles	1 - 5	years

The right-of-use assets are presented as a separate line in the consolidated statement of financial position and the separate statement of financial position.

The Group and the Company applied TAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the “Property, Plant and Equipment” policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line “Other expenses” in profit or loss.

As a practical expedient, TFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group and the Company have used this practical expedient.

The Group as lessor

The Group enters into lease agreements as a lessor with respect to some of space and equipment.

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts. The sub-lease is classified as a finance lease or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group’s net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group net investment outstanding in respect of the leases.

When a contract includes both lease and non-lease components, the Group applies TFRS 15 to allocate the consideration under the contract to each component.

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(j) Intangible assets

Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. The measurement of goodwill at initial recognition is described in Note 4(a). Subsequent to initial recognition, goodwill is measured at cost less impairment losses. In respect of equity-accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount.

Spectrum licenses

Spectrum licenses represent with its value measured at the cash equivalent price based on the present value of the installments. The difference between the total payment to be made and the cash equivalent price is recognised as finance cost over the license fee payment period, with the cost being amortised starting on date of the license effective.

Other intangible assets

Other intangible assets are consist of customer relationship, customer contracts, fibre optics licenses and software licenses which are acquired by the Group and the Company, which have finite useful lives, are measured at cost less accumulated amortisation and impairment losses (if any).

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in the statement of profit or loss.

Amortisation

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in the statement of profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives are as follows:

Spectrum licenses	Over the license period
Customer relationship	5 years
Customer contracts	5 years
Fibre optics licenses	Over the remaining agreement period
Software licenses	3 - 10 years

The Group and the Company have no amortisation provided on assets under installation.

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

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(k) Other assets

Deferred charges

Deferred charges represent international circuit and cost of motion picture production, and are stated at cost less accumulated amortisation and impairment losses (if any).

Amortisation

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in the statement of profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives are as follows:

International circuit	Over the agreement period
Cost of motion picture production	Over the agreement period

(l) Impairment

The carrying amounts of the Group's and the Company's assets are reviewed at the end of the reporting period to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in the statement of profit or loss.

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the assets' value in use or fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss in respect of goodwill is not reversed.

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in the statement of profit or loss.

Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at the end of the reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

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(m) *Interest-bearing liabilities*

Interest-bearing liabilities are recognised initially at fair value less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in the statement of profit or loss over the period of the borrowings on an effective interest basis.

(n) *Trade and other current payables*

Trade and other current payables are stated at cost.

(o) *Employee benefits*

Provident fund

The Group and the Company had a provident fund which is a defined contribution plan. The fund's asset of the provident fund is separated from the Group's and the Company's asset and has been managed by a licensed fund manager. The provident fund receives a cash contribution from employee and the related Group and the Company. The contribution expenditure of the provident fund is recognised as expense in the statement of profit or loss of the reporting period that transaction occurred.

Post-employment benefit and long-term service award

The provision in respect of post-employment benefits that provide compensation according to labour law and long-term service award are recognised in the Group's and the Company's financial statements based on calculations by a qualified actuary using the projected unit credit method.

The Group and the Company recognised all gains (losses) on remeasurements of defined benefit plans arising from provisions for employee benefit in statement of profit or loss and other comprehensive income and all expenses related to provisions for employee benefit in the statement of profit or loss.

Termination benefits

Termination benefits are recognised as an expense in the statement of profit or loss when the Group and the Company are committed demonstrably, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy or the Group and the Company have made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the end of the reporting period, then they are discounted to their present value.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are recognised as an expense in the statement of profit or loss as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit sharing plans if the Group and the Company have a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

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Share-based payments

The Group measured the expense of the Project by reference to the fair value of the equity instrument granted at the grant date.

The expense of the Project is recognised in the statement of profit or loss from operation corresponding to the increase in “reserve for share-based payment transaction” in shareholders’ equity over the periods in which the service conditions are fulfilled.

(p) Provisions

A provision is recognised if, as a result of a past event, the Group and the Company have a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(q) Recognition of revenue and expense

Revenue recognition

Revenue is measured at the fair value of the standalone selling price of each performance obligation in contracts.

Revenue from sale of goods is recognised in the statement of profit or loss when control is passed to the buyer.

Revenue from rendering of services from providing internet and other services is recognised when the services are transferred to customers.

Revenue from design contract and installation of internet network, computer and communication (“ICT”) is recognised based on the percentage of completion at the end of reporting period and in the period which the services were provided.

Revenue from contracts with multiple elements are allocated by fair value of standalone selling price in each performance obligation. In case of contracts have both obligations to perform at point of time and overtime, difference from revenue recognition and performance obligations at the beginning of contracts is recognised as contract assets or contract liabilities and recognised over the contracts periods.

Contract assets are stated at net book value after allowance for terminate contracts.

Allowance for terminate contracts is mostly assessed primarily on analysis of payment histories, future expectations of customer payments and cancellation contracts history. Contract assets will be written off when contracts are cancelled.

Costs of obtaining a contract

Cost of obtaining the contract is the commission paid to acquire the contract with the customers. It is recorded as an asset stated at net book value after allowance for impairment (if any) and recognised as an expense systematically over the contract periods in accordance with the revenue recognition from contracts. In case of costs of obtaining a contract’s amortisation period is less than 1 year, the Group and the Company will recognise costs of obtaining a contract as expenses when incurred.

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Rental income

Rental income from rental equipment is recognised in the statement of profit or loss and on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income.

Interest income

Interest income is recognised in the statement of profit or loss on the accrual basis.

Expense

Expense is recognised in the statement of profit or loss on the accrual basis.

(r) Finance costs

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and contingent consideration, fair value losses on financial assets at fair value through the statement of profit or loss, impairment losses recognised on financial assets (other than trade receivables), and losses on hedging instruments that are recognised in the statement of profit or loss.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the statement of profit or loss using the effective interest method.

(s) Tax expenses

Tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in the statement of profit or loss except to the extent that they relate to a business combination, or items recognised directly in shareholders' equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted and any tax adjustment items in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group and the Company expect, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they adjust, using tax rates enacted or substantively enacted at the end of the reporting period.

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In determining the amount of current and deferred tax, the Group and the Company take into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group and the Company believe that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group and the Company to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the reporting period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(t) *Earnings per share*

The Group and the Company present basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group and the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding adjusted with own shares held and the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

(u) *Segment financial information*

Segment results that are reported to the Group's chief operating decision maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

(v) *Use of management's judgement*

The preparation of financial statements in conformity with Thai Financial Reporting Standards ("TFRSs") also requires the Group's and the Company's management to exercise judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the end of the reporting period and the reported amounts of revenue and expense during the year. Although these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates.

Significant judgements in applying accounting policies are as follows:

The recognition cost of assets and depreciation method

Recognition of cost of assets incurred as part of the carrying amount of property, plant and equipment and intangible assets ended when the management has determined that the assets are in a working condition for their intended use of the management. Moreover, the accounting policies regarding to depreciation methods and estimated useful life of the asset requires management's judgments to be reviewed each financial year.

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Impairment

The Group shall assess the assets balance at the statement of financial position whether there is any indication that an asset may be impaired. If any such indication exists, the Group shall estimate the recoverable amount of the asset.

Recognition of deferred tax assets associated with tax losses carryforward

Deferred tax assets are recognised to the extent that it is probable that it will be utilised in the future and the Company has assessed it to be probable that the Company will generate taxable income sufficient to fully utilise the tax losses that exist.

Significant commercial disputes and litigations

Item required to use management judgement in provision estimation from significant disputes and litigations because the outcome of litigations has not been finalised.

(w) Fair value measurements

Fair value is the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group and the Company take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements are determined on such basis.

In addition, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

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5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, are as follows:

	Notes	Consolidated		Unit: Million Baht Separate	
		financial statements 2022	2021	financial statements 2022	2021
Cash on hand		15	15	1	1
Cash at bank - current accounts	35	2,230	977	2	(4)
Cash at bank - savings accounts	35	7,748	13,127	494	473
Cash at bank - fixed accounts not exceeding 3 months		1	1	-	-
		<u>9,994</u>	<u>14,120</u>	<u>497</u>	<u>470</u>
<u>Less Specifically - designated bank deposits</u>	6	<u>(980)</u>	<u>(1,381)</u>	<u>-</u>	<u>-</u>
Total		<u>9,014</u>	<u>12,739</u>	<u>497</u>	<u>470</u>

The currencies denomination of cash and cash equivalents as at December 31, are as follows:

	Notes	Consolidated		Unit: Million Baht Separate	
		financial statements 2022	2021	financial statements 2022	2021
Thai Baht (THB)		8,816	12,610	497	470
US Dollar (USD)	36	114	52	-	-
Euro (EUR)	36	84	77	-	-
Total		<u>9,014</u>	<u>12,739</u>	<u>497</u>	<u>470</u>

As at December 31, 2022, the effective interest rate of the Group and the Company on cash and cash equivalents are 0.05% - 1% and 0.05% - 1% per annum, respectively (as at December 31, 2021: 0.01% - 1.95% and 0.01% - 0.35% per annum, respectively).

6. SPECIFICALLY-DESIGNATED BANK DEPOSITS

In order to comply with the Notification of the Bank of Thailand applicable to the electronic cash card business, the subsidiaries held deposits at call with banks not less than to the subsidiaries' outstanding balance of advance received from customers which cannot be used for other purposes apart from payments to service providers in the consolidated financial statements as at December 31, 2022 amounting to Baht 980 million (as at December 31, 2021 : amounting to Baht 1,381 million).

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7. TRADE AND OTHER CURRENT RECEIVABLE

Trade and other current receivables as at December 31, are as follows:

	Notes	Consolidated		Unit: Million Baht	
		financial statements	financial statements	Separate	financial statements
		2022	2021	2022	2021
Trade receivables					
Related parties	35				
Trade receivables		97	83	45	211
Accrued income		36	60	-	5
		<u>133</u>	<u>143</u>	<u>45</u>	<u>216</u>
Other parties					
Trade receivables		11,169	10,064	101	103
Accrued income		6,835	6,689	-	-
		<u>18,004</u>	<u>16,753</u>	<u>101</u>	<u>103</u>
Total trade receivables		<u>18,137</u>	<u>16,896</u>	<u>146</u>	<u>319</u>
<u>Less Allowance for expected credit losses</u>		<u>(1,723)</u>	<u>(1,677)</u>	<u>(93)</u>	<u>(95)</u>
Trade receivables - net		<u>16,414</u>	<u>15,219</u>	<u>53</u>	<u>224</u>
Other current receivables					
Prepaid expense		1,277	1,093	39	37
Account receivables - cash card/ refill on mobile		28	53	-	-
Value-added tax receivable		153	170	-	-
Others	35	30	17	191	161
		<u>1,488</u>	<u>1,333</u>	<u>230</u>	<u>198</u>
Total other current receivables		<u>1,488</u>	<u>1,333</u>	<u>230</u>	<u>198</u>
Total trade and other current receivables		<u>17,902</u>	<u>16,552</u>	<u>283</u>	<u>422</u>
(Reversal of) Expected credit loss for the years ended December 31,		<u>1,966</u>	<u>1,838</u>	<u>(7)</u>	<u>(11)</u>

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Aging analysis for trade receivables are as follows:

	Consolidated		Unit: Million Baht	
	financial statements		Separate	
	2022	2021	2022	2021
Related parties				
Current - overdue 3 months	107	127	45	216
Overdue 3 - 6 months	17	6	-	-
Overdue 6 - 12 months	4	5	-	-
Overdue over 12 months	5	5	-	-
	<u>133</u>	<u>143</u>	<u>45</u>	<u>216</u>
Other parties				
Current - overdue 3 months	16,414	15,439	-	-
Overdue 3 - 6 months	775	745	-	-
Overdue 6 - 12 months	406	288	-	-
Overdue over 12 months	409	281	101	103
	<u>18,004</u>	<u>16,753</u>	<u>101</u>	<u>103</u>
<u>Less</u> Allowance for expected credit losses	<u>(1,723)</u>	<u>(1,677)</u>	<u>(93)</u>	<u>(95)</u>
	<u>16,281</u>	<u>15,076</u>	<u>8</u>	<u>8</u>
Trade receivables - net	<u>16,414</u>	<u>15,219</u>	<u>53</u>	<u>224</u>

The normal credit term granted by the Group and the Company ranges from 14 days to 120 days.

The following table shows the movement in lifetime expected credit losses that has been recognised for trade receivables by collectively assessed in accordance with the simplified approach set out in TFRS 9.

	Consolidated		Unit: Million Baht	
	financial statements		Separate	
	2022	2021	2022	2021
Balance as at January 1,	(1,677)	(1,869)	(95)	(97)
(Provision)/reversal for expected credit losses	(2,182)	(2,067)	-	2
Amounts written off	1,927	2,041	2	-
Amounts recovered	209	218	-	-
Balance as at December 31,	<u>(1,723)</u>	<u>(1,677)</u>	<u>(93)</u>	<u>(95)</u>

The currencies denomination of trade receivables as at December 31, are as follows:

	Notes	Consolidated		Unit: Million Baht	
		financial statements		Separate	
		2022	2021	2022	2021
Thai Baht (THB)		15,991	14,851	53	224
US Dollar (USD)	36	405	358	-	-
Euro (EUR)	36	14	2	-	-
Japanese Yen (JPY)	36	4	8	-	-
Total		<u>16,414</u>	<u>15,219</u>	<u>53</u>	<u>224</u>

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8. CONTRACT ASSETS

Contract assets as at December 31 are as follows: (Separate financial statements : nil)

	Unit: Million Baht	
	Consolidated	
	financial statements	
	2022	2021
Current assets		
Sales of device and monthly service contract	2,301	2,100
<u>Less</u> Allowance for expected credit losses	<u>(178)</u>	<u>(280)</u>
Contract assets - net	<u>2,123</u>	<u>1,820</u>
Loss on termination of contract assets for the year ended December 31,	<u>35</u>	<u>144</u>

Contract assets are from sales of devices and monthly service contracts with customers. The contract assets arise from price allocations to device sales which are recognised as revenues at the point in time when the Group transfers control of the device to customers. Contract assets will decrease as monthly service payments are received. Monthly network services are recognised as revenues over time or a percentage of completion basis.

Contract assets in respect of contracts which are terminated or expected to be terminated before the end of the contract period are reduced and recognised as losses from terminated contracts.

The following table shows the movement in lifetime expected credit losses that has been recognised for contract assets in accordance with the simplified approach set out in TFRS 9 (Separate financial statements : nil).

	Unit: Million Baht	
	Consolidated	
	financial statements	
	2022	2021
Balance as at January 1,	(280)	(267)
(Reversal of) Provision for expected credit losses	102	(13)
Balance as at December 31,	<u>(178)</u>	<u>(280)</u>

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9. INVENTORIES

Inventories as at December 31, are as follows:

	Unit: Million Baht	
	Consolidated	
	financial statements	
	2022	2021
Finished goods	3,751	2,126
Spare parts for mobile phone network maintenance	283	163
	<u>4,034</u>	<u>2,289</u>
<u>Less</u> Allowance for obsolescence and decline in value of inventory	<u>(195)</u>	<u>(185)</u>
Inventories - net	<u><u>3,839</u></u>	<u><u>2,104</u></u>

The Group recognised expenses in respect of allowance for obsolescence and decline in value of inventory for the year ended December 31, 2022 and 2021 in consolidated financial statements of Baht 10 million and Baht 9 million, respectively (Separate financial statements : nil).

10. INVESTMENTS IN SUBSIDIARIES

Movements in investments in subsidiaries for the years ended December 31, are as follows:

	Unit: Million Baht	
	Separate	
	financial statements	
	2022	2021
Subsidiaries		
Balance as at January 1,	37,354	33,819
Dividends received during the years	(20,725)	(23,064)
Share of profit of subsidiaries accounted for using equity method	25,521	26,189
Share of other comprehensive gain of subsidiaries accounted for using equity method	808	410
Acquisition of investment in subsidiary	1	-
As at December 31,	<u><u>42,959</u></u>	<u><u>37,354</u></u>

Acquisition of investment in subsidiary

AIS DC Venture Co., Ltd.

