

Section 3 Financial Statements

Report on the Responsibilities of the Board of Directors for Financial Reports

The Board of Directors of Jasmine International Public Company Limited (the “Company”) is responsible for overseeing the financial reports of the Company and its subsidiaries, including other pieces of financial information, disclosed in this 56-1 Form One Report, to be prepared in accordance with the generally accepted accounting principles in Thailand and to be thoroughly audited by the Company’s auditor, employing appropriate accounting policy with discretion and reasonable estimates; and also has material information disclosed adequately in Notes to the Financial Statements, for the benefits of general shareholders and investors.

The Board of Directors has established the Audit and Corporate Governance Committee, comprising independent directors to be responsible for overseeing good corporate governance of the Company to be entirely audited, reviewed and supported; and business administration to be accurate and transparent whether it be in the area of financial reporting procedures, internal control and internal audit systems, risk management system and compliance with applicable laws, primarily taking into account overall benefits of the Company. The opinions provided by the Audit and Corporate Governance Committee on these issues are disclosed in the Audit and Corporate Governance Committee’s Report in this 56-1 Form One Report.

The consolidated financial statements of the Company and its subsidiaries have been audited by EY Office Limited, the Company’s auditor. The Board of Directors has supported the audit work by providing the auditor with information and documents to facilitate them in carrying out the audit work and providing the opinions in alignment with the accounting principles. The opinions provided by the auditor are disclosed in the Auditor’s Report in this 56-1 Form One Report.

The Board of Directors is of the opinion that the internal control system and the internal audit of the Company are overall good enough to assure the reliability of the financial reports of the Company and its subsidiaries for the year ended 31 December 2022, in line with the generally accepted accounting principles, the applicable laws and the regulations of the relevant regulators.



Mr. Subhoj Sunyabhisithkul
Director



Mr. Somboon Patcharasopak
Director

Report and Consolidated Financial Statements, Ended 31 December 2022

Independent Auditor's Report

To the Shareholders of Jasmine International Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Jasmine International Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2022, the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Jasmine International Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Jasmine International Public Company Limited and its subsidiaries and of Jasmine International Public Company Limited as at 31 December 2022, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group 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 are relevant to my audit of the 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.

Emphasis of Matters

I draw attention to the following matters:

1. Disputes of a subsidiary in respect of the method of calculating the rate of revenue sharing rate under the co-investor agreement with the concession provider, which ceased making payment of outstanding service charges totaling Baht 2,518 million, as described in Note 10 to the consolidated financial statements. On 15 February 2023, the Central Administrative Court upheld the award made by the Arbitration Committee, requiring the concession provider to make payment of such outstanding service charges together with interest to the subsidiary amounting to Baht 3,395 million, as well as payment of interest to be incurred on the principal of Baht 2,518 million from the date the dispute was submitted (22 December 2014) until the date the full payment is made. An appeal period has not been expired and no litigants have filed an appeal with the Supreme Administrative Court. As a result, the ultimate outcome of the case remains uncertain.
2. The litigation between a subsidiary and the government agency, calling for the subsidiary to pay penalties totaling Baht 190 million for its failure to deliver tablets in accordance with agreements, as described in Note 33.6 to the consolidated financial statements. In 2018, the Central Administrative Court issued a judgement ordering the subsidiary to pay penalties totaling Baht 7 million. The provision already recorded for potential penalties and damages was sufficient to cover the judgement of the Central Administrative Court. However, the case is currently under consideration by the Supreme Administrative Court, which is still uncertain.
3. An uncertainty regarding the settlement of outstanding balances of Baht 877 million, as described in Note 11 to the consolidated financial statements, and the court proceedings and various disputes, which are still uncertain, as described in Note 33 to the consolidated financial statements between the subsidiaries and unrelated parties.
4. The value of Bitcoin as described in Note 15 to the consolidated financial statements. As at 31 December 2022, a subsidiary had assets relating to Bitcoin mining, with a net value of approximately Baht 516 million (net of allowance of Baht 362 million for loss on impairment of assets). The subsidiary engaged an independent specialist to appraise the fair value of the assets, based on fair value less costs to sell, and used this as the basis for determining the allowance for impairment of the assets. Investments in Bitcoin mining business involve risk and there is volatility in the price of Bitcoin and other uncontrollable key variables. The subsidiary's management considered the appropriateness of the valuation of the assets of the Bitcoin mining business presented in the statement of financial position.