On June 9, 2022, the Board of Directors of the Company passed a resolution to approve the establishment of AIS DC Venture Co., Ltd. as a new holding company. The registered capital is 10,000 ordinary shares with a par value of Baht 100 each, totalling Baht 1 million. The Company invested Baht 999,700 or 99.97% in the new subsidiary. The subsidiary has already registered its receipt of share subscription with the Department of Business Development, the Ministry of Commerce on June 30, 2022.

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Investments in subsidiaries as at December 31 and dividend received for the years then ended, are as follows:

	Unit: Million Baht									
	Ownership interest		Paid-up capital		Separate financial statements				Dividends received	
	2022	2021	2022	2021	Cost		Investment as equity method		for the years	
	%	%			2022	2021	2022	2021	2022	2021
Subsidiaries										
Advanced Contact Center Co., Ltd.	99.99	99.99	272	272	811	811	474	509	275	242
Digital Phone Co., Ltd.	98.55	98.55	914	914	10,226	10,226	4,184	4,179	-	-
Advanced Magic Card Co., Ltd.	99.99	99.99	250	250	250	250	277	277	-	-
Advanced Mpay Co., Ltd.	99.99	99.99	300	300	336	336	894	1,051	934	946
AIN GlobalComm Co., Ltd.	99.99	99.99	100	100	100	100	117	122	-	147
Advanced Wireless Network Co., Ltd.	99.99	99.99	1,350	1,350	1,485	1,485	29,488	24,184	9,953	9,913
Super Broadband Network Co., Ltd.	99.99	99.99	300	300	300	300	1,979	2,271	3,603	3,863
AIS Digital Life Co., Ltd.	99.99	99.99	50	50	50	50	(140)	(114)	-	141
Fax Lite Co., Ltd.	99.98	99.98	1	1	1	1	3,790	2,523	3,695	5,175
MIMO Tech Co., Ltd.	99.99	99.99	50	50	50	50	1,568	2,120	2,265	2,623
Advanced Broadband Network Co., Ltd.	99.99	99.99	100	100	100	100	260	211	-	14
Advanced Digital Distribution Co., Ltd.	99.99	99.99	5	5	5	5	23	16	-	-
LearnDi Co., Ltd	99.99	99.99	1	1	1	1	48	5	-	-
AIS DC Venture Co., Ltd.	99.97	-	1	-	1	-	(3)	-	-	-
Total					<u>13,716</u>	<u>13,715</u>	<u>42,959</u>	<u>37,354</u>	<u>20,725</u>	<u>23,064</u>

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11. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

Movements in investment in associates in the consolidated financial statements for the years ended December 31, are as follows: (separate financial statement : nil)

	Unit: Million Baht	
	Consolidated	
	financial statements	
	2022	2021
As at January 1,	35	32
Share of profit of associates accounted for using equity method	12	3
Acquisition of investment in associates	376	-
As at December 31,	423	35

Acquisition of investment in associates

During the year ended December 31, 2022, AIS Digital Life Company Limited (“ADL”) invested in the following associates:

- Choco Card Enterprise Company Limited ("CHOCO") at a total of 12,782 shares, equivalent to 17.35% of the total paid-up shares of CHOCO, totalling Baht 178 million in July 2022. In October 2022, CHOCO issued additional 11,936 ordinary shares at par value of Baht 100 per share. All additional shares were subscribed by all other shareholders except ADL, bringing ADL's total interest in from 21.71% to 17.35%. However, there was no change in ADL's rights in CHOCO, so CHOCO remains as an associate of ADL.
- Data Farm Co., Ltd. ("DTFARM") at a total of 16,670 shares, equivalent to 25% of the total paid-up shares of DTFARM, totalling Baht 29 million in July 2022.
- Swift Dynamics Company Limited ("SWD") at a total of 6,000 shares, equivalent to 16.67% of the total paid-up shares of SWD, totalling Baht 32 million in July 2022.

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GSA Data Centre Co., Ltd. (“GSADC”)

On August 19, 2022, AIS DC Venture Co., Ltd. (“AISDC”), a subsidiary, entered into an agreement with Gulf Infrastructure Co., Ltd. and ST Dynamo TH Pte Ltd., to invest in GSA Data Centre Co., Ltd. (“GSADC”). The registered capital of GSADC is 10,000 ordinary shares with a par value of Baht 100 each, totalling Baht 1 million. AISDC invested in a total of 2,500 of GSADC's shares, AISDC made partial payment of Baht 25 per share, or Baht 0.06 million in August 2022 and made the remaining payment of Baht 75 per share, or Baht 0.19 million in September 2022.

On September 27, 2022, GSADC issued 10,000,000 additional ordinary shares with a par value of Baht 100 each, totalling Baht 1,000 million which have been partial paid up at Baht 54.90 per share. AISDC invested in 2,500,000 of GSADC's additional shares, totalling Baht 137.25 million in September 2022. As at December 31, 2022, AISDC held 25% of GSADC’s shares.

Movements in investment in joint ventures in the consolidated financial statement and separate financial statement for the years ended December 31, are as follows:

	Consolidated		Unit: Million Baht	
	financial statements		Separate	
	2022	2021	Financial statements	
			2022	2021
As at January 1,	948	799	300	-
Acquisition of investment in joint venture	-	300	-	300
Dividends received during the years	(17)	(15)	-	-
Currency conversion	(11)	8	-	-
Share of loss of joint ventures				
accounted for using equity method	(48)	(144)	(39)	-
Disposal of investment	(301)	-	(261)	-
As at December 31,	571	948	-	300

iCANDY Interactive Ltd. (“iCandy”)

During the first quarter ended March 31, 2022, AIS Digital Life Company Limited (“ADL”), a subsidiary holding a 33.33% interest in Digital Games International Private Limited (“DGI”), a company incorporated in Singapore, entered into a Share Sales & Purchase Agreement (“SPA”) to swap 51% of its holding of DGI’s shares with iCANDY Interactive Ltd. (“iCandy”), a company incorporated in Australia. As a result, ADL's holdings in DGI reduced to 4,900,000 shares, representing a 16.33% interest in the issued share capital of DGI, and it held 21,170,374 iCandy shares representing a 1.68% interest in the issued share capital of iCandy.

In the third quarter ended September 30, 2022, ADL swapped all of its remaining shares in DGI for shares in iCandy. As a result, as at December 31, 2022, ADL has no shares in DGI, and held a 3.02% interest in iCandy. The Group's investment in iCandy is recognised as an investment in equity securities measured at fair value through other comprehensive income (FVOCI).

AISCB Co., Ltd. (“AISCB”)

On December 29, 2022, the Company entered into a Share Sales & Purchase Agreement with SCB X Public Company Limited to sell the Company’s investment of 3,000,000 shares in AISCB Co., Ltd. (“AISCB”) or held 50% of AISCB’s issued and paid-up share, for consideration of Baht 210.76 million.

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Investments in an associate and joint ventures as at December 31, and dividend income from those investments for the years then ended are as follows:

	% of Ownership interest		Consolidated financial statements						Unit: Million Baht	
			Paid-up capital		Cost		Equity		Dividend received for the years	
			2022	2021	2022	2021	2022	2021	2022	2021
Associate										
Information Highway Co., Ltd.	29	29	50	50	15	15	42	35	-	-
Choco Card Enterprise Co., Ltd.	17.35	-	7	-	178	-	182	-	-	-
Datafarm Co., Ltd.	25	-	7	-	29	-	32	-	-	-
Swift Dynamics Co., Ltd.	16.67	-	4	-	32	-	33	-	-	-
GSA Data Centre Company Limited	25	-	550	-	138	-	134	-	-	-
Joint ventures										
Amata Network Co., Ltd.	60	60	100	100	60	60	173	141	17	15
Rabbit Line Pay Co., Ltd.	33.33	33.33	600	600	787	787	376	428	-	-
Digital Games International Pte Ltd.	-	33.33	-	678	-	226	-	58	-	-
Saha Advance Network Co., Ltd.	70	70	30	30	21	21	22	20	-	-
AISCB Co., Ltd.	-	50	-	600	-	300	-	300	-	-
Unit: Million Baht										
	% of Ownership interest		Separate financial statements						Unit: Million Baht	
			Paid-up capital		Cost		Equity		Dividend received for the years	
			2022	2021	2022	2021	2022	2021	2022	2021
Joint venture										
AISCB Co., Ltd.	-	50	-	600	-	300	-	300	-	-

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Summarised financial position in respect of associates and joint ventures and performance for the years then ended are as follows:

										Unit: Million Baht	
	Reporting date	% of Ownership interest	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Total revenues	Total expenses	Profit/(loss)
2022											
Associate											
Information Highway Co., Ltd.	December 31	29	70	362	432	45	247	292	185	161	24
Choco Card Enterprise Co., Ltd.	December 31	17.35	398	17	415	43	-	43	47	27	20
Datafarm Co., Ltd.	December 31	25	36	2	38	3	-	3	35	22	13
Swift Dynamics Co., Ltd.	December 31	16.67	48	2	50	11	-	11	20	18	2
GSA Data Centre Company Limited	December 31	25	183	380	563	26	-	26	-	14	(14)
Joint ventures											
Amata Network Co., Ltd.	December 31	60	217	100	317	28	-	28	127	46	81
Rabbit Line Pay Co., Ltd.	December 31	33.33	1,527	157	1,684	1,214	307	1,521	319	476	(157)
Digital Games International Pte Ltd.	December 31	-	-	-	-	-	-	-	18	35	(17)
Saha Advance Network Co., Ltd.	December 31	70	30	12	42	11	-	11	7	5	2
AISCB Co., Ltd.	December 31	-	-	-	-	-	-	-	-	79	(79)
2021											
Associate											
Information Highway Co., Ltd.	December 31	29	69	406	475	110	249	359	184	172	12
Joint ventures											
Amata Network Co., Ltd.	December 31	60	152	110	262	25	1	26	109	38	71
Rabbit Line Pay Co., Ltd.	December 31	33.33	1,123	195	1,318	692	307	999	256	441	(185)
Digital Games International Pte Ltd.	December 31	33.33	223	3	226	53	-	53	90	465	(375)
Saha Advance Network Co., Ltd.	December 31	70	28	5	33	5	-	5	3	3	-
AISCB Co., Ltd.	December 31	50	600	-	600	-	-	-	-	-	-

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Reconciliation of the above summarised financial information to the carrying amount of the interest in joint ventures recognised in the consolidated financial statements is as follows:

	Unit: Million Baht Consolidated financial statements	
	2022	2021
Rabbit - Line Pay Co., Ltd.		
Net assets of the joint ventures	163	319
Proportion of the Group's ownership interest in the joint ventures (%)	33.33	33.33
	<u>54</u>	<u>106</u>
Goodwill	322	322
Carrying amount of the Group's interest in the joint venture	<u>376</u>	<u>428</u>

12. OTHER NON-CURRENT FINANCIAL ASSETS

Other non-current financial as at December 31, are as follows:

	Note	Consolidated financial statements		Unit: Million Baht Separate financial statements	
		2022	2021	2022	2021
Investment in equity securities measured at fair value through other comprehensive income		145	101	62	63
Interest rate swap	36	81	9	-	-
Investment in debt instrument	36	2	-	-	-
Total		<u>228</u>	<u>110</u>	<u>62</u>	<u>63</u>

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13. PROPERTY, PLANT AND EQUIPMENT

Movements in property, plant and equipment for the years ended December 31, are as follows:

As at December 31, 2022

	Consolidated financial statements				Unit: Million Baht
	Balance as at January 1, 2022	Increase	Decrease	Transfer	Balance as at December 31, 2022
Cost					
Land	704	1	-	-	705
Building and building improvements	755	-	(4)	-	751
Leasehold building improvements	2,211	86	(79)	10	2,228
Computer, tools and equipment	277,090	21,963	(20,854)	6,634	284,833
Furniture, fixtures and office equipment	2,139	70	(70)	3	2,142
Vehicles	39	4	(8)	-	35
Total	<u>282,938</u>	<u>22,124</u>	<u>(21,015)</u>	<u>6,647</u>	<u>290,694</u>
Accumulated depreciation					
Building and building improvements	(472)	(17)	4	-	(485)
Leasehold building improvements	(1,751)	(205)	71	-	(1,885)
Computer, tools and equipment	(165,619)	(25,033)	13,986	-	(176,666)
Furniture, fixtures and office equipment	(1,714)	(133)	68	-	(1,779)
Vehicles	(23)	(3)	2	-	(24)
Total	<u>(169,579)</u>	<u>(25,391)</u>	<u>14,131</u>	<u>-</u>	<u>(180,839)</u>
Assets under construction and installation	8,163	5,617	-	(6,647)	7,133
Less Allowance for unused equipment	(3,678)	(6,465)	6,407	-	(3,736)
Property, plant and equipment	<u>117,844</u>	<u>(4,115)</u>	<u>(477)</u>	<u>-</u>	<u>113,252</u>

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As at December 31, 2021

Unit: Million Baht

	Consolidated financial statements				Balance as at December 31, 2021
	Balance as at January 1, 2021	Increase	Decrease	Transfer	
Cost					
Land	704	-	-	-	704
Building and building improvements	740	3	-	12	755
Leasehold building improvements	2,199	143	(136)	5	2,211
Computer, tools and equipment	259,614	16,142	(1,470)	2,804	277,090
Furniture, fixtures and office equipment	2,084	101	(66)	20	2,139
Vehicles	46	3	(10)	-	39
Total	<u>265,387</u>	<u>16,392</u>	<u>(1,682)</u>	<u>2,841</u>	<u>282,938</u>
Accumulated depreciation					
Building and building improvements	(454)	(18)	-	-	(472)
Leasehold building improvements	(1,644)	(236)	129	-	(1,751)
Computer, tools and equipment	(140,228)	(26,662)	1,009	262	(165,619)
Furniture, fixtures and office equipment	(1,641)	(137)	64	-	(1,714)
Vehicles	(22)	(2)	1	-	(23)
Total	<u>(143,989)</u>	<u>(27,055)</u>	<u>1,203</u>	<u>262</u>	<u>(169,579)</u>
Assets under construction and installation	4,266	7,090	(84)	(3,109)	8,163
<u>Less</u> Allowance for unused equipment	<u>(3,146)</u>	<u>(636)</u>	<u>104</u>	<u>-</u>	<u>(3,678)</u>
Property, plant and equipment	<u>122,518</u>	<u>(4,209)</u>	<u>(459)</u>	<u>(6)</u>	<u>117,844</u>

Depreciation for the years ended December 31,

2022

Million Baht 25,391

2021

Million Baht 27,055

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As at December 31, 2022

Unit: Million Baht

	Separate financial statements				Balance as at December 31, 2022
	Balance as at January 1, 2022	Increase	Decrease	Transfer	
Cost					
Building and building improvements	128	-	-	-	128
Leasehold building improvements	308	18	(15)	3	314
Computer, tools and equipment	68	6	(1)	-	73
Furniture, fixtures and office equipment	500	18	(22)	-	496
Vehicles	17	2	(3)	-	16
Total	1,021	44	(41)	3	1,027
Accumulated depreciation					
Building and building improvements	(127)	-	-	-	(127)
Leasehold building improvements	(273)	(15)	15	-	(273)
Computer, tools and equipment	(63)	(2)	-	-	(65)
Furniture, fixtures and office equipment	(487)	(8)	22	-	(473)
Vehicles	(5)	(2)	1	-	(6)
Total	(955)	(27)	38	-	(944)
Assets under construction and installation	3	-	-	(3)	-
Property, plant and equipment	69	17	(3)	-	83

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As at December 31, 2021

Unit: Million Baht

	Separate financial statements				Balance as at December 31, 2021
	Balance as at January 1, 2021	Increase	Decrease	Transfer	
Cost					
Building and building improvements	128	-	-	-	128
Leasehold building improvements	303	19	(18)	4	308
Computer, tools and equipment	65	4	(1)	-	68
Furniture, fixtures and office equipment	526	5	(31)	-	500
Vehicles	20	2	(5)	-	17
Total	1,042	30	(55)	4	1,021
Accumulated depreciation					
Building and building improvements	(127)	-	-	-	(127)
Leasehold building improvements	(279)	(12)	18	-	(273)
Computer, tools and equipment	(63)	(1)	1	-	(63)
Furniture, fixtures and office equipment	(512)	(6)	31	-	(487)
Vehicles	(5)	(1)	1	-	(5)
Total	(986)	(20)	51	-	(955)
Assets under construction and installation	-	7	-	(4)	3
Property, plant and equipment	56	17	(4)	-	69

Depreciation for the years ended December 31,

2022	Million Baht	<u>27</u>
2021	Million Baht	<u>20</u>

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14. RIGHT-OF-USE ASSETS

Movement in right-of-use assets for the year ended December 31, are as follows:

As at December 31, 2022

	Consolidated financial statements			Unit: Million Baht
	Balance as at January 1, 2022	Increase	Decrease	Balance as at December 31, 2022
Cost				
Land and Buildings	8,028	4,039	(3,386)	8,681
Spectrum Licenses	20,582	-	-	20,582
Leaseholds for Towers	39,599	-	-	39,599
Equipment for Telecom	1,182	474	(400)	1,256
Office Buildings	2,897	588	(620)	2,865
Vehicles	288	414	(136)	566
Total	<u>72,576</u>	<u>5,515</u>	<u>(4,542)</u>	<u>73,549</u>
Accumulated depreciation				
Land and Buildings	(3,880)	(3,377)	2,694	(4,563)
Spectrum Licenses	(7,368)	(3,679)	-	(11,047)
Leaseholds for Towers	(8,804)	(4,396)	-	(13,200)
Equipment for Telecom	(399)	(432)	325	(506)
Office Buildings	(1,363)	(1,043)	1,197	(1,209)
Vehicles	(188)	(111)	136	(163)
Total	<u>(22,002)</u>	<u>(13,038)</u>	<u>4,352</u>	<u>(30,688)</u>
Right-of-use assets	<u>50,574</u>	<u>(7,523)</u>	<u>(190)</u>	<u>42,861</u>

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As at December 31, 2021

Unit: Million Baht

	Consolidated financial statements			Balance as at December 31, 2021
	Balance as at January 1, 2021	Increase	Decrease	
Cost				
Land and Building	6,739	3,208	(1,919)	8,028
Spectrum License	20,582	-	-	20,582
Leasehold for Tower	39,599	-	-	39,599
Equipment for Telecom	895	568	(281)	1,182
Office Building	2,329	1,161	(593)	2,897
Vehicle	359	16	(87)	288
Total	70,503	4,953	(2,880)	72,576
Accumulated depreciation				
Land and Building	(2,471)	(3,190)	1,781	(3,880)
Spectrum License	(3,689)	(3,679)	-	(7,368)
Leasehold for Tower	(4,408)	(4,396)	-	(8,804)
Equipment for Telecom	(228)	(417)	246	(399)
Office Building	(841)	(1,048)	526	(1,363)
Vehicle	(143)	(116)	71	(188)
Total	(11,780)	(12,846)	2,624	(22,002)
Right-of-use assets	58,723	(7,893)	(256)	50,574
Depreciation for the years ended December 31,				
2022			Million Baht	13,031*
2021			Million Baht	12,774*

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As at December 31, 2022

	Separate financial statements			Unit: Million Baht
	Balance as at January 1, 2022	Increase	Decrease	Balance as at December 31, 2022
Cost				
Office Building	389	7	(287)	109
Vehicle	20	12	(3)	29
Total	<u>409</u>	<u>19</u>	<u>(290)</u>	<u>138</u>
Accumulated depreciation				
Office Building	(208)	(131)	286	(53)
Vehicle	(12)	(6)	3	(15)
Total	<u>(220)</u>	<u>(137)</u>	<u>289</u>	<u>(68)</u>
Right-of-use assets	<u>189</u>	<u>(118)</u>	<u>(1)</u>	<u>70</u>

As at December 31, 2021

	Separate financial statements			Unit: Million Baht
	Balance as at January 1, 2021	Increase	Decrease	Balance as at December 31, 2021
Cost				
Office Building	315	94	(20)	389
Vehicle	31	3	(14)	20
Total	<u>346</u>	<u>97</u>	<u>(34)</u>	<u>409</u>
Accumulated depreciation				
Office Building	(103)	(111)	6	(208)
Vehicle	(17)	(7)	12	(12)
Total	<u>(120)</u>	<u>(118)</u>	<u>18</u>	<u>(220)</u>
Right-of-use assets	<u>226</u>	<u>(21)</u>	<u>(16)</u>	<u>189</u>

Depreciation for the years ended December 31,

2022	Million Baht	<u>137</u>
2021	Million Baht	<u>117*</u>

* For the year ended December 31, 2022, the Group received reductions in lease payments to lessors for the impacts from COVID - 19 outbreak amounting to Baht 7 million and the Company has nil (For the year ended December 31, 2021: Baht 72 million and Baht 1 million, respectively). The Group and the Company reversed depreciation of right-of-use assets and interest on lease liabilities recognised in each period in proportion to the reduction, with any differences then recognised in profit or loss through electing to apply the Thai Federation of Accounting Profession's ("TFAC") practical expedient regarding COVID-19 Related Rental Concessions. This practical expedient expired on June 30, 2022, so beginning July 1, 2022, the Group and the Company accounted for such rental reductions as lease modifications.

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15. GOODWILL

Movements in goodwill for the years ended December 31, are as follows:

	Unit: Million Baht Consolidated financial statements	
	2022	2021
	Cost	
As at January 1,	17,199	17,199
As at December 31,	<u>17,199</u>	<u>17,199</u>
Accumulated amortisation		
As at January 1,	(7,662)	(7,662)
As at December 31,	<u>(7,662)</u>	<u>(7,662)</u>
Allowance for impairment	(6,655)	(6,655)
Total	<u>2,882</u>	<u>2,882</u>

16. SPECTRUM LICENSES

Movements in spectrum licenses in the consolidated financial statements for the years ended December 31, are as follows: (Separate financial statements: nil):

As at December 31, 2022

	Unit: Million Baht Consolidated financial statements		
	Balance as at January 1, 2022	Increase	Balance as at December 31, 2022
	Cost		
Spectrum licenses	186,459	-	186,459
Total	<u>186,459</u>	<u>-</u>	<u>186,459</u>
Accumulated Amortisation			
Spectrum licenses	(54,684)	(12,010)	(66,694)
Total	<u>(54,684)</u>	<u>(12,010)</u>	<u>(66,694)</u>
Spectrum licenses	<u>131,775</u>	<u>(12,010)</u>	<u>119,765</u>

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As at December 31, 2021

	Consolidated financial statements			Unit: Million Baht
	Balance as at January 1, 2021	Increase	Balance as at December 31, 2021	
Cost				
Spectrum licenses	153,227	33,232	186,459	
Total	<u>153,227</u>	<u>33,232</u>	<u>186,459</u>	
Accumulated Amortisation				
Spectrum licenses	(43,008)	(11,676)	(54,684)	
Total	<u>(43,008)</u>	<u>(11,676)</u>	<u>(54,684)</u>	
Spectrum licenses	<u>110,219</u>	<u>21,556</u>	<u>131,775</u>	
Amortisation for the years ended December 31,				
2022		Million Baht	<u>12,010</u>	
2021		Million Baht	<u>11,676</u>	

The costs of spectrum licenses are initially recognised by measuring at the cash equivalent price based on the present value of its acquisition cost.

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17. OTHER INTANGIBLE ASSETS OTHER THAN GOODWILL

Movements in other intangible assets other than goodwill for the years ended December 31, are as follows:

As at December 31, 2022

	Consolidated financial statements				Unit: Million Baht
	Balance as at January 1, 2022	Increase	Decrease	Transfer	Balance as at December 31, 2022
Cost					
Customer relationship	167	-	-	-	167
Customer contracts	139	-	-	-	139
Fibre optics licenses	86	-	-	-	86
Software licenses	19,126	7,801	(25)	771	27,673
Total	19,518	7,801	(25)	771	28,065
Accumulated amortisation					
Customer relationship	(141)	(26)	-	-	(167)
Customer contracts	(121)	(18)	-	-	(139)
Fibre optics licenses	(86)	-	-	-	(86)
Software licenses	(9,359)	(2,426)	18	-	(11,767)
Total	(9,707)	(2,470)	18	-	(12,159)
Assets under installation	1,053	649	(10)	(771)	921
Other intangible assets	10,864	5,980	(17)	-	16,827

As at December 31, 2021

	Consolidated financial statements				Unit: Million Baht
	Balance as at January 1, 2021	Increase	Decrease	Transfer	Balance as at December 31, 2021
Cost					
Customer relationship	167	-	-	-	167
Customer contracts	139	-	-	-	139
Fibre optics licenses	86	-	-	-	86
Software licenses	14,255	4,700	(2)	173	19,126
Total	14,647	4,700	(2)	173	19,518
Accumulated amortisation					
Customer relationship	(105)	(36)	-	-	(141)
Customer contracts	(90)	(31)	-	-	(121)
Fibre optics licenses	(77)	(9)	-	-	(86)
Software licenses	(7,568)	(1,793)	2	-	(9,359)
Total	(7,840)	(1,869)	2	-	(9,707)
Assets under installation	316	949	(45)	(167)	1,053
Other intangible assets	7,123	3,780	(45)	6	10,864

Amortisation for the years ended December 31,

2022

Million Baht 2,470

2021

Million Baht 1,869

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As at December 31, 2022

	Separate financial statements				Unit: Million Baht
	Balance as at January 1, 2022	Increase	Decrease	Transfer	Balance as at December 31, 2022
Cost					
Software licenses	326	-	(2)	-	324
Total	<u>326</u>	<u>-</u>	<u>(2)</u>	<u>-</u>	<u>324</u>
Accumulated amortisation					
Software licenses	(320)	(1)	-	-	(321)
Total	<u>(320)</u>	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>(321)</u>
Other intangible assets	<u>6</u>	<u>(1)</u>	<u>(2)</u>	<u>-</u>	<u>3</u>

As at December 31, 2021

	Separate financial statements				Unit: Million Baht
	Balance as at January 1, 2021	Increase	Decrease	Transfer	Balance as at December 31, 2021
Cost					
Software licenses	323	3	-	-	326
Total	<u>323</u>	<u>3</u>	<u>-</u>	<u>-</u>	<u>326</u>
Accumulated amortisation					
Software licenses	(317)	(3)	-	-	(320)
Total	<u>(317)</u>	<u>(3)</u>	<u>-</u>	<u>-</u>	<u>(320)</u>
Other intangible assets	<u>6</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6</u>

Amortisation for the years ended December 31,

2022

Million Baht 1

2021

Million Baht 3

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18. DEFERRED TAX ASSETS

Deferred tax assets and liabilities as at December 31, are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2022	2021	2022	2021
Deferred tax assets	5,086	4,698	484	492
Deferred tax liabilities	(489)	(462)	(4)	(5)
Deferred tax - net	4,597	4,236	480	487

Movements in deferred tax assets and liabilities for the years ended December 31, are as follows:

As at December 31, 2022

	Balance as at January 1, 2022	Consolidated financial statements (Charged)/credited to		Balance as at December 31, 2022
		Profit or loss	Other Comprehensive Income	
Deferred tax assets				
Trade receivables (allowance for expected credit loss)	307	6	-	313
Inventories (allowance for obsolescence and decline in value)	37	2	-	39
Unearned income - mobile phone service (income recognised difference)	426	41	-	467
Accrued expense	410	-	-	410
Provisions for employee benefit	683	28	(107)	604
Spectrum licenses payable (deferred interest)	1,367	117	-	1,484
Allowance for unused equipment	297	25	-	322
Other current financial liabilities	5	100	-	105
Other non-current financial liabilities	132	-	(92)	40
Leased liabilities	438	69	-	507
Others	596	199	-	795
Total	4,698	587	(199)	5,086
Deferred tax liabilities				
Contract assets	(364)	(61)	-	(425)
Other non-current assets	(55)	34	(16)	(37)
Others	(43)	16	-	(27)
Total	(462)	(11)	(16)	(489)
Deferred tax - net	4,236	576	(215)	4,597

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As at December 31, 2021

	Unit: Million Baht			
	Consolidated financial statements			
	Balance as at January 1, 2021	(Charged)/credited to Profit or loss	Other Comprehensive Income	Balance as at December 31, 2021
Deferred tax assets				
Trade receivables (allowance for expected credit loss)	333	(26)	-	307
Inventories (allowance for obsolescence and decline in value)	35	2	-	37
Unearned income - mobile phone service (income recognised difference)	289	137	-	426
Accrued expense	410	-	-	410
Provisions for employee benefit	656	27	-	683
Spectrum licenses payable (deferred interest)	1,205	162	-	1,367
Allowance for unused equipment	352	(55)	-	297
Other current financial liabilities	60	(55)	-	5
Other non-current financial liabilities	230	-	(98)	132
Leased liabilities	294	144	-	438
Others	616	(20)	-	596
Total	<u>4,480</u>	<u>316</u>	<u>(98)</u>	<u>4,698</u>
Deferred tax liabilities				
Contract assets	(290)	(74)	-	(364)
Other non-current assets	(11)	(43)	(1)	(55)
Others	(59)	16	-	(43)
Total	<u>(360)</u>	<u>(101)</u>	<u>(1)</u>	<u>(462)</u>
Deferred tax - net	<u>4,120</u>	<u>215</u>	<u>(99)</u>	<u>4,236</u>

As at December 31, 2022

	Unit: Million Baht			
	Separate financial statements			
	Balance as at January 1, 2022	(Charged)/credited to Profit or loss	Other comprehensive income	Balance as at December 31, 2022
Deferred tax assets				
Accrued expense	410	-	-	410
Provisions for employee benefit	82	3	(10)	75
Others	-	(1)	-	(1)
Total	<u>492</u>	<u>2</u>	<u>(10)</u>	<u>484</u>
Deferred tax liabilities				
Other non-current assets	(3)	-	-	(3)
Others	(2)	1	-	(1)
Total	<u>(5)</u>	<u>1</u>	<u>-</u>	<u>(4)</u>
Deferred tax - net	<u>487</u>	<u>3</u>	<u>(10)</u>	<u>480</u>

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As at December 31, 2021

	Balance as at January 1, 2021	Separate financial statements (Charged)/credited to		Balance as at December 31, 2021
		Profit or loss	Other comprehensive income	
Deferred tax assets				
Accrued expense	410	-	-	410
Provisions for employee benefit	79	3	-	82
Total	<u>489</u>	<u>3</u>	<u>-</u>	<u>492</u>
Deferred tax liabilities				
Other non-current assets	(4)	-	1	(3)
Others	-	(2)	-	(2)
Total	<u>(4)</u>	<u>(2)</u>	<u>1</u>	<u>(5)</u>
Deferred tax - net	<u>485</u>	<u>1</u>	<u>1</u>	<u>487</u>

Deferred tax assets arising from significant temporary differences and loss carry forward that have not been recognised in the financial statements as at December 31, are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2022	2021	2022	2021
Others	19	19	19	19
Total	<u>19</u>	<u>19</u>	<u>19</u>	<u>19</u>

As at December 31, 2021, the Group have not recognised temporary difference as deferred tax assets in respect of loss carry forward expired in 2021 - 2025 and no maturity temporary differences under current tax legalization recognised in respect of these items, because it is not probable that future taxable profit will be available against which the Group can utilise the benefits from them.

As at December 31, 2022, the Group have not recognised temporary difference as deferred tax assets in respect of loss carry forward expired in 2022 - 2027 and no maturity temporary differences under current tax legalization recognised in respect of these items, because it is not probable that future taxable profit will be available against which the Group can utilise the benefits from them.

ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
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19. INTEREST-BEARING LIABILITIES

Interest-bearing liabilities as at December 31, are as follows:

	Note	Consolidated financial statements		Unit: Million Baht Separate financial statements	
		2022	2021	2022	2021
Current					
Short-term borrowings	35	5,000	-	-	-
Current portion of long-term liabilities					
- Current portion of long-term borrowings	35	7,676	14,132	-	-
- Current portion of long-term debentures		7,819	-	-	-
Total current portion of long-term liabilities		15,495	14,132	-	-
Current portion of lease liabilities	35	11,136	10,537	48	146
Short-term borrowings from related parties	35	-	-	4,720	5,840
Total current		31,631	24,669	4,768	5,986
Non-current					
Long-term liabilities					
- Long-term borrowings - net	35	34,613	36,582	-	-
- Long-term debentures - net		29,301	37,114	6,494	6,493
Total long-term liabilities		63,914	73,696	6,494	6,493
Lease liabilities - net	35	32,871	40,598	17	50
Total non-current		96,785	114,294	6,511	6,543
Total		128,416	138,963	11,279	12,529

The periods to maturity of interest-bearing liabilities as at December 31, are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2022	2021	2022	2021
Within one year	31,631	24,669	4,768	5,986
After one year but within five years	80,598	80,389	1,016	1,049
After five years	16,187	33,905	5,495	5,494
Total	128,416	138,963	11,279	12,529

The currencies denomination of interest-bearing liabilities as at December 31, are as follows:

	Note	Consolidated financial statements		Unit: Million Baht Separate financial statements	
		2022	2021	2022	2021
Thai Baht (THB)		128,286	138,869	11,279	12,529
US Dollar (USD)	36	130	94	-	-
Total		128,416	138,963	11,279	12,529

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Long-term borrowings

The details of long-term borrowings as at December 31, are summarised as follows: (Separate financial statement: nil)

Interest rate (per annum)	Term of interest payment	Principal payment term	Unit: Million Baht Consolidated financial statements	
			2022	2021
Advanced Wireless Network Co., Ltd.				
Fixed interest rate as stipulated in the agreement	Semi-annual	7 installments from 2019 to 2022	-	1,429
6MBIBOR plus margin	Semi-annual	6 installments from 2020 to 2023	3,500	10,500
6MBIBOR plus margin	Semi-annual	5 equal installments from 2019 to 2023	1,400	2,800
6MTHBFIX plus margin	Semi-annual	6 equal installments from 2021 to 2023	1,500	3,000
Fixed interest rate as stipulated in the agreement	Semi-annual	2 equal installments in 2022*	-	1,961
6MTHBFIX plus margin	Semi-annual	6 equal installments from 2023 to 2026	2,000	2,000
THOR plus margin and 6MTHBFIX plus margin**	Quarterly	4 equal installments from 2024 to 2025	10,000	10,000
THOR plus margin and 6MTHBFIX plus margin**	Semi-annual	14 installments from 2022 to 2028	14,250	15,000
THOR plus margin and 6MTHBFIX plus margin**	Semi-annual	6 installments from 2025 to 2027	2,000	2,000
Fixed interest rate as stipulated in the agreement	Semi-annual	6 installments from 2025 to 2027	600	600
6MBIBOR plus margin	Semi-annual	7 installments from 2022 to 2025	257	300
6MBIBOR plus margin	Semi-annual	10 equal installments from 2021 to 2026	210	270
6MBIBOR plus margin	Semi-annual	3 installments from 2024 to 2026	300	300
6MBIBOR plus margin	Semi-annual	5 equal installments from 2023 to 2025	300	300
6MBIBOR plus margin	Semi-annual	9 installments from 2024 to 2028	6,000	300
Total loans			42,317	50,760
Less transaction cost			(28)	(46)
Long-term borrowings			42,289	50,714

* The Group has amended long-term loan agreement with the bank to change the currency from US Dollar to Thai Baht in order to hedge for foreign exchange risk and interest rate risk. Loan tenor and other conditions remain unchanged.

** The Group has amended long-term loan agreement to change the interest rate from 6MTHBFIX plus margin to THOR plus margin on October 25, 2022.

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Long-term debentures

As at December 31, the Group and the Company's long-term debentures represent unsubordinated and unsecured debentures with a par value of Baht 1,000 each are as follows:

Issue date	No. of units (Million)	Amount	Interest rate (per annum)	Term of interest payment	Principal payment term	Unit: Million Baht			
						Consolidated financial statements		Separate financial statements	
						As at December 31, 2022	As at December 31, 2021	As at December 31, 2022	As at December 31, 2021
Advanced Info Service PCL.									
May 7, 2021	1.00	1,000	Fixed interest rate of 1.58%	Semi-annual	Entirely redeemed on May 7, 2026	1,000	1,000	1,000	1,000
May 7, 2021	2.50	2,500	Fixed interest rate of 2.14%	Semi-annual	Entirely redeemed on May 7, 2028	2,500	2,500	2,500	2,500
May 7, 2021	3.00	3,000	Fixed interest rate of 2.69%	Semi-annual	Entirely redeemed on May 7, 2031	3,000	3,000	3,000	3,000
Advanced Wireless Network Co., Ltd.									
April 11, 2014	6.64	6,638	Fixed interest rate of 4.94%	Semi-annual	Entirely redeemed on April 11, 2024	6,638	6,638	-	-
May 11, 2016	7.82	7,820	Fixed interest rate of 2.51%	Semi-annual	Entirely redeemed on May 11, 2023	7,820	7,820	-	-
May 11, 2016	7.18	7,180	Fixed interest rate of 2.78%	Semi-annual	Entirely redeemed on May 11, 2026	7,180	7,180	-	-
November 30, 2017	9.00	9,000	Fixed interest rate of 3.35%	Semi-annual	Entirely redeemed on November 30, 2027	9,000	9,000	-	-
Total debentures						37,138	37,138	6,500	6,500
Less bond issuing cost						(18)	(24)	(6)	(7)
Long-term debentures						37,120	37,114	6,494	6,493

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Under the terms and conditions of the long-term borrowings and debentures, the Group and the Company have to comply with certain restrictions.

As at December 31, 2022 and 2021, the Group had no undrawn long-term borrowing credit facilities.

The carrying amount (gross of issue costs) and fair values of long-term debentures as at December 31, are as follows:

	Unit: Million Baht			
	Consolidated financial statements			
	Carrying amount		Fair values*	
	2022	2021	2022	2021
Long-term debentures	<u>37,138</u>	<u>37,138</u>	<u>37,566</u>	<u>38,762</u>

	Unit: Million Baht			
	Separate financial statements			
	Carrying amount		Fair values*	
	2022	2021	2022	2021
Long-term debentures	<u>6,500</u>	<u>6,500</u>	<u>6,244</u>	<u>6,534</u>

* Fair values for traded debentures have been determined based on quoted selling prices from The Thai Bond Market Association at the close of the business at the end of the reporting period.

Movement of interest-bearing liabilities arising from financing activities for the years ended December 31, are as follows:

	Unit: Million Baht				
	Consolidated financial statements				Total
	Short-term borrowings	Long-term borrowings	Long-term debentures	Lease liabilities	
As at January 1, 2022	-	50,714	37,114	51,135	138,963
Cash flows items:					
Addition	16,500	5,700	-	-	22,200
Repayments	<u>(11,500)</u>	<u>(14,143)</u>	<u>-</u>	<u>(12,447)</u>	<u>(38,090)</u>
Total cash flows items	<u>5,000</u>	<u>(8,443)</u>	<u>-</u>	<u>(12,447)</u>	<u>(15,890)</u>
Non-cash changes items:					
Addition	-	-	-	5,507	5,507
Terminate	-	-	-	(190)	(190)
Unrealised loss on foreign exchange rate	-	-	-	2	2
Amortisation as expenses	<u>-</u>	<u>18</u>	<u>6</u>	<u>-</u>	<u>24</u>
Total non-cash changes items	<u>-</u>	<u>18</u>	<u>6</u>	<u>5,319</u>	<u>5,343</u>
As at December 31, 2022	<u>5,000</u>	<u>42,289</u>	<u>37,120</u>	<u>44,007</u>	<u>128,416</u>

ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
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Unit: Million Baht

	Consolidated financial statements				Total
	Short-term borrowings	Long-term borrowings	Long-term debentures	Lease liabilities	
As at January 1, 2021	4,900	60,756	32,393	58,364	156,413
Cash flows items:					
Addition	4,400	2,100	6,500	-	13,000
Repayments	(9,300)	(12,109)	(1,776)	(11,882)	(35,067)
Borrowing cost	-	(48)	(8)	-	(56)
Total cash flows items	(4,900)	(10,057)	4,716	(11,882)	(22,123)
Non-cash changes items:					
Addition	-	-	-	4,881	4,881
Terminate	-	-	-	(234)	(234)
Unrealised loss on foreign exchange rate	-	-	-	6	6
Amortisation as expenses	-	15	5	-	20
Total non-cash changes items	-	15	5	4,653	4,673
As at December 31, 2021	-	50,714	37,114	51,135	138,963

Unit: Million Baht

	Separate financial statements			Total
	Short-term borrowings from related parties	Long-term debentures	Lease liabilities	
As at January 1, 2022	5,840	6,493	196	12,529
Cash flows items:				
Addition	1,100	-	-	1,100
Repayments	(2,220)	-	(149)	(2,369)
Total cash flows items	(1,120)	-	(149)	(1,269)
Non-cash changes items:				
Addition	-	-	19	19
Terminate	-	-	(1)	(1)
Amortisation as expenses	-	1	-	1
Total non-cash changes items	-	1	18	19
As at December 31, 2022	4,720	6,494	65	11,279

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	Unit: Million Baht			
	Short-term borrowings from related parties	Separate financial statements Long-term debentures	Lease liabilities	Total
As at January 1, 2021	5,080	-	235	5,315
Cash flows items:				
Addition	2,590	6,500	-	9,090
Repayments	(1,830)	-	(119)	(1,949)
Borrowing cost	-	(8)	-	(8)
Total cash flows items	<u>760</u>	<u>6,492</u>	<u>(119)</u>	<u>7,133</u>
Non-cash changes items:				
Addition	-	-	96	96
Terminates	-	-	(16)	(16)
Amortisation as expenses	-	1	-	1
Total non-cash changes items	<u>-</u>	<u>1</u>	<u>80</u>	<u>81</u>
As at December 31, 2021	<u>5,840</u>	<u>6,493</u>	<u>196</u>	<u>12,529</u>

The effective weighted interest rates as at December 31, are as follows:

	Consolidated financial statements		Unit: Percent per annum Separate financial statements	
	2022	2021	2022	2021
Short-term borrowings	1.41	-	0.48	0.49
Long-term borrowings	2.64	2.17	-	-
Long-term debentures	3.17	3.17	2.31	2.31
Lease liabilities	2.25	2.52	2.09	2.16

The effective weighted interest rates of long-term borrowings for the Group and the Company are calculated with the rate after hedging.

20. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at December 31, are as follows:

	Note	Consolidated financial statements		Unit: Million Baht Separate financial statements	
		2022	2021	2022	2021
Trade payables					
Related parties	35	79	116	49	62
Other parties		24,137	26,629	24	29
Total trade payables		<u>24,216</u>	<u>26,745</u>	<u>73</u>	<u>91</u>
Other current payables					
Accrued expenses	35	16,330	16,582	2,598	2,669
Valued-added tax payable		375	334	9	9
Withholding tax payable		254	230	9	9
Others		1,282	1,164	-	-
Total other current payables		<u>18,241</u>	<u>18,310</u>	<u>2,616</u>	<u>2,687</u>
Total trade and other current payables		<u>42,457</u>	<u>45,055</u>	<u>2,689</u>	<u>2,778</u>

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The currencies denomination of trade payables as at December 31, are as follows:

	Note	Consolidated financial statements		Unit: Million Baht Separate financial statements	
		2022	2021	2022	2021
Thai Baht (THB)		5,618	7,423	21	32
US Dollar (USD)	36	18,505	19,241	1	-
Euro (EUR)	36	13	12	3	-
Yen (JPY)	36	23	7	-	-
Singapore Dollar (SGD)	36	56	59	48	59
Australian Dollar (AUD)	36	1	3	-	-
Total		<u>24,216</u>	<u>26,745</u>	<u>73</u>	<u>91</u>

21. SPECTRUM LICENSES PAYABLE

Spectrum licenses payable in the consolidated financial statements as at December 31, are as follows:
(Separate financial statements: nil):

	Note	Unit: Million Baht Consolidated financial statements	
		2022	2021
Spectrum licenses payable are as follow:			
- License certificate for 900 MHz	1	21,719	28,563
- License certificate for 2600 MHz	1	15,841	15,485
- License certificate for 700 MHz (Allocated License)	1	12,835	14,259
- License certificate for 700 MHz (Auction License)	1	12,593	14,012
		<u>62,988</u>	<u>72,319</u>
<u>Less current portion of spectrum licenses payable</u>		<u>(10,903)</u>	<u>(10,903)</u>
Spectrum licenses payable		<u>52,085</u>	<u>61,416</u>

Movements in spectrum licenses payable in the consolidated financial statements for the years ended December 31, are as follows: (Separate financial statements: nil):

	Note	Unit: Million Baht Consolidated financial statements	
		2022	2021
As at January 1,		72,319	53,449
Addition		-	36,486
Payments		(11,039)	(19,512)
Amortisation of deferred interest expense	31	1,708	1,896
As at December 31,		<u>62,988</u>	<u>72,319</u>

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22. PROVISIONS FOR EMPLOYEE BENEFIT

The Group and the Company have provisions for employee benefit based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service and long - term service awards.

The defined benefit plans expose the Group and the Company to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

Provisions for employee benefit in the statement of financial position as at December 31, are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2022	2021	2022	2021
Present value of obligations	2,931	3,327	376	408

Movements in the present value of the provisions for employee benefit for the years ended December 31, are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2022	2021	2022	2021
Provisions for employee benefit as at January 1,	3,327	3,180	408	395
Current service costs and interest	272	263	67	54
Benefits paid	(127)	(116)	(35)	(24)
Transfer employee to subsidiaries	-	-	(13)	(17)
Gain on remeasurements of defined benefit plans	(540)	-	(51)	-
Gain on remeasurements of long-term service awards	(1)	-	-	-
Provisions for employee benefit as at December 31,	<u>2,931</u>	<u>3,327</u>	<u>376</u>	<u>408</u>

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Expense recognised in the statement of profit or loss for the years ended December 31, are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2022	2021	2022	2021
Current service costs	208	203	46	30
Interest on obligations	64	60	8	7
Gain on remeasurements of long-term service awards	(1)	-	-	-
Total	<u>271</u>	<u>263</u>	<u>54</u>	<u>37</u>

The Group and the Company presented the expense in the statement of profit or loss for the years ended December 31, are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2022	2021	2022	2021
Cost of rendering of services and equipment rental	14	14	41	26
Administrative expenses	192	187	3	2
Management benefit expenses	2	2	2	2
Finance costs	64	60	8	7
Gain on remeasurements of long-term service awards	(1)	-	-	-
Total	<u>271</u>	<u>263</u>	<u>54</u>	<u>37</u>

(Gain)/Loss on remeasurements of defined benefit plans recognised in the statement of profit or loss and other comprehensive income for the years ended December 31, are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2022	2021	2022	2021
Included in retained earnings:				
As at January 1,	171	171	251	251
Recognised during the year	(540)	-	(51)	-
As at December 31,	<u>(369)</u>	<u>171</u>	<u>200</u>	<u>251</u>

Gains on remeasurements of defined benefit plans recognised in the statement of profit or loss and other comprehensive income for the years ended December 31, are arising from:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2022	2021	2022	2021
Financial assumptions	(477)	-	(44)	-
Experience adjustment	(63)	-	(7)	-
Total	<u>(540)</u>	<u>-</u>	<u>(51)</u>	<u>-</u>

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Principal actuarial assumptions for defined benefit plans at the end of the reporting period (expressed as weighted averages):

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Discount rate	2.75% - 3.45%	1.47% - 2.04%	2.75% - 3.45%	1.47% - 2.04%
Future salary increases	5%	5%	5%	5%

Assumptions regarding future mortality for the years ended December 31, 2022 and 2021 are based on published statistics and Thailand Mortality Ordinary Life table 2017 (“TMO17”).