However, I still draw attention to these assets being specific to the Bitcoin mining activity, which remains highly uncertain in the future as a result of the Bitcoin price and key variables, including future changes in regulations and technology, and that this may affect the value of the assets in the future.

5. The sale of investments in subsidiaries and an associate, as described in Note 12.3 to the consolidated financial statements.

My opinion is not modified in respect of these above matters.

Key Audit Matters

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

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to each matter are described below.

Revenue recognition

Revenue of the Group presented in the 2022 consolidated financial statements, was primarily revenue from the internet services, amounting to Baht 18,028 million. For audit purposes, I paid attention to recognition of revenue of internet services because the amount is significant and directly affects the Group's operating results. In addition, given the competitive environment in the telecommunications industry, marketing and pricing strategies are adjusted regularly, which may affect the Group's recognition of revenue in particular the recognition period.

I have examined the revenue recognition of the Group by assessing and testing IT systems and internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls and with special consideration given to expanding the scope of the testing of the internal controls which respond to the above revenue recognition. Applying a sampling method to the examination of invoices and collections from customers to check the recognition, as well as credit notes issued after the period-end, performing analytical procedures on revenue data to detect possible irregularities in transactions throughout the period, particularly for accounting entries made through journal vouchers, and testing the calculation of advances received for provision of services.

Right-of-use assets and equipment for telecommunications business

The net book values of the Group's telecommunications right-of-use assets and equipment as at 31 December 2022 amounted to Baht 72,886 million (83 percent of total assets), as discussed in Note 15 and Note 21 to the consolidated financial statements. I therefore focused on auditing the values of such assets because the Group's management is required to exercise significant judgement with respect to useful lives and residual values, as well as their projections of future operating performance and assessment of future plans, in order to consider to what extent there are indications of impairment or impairment of these assets.

I assessed the judgement exercised by the Group's management with respect to the matters described above, by gaining an understanding of management's decision-making process and evaluating whether the decisions were consistent with how assets are utilised, taking into account whether management had considered information from both external and internal sources and future operating performance throughout the useful lives of the telecommunications right-of-use assets and equipment, in determining that no impairment losses should be recorded. I examined the related documentation, reviewed and compared the approaches and significant assumptions applied in preparing future plans and discounting to present values against available sources of information, and assessed the useful lives and residual values. In addition, I reviewed the disclosure of information relating to these matters in the financial statements.

Other Information

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

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

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

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

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

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

In preparing the financial statements, management is responsible for assessing the Group'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 or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the 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 Thai Standards on Auditing 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 financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the 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 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 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 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 to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine that those matters that were of most significance in the audit of the 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.

I am responsible for the audit resulting in this independent auditor's report.