Sensitivity analysis

Reasonably possible changes at the end of the reporting period to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the provisions for employee benefit as at December 31, are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2022	2021	2022	2021
Discount rate				
- Increase 1%	(296)	(367)	(29)	(34)
- Decrease 1%	345	434	33	39
Future salary growth				
- Increase 1%	318	429	30	39
- Decrease 1%	(278)	(370)	(27)	(34)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

23. SHARE CAPITAL

Movements of share capital for the years ended December 31, are as follows:

	Par value per share (in Baht)	(Million shares/million Baht)			
		2022		2021	
		Number of share	Amount	Number of share	Amount
Authorised					
As at January 1,					
- ordinary shares	1.00	4,997	4,997	4,997	4,997
As at December 31,					
- ordinary shares	1.00	4,997	4,997	4,997	4,997
Issued and paid					
As at January 1,					
- ordinary shares	1.00	2,974	2,974	2,974	2,974
As at December 31,					
- ordinary shares	1.00	2,974	2,974	2,974	2,974

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As at December 31, 2022 and 2021, the total issued number of ordinary shares is 2,974 million and 2,974 million respectively, shares with a par value of Baht 1.00 per share. All issued shares are fully paid.

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

Share premium

According to the Public Companies Act B.E. 2535, Section 51 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account (“share premium”). Share premium is not available for dividend distribution.

24. LEGAL RESERVE

According to the Public Companies Act B.E. 2535, section 116 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward (if any), to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

25. OTHER COMPONENTS OF SHAREHOLDERS’ EQUITY

Share-based payment

The performance share plan

Grant V

In March 2017, the Annual General Meeting of shareholders No.1/2017 approved to issue warrants to purchase the ordinary shares of the Company. The warrants are offered to employees of the Company and its subsidiaries, including the Board of Directors of the Company, who are qualified to the Performance share plan (“ESOP-Grant V”). The major information is listed below:

Approved date:	March 30, 2017
Number of warrants offered:	1,410,500 Units
Exercise price:	160.434 Baht/share
Number of reserved shares:	1,410,500 Shares
Term of the Project:	5 years from the date of initial offer of the warrants
Offered price per unit:	Baht 0 (zero Baht)
Exercise ratio:	1 unit of warrant per 1 ordinary share
Offer period:	Within one year from the date on which the issuance and offer of the warrant under the program is approved by the 2017 Annual General Meeting of shareholders

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Movements in the number of outstanding warrants for the year ended December 31, 2022 are as follows:

	As at January 1, 2022	Transaction during the year			Unit: Thousand units
		Issued	Exercised	Expired	As at December 31, 2022
ESOP - Grant V					
- Directors	39	-	(25)	(14)	-
- Employees	446	-	(259)	(187)	-
Total	<u>485</u>	<u>-</u>	<u>(284)</u>	<u>(201)</u>	<u>-</u>

* Above ESOP including ESOP of employees or executives who cannot exercise their rights under the items and conditions specified.

Fair value measurement

The Group and the Company measured the expense of the Project by reference to the fair value of the equity instrument granted at the grant date using the Monte Carlo Simulation technique. The major assumptions are as below:

Grant V

Weighted average fair value at the grant date	111.857 Baht/share
Share price at the grant date	172.500 Baht/share
Exercise price	160.434 Baht/share
Expected volatility	27.22%
Expected dividend	5.55%
Risk-free interest rate	2.01%

The share-based payment expenses of both the Group and the Company for the year ended December 31, 2022 are Baht 2 million. (For the year ended December 31, 2021: both the Group and the Company were Baht 8 million).

On June 2, 2021, the Company registered its increase in share capital with the Department of Business Development, Ministry of Commerce of 371,478 ordinary shares at a par value of Baht 1 each resulting from the exercise of warrants offered to directors and employees of the Group and the Company for 371,478 units for which the exercise price of the warrant is Baht 166.588 and Baht 160.434 per share. The increase in share capital resulted increases in paid-up share capital and share premium of Baht 371,478 and Baht 60 million, respectively.

On June 2, 2022, the Company registered its increase in share capital with the Department of Business Development, Ministry of Commerce of 283,945 ordinary shares at a par value of Baht 1 each resulting from the exercise of warrants offered to directors and employees of the Group and the Company for 283,945 units for which the exercise price of the warrant is Baht 160.434 per share. The increase in share capital resulted to increases in paid-up share capital and share premium of Baht 283,945 and Baht 45 million, respectively.

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26. SEGMENT FINANCIAL INFORMATION AND DISAGGREGATION OF REVENUE

The Group has three reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic divisions, the Group's chief operating decision maker reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group reportable segments.

Segment 1	Mobile phone services
Segment 2	Mobile phone and equipment sales
Segment 3	Datanet and broadband services

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's chief operating decision maker. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Information about reportable segments

Performance for the years ended December 31, are as follows:

	Mobile phone services		Mobile phone and equipment sales		Datanet and broadband services		Unit: Million Baht Total reportable segments	
	2022	2021	2022	2021	2022	2021	2022	2021
	External revenue	132,058	133,151	39,135	35,943	14,292	12,239	185,485
Finance income	117	205	3	7	6	5	126	217
Finance costs	(5,225)	(5,617)	(1)	(1)	(5)	(8)	(5,231)	(5,626)
Depreciation and amortisation	(49,524)	(50,190)	(9)	(13)	(3,369)	(3,171)	(52,902)	(53,374)
Material items of expenses	(16,046)	(15,647)	(1,835)	(1,539)	(432)	(605)	(18,313)	(17,791)
Segment profit (loss) before income tax expense	30,038	31,364	(1,375)	(1,341)	3,519	2,871	32,182	32,894

Reportable assets and liabilities as at December 31, are as follows:

	Mobile phone services		Mobile phone and equipment sales		Datanet and broadband services		Unit: Million Baht Total reportable segments	
	2022	2021	2022	2021	2022	2021	2022	2021
	Segment assets	312,169	335,289	9,694	6,648	15,180	14,285	337,043
Segment liabilities	243,522	265,097	4,340	5,300	3,365	4,000	251,227	274,397

The significant amount of additions to non-current assets for the years ended December 31, are as follows:

	Mobile phone services		Mobile phone and equipment sales		Datanet and broadband services		Unit: Million Baht Total reportable segments	
	2022	2021	2022	2021	2022	2021	2022	2021
	Capital expenditure	38,061	30,537	1	5	3,644	3,542	41,706

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Revenue

Disaggregation of revenue

The Group has recognised revenue from sale of goods and rendering of services to customer at a point in time and overtime by type of goods or main services according to the disclosure of segment financial information and disaggregation of revenue for the years ended December 31, are as follows:

		2022	Unit: Million Baht 2021
External revenue			
Segment 1	- Mobile phone services	132,058	133,151
Segment 2	- Mobile phone and equipment sales	39,135	35,943
Segment 3	- Datanet and broadband services	14,292	12,239
Total		<u>185,485</u>	<u>181,333</u>
Timing of revenue recognition			
Point in time			
Segment 2	- Mobile phone and equipment sales	39,135	35,943
Segment 3	- Datanet and broadband services	340	599
		<u>39,475</u>	<u>36,542</u>
Over time			
Segment 1	- Mobile phone services	132,058	133,151
Segment 3	- Datanet and broadband services	13,952	11,640
		<u>146,010</u>	<u>144,791</u>
Total		<u>185,485</u>	<u>181,333</u>

Geographical segments

The Group's managed and operates principally in Thailand. There are no material revenues derived from or assets located in foreign countries.

Major Customer

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

27. REVENUE FROM RENDERING OF SERVICES AND EQUIPMENT RENTALS

For the year ended December 31, 2022 and 2021, the Company has no revenue from rendering of services from internet and telecommunication services under licenses granted by The National Broadcasting and Telecommunications Commission ("NBTC").

	Note	Unit: Million Baht Separate financial statements	
		2022	2021
Other service income	35	1,840	1,992
Total		<u>1,840</u>	<u>1,992</u>

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28. FINANCE INCOME

Finance income for the years ended December 31, are as follows:

	Note	Consolidated		Unit: Million Baht	
		financial statements		Separate	
		2022	2021	2022	2021
Subsidiaries	35	-	-	553	428
Joint venture		4	-	-	-
Financial institutions		122	217	6	3
Total		<u>126</u>	<u>217</u>	<u>559</u>	<u>431</u>

29. PROVIDENT FUND

The defined contribution plan comprises a provident fund established by the Group and the Company for their employees. Membership of the fund is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 3% to 15% of their basic salaries and by the Group and the Company at rates ranging from 3% to 7% of the employees' basic salaries. The provident fund is registered with the Ministry of Finance as juristic entities and is managed by a licensed fund manager.

For the year ended December 31, 2022, the Group and the Company recognised contribution paid to the provident fund amounting to Baht 315 million and Baht 38 million, respectively, in the consolidated and separate statement of profit or loss (For the year ended December 31, 2021: Baht 312 million and Baht 35 million, respectively).

30. EXPENSES BY NATURE

The statements of profit or loss for the years ended December 31, include an analysis of expenses by function. Significant expenses by nature disclosed in accordance with the requirements of various Thai Financial Reporting Standards are as follows:

	Notes	Consolidated		Unit: Million Baht	
		financial statements		Separate	
		2022	2021	2022	2021
Depreciation of buildings and equipment	13	25,391	27,055	27	20
Depreciation of right-of-use assets	14	13,031	12,774	137	117
Amortisation of spectrum licenses	16	12,010	11,676	-	-
Amortisation of other intangible assets other than goodwill	17	2,470	1,869	1	3
Expected credit loss (bad debts recovery)	7	1,966	1,838	(7)	(11)
Loss on terminate contract assets	8	35	144	-	-
Marketing expenses		6,769	6,002	2	3
Staff costs		9,543	9,807	1,043	991

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31. FINANCE COSTS

Finance costs for the years ended December 31, are as follows:

	Note	Consolidated financial statements		Unit: Million Baht Separate financial statements	
		2022	2021	2022	2021
Interest expense	35	2,370	2,410	177	125
Finance cost related to spectrum license	21	1,708	1,896	-	-
Interest on lease liabilities		1,071	1,235	3	4
Others		81	85	13	11
Total		<u>5,230</u>	<u>5,626</u>	<u>193</u>	<u>140</u>

32. TAX EXPENSE

Tax expense (income) recognised in the statements of profit or loss for the years ended December 31, are as follows:

	Note	Consolidated financial statements		Unit: Million Baht Separate financial statements	
		2022	2021	2022	2021
Current tax expense					
Current year		6,741	6,169	121	164
Adjustment for prior years		3	16	(11)	(3)
		<u>6,744</u>	<u>6,185</u>	<u>110</u>	<u>161</u>
Deferred tax expense (income)	18				
Movements in temporary differences		(576)	(215)	(3)	(1)
Total tax expense		<u>6,168</u>	<u>5,970</u>	<u>107</u>	<u>160</u>

Tax expense (income) recognised in the statements of profit or loss and other comprehensive income for the year ended December 31, 2022 and 2021 are as follows:

	Unit: Million Baht Consolidated financial statements		
	Before tax	Tax (expense) benefit	Net of tax
For the year ended December 31, 2022			
Loss on investment in equity at fair value	(58)	11	(47)
Gain on cash flow hedges	591	(118)	473
Gain on remeasurements of defined benefit plans	540	(108)	432
Total	<u>1,073</u>	<u>(215)</u>	<u>858</u>
For the year ended December 31, 2021			
Loss on investment in equity at fair value	(9)	2	(7)
Loss on cash flow hedges	507	(101)	406
Total	<u>498</u>	<u>(99)</u>	<u>399</u>

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	Unit: Million Baht		
	Separate financial statements		
	Before tax	Tax (expense) benefit	Net of tax
For the year ended December 31, 2022			
Loss on investment in equity at fair value	(2)	-	(2)
Gain on remeasurements of defined benefit plans	51	(10)	41
Total	<u>49</u>	<u>(10)</u>	<u>39</u>
For the year ended December 31, 2021			
Loss on investment in equity at fair value	(5)	1	(4)
Total	<u>(5)</u>	<u>1</u>	<u>(4)</u>

Reconciliation of effective tax rate for the years ended December 31, are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Consolidated financial statements	
	2022		2021	
	Rate (%)		Rate (%)	
Profit before income tax expense		32,182		32,894
Income tax using the applicable tax rate	20	6,436	20	6,579
Expenses not deductible for tax purposes (Addition expenditure deduction allowed)		(19)		(27)
Additional capital expenditure deduction allowed		(259)		(626)
Adjustment for prior years		3		16
Effect from elimination with subsidiaries		7		28
Total	19	<u>6,168</u>	18	<u>5,970</u>

	Unit: Million Baht			
	Separate financial statements		Separate financial statements	
	2022		2021	
	Rate (%)		Rate (%)	
Profit before income tax expense		26,118		27,082
Income tax using the applicable tax rate	20	5,224	20	5,416
Share of profit of subsidiaries		(5,096)		(5,238)
Reversal share of loss of joint ventures accounted for using equity method		(8)		-
Additional expenditure deduction allowed net		(2)		(15)
Adjustment for prior years		(11)		(3)
Total	1	<u>107</u>	1	<u>160</u>

The Group and the Company have applied the tax rate of 20% for calculated income tax expense and deferred income tax for the years ended December 31, 2022 and 2021.

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33. EARNINGS PER SHARE

Basic earnings per share

The calculation of basic earnings per share for the years ended December 31, is based on the profit for the years attributable to ordinary shareholders of the Group and the Company and the weighted average number of ordinary shares outstanding during the years as follows:

	(in million Baht/million shares)			
	Consolidated		Separate	
	financial statements 2022	2021	financial statements 2022	2021
Profit attributable to ordinary shareholders of the Company (basic)	<u>26,011</u>	<u>26,922</u>	<u>26,011</u>	<u>26,922</u>
Weighted average number of ordinary shares outstanding (basic)	<u>2,974</u>	<u>2,974</u>	<u>2,974</u>	<u>2,974</u>
Earnings per share (basic) (in Baht)	<u>8.75</u>	<u>9.05</u>	<u>8.75</u>	<u>9.05</u>

Diluted earnings per share

The calculation of diluted earnings per share for the years ended December 31, is based on the profit for the years attributable to equity holders of the Group and the Company and the weighted average number of ordinary shares outstanding during the years after adjusting for the effects of all dilutive potential ordinary shares as follows:

	(in million Baht/million shares)			
	Consolidated		Separate	
	financial statements 2022	2021	financial statements 2022	2021
Profit attributable to equity holders of the Company (basic)	<u>26,011</u>	<u>26,922</u>	<u>26,011</u>	<u>26,922</u>
Profit attributable to equity holders of the Company (diluted)	<u>26,011</u>	<u>26,922</u>	<u>26,011</u>	<u>26,922</u>
Weighted average number of ordinary shares outstanding (basic)	<u>2,974</u>	<u>2,974</u>	<u>2,974</u>	<u>2,974</u>
Weighted average number of ordinary shares outstanding (diluted)	<u>2,974</u>	<u>2,974</u>	<u>2,974</u>	<u>2,974</u>
Earnings per share (diluted) (in Baht)	<u>8.75</u>	<u>9.05</u>	<u>8.75</u>	<u>9.05</u>

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34. DIVIDENDS

At the Annual General Meeting of the Shareholders of the Company held on March 29, 2021, the shareholders approved the appropriation of dividend of Baht 6.92 per share. The Company paid an interim dividend at the rate of Baht 3.24 per share on September 3, 2020, therefore the remaining dividend to be paid was Baht 3.68 per share, amounting to Baht 10,942 million. The dividend was paid to shareholders on April 20, 2021.

On August 3, 2021, the Board of Director's meeting approved the declaration of an interim dividend of Baht 3.45 per share, amounting to Baht 10,260 million. The interim dividend was paid to the shareholders on September 1, 2021.

At the Annual General Meeting of the Shareholders of the Company held on March 24, 2022, the shareholders approved the appropriation of dividend of Baht 7.69 per share. The Company paid an interim dividend at the rate of Baht 3.45 per share on September 1, 2021, therefore the remaining dividend to be paid was Baht 4.24 per share, amounting to Baht 12,609 million. The dividend was paid to shareholders on April 19, 2022.

On August 8, 2022, the Board of Director's meeting approved the declaration of an interim dividend of Baht 3.45 per share, amounting to Baht 10,261 million. The interim dividend was paid to the shareholders on September 6, 2022.