Vatcharin Pasarapongkul

Certified Public Accountant (Thailand) No. 6660

EY Office Limited

Bangkok: 28 February 2023

Jasmine International Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Assets					
Current assets					
Cash and cash equivalents	8	723,435,825	1,553,228,668	184,232,647	279,015,324
Restricted bank deposits redeemable within one year	9	14,119,910	16,429,630	-	-
Trade and other receivables	10	3,286,392,587	3,396,703,986	690,982,461	525,140,423
Short-term loans to subsidiaries	7	-	-	7,968,534,091	7,532,270,563
Dividend receivable from subsidiaries	7	-	-	197,595,301	197,595,301
Account receivable - Revenue Department		439,768,167	434,809,228	-	-
Undue input tax		321,480,732	352,578,552	1,547,788	2,953,814
Prepaid expenses		219,069,075	270,081,893	380,289	308,283
Other current assets		36,605,928	44,545,025	78,059	36,538
Total current assets		5,040,872,224	6,068,376,982	9,043,350,636	8,537,320,246
Non-current assets					
Restricted bank deposits	19	309,311,178	261,490,719	24,388,858	24,357,995
Investments in subsidiaries	12	-	-	3,051,576,769	3,051,576,769
Investments in associates	13	3,073,644,498	3,350,870,789	14,586,303,966	14,586,303,966
Advance payments for assets	15	160,645,349	114,905,908	-	-
Investment properties	14	1,298,372,339	1,258,959,649	-	-
Property, plant and equipment	15	31,239,554,545	32,746,265,608	26,927,267	33,016,343
Right-of-use assets	21.1	45,883,978,589	50,487,690,556	78,968,850	93,250,799
Deferred tax assets	28	97,619,110	19,227,382	-	5,728,774
Withholding tax deducted at source		119,220,168	349,048,755	-	27,586,399
Other non-current assets		897,275,844	1,165,047,243	22,728,861	22,715,945
Total non-current assets		83,079,621,620	89,753,506,609	17,790,894,571	17,844,536,990
Total assets		88,120,493,844	95,821,883,591	26,834,245,207	26,381,857,236

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

Jasmine International Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from banks	16	1,212,520,803	2,681,652,077	-	-
Trade and other payables	17	3,565,217,638	2,791,595,985	101,703,599	189,519,871
Short-term loans	18	-	60,000,000	2,968,500,000	3,317,500,000
Current portion of long-term liabilities					
Long-term loans from banks	19	4,291,934,986	633,696,603	3,386,352,571	605,214,204
Accounts payable from compromise agreements	20	630,915,194	716,672,803	630,915,194	716,672,803
Lease liabilities	21.2	4,412,157,476	4,318,148,105	928,822	1,005,822
Accounts payable for equipment	22	312,149,290	530,538,385	120,413,948	267,627,771
Provision for rental assurance	7, 29	3,213,940,703	3,134,749,133	-	-
Withholding tax payable		27,244,218	21,678,830	3,373,886	1,216,522
Income tax payable		38,463,306	48,956,733	9,133,278	-
Undue output tax		397,694,241	353,724,649	13,496,630	9,009,726
Advances received from customers		626,352,448	709,799,707	-	-
Other current liabilities		20,161,177	41,290,950	2,370,005	2,750,599
Total current liabilities		18,748,751,480	16,042,503,960	7,237,187,933	5,110,517,318
Non-current liabilities					
Trade and other payables - net of current portion	17	216,345,718	-	-	-
Long-term liabilities - net of current portion					
Long-term loans from banks	19	1,218,729,104	3,494,940,093	-	3,227,910,647
Accounts payable from compromise agreements	20	506,454,918	783,081,946	506,454,918	783,081,946
Lease liabilities	21.2	44,639,141,576	48,178,059,318	434,726	615,610
Accounts payable for equipment	22	-	183,793,844	-	-
Long-term debentures	23	2,087,347,353	1,350,937,843	-	-
Provision for rental assurance	7, 29	14,402,602,758	17,224,605,801	-	-
Provision for long-term employee benefits	24	816,455,275	839,701,822	45,187,437	30,490,030
Provision for entry fee for laying the optical fiber cables	29	785,419,815	791,895,462	-	-
Provision for expenses and rental fee relating					
to subduct for optic fiber cables relocation	29	347,404,462	347,404,462	-	-
Deferred tax liabilities	28	558,218,215	573,332,356	-	-
Deposits received from customers		191,815,693	390,254,759	6,087,752	8,926,117
Other non-current liabilities		20,311,763	20,820,458	19,427,051	19,935,746
Total non-current liabilities		65,790,246,650	74,178,828,164	577,591,884	4,070,960,096
Total liabilities		84,538,998,130	90,221,332,124	7,814,779,817	9,181,477,414

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

Jasmine International Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2022

(Unit: Baht)					
	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Shareholders' equity					
Share capital					
Registered					
8,592,816,071 ordinary shares of Baht 0.5 each		4,296,408,036	4,296,408,036	4,296,408,036	4,296,408,036
Issued and fully paid-up					
8,592,816,071 ordinary shares of Baht 0.5 each		4,296,408,036	4,296,408,036	4,296,408,036	4,296,408,036
Premium on ordinary shares		9,028,738,160	9,028,738,160	9,028,738,160	9,028,738,160
Retained earnings					
Appropriated					
Statutory reserve - the Company	25	485,444,785	485,444,785	485,444,785	485,444,785
- subsidiaries	25	1,105,204,944	1,105,204,944	-	-
Unappropriated (deficit)		(14,014,093,609)	(12,029,737,571)	4,982,923,505	3,163,837,937
Other components of shareholders' equity		1,550,493,453	1,550,525,121	225,950,904	225,950,904
Equity attributable to owners of the Company		2,452,195,769	4,436,583,475	19,019,465,390	17,200,379,822
Non-controlling interests of the subsidiaries		1,129,299,945	1,163,967,992	-	-
Total shareholders' equity		3,581,495,714	5,600,551,467	19,019,465,390	17,200,379,822
Total liabilities and shareholders' equity		88,120,493,844	95,821,883,591	26,834,245,207	26,381,857,236

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

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Directors

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Jasmine International Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Profit or loss:					
Revenues					
Sales and service income		19,700,418,307	19,301,161,052	-	-
Other income					
Management fee income	7	-	-	536,082,816	561,887,776
Management and maintenance income of the OFCs	7, 29	413,352,585	401,320,205	-	-
Dividend income from associates	13	-	-	1,428,800,000	1,444,000,000
Revenue from the reversal of liabilities	17, 33.7	80,650,896	608,512,108	-	-
Gains on exchange		23,932,343	-	12,488,315	-
Others		86,966,409	60,171,454	52,820,696	13,930,725
Total other income		604,902,233	1,070,003,767	2,030,191,827	2,019,818,501
Total revenues		20,305,320,540	20,371,164,819	2,030,191,827	2,019,818,501
Expenses					
Cost of sales and services		14,605,727,745	13,483,182,890	-	-
Selling and servicing expenses		975,791,323	1,081,592,517	-	-
Administrative expenses		3,523,460,195	3,609,982,324	157,177,665	154,462,676
Expected credit losses	10	493,906,267	286,854,693	-	-
Losses on exchange		-	229,364,495	-	121,186,754
Total expenses		19,598,885,530	18,690,976,919	157,177,665	275,649,430
Operating profit		706,435,010	1,680,187,900	1,873,014,162	1,744,169,071
Share of profit from investments in associates	13	1,151,573,709	1,125,918,005	-	-
Finance income		5,263,454	1,794,288	407,591,941	365,838,981
Finance cost	26	(3,890,453,785)	(3,928,570,954)	(399,438,151)	(482,767,968)
Profit (loss) before income tax		(2,027,181,612)	(1,120,670,761)	1,881,167,952	1,627,240,084
Income tax	28	(35,968,529)	(263,026,544)	(41,134,630)	-
Profit (loss) for the year		(2,063,150,141)	(1,383,697,305)	1,840,033,322	1,627,240,084
Other comprehensive income:					
<i>Other comprehensive income to be reclassified</i>					
<i>to profit or loss in subsequent periods</i>					
Exchange differences on translation of financial statements					
in foreign currency		(31,668)	-	-	-
<i>Other comprehensive income not to be reclassified</i>					
<i>to profit or loss in subsequent periods</i>					
Actuarial gains (losses)	24	44,126,056	-	(20,947,754)	-
Changes in revaluation of assets	4	-	1,622,350,044	-	-
Income tax effect		-	(324,470,009)	-	-
Other comprehensive income for the year		44,094,388	1,297,880,035	(20,947,754)	-
Total comprehensive income for the year		(2,019,055,753)	(85,817,270)	1,819,085,568	1,627,240,084