35. RELATED PARTIES

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

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

During the year, the Group and the Company have entered into a number of transactions with related parties, the terms of which are negotiated in the ordinary course of business and according to normal trade conditions. Purchases of products and services are charged at reasonable prices and those prices are comparable to the market rate with general trading conditions. Consulting and management service fees are charged on a mutually agreed basis calculated based on activities performed for the counter parties in each year.

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Relationships between the Group and the Company with related parties are as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Subsidiaries	Thailand	Subsidiaries are entities controlled by the Group.
Intouch Holdings Public Company Limited (“INTOUCH”) and its related parties (“INTOUCH Group”)	Thailand and Laos	INTOUCH has significant influence over the Company and has some joint directors
Singtel Strategic Investments Pte Ltd. (“Singtel”) and its related parties (“Singtel Group”)	Singapore	Singtel is a shareholder which has significant influence over the Company and has some joint directors.
Information Highway Co., Ltd.	Thailand	Information Highway Co., Ltd. is an associate.
Choco Card Enterprise Co., Ltd.	Thailand	Choco Card Enterprise Co., Ltd. is an associate.
Datafarm Co., Ltd.	Thailand	Datafarm Co., Ltd. is an associate.
Swift Dynamics Co., Ltd.	Thailand	Swift Dynamics Co., Ltd. is an associate.
GSA DC Co., Ltd.	Thailand	GSA DC Co., Ltd. is an associate.
Amata Network Co., Ltd.	Thailand	Amata Network Co., Ltd. is a joint venture.
Rabbit - Line Pay Company Limited	Thailand	Rabbit - Line Pay Company Limited is a joint venture.
SAHA Advanced Network Co.,Ltd.	Thailand	SAHA Advanced Network Co., Ltd. is a joint venture
AISCB Co., Ltd.	Thailand	AISCB Co., Ltd. was a joint venture until December 29, 2022.
Other related parties	Thailand	Other parties have some joint directors and directors of related parties

Significant transactions with related parties for the years ended December 31, are as follows:

	Consolidated		Unit: Million Baht	
	financial statements	financial statements	Separate	financial statements
	2022	2021	2022	2021
Revenue from rendering of service and equipment rentals				
Subsidiaries	-	-	1,839	1,991
INTOUCH Group	67	56	1	1
Singtel Group	185	22	-	-
Joint ventures	2	2	-	-
Other related parties	250	299	-	-
Total	504	379	1,840	1,992
Dividend received from				
Subsidiaries	-	-	20,725	23,064
Joint ventures	17	15	-	-
Total	17	15	20,725	23,064
Finance income				
Subsidiaries	-	-	553	428
Joint ventures	4	2	-	-
Total	4	2	553	428
Other income				
Subsidiaries	-	-	45	66
INTOUCH Group	12	12	-	-
Joint ventures	10	8	-	-
Total	22	20	45	66

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	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2022	2021	2022	2021
Rental and other service expenses				
Subsidiaries	-	-	54	46
INTOUCH Group	57	111	-	8
Singtel Group	190	188	-	5
Joint ventures	74	63	-	-
Associates	91	72	-	-
Other related parties	2	18	-	-
Total	414	452	54	59
Advertising expense				
Subsidiaries	-	-	1	-
INTOUCH Group	2	3	1	2
Singtel Group	-	1	-	-
Joint ventures	-	4	-	-
Total	2	8	2	2
Management benefit expenses				
Short-term employee benefit	131	142	131	142
Long-term employee benefit	2	2	2	2
Share-based payments	-	1	-	1
Total	133	145	133	145
Purchase of property and other assets				
INTOUCH Group	-	7	-	3
Finance costs				
Subsidiaries	-	-	26	26
INTOUCH Group	-	1	-	-
Associates	11	11	-	-
Other related parties	329	306	-	1
Total	340	318	26	27
Dividend paid to				
INTOUCH	9,249	8,575	9,249	8,575
Singtel Group	5,331	4,944	5,331	4,944
Total	14,580	13,519	14,580	13,519

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Balances with related parties as at December 31, are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022	As at December 31, 2021
Cash and cash equivalents				
Bank deposit				
Other related parties	180	203	1	1
Trade and other current receivables				
Trade receivables				
Subsidiaries	-	-	45	210
INTOUCH Group	29	32	-	-
Singtel Group	9	14	-	1
Joint ventures	2	2	-	-
Other related parties	57	35	-	-
Total	97	83	45	211
Accrued income				
Subsidiaries	-	-	-	5
INTOUCH Group	1	2	-	-
Singtel Group	-	8	-	-
Other related parties	35	50	-	-
Total	36	60	-	5
Total trade receivables	133	143	45	216
Other current receivables				
Accrued interest income				
Subsidiaries	-	-	190	161
Total other current receivables	-	-	190	161
Total trade and other current receivables	133	143	235	377

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	Consolidated		Unit: Million Baht	
	financial statements		Separate	
	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022	As at December 31, 2021
Short-term loans to related parties				
Subsidiaries	-	-	59,470	61,903

As at December 31, 2022, the Company has short-term loans to related parties representing promissory notes at call, bearing interest at the average rate of 1.08% per annum (As at December 31, 2021 : average rate of 0.77 % per annum, the Group has nil).

Movements of short-term loans to related parties for the years ended December 31, are as follows:

	Unit: Million Baht	
	Separate	
	financial statements 2022	financial statements 2021
Short-term loans to related parties		
As at January 1,	61,903	52,543
Increase	12,360	19,310
Decrease	(14,793)	(9,950)
As at December 31,	59,470	61,903

	Unit: Million Baht	
	Consolidated	
	financial statements As at December 31, 2022	financial statements As at December 31, 2021
Long-term loans to a related party		
Joint Ventures	100	100

As at December 31, 2022, the Group has long-term loans to a related party representing credit facility agreement, bearing interest at the average rate of 4.32% per annum (As at December 31, 2021: average rate of 4.32% per annum).

Movements of long-term loans to related parties for the years ended December 31, are as follows:

	Unit: Million Baht	
	Consolidated	
	financial statements 2022	financial statements 2021
Long-term loans to related parties		
As at January 1,	100	-
Increase	-	100
As at December 31,	100	100

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	Consolidated		Unit: Million Baht Separate	
	financial statements		financial statements	
	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022	As at December 31, 2021
Trade and other current payables				
Trade payables				
Subsidiaries	-	-	1	2
INTOUCH Group	8	11	-	1
Singtel Group	64	96	48	59
Joint ventures	1	4	-	-
Associates	6	5	-	-
Total trade payables	<u>79</u>	<u>116</u>	<u>49</u>	<u>62</u>
Other current payables				
Accrued expenses				
Subsidiaries	-	-	15	7
INTOUCH Group	5	23	-	2
Singtel Group	93	3	-	-
Joint ventures	10	7	-	-
Associates	1	1	-	-
Other related parties	106	76	-	-
Total other current payables	<u>215</u>	<u>110</u>	<u>15</u>	<u>9</u>
Total trade and other current payables	<u>294</u>	<u>226</u>	<u>64</u>	<u>71</u>
Lease liabilities				
INTOUCH Group	-	21	-	-
Singtel Group	1	15	-	-
Joint ventures	12	3	-	-
Associates	422	424	-	-
Other related parties	1	-	-	-
Total lease liabilities	<u>436</u>	<u>463</u>	<u>-</u>	<u>-</u>
Short-term borrowings from				
Related parties				
Subsidiaries	-	-	4,720	5,840
Other related parties	1,500	-	-	-
Total	<u>1,500</u>	<u>-</u>	<u>4,720</u>	<u>5,840</u>

As at December 31, 2022, short-term borrowings from related parties of the Group and the Company represented promissory notes at call, bearing interest at the average rate of 1.52% and 0.48% per annum, respectively, and are unsecured (As at December 31, 2021: average rate of 0.49% per annum at the Company, the Group has nil).

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Movements of short-term borrowings from related parties for the years ended December 31, are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2022	2021	2022	2021
	Short-term borrowings from related parties			
As at January 1,	-	-	5,840	5,080
Increase	2,500	-	1,100	2,590
Decrease	(1,000)	-	(2,220)	(1,830)
As at December 31,	1,500	-	4,720	5,840

	Unit: Million Baht Consolidated financial statements	
	As at December 31, 2022	As at December 31, 2021
	Current portion of long-term borrowings from related parties	
Other related parties	750	750
Long-term borrowing from related parties - net		
Other related parties	13,499	14,249
Total	14,249	14,999

As at December 31, 2022 and 2021, the Group has long-term borrowing from a related party, bearing interest at the rate of THOR plus margin* and 6MTHBFIX plus margin and semi-annual interest payments with 14 principal installments starting from 2022 to 2028 and unsecured.

* The Group has amended long-term loan agreement to change the interest rate from 6MTHBFIX plus margin to THOR plus margin on August 8, 2022.

Movements of long-term borrowings from related parties for the years ended December 31, are as follows:

	Unit: Million Baht Consolidated financial statements	
	As at December 31, 2022	As at December 31, 2021
	Long-term borrowings from related parties	
As at January 1,	14,999	14,999
Decrease	(750)	-
As at December 31,	14,249	14,999

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Significant agreements with related parties

The Group and the Company have entered into agreements with related parties. There are commitment for receipts and payments according to rates under the terms and conditions stipulated in the agreements. The significant agreements with related parties are as follows:

- 1) The Group has entered into interconnection agreements among its related parties. The termination and suspension of the agreement are referred to the regulations and conditions of the National Telecommunications Commission.
- 2) The Group has entered into site share agreements among its related parties to provide site area including related facilities for installation of telecommunication equipment. The counterparty has a right to terminate the agreement by giving advance written notice not less than 60 days.
- 3) The subsidiaries have received a service of a call center from Advanced Contact Center Co., Ltd. (“ACC”), a subsidiary. ACC will provide information services including problem resolution for the customers of the Group.
- 4) Advanced Contact Center Co., Ltd., a subsidiary, has entered into a call center service agreement with Teleinfo Media Plc. (“TMC”), an indirect subsidiary. TMC will arrange the personnel and provide call center operation service. The counterparty has a right to terminate the agreement by giving advance written notice not less than 30 days.
- 5) The Group has entered into an agreement with Advanced Mpay Co., Ltd., a subsidiary, to provide payment service for goods/service purchased through electronic payments and cash card. The counterparty has a right to terminate the agreement by giving advance written notice not less than 30 days.
- 6) Advanced Magic Card Co., Ltd. and Advanced Mpay Co., Ltd., subsidiaries, have entered into an agreement with AIS Digital Life Co., Ltd., a subsidiary, to distribute electronic money and cash card. The counterparty has a right to terminate the agreement by giving advance written notice not less than 30 days.
- 7) The Group has entered into an agreement with AIS Digital Life Co., Ltd., a subsidiary, to provide card packaging. The counterparty has a right to terminate the agreement by giving advance written notice not less than 30 days.
- 8) The Group has entered into an international roaming service agreement with the Singtel Group. The counterparty has a right to terminate the agreement by giving advance written notice not less than of 60 days.
- 9) The Group has entered into an agreement with MIMO Tech Co., Ltd., a subsidiary, and AD Venture Public Co., Ltd., an indirect subsidiary, of providing aggregating value added services on mobile network or wireless device (Content Aggregator). The counterparty has a right to terminate the agreement by giving advance written notice not less than 30 days.
- 10) Advanced Wireless Network Co., Ltd. (“AWN”), a subsidiary, has entered into a satellite transponder lease agreement with Thaicom Public Company Limited, a related party, AWN agreed to pay service fee on monthly basis according to the rate and condition specified in the agreement. The agreement is valid until November 19, 2022.

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- 11) Advanced Wireless Network Co., Ltd., a subsidiary, has entered into fibre optic system and its site facilities agreement with Information Highway Co., Ltd. (“IH”), an associate. IH will provide installation fibre optic transmission and maintenance services in specific areas. The counterparty has a right to terminate the agreement by giving the counterparty advance written notice not less than 30 days.
- 12) Advanced Wireless Network Co., Ltd., a subsidiary, has entered into agreement with TC Broadcasting Company Limited, a related party, to receive a satellite equipment system and television signal service. The counterparty has a right to terminate the agreement by giving the counterparty advance written notice not less than 30 days.
- 13) Super Broadband Network Co., Ltd., a subsidiary, has entered into agreement with Advanced Wireless Network Co., Ltd. (“AWN”), a subsidiary, to rent the telecommunication equipment. The counterparty has a right to terminate the agreement by giving the counterparty advance written notice not less than 30 days.
- 14) Advanced Wireless Network Co., Ltd., a subsidiary, and CS Loxinfo Public Company Limited, an indirect subsidiary, have entered into an agreement to develop the infrastructure of fibre optic network with Amata Network Co., Ltd., a joint venture. The counterparty has a right to terminate the agreement by giving the counterparty advance written notice not less than 30 days.
- 15) Advanced Mpay Co., Ltd., a subsidiary, has entered into agreement with Rabbit-Line Pay Co., Ltd., a joint venture, to receive electronic money and electronic payment service. The counterparty has a right to terminate the agreement by giving the counterparty advance written notice not less than 30 days.
- 16) Advanced Wireless Network Co., Ltd. (“AWN”), a subsidiary, hired MIMO Tech Co., Ltd. (“MMT”), a subsidiary, to operate point management and arranging activities to exchange products or services for the AWN's customers. The counterparty has a right to terminate the agreement by giving the counterparty advance written notice not less than 30 days.
- 17) Advanced Wireless Network Co., Ltd. (“AWN”), a subsidiary, has received a service to provide outsource service from AIS Digital Life Company Limited (“ADL”), a subsidiary.

36. FINANCIAL INSTRUMENTS

Financial risk management policies

Risk management is integral to the whole business of the Group and the Company. The Group and the Company have a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's and the Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

Capital management

The Group and the Company aim to manage its capital structure to be stronger than industry peer and commit to be investment grade rating. This will allow the Group and the Company to retain superior financial flexibility in order to capture future growth prospect. The Group's and the Company's financial flexibility means diversified source of capital, ease of funding, and appropriate cost of capital.

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's and the Company's operations and their cash flows because some of loan interest rates are floating interest rate. The Group and the Company have interest rate risk from their borrowings (see Note 19). The Group and the Company mitigate this risk by ensuring that the majority of its borrowings are at fixed interest rates and uses derivative financial instruments, principally interest rate swaps, to manage exposure to fluctuations in interest rates on specific borrowings.

Interest rate swap contracts

Under interest rate swap contracts, the Group agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group to mitigate the risk of changing interest rates on the fair value of issued fixed rate debt held and the cash flow exposures on the issued variable rate debt held. The fair value of interest rate swaps at the reporting date is determined by discounting the future cash flows using the curves at the reporting date and the credit risk inherent in the contract, and is disclosed below. The average interest rate is based on the outstanding balances at the end of the financial year.

As the critical terms of the interest rate swap contracts and their corresponding hedged items are the same, the Group performs a qualitative assessment of effectiveness and it is expected that the value of the interest rate swap contracts and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying interest rates. The main source of hedge ineffectiveness in these hedge relationships is the effect of the counterparty and the Group's own credit risk on the fair value of the interest rate swap contracts, which is not reflected in the fair value of the hedged item attributable to the change in interest rates. No other sources of ineffectiveness emerged from these hedging relationships.

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The following tables detail various information regarding interest rate swap contracts outstanding at the end of the reporting period in the consolidated financial statements and their related hedged items. (Separate financial statements : nil).