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

Jasmine International Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the year ended 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Profit (loss) attributable to:					
Equity holders of the Company		(2,028,587,042)	(1,500,704,353)	1,840,033,322	1,627,240,084
Non-controlling interests of the subsidiaries		(34,563,099)	117,007,048		
		<u>(2,063,150,141)</u>	<u>(1,383,697,305)</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		(1,984,387,706)	(208,359,195)	1,819,085,568	1,627,240,084
Non-controlling interests of the subsidiaries		(34,668,047)	122,541,925		
		<u>(2,019,055,753)</u>	<u>(85,817,270)</u>		
Earnings (loss) per share					
	30				
Basic earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company		<u>(0.24)</u>	<u>(0.17)</u>	0.21	0.19

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

Statement of changes in shareholders' equity

For the year ended 31 December 2022

(Unit: Baht)

Consolidated financial statements														
Equity attributable to owners of the Company														
	Other components of shareholders' equity								Exchange differences on translation of financial statements in foreign currency	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries		Total shareholders' equity
	Issued and fully paid-up share capital	Premium on ordinary shares	Retained earnings		Premium on ordinary shares from expired warrants	Premium on capital reduction	Capital surplus from share premium of subsidiary	Deficit from changes in shareholding in subsidiaries				Surplus on revaluation of assets	Total equity attributable to owners of the Company	
Balance as at 1 January 2021	4,296,408,036	9,028,738,160	1,590,649,729	(10,529,033,218)	25,169,527	200,781,377	49,665,575	(17,436,516)	-	258,179,963	4,644,942,670	1,041,433,067	5,686,375,737	
Profit (loss) for the year	-	-	-	(1,500,704,353)	-	-	-	-	-	-	(1,500,704,353)	117,007,048	(1,383,697,305)	
Other comprehensive income for the year	-	-	-	-	-	-	-	-	1,292,345,158	1,292,345,158	1,292,345,158	5,534,877	1,297,880,035	
Total comprehensive income for the year	-	-	-	(1,500,704,353)	-	-	-	-	1,292,345,158	1,292,345,158	(208,359,195)	122,541,925	(85,817,270)	
Dividend paid to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(7,000)	(7,000)	
Balance as at 31 December 2021	4,296,408,036	9,028,738,160	1,590,649,729	(12,029,737,571)	25,169,527	200,781,377	49,665,575	(17,436,516)	1,292,345,158	-	1,550,525,121	4,436,583,475	1,163,967,992	5,600,551,467
Balance as at 1 January 2022	4,296,408,036	9,028,738,160	1,590,649,729	(12,029,737,571)	25,169,527	200,781,377	49,665,575	(17,436,516)	1,292,345,158	-	1,550,525,121	4,436,583,475	1,163,967,992	5,600,551,467
Loss for the year	-	-	-	(2,028,587,042)	-	-	-	-	-	-	(2,028,587,042)	(34,563,099)	(2,063,150,141)	
Other comprehensive income for the year	-	-	-	44,231,004	-	-	-	-	-	(31,668)	(31,668)	44,199,336	(104,948)	44,094,388
Total comprehensive income for the year	-	-	-	(1,984,356,038)	-	-	-	-	-	(31,668)	(31,668)	(1,984,387,706)	(34,668,047)	(2,019,055,753)
Balance as at 31 December 2022	4,296,408,036	9,028,738,160	1,590,649,729	(14,014,093,609)	25,169,527	200,781,377	49,665,575	(17,436,516)	1,292,345,158	(31,668)	1,550,493,453	2,452,195,769	1,129,299,945	3,581,495,714

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

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2022

(Unit: Baht)

	Separate financial statements							Total shareholders' equity
	Issued and fully paid-up share capital	Premium on ordinary shares	Retained earnings		Other components of shareholders' equity		Total other components of shareholders' equity	
			Appropriated - statutory reserve	Unappropriated	Premium on ordinary shares from expired warrants	Premium on capital reduction		
Balance as at 1 January 2021	4,296,408,036	9,028,738,160	485,444,785	1,536,597,853	25,169,527	200,781,377	225,950,904	15,573,139,738
Profit for the year	-	-	-	1,627,240,084	-	-	-	1,627,240,084
Total comprehensive income for the year	-	-	-	1,627,240,084	-	-	-	1,627,240,084
Balance as at 31 December 2021	<u>4,296,408,036</u>	<u>9,028,738,160</u>	<u>485,444,785</u>	<u>3,163,837,937</u>	<u>25,169,527</u>	<u>200,781,377</u>	<u>225,950,904</u>	<u>17,200,379,822</u>
Balance as at 1 January 2022	4,296,408,036	9,028,738,160	485,444,785	3,163,837,937	25,169,527	200,781,377	225,950,904	17,200,379,822
Profit for the year	-	-	-	1,840,033,322	-	-	-	1,840,033,322
Other comprehensive income for the year	-	-	-	(20,947,754)	-	-	-	(20,947,754)
Total comprehensive income for the year	-	-	-	1,819,085,568	-	-	-	1,819,085,568
Balance as at 31 December 2022	<u>4,296,408,036</u>	<u>9,028,738,160</u>	<u>485,444,785</u>	<u>4,982,923,505</u>	<u>25,169,527</u>	<u>200,781,377</u>	<u>225,950,904</u>	<u>19,019,465,390</u>

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

Jasmine International Public Company Limited and its subsidiaries

Statement of cash flows

For the year ended 31 December 2022

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from operating activities				
Profit (loss) before income tax	(2,027,181,612)	(1,120,670,761)	1,881,167,952	1,627,240,084
Adjustments to reconcile profit (loss) before income tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	10,643,786,065	10,967,359,089	23,058,281	18,000,251
Amortisation on cost to obtain contracts	105,337,205	107,877,242	-	-
Expected credit losses	493,906,267	286,854,693	-	-
Increase in fair value of investment properties	(33,223,734)	(21,909,302)	-	-
Losses on changes in revalued amounts of buildings	-	12,504,878	-	-
Revenue from reversal of liability (Note 17 and 33.7)	(80,650,896)	(608,512,108)	-	-
Losses (gains) on sales of equipment	47,623,806	180,337,603	(19,366)	-
Losses on impairment of assets	361,618,635	-	-	-
Cryptocurrency assets mined	(143,072,124)	(16,524,651)	-	-
Losses on impairment of cryptocurrency assets	55,785,452	1,758,930	-	-
Dividend income from associates (Note 13)	-	-	(1,428,800,000)	(1,444,000,000)
Share of profit from investments in associates (Note 13)	(1,151,573,709)	(1,125,918,005)	-	-
Unrealised losses (gains) on exchange	(19,099,057)	144,261,879	(19,322,070)	117,908,352
Realised losses (gains) on exchange	(4,833,286)	85,102,616	6,833,755	3,278,402
Provision for long-term employee benefits	55,849,459	55,649,618	1,979,858	1,498,558
Finance income	(5,263,454)	(1,794,288)	(407,591,941)	(365,838,981)
Finance cost	3,890,453,785	3,928,570,954	399,438,151	482,767,968
Profit from operating activities before changes in operating assets and liabilities	12,189,462,802	12,874,948,387	456,744,620	440,854,634
Operating assets decrease (increase)				
Trade and other receivables	(333,647,755)	(312,680,261)	(88,722,419)	(6,970,823)
Account receivable - Revenue Department	(27,414,792)	121,936,581	-	13,406,583
Inventories	38,383,560	46,903,849	-	-
Prepaid expenses	(54,324,387)	(58,819,059)	(72,006)	5,632,439
Other current assets	1,357,532	(369,442,787)	(41,521)	(3,512)
Other non-current assets	284,725,534	(10,821,181)	(12,916)	-
Operating liabilities increase (decrease)				
Trade and other payables	1,157,057,750	52,099,019	(23,729,765)	32,664,073
Withholding tax payable	5,565,388	(197,470,722)	11,290,642	(163,084,151)
Advances received from customers	(83,447,259)	(128,570,814)	-	-
Other current liabilities	(21,045,205)	17,711,806	(380,594)	2,750,599
Provision for rental assurance	(2,742,811,473)	(3,295,215,024)	-	-
Cash paid for long-term employee benefits	(34,969,950)	(43,689,942)	(8,230,205)	(17,094,916)
Provision for entry fee for laying the optical fiber cables	(6,475,647)	(2,880)	-	-
Deposits received from customers	(198,439,066)	(36,832,751)	(2,838,365)	(140,400)
Other non-current liabilities	(508,695)	(26,653,053)	(508,695)	(1,712,791)
Cash flows from operating activities	10,173,468,337	8,633,401,168	343,498,776	306,301,735
Cash received from withholding tax refund	312,203,812	90,667,457	11,899,745	84,137,980
Cash paid for income tax	(212,663,101)	(453,687,299)	(19,719,202)	(15,686,654)
Net cash flows from operating activities	10,273,009,048	8,270,381,326	335,679,319	374,753,061