Cash flow hedges

Hedging instruments Outstanding receive floating, pay fixed contracts	Consolidated financial statements		Unit: Million Baht
	Contracted fixed interest rate	Notional principal value	Carrying amount of the hedging instrument assets/(liabilities)
As at December 31, 2022:			
Interest rate swap	2.25%	2,000	81
Interest rate swap	2.83% - 3.90%	14,350	(173)
		<u>16,350</u>	<u>(92)</u>

Hedging instruments Outstanding receive floating, pay fixed contracts	Consolidated financial statements		Unit: Million Baht
	Contracted fixed interest rate	Notional principal value	Carrying amount of the hedging instrument assets/(liabilities)
As at December 31, 2021:			
Interest rate swap	2.25%	2,000	9
Interest rate swap	2.83% - 3.90%	16,000	(722)
		<u>18,000</u>	<u>(713)</u>

Hedged items	Consolidated financial statements	
	Nominal amount of the hedged item liabilities	
As at December 31:	2022	2021
Variable rate borrowings	16,350	18,000

The following table details the effectiveness of the hedging relationship and the amounts reclassified from hedging reserve to profit or loss: (Separate financial statements: nil):

Hedged items	Consolidated financial statements	
	Current period hedging gains recognised in OCI	
	2022	2021
Variable rate borrowings	591	507

The interest rate swaps settle on a quarterly and semi-annual basis. The floating rate on the interest rate swaps is THOR plus margin and 6MTHBFIK plus margin. The Group will settle the difference between the fixed and floating interest rate on a net basis.

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All interest rate swap contracts exchanging floating rate interest amounts for fixed rate interest amounts are designated as cash flow hedges to reduce the Group's cash flow exposure resulting from variable interest rates on borrowings. The interest rate swaps and the interest payments on the loan occur simultaneously and the amount accumulated in equity is reclassified to profit or loss over the period that the floating rate interest payments on debt affect profit or loss.

Foreign currency risk

The Group and the Company have foreign currency risk relating to expense, purchasing goods and equipment denominated in foreign currencies. The Group and the Company primarily utilise forward contracts, which are not more than 1 year, to hedge such financial liabilities denominated in foreign currencies.

The Group and the Company have foreign currency risk in respect of financial assets and liabilities denominated as at December 31, are as follows:

	Notes	Unit: Million Baht			
		Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Cash and cash equivalents	5				
US Dollar (USD)		114	52	-	-
Euro (EUR)		84	77	-	-
Total		<u>198</u>	<u>129</u>	<u>-</u>	<u>-</u>
Trade receivables	7				
US Dollar (USD)		405	358	-	-
Euro (EUR)		14	2	-	-
Yen (JPY)		4	8	-	-
Total		<u>423</u>	<u>368</u>	<u>-</u>	<u>-</u>
Trade payables	20				
US Dollar (USD)		(18,505)	(19,241)	(1)	-
Euro (EUR)		(13)	(12)	(3)	-
Yen (JPY)		(23)	(7)	-	-
Singapore Dollar (SGD)		(56)	(59)	(48)	(58)
Australian Dollar (AUD)		(1)	(3)	-	-
Total		<u>(18,598)</u>	<u>(19,322)</u>	<u>(52)</u>	<u>(58)</u>
Lease liabilities					
US Dollar (USD)	19	(130)	(94)	-	-
Total		<u>(130)</u>	<u>(94)</u>	<u>-</u>	<u>-</u>
Gross statement of financial position exposure		(18,107)	(18,919)	(52)	(58)
Forward contracts		14,031	13,163	-	-
Net exposure		<u>(4,076)</u>	<u>(5,756)</u>	<u>(52)</u>	<u>(58)</u>

Forward contracts are held to hedge currency risk for gross statement of financial position exposure as at December 31, 2022 and 2021 and to retain future purchases.

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Classification of forward contracts and interest rate swap as at December 31, are as follows: (Separate financial statements : nil):

	Note	Unit: Million Baht	
		Consolidated financial statements	
		2022	2021
Current assets			
Other current financial assets			
Forward contracts		46	213
Investment in debt instrument		2	-
Total current assets		<u>48</u>	<u>213</u>
Non-current assets			
Other non-current financial assets	12		
Interest rate swap		81	9
Investment in debt instrument		2	-
Total non-current assets		<u>83</u>	<u>9</u>
Total assets		<u>131</u>	<u>222</u>
Current liabilities			
Other current financial liabilities			
Forward contracts		(524)	(25)
Interest rate swap		(10)	-
Total current liabilities		<u>(534)</u>	<u>(25)</u>
Non-current liabilities			
Other non-current financial liabilities			
Interest rate swap		(163)	(722)
Total non-current liabilities		<u>(163)</u>	<u>(722)</u>
Total liabilities		<u>(697)</u>	<u>(747)</u>
Total		<u>(566)</u>	<u>(525)</u>

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Movement of forward contracts and interest rate swap for the year ended December 31, in the consolidated financial statements are as follows: (Separate financial statements : nil):

	Balance as at January 1, 2022	Change in fair value during the year	Unit: Million Baht Balance as at December 31, 2022
Current assets			
Other current financial assets			
Forward contracts	213	(167)	46
Investment in debt instrument	-	2	2
Non-Current assets			
Other non-current financial assets			
Interest rate swap	9	72	81
Investment in debt instrument	-	2	2
Current liabilities			
Other current financial liabilities			
Forward contracts	(25)	(499)	(524)
Interest rate swap	-	(10)	(10)
Non-current liabilities			
Other non-current financial liabilities			
Interest rate swap	(722)	559	(163)
Total	<u>(525)</u>	<u>(41)</u>	<u>(566)</u>

	Balance as at January 1, 2021	Change in fair value during the year	Unit: Million Baht Balance as at December 31, 2021
Current assets			
Other current financial assets			
Forward contracts	-	213	213
Non-Current assets			
Other non-current financial assets			
Interest rate swap	-	9	9
Current liabilities			
Other current financial liabilities			
Forward contracts	(297)	272	(25)
Non-current liabilities			
Other non-current financial liabilities			
Interest rate swap	(1,225)	503	(722)
Total	<u>(1,522)</u>	<u>997</u>	<u>(525)</u>

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The following table presents valuation technique of financial instruments measured at fair value in statement of financial position, which have significant changes in valuation technique and unobservable input during the period.

Type	Valuation technique
Interest rate swaps	Swap models: The present value of estimated future cash flows, using an observable yield curve.
Forward contracts	Based on the rates quoted forward exchanged rates from commercial banks at the reporting date.

The nominal amounts and fair values of forward contracts and interest rate swap as at December 31, are as follows:

	Unit: Million Baht			
	Consolidated financial statements			
	Nominal amounts**		Fair values*	
	2022	2021	2022	2021
Forward contracts	14,510	12,975	14,031	13,163
Interest rate swap	16,350	18,000	92	713
Total	<u>30,860</u>	<u>30,975</u>	<u>14,123</u>	<u>13,876</u>

* The fair value of forward contracts is the value of the original contracts which the Company entered with commercial banks at the end of the reporting period in order to reflect the current value of the contracts.

The fair value of interest rate swap is the value of difference between exchange rate of original contracts which the Company entered with commercial bank at the end of the reporting period in order to reflect the current value of the contracts.

** The nominal amount is the value of the original contracts which the Company entered with the commercial banks.

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Group and the Company as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the end of the reporting period there were no significant concentrations of credit risk.

Liquidity risk

The Group and the Company monitor its liquidity risk and maintain a level of cash and cash equivalents deemed adequate by management to finance the Group's and the Company's operations and to mitigate the effects of fluctuations in cash flows.

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Fair values of financial assets and liabilities

Financial assets and liabilities measured at fair value in the consolidated statement of financial position as at December 31, are as follows: (Separate financial statements as at December 31, 2021 : nil):

	Carrying amount	Consolidated financial statements			
		Fair value			
		Level 1	Level 2	Level 3	Total
Unit: Million Baht					
As at December 31, 2022					
Forward contracts	(478)	-	-	(478)	(478)
Interest rate swap	92	-	-	92	92
Debentures	37,138	-	37,566	-	37,566
Investment in debt instrument	4	-	4	-	4
As at December 31, 2021					
Forward contracts	(188)	-	-	(188)	(188)
Interest rate swap	713	-	-	713	713
Debentures	37,138	-	38,762	-	38,762
Unit: Million Baht					
		Separate financial statements			
		Fair value			
		Level 1	Level 2	Level 3	Total
As at December 31, 2022					
Debentures	6,500	-	6,244	-	6,244
As at December 31, 2021					
Debentures	6,500	-	6,534	-	6,534

Fair value hierarchy

The table above analyses recurring fair value measurements for financial assets. These fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to valuation techniques used. The different levels are defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group and the Company can access at the measurement date.

Level 2: other inputs than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: unobservable inputs for the asset or liability.

For disclosure purposes, the Group determines Level 2 fair values for traded debentures have been determined based on quoted selling prices from the Thai Bond Market Association at the close of the business at the end of the reporting period.

For disclosure purposes, the Group determines Level 3 fair values for forward contracts were calculated using the rates quoted by the Group's and bankers which were based on market conditions existing at the statement of financial position date.

The fair value of trade and other current receivables and trade and other current payables are taken to approximate the carrying value.

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The fair value of loans to and borrowings from related parties and lease liabilities are taken to approximate the carrying value because most of these financial instruments bear interest at market rate.

The fair value of long-term borrowings is taken to approximate the carrying value because most of these financial instruments bear interest at market rate.

Market risk

The Group is exposed to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is as follows:

Managing interest rate benchmark reform (IBOR reform)

The risk management committee monitors and manages the Group's transition to alternative rates. The committee evaluates the extent to which contracts reference IBOR cash flows, whether such contracts will need to be amended as a result of IBOR reform and how to manage communication about IBOR reform with counterparties. The committee reports to the Group's board of directors quarterly and collaborates with other business functions as needed. It provides periodic reports to management of interest rate risk and risks arising from IBOR reform.

The Group's main IBOR exposure at December 31, 2022 was indexed to THBFIX. The Group has finished the process of amending contractual terms for all of the THBFIX indexed exposures to incorporate THOR by December 31, 2022. The Group's main IBOR exposure at December 31, 2022 was indexed to THBFIX. The Group has amended the contractual terms for some THBFIX indexed exposures to incorporate THOR by December 31, 2022. In respect of the remaining THBFIX exposures, the Group is in the progress of transitioning to new benchmark rates.

The Group holds interest rate swaps for risk management purposes that are designated in cash flow hedging relationships. The interest rate swaps have floating legs that are indexed to THBFIX. The Group's derivative instruments are governed by contracts based on the International Swaps and Derivatives Association (ISDA)'s master agreements.

The Group monitors the progress of transition from IBOR to new benchmark rate by reviewing the total amounts of contracts that have yet to transition to an alternative benchmark rate and the amounts of such contracts that include an appropriate fallback clause.

The following table shows the total amounts of financial instruments that have yet to transition to an alternative benchmark rates. The amounts of financial assets and financial liabilities are shown at their carrying amounts and derivatives are shown at their notional amounts.

	Unit: Million Baht
	Consolidated
	financial statements
	THBFIX
Key reference rate under the existing contracts	
At December 31, 2022	
Long-term borrowings	3,500
Derivatives liabilities	10

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37. COMMITMENTS WITH NON-RELATED PARTIES

Commitments with non-related parties as at December 31, are as follows:

	Note	Consolidated		Unit: Million	
		financial statements		Separate	
		2022	2021	2022	2021
Capital commitments					
Unrecognised contractual commitments					
Buildings and equipment					
Thai Baht (THB)		5,528	6,061	3	24
US Dollar (USD)		117	257	-	-
Service maintenance					
Thai Baht (THB)		2,852	2,439	29	38
US Dollars (USD)		28	24	-	-
Purchase orders for goods and supplies					
Thai Baht (THB)		17,296	14,397	-	-
US Dollars (USD)		5	19	-	-
Unit: Million Baht					
Consolidated					
financial statements					
2022					
2021					
Non-cancellable operating lease commitments					
Within one year				14	48
After one year but within five years				3	19
Total				<u>17</u>	<u>67</u>

The Group recorded the rental expenses under operating lease agreements which are the short-term lease and lease of low value assets in the consolidated statements of profit or loss for the year ended December 31, 2022 and 2021 of Baht 136 million and Bah 135 million, respectively (Separate financial statements : nil).

		Consolidated		Unit: Million Baht	
		financial statements		Separate	
		2022	2021	2022	2021
Other commitments					
Thai Baht					
Forward contracts		14,510	12,975	-	-
Bank guarantees:					
- Spectrum license payable		72,858	84,670	-	-
- Others		2,550	2,549	39	38
Total		<u>89,918</u>	<u>100,194</u>	<u>39</u>	<u>38</u>

**ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
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Significant agreements

- The Group has entered into lease and related service agreements for office space for periods ranging from 1 year to 3 years with options to renew.
- The Group has entered into a service agreement with a company, for the Group to receive the services relating to network station and other general services as stated in the agreement. The Group shall pay a service fee for the services at the rate as stated in the agreement. Such agreement will be terminated when a party submits advance written notice not less than 90 days.
- On January 5, 2018, Advanced Wireless Network Co., Ltd. (“AWN”), a subsidiary, has entered into service agreement with National Telecom Public Company Limited (“NT”) to receive the service relating to the national roaming service for the period from March 1, 2018 to August 3, 2025. AWN has letter of irrevocable guarantee from domestic commercial banks of Baht 720 million used as collateral for the throughout the period of agreement.
- On January 5, 2018, Super Broadband Network Co., Ltd. (“SBN”), a subsidiary, has entered into rental agreement with National Telecom Public Company Limited (“NT”) to provide the telecommunication equipment rental for the period from March 1, 2018 to August 3, 2025. SBN has letter of irrevocable guarantee from domestic commercial banks of Baht 525 million used as collateral for the throughout the period of agreement.
- On September 4, 2019, the Group has mutually agreed with National Telecom Public Company Limited (“NT”) entering into a Dispute Resolution Agreement and Providing the Telecommunication Equipment Tower Service (see Note 39). The Group receive rental service of the telecommunication equipment tower from NT for the period from January 1, 2019 to December 31, 2028. The Group has letter of irrevocable guarantee from domestic commercial banks of Baht 434 million used as collateral for the throughout the period of agreement.

38. SIGNIFICANT EVENTS, COMMERCIAL DISPUTES AND LITIGATIONS

The Company

1) 900 MHz subscribers migration to 3G 2100 MHz

On September 25, 2014, the National Telecom Public Company Limited (“NT”) submitted a dispute under Black case No. 80/2557 to the Arbitration Institute, demanding the Company to pay compensation for a breach in the Concession Agreement between the Company and NT, regarding the Company porting its 900 MHz subscribers to the 3G 2100 MHz system provided by its subsidiary. The compensation claimed was Baht 9,126 million bearing interest of 7.5 per annum from September 25, 2014 until the full amount is paid.

On March 29, 2016, NT submitted a revision to amend the compensation amount for the period from May 2013 to September 2015, the end date of operation agreement, to Baht 32,813 million plus VAT and interest at 1.25% per month from June 2013 until the full amount is paid.

On February 14, 2019, the Arbitral Tribunal dismissed Black case No.80/2557, since the Company did not breach the agreement.

On May 15, 2019, NT submitted Black case No.951/2562 to the Central Administrative Court to revoke the arbitrament. Currently, this case is being processed by the Central Administrative Court.

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The Company's management believes that the outcome of the dispute should be settled favourably and has no considerable impact on the financial statements of the Company.

- 2) The claim for additional revenue from the 6th and 7th Amendments to the Agreement for operations ("the Agreement")

On September 30, 2015, the Company submitted a dispute under Black case No. 78/2558 to the Arbitration Institute, Court of Justice, to give a verdict on the 6th Amendment dated May 15, 2001, and the 7th Amendment dated September 20, 2002, on the Agreement for operations to conduct the business of Cellular Mobile Telephone. The amendments bind the Company and National Telecom Public Company Limited ("NT") to comply with the amendments until the Agreement's end date for operations, and the Company has no obligation to pay additional revenue. According to the letter from NT dated September 29, 2015, NT requested the payment of additional revenue of Baht 72,036 million from the Company. NT claimed that such Amendments were substantially revised, which caused NT to receive lower revenue than the rate specified in the Agreement for operations.

On November 30, 2015, NT submitted a dispute under Black case No.122/2558 to the Arbitration Institute to decrease the claimed amount to Baht 62,774 million, according to the percentage of adjustment to revenue sharing. This case is the same as the dispute under Black case No. 78/2558, so the Arbitration Committee tried these cases together.