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

Jasmine International Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from investing activities				
Interest received	5,328,997	1,934,782	6,995,698	9,458,729
Decrease (increase) in restricted bank deposits redeemable within one year	2,309,720	240,984	-	(24,096)
Increase in restricted banks deposits	(127,820,459)	(16,027,959)	(30,863)	-
Decrease in restricted banks deposits	80,000,000	-	-	-
Increase in short-term loans to subsidiaries	-	-	(108,300,000)	(219,000,000)
Cash received from dividend from associates	949,600,000	699,200,000	949,600,000	699,200,000
Proceeds from sales of equipment	17,203,664	48,143,445	9,131	-
Cash paid for advance payments for assets	(122,336,724)	(114,905,908)	-	-
Acquisitions of investment properties	(3,573,123)	(1,339,188)	-	-
Acquisitions of equipment	(2,559,668,758)	(1,653,309,551)	(1,885,510)	(6,549,640)
Acquisitions of intangible assets	(2,963,411)	(50,105,957)	-	-
Net cash flows from (used in) investing activities	(1,761,920,094)	(1,086,169,352)	846,388,456	483,084,993
Cash flows from financing activities				
Interest paid	(3,942,229,217)	(3,894,843,762)	(429,731,967)	(388,005,255)
Decrease in short-term loans from banks	(380,296,667)	(563,582,036)	-	-
Decrease in short-term loans	(60,000,000)	(240,000,000)	(349,000,000)	(1,424,000,000)
Repayment of accounts payable for equipment	(432,968,622)	(559,978,576)	(156,956,300)	(130,769,258)
Cash received from long-term loans from banks	-	1,540,000,000	-	1,240,000,000
Cash paid for front-end fees	(22,898,556)	(29,300,000)	-	(24,800,000)
Repayment of long-term loans from banks	(453,929,535)	-	-	-
Repayment of accounts payable for compromise agreement (Note 20)	(339,990,382)	(122,440,279)	(339,990,380)	(122,440,279)
Payment of principal portion of lease liabilities (Note 21)	(4,433,909,342)	(4,238,716,974)	(1,171,805)	(1,610,676)
Proceeds from issues of long-term debentures (Note 23)	740,200,000	1,375,361,383	-	-
Payment of long-term debenture issuance expenses (Note 23)	(14,859,476)	(24,445,845)	-	-
Dividend paid to non-controlling interests of the subsidiaries	-	(7,000)	-	-
Net cash flows used in financing activities	(9,340,881,797)	(6,757,953,089)	(1,276,850,452)	(851,625,468)
Net increase (decrease) in cash and cash equivalents	(829,792,843)	426,258,885	(94,782,677)	6,212,586
Cash and cash equivalents at beginning of year	1,553,228,668	1,126,969,783	279,015,324	272,802,738
Cash and cash equivalents at end of year	723,435,825	1,553,228,668	184,232,647	279,015,324

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

Jasmine International Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Supplemental cash flow information				
Non-cash transactions				
Purchases of equipment with debts	1,283,812,748	1,969,102,203	-	-
Additions to right-of-use assets and lease liabilities	363,631,080	288,922,882	-	178,165
Adjustments of right-of-use assets	640,909,787	-	912,438	-
Payable of acquisitions of intangible assets	-	61,556,094	-	-
Transfer of right to receive dividend from associate in settlement of accrued interest and long-term loans from bank	479,200,000	744,800,000	479,200,000	744,800,000
Transfer advances to short-term loans to subsidiaries	-	-	327,963,528	230,028,248
Transfer short-term loan from banks to current portion of long-term loan from bank	2,289,855,603	-	-	-
Settlement of short-term loans to a subsidiary by offsetting with short-term loans from another subsidiary	-	-	-	708,000,000
Settlement of short-term loans to a subsidiary by offsetting with advance from another subsidiary	-	-	-	12,000,000

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

Jasmine International Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

1. General information

Jasmine International Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the investments in companies involved in the telecommunications business and its registered office is at 200, 29th-30th Floor, Moo 4, Chaengwattana Road, Pakkred Sub-district, Pakkred District, Nonthaburi.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of the Company and the subsidiaries (together referred to as “the Group”). Details of subsidiaries are as following:

Company name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2022</u> (Percent)	<u>2021</u> (Percent)
<u>Held by the Company</u>				
Jasmine Submarine Telecommunications Co., Ltd.	Provision of content for internet protocol television services (Internet TV)	Thailand	100	100
Acumen Co., Ltd.	Provision of satellite telecommunications services and provision of internet services	Thailand	100	100
Jasmine Technology Solution Plc. (Another 9% held by T.J.P. Engineering Co., Ltd. and the other 9% held by ACeS Regional Services Co., Ltd.)	Design, installation and testing of telecommunications systems	Thailand	33	33
Jasmine Internet Co., Ltd.	Provision of internet services and international calling card services	Thailand	98	98
T.J.P. Engineering Co., Ltd. (Another 20% held by Acumen Co., Ltd.)	Survey, design and construction for civil work of telecommunications projects	Thailand	80	80
Jasmine International Overseas Co., Ltd. (Another 34% held by ACeS (Thailand) Co., Ltd. and the other 26% held by ACeS Regional Services Co., Ltd.)	Investment holding company	Thailand	40	40
Three BB Co., Ltd.	Ceased operations	Thailand	100	100
Mobile Communication Services Co., Ltd.	Not yet operated	Thailand	70	70
THREE BB TV Co., Ltd.	Provision of online movie and internet protocol television services (Internet TV)	Thailand	100	100

Company name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2022</u>	<u>2021</u>
			(Percent)	(Percent)
<u>Held by subsidiaries</u>				
Cloud Computing Solutions Co., Ltd. (98% held by Jasmine Technology Solution Plc.)	Design and provision of computer system integration services, software development, distribution of computer products and provision of cloud computing services	Thailand	-	-
Smart Highway Co., Ltd. (67% held by Acumen Co., Ltd.)	Provision of domestic high-speed data communication services	Thailand	-	-
Triple T Broadband Plc. (100% held by Acumen Co., Ltd.)	Provision of telecommunications services, fixed-line services and data communication network services	Thailand	-	-
Triple T Internet Co., Ltd. (100% held by Triple T Broadband Plc.)	Provision of internet services	Thailand	-	-
In Cloud Co., Ltd. (100% held by Triple T Broadband Plc.)	Development, distribution and provision of various types of software	Thailand	-	-
ACeS (Thailand) Co., Ltd. (59% held by Jasmine International Overseas Co., Ltd.)	Investment holding company	Thailand	-	-
ACeS Regional Services Co., Ltd. (98% held by ACeS (Thailand) Co., Ltd.)	Ceased operations	Thailand	-	-
Clippership Investments (BVI) Limited (100% held by Jasmine International Overseas Co., Ltd.)	Ceased operations	British Virgin Island	-	-
Thai Long Distance Telecommunications Co., Ltd. (90% held by Jasmine Submarine Telecommunications Co., Ltd.)	Ceased operations	Thailand	-	-

Company name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2022</u> (Percent)	<u>2021</u> (Percent)
Jastel Network Co., Ltd. (100% held by Jasmine Technology Solution Plc.)	Provision of circuit leasing services and local and international data communication services and Bitcoin mining	Thailand	-	-
Premium Assets Co., Ltd. (54% held by Acumen Co., Ltd. and 46% held by Jasmine Submarine