The Company received the arbitrament from the Arbitration Committee dated January 23, 2020, with a majority vote ordering the Company to pay additional remuneration of Baht 31,076 million at an interest rate of 1.25 percent per month to NT from the day after November 30, 2015, until the full amount is paid.

The Company disagreed with the decision, and on April 22, 2020, the Company filed a request for revocation of the award to the Central Administrative Court (Black case No. 1165/2563).

On April 23, 2020, NT requested the revocation of the decision made by the Arbitration Committee to the Central Administrative Court that NT's claim of Baht 31,698 million related to after the claim period (Black case No. 1171/2563).

On July 26, 2022, the Central Administrative Court decided to revoke the Arbitration Committee's verdict because the 6th and 7th Amendments of the Agreement still have a binding effect on the parties. Therefore, the Company does not have to pay for the additional revenue as claimed by NT.

On August 24, 2022, NT appealed the judgment by the Central Administrative Court to the Supreme Administrative Court.

Accordingly, the dispute has not yet been finalised, but the Company's management considers that the ultimate resolution of the above dispute should not have a considerable impact on the financial statements of the Company.

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- 3) The Company submitted a claim to the Central Administrative Court for revocation of the National Telecommunication Commission's order regarding revenue incurred from the temporary service during the 900 MHz customer protection period after the Concession ended

On May 1, 2017, the Company filed a lawsuit against the office of the National Broadcasting and Telecommunication Committee ("NBTC office"), the National Telecommunication Committee ("NTC"), the National Broadcasting and Telecommunication Committee ("NBTC") and 5 other persons to the Central Administrative Court under Black case No. 736/2560 to revoke the NBTC office's letter and resolution which ordered the Company to pay revenue during the subscriber protection period after the expiration of the Concession agreement from October 1, 2015, to June 30, 2016, amounting to Baht 7,221 million plus interest.

On June 15, 2017, the Company received an indictment dated April 21, 2017, in which the NBTC and the NBTC office filed a lawsuit, under Black case No. 661/2560, against the Company for the same amount to the Central Administration Court, ordering the Company to pay revenue during the customer protection period.

On June 12, 2020, the Central Administrative Court revoked the NBTC's order on the grounds that during the 900 MHz's customer protection period, the Company's expenses incurred from the service exceeded the revenues generated.

On July 8, 2020 and July 17, 2020, the NBTC and the NBTC office appealed to the Supreme Administrative Court.

The Company's management has considered that the Company has complied with NBTC announcement regarding the Temporary Customer Protection Plan Following the Expiration of the Agreement for operations ("Telecommunication Service Agreement") and the Company was obliged to submit the revenue after deducting any expenses to NBTC office but the Company's expenses incurred from the service was greater than the revenue. Therefore, the Company has no remaining revenue to submit to NBTC Office as stipulated in the announcement.

- 4) Claim for the additional revenue sharing from the rental charge for providing transmission services

National Telecom Public Company Limited ("NT") submitted dispute No. A1/2018 dated January 12, 2018, to the Arbitration Institute, demanding the Company pay for the additional revenue sharing from the rental charges of the transmission system from October 2012 to September 2015, totalling Baht 1,121.92 million (including VAT), plus the default interest rate of 1.25% per month. According to NT's views, the Company has to collect the rental charges of the transmission system at the rate specified by NT, which is higher than the rate that the Company charged to the tenant.

On December 19, 2022, the Company received the award by the Arbitration Committee to revoke NT's dispute claims under the reason that such claims regarding the rental charges of the transmission system were disputes in relation to the compliance with the NBTC's notification and not the disputes in relation to the Concession Agreement.

The Company's management believes that the Company has correctly complied with the relating conditions of the Agreement in all respects, therefore the outcome of the dispute should not materially impact the financial statements of the Company.

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- 5) Claim for the usage of co-location, site facilities and related equipment rental for assets provided during the temporary customer protection period after the Cellular Mobile Telephone Concession ended

On February 15, 2018, the National Telecom Public Company Limited (“NT”) submitted dispute No. A3/2018 to the Arbitration Institute, Ministry of Justice by Thailand Arbitration Center (“THAC”) to claim for usage fees for co-location, site facilities and related equipment rental for assets under Cellular Mobile Telephone Concession during the temporary customer protection period after the Concession ended. The claimed amounted to Baht 183.44 million (included VAT) plus the default interest rate of 1.25% per month.

On April 5, 2018, the Company submitted a dispute under Black case No. Kor.3/2561 to the Central Administrative Court to revoke the THAC’s order for consideration for dispute No. A3/2018.

On April 25, 2018, the Central Administrative Court dismissed Black case No. Kor.3/2561.

Subsequently, on May 21, 2018, the Company appealed the dismissal of Black case No. Kor.3/2561

On October 29, 2019, NT filed a petition to the Central Administrative Court to withdraw the dispute from THAC.

On February 13, 2020, the Arbitration Committee allowed NT to submit a petition to dismiss the above dispute.

On August 13, 2020, the Company received a copy of Black case No. 1746/2563 dated June 30, 2020.

Currently, the case is being processed by the Central Administrative Court.

The Company’s management believes that the Company has correctly complied with the relating conditions of the Agreement and the announcement of the National Broadcasting and Telecommunication Committee in all respects, so the outcome of the dispute should be settled favourably and will not materially impact on the financial statements of the Company.

- 6) Claim for revenue sharing from the provision of roaming services

On September 27, 2018, the National Telecom Public Company Limited (“NT”) submitted a dispute under Black case No. 67/2561 to the Arbitration Institute to claim for revenue sharing from roaming services from the Company. NT claimed the Company discounted service fees without prior consent from NT from July 2013 to September 2015, and demanded Baht 16,252.66 million plus value-added tax bearing default interest rate of 1.25% per month.

The Company received the decision from the Arbitration Committee dated February 4, 2020, with a majority vote to dismiss the case from NT.

On May 8, 2020, NT submitted a petition to the Central Administrative Court under Black case No. 1309/2563 to request dismissal of such award.

Currently, the case is being processed by the Central Administrative Court.

The Company’s management believes the Company has correctly complied with the related conditions of the Agreement in all respects, therefore the outcome of the dispute should not materially impact the financial statements of the Company.

Digital Phone Company Limited (“DPC”)

- 1) The claim for the usage/revenue arising from the use of telecommunication equipment and telecommunication network during the temporary customer protection period after the Concession ended

On May 20, 2015, the National Telecom Public Company Limited (“NT”) filed a lawsuit against the office of the National Broadcasting and Telecommunication Committee (“NBTC Office”), National Telecommunication Committee (“NTC”), National Broadcasting and Telecommunication Committee (“NBTC”), True Move Company Limited (“True Move”), and DPC to the Central Administrative Court under Black case No.918/2558. The lawsuit asked the defendants to pay fees and compensation for the usage of telecommunication equipment and telecommunication network of NT during the temporary customer protection period, subject to the announcement of NBTC regarding the Temporary Customer Protection Plan Following the Expiration of the Agreement for operations (“Telecommunication Service Agreement”). The fees and compensation were calculated for the period from September 16, 2013, to September 15, 2014. The total amounts are as follows:

- 1) NBTC Office, NTC and NBTC amounting to Baht 24,117 million plus interest at the rate of 7.5% per annum.
- 2) True Move, NBTC Office, NTC and NBTC amounting to Baht 18,025 million plus interest at the rate of 7.5% per annum.
- 3) DPC, NBTC Office, NTC and NBTC amounting to Baht 6,083 million plus interest at the rate of 7.5% per annum.

On September 11, 2015, NT filed a lawsuit to the Central Administrative Court under Black case No. 1651/2558, claiming for usage fees/revenue from the usage of telecommunication equipment and telecommunication network of NT from September 16, 2014, to July 17, 2015. The total amounts are as follows:

- 1) NBTC Office, NTC and NBTC amounting to Baht 6,521 million plus interest at the rate of 7.5% per annum.
- 2) True Move, NBTC Office, NTC and NBTC amounting to Baht 4,991 million plus interest at the rate of 7.5% per annum.
- 3) DPC, NBTC Office, NTC and NBTC amounting to Baht 1,635 million plus interest at the rate of 7.5% per annum.

On May 27, 2016, NT filed a lawsuit to the Central Administrative Court under Black case No. 741/2559, claiming for usage fees/revenue from the usage of telecommunication equipment and telecommunication network of NT from July 18, 2015, to November 25, 2015. The total amounts are as follows:

- 1) NBTC Office, NTC and NBTC amounting to Baht 2,857 million plus interest at the rate of 7.5% per annum.
- 2) True Move, NBTC Office, NTC and NBTC amounting to Baht 2,184 million plus interest at the rate of 7.5% per annum.
- 3) DPC, NBTC Office, NTC and NBTC amounting to Baht 673 million plus interest at the rate of 7.5% per annum.

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During December 2019, DPC received a request from the Central Administrative Court to amend the claim amounts in the petition filed by NT on September 24, 2019 to be as follows:

Black case No. 918/2558

- 1) NBTC Office, NTC and NBTC amounting to Baht 5,109 million plus interest at the rate of 7.5% per annum.
- 2) True Move, NBTC Office, NTC and NBTC amounting to Baht 3,651 million plus interest at the rate of 7.5% per annum.
- 3) DPC, NBTC Office, NTC and NBTC amounting to Baht 1,457 million plus interest at the rate of 7.5% per annum.

Black case No. 1651/2558

- 1) NBTC Office, NTC and NBTC amounting to Baht 4,169 million plus interest at the rate of 7.5% per annum.
- 2) True Move, NBTC Office, NTC and NBTC amounting to Baht 2,946 million plus interest at the rate of 7.5% per annum.
- 3) DPC, NBTC Office, NTC and NBTC amounting to Baht 1,223 million plus interest at the rate of 7.5% per annum.

Black case No. 741/2559

- 1) NBTC Office, NTC and NBTC amounting to Baht 1,858 million plus interest at the rate of 7.5% per annum.
- 2) True Move, NBTC Office, NTC and NBTC amounting to Baht 1,336 million plus interest at the rate of 7.5% per annum.
- 3) DPC, NBTC Office, NTC and NBTC amounting to Baht 522 million plus interest at the rate of 7.5% per annum.

On April 29, 2022, the Central Administrative Court dismissed the cases against DPC under Black case No. 918/2558 and 1651/2558 for a total requested amount from DPC of Baht 2,680 million. The court ordered NBTC to pay NT Baht 361 million including interest. NT and NBTC have the right to appeal to the Supreme Administrative Court within 30 days from the date of adjudication from the Central Administrative Court.

On May 30, 2022, NT filed an appeal regarding the Black Case No. 918/2558 and No. 1651/2558 to the Supreme Administrative Court as the Black Case No. Or. 1229/2565 and Or. 1203/2565. DPC received a notification from the Supreme Administrative Court on August 18, 2022 and October 10, 2022 respectively. Currently, the case is under the consideration by the Supreme Administrative Court.

On December 28, 2022, the Central Administrative Court dismissed the case against DPC under the Black case No. 741/2559 for a total requested amount from DPC of Baht 522 million.

The management of the Group believes that DPC has no obligation to pay for the usage fees and compensation from the usage of telecommunication equipment and telecommunication network as claimed by NT due to DPC has complied with the announcement of NBTC. Therefore, the outcome of the disputes should be settled favourably and have no considerable impact to the consolidated financial statements of the Group.

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- 2) The claim for revocation of the National Telecommunication Committee's ("NTC") order regarding the revenue incurred from the temporary service during the customer protection period after the Concession ended

On November 16, 2015, DPC filed a lawsuit against the National Broadcasting and Telecommunication Committee ("NBTC") to the Central Administrative Court under case No. 1997/2558. This filed lawsuit revoked the NTC resolution, in which the office of the NBTC demanded that DPC deliver the revenue during the consumer protection period from September 16, 2013, to July 17, 2014, amounting to Baht 628 million.

In the same case, on September 16, 2016, the NBTC and the office of the National Broadcasting and Telecommunication Committee ("NBTC office") filed a complaint to the Central Administrative Court as the Black Case No. 1441/2559. This complaint requested DPC to deliver revenue sharing for the consumer protection period from September 16, 2013 to July 17, 2014. The claim amount was Baht 680 million (including interest up to the submitted date of Baht 52 million) plus interest at the rate of 7.5% per annum of the claim amount from the submitted date until DPC delivers all revenue sharing in full.

On September 7, 2018, the NTC issued a letter informing of their resolution to allow DPC to deliver the revenue from the service income during the protection of all subscribers, totalling Baht 869 million. However, the NBTC had ordered DPC to provide a payment of Baht 628 million for the first period, and the remaining amount to be paid is Baht 241 million. Subsequently, on December 7, 2018, DPC filed a lawsuit with the Central Administrative Court to revoke such a resolution of NTC.

On June 2, 2021, the Central Administrative Court ordered the merger of the three cases .

On March 30, 2022, the Central Administrative Court revoked the NTC's resolution, which ordered DPC to deliver the revenue from the service income during the protection of all subscribers in the total amount of Baht 869 million. The reason is that DPC had expenses incurred from the provision of services greater than the revenues generated.

On April 28, 2022, the NBTC submitted an appeal to the Supreme Administrative Court, and then DPC received the order to raise a counter-appeal on June 29, 2022.

The Group's management considers that DPC has complied with the NBTC announcement regarding the Temporary Customer Protection Plan Following the Expiration of the Agreement for operations ("Telecommunication Service Agreement") in 2013 and that DPC is obliged to submit the revenue after deducting any expenses to the NBTC office. However, DPC has expenses incurred from the service greater than the revenues generated. Therefore, DPC has no revenue remaining to submit to NBTC as stipulated in the announcement.

Advanced Wireless Network Company Limited (“AWN”)

- 1) The claim for revocation of the NBTC’s order regarding Mobile Number Portability (MNP)

During 2015 - 2020, AWN received an administrative order (“Order”) from the Office of NBTC to pay administrative fines regarding a mobile number portability issue. AWN filed a revocation request of the Order to the Central Administrative Court for Black case No. 1357/2560, which claimed Baht 221 million from AWN, and for Black case No. 2212/2563, which claimed Baht 605 million from AWN.

On August 26, 2020, the Central Administrative Court gave a verdict on Black case No. 1357/2560 to revoke that the administrative fines shall not exceed Baht 20,000 per day. As a result, the administrative fines were decreased to Baht 0.82 million. On September 25, 2020, AWN appealed to the Supreme Administrative Court to revoke all orders regarding administrative fines. Currently Black case No. 1357/2560 is being considered by the Supreme Administrative Court.

Currently, black case No. 2212/2563 is being considered by the Central Administrative Court.

The AWN's management believes that AWN conducted everything correctly, therefore the outcome of this case should not have a significant impact on the consolidated financial statement of the Group.

MIMO Tech Company Limited (“MMT”)

- 1) The claim for compensation from MMT for the termination of printing contract with Paper Mate (Thailand) Co., Ltd.

On February 26, 2019, Paper Mate (Thailand) Co., Ltd. filed a lawsuit to the Civil Court under Black case No.1016/2562 to claim compensation from MMT for the termination of a printing contract. The claims amounted to Baht 280 million in total.

On January 28, 2021, the Civil Court dismissed the case of Paper Mate (Thailand) Co., Ltd. because Paper Mate (Thailand) Co., Ltd. breached the contract. Therefore, there is no right to claim such compensation.

On June 28, 2021, Paper Mate (Thailand) Co., Ltd. appealed to the Court of Appeal.

On March 29, 2022, the Court of Appeal upheld the decision of the Civil Court.

On August 29, 2022, Paper Mate (Thailand) Co., Ltd. submitted a request for a petition to submit this case to Supreme Court. Currently the case is under the consideration of the Supreme Court.

The Group’s management believes that MMT has correctly and fully complied with the related conditions of the contract in all respects and that the outcome of the said case should not have a considerable impact on the consolidated financial statements of the Group.

39. EVENT AFTER THE REPORTING PERIOD

Dividends

On February 9, 2023, the Board of Directors’ meeting passed a resolution proposing the payment of dividends for the year 2022, at the rate of Baht 7.69 per share, Baht 3.45 each of which was paid as an interim dividend on September 6, 2022. The proposed dividends will be considered for approval by the shareholders at the next general meeting of the Company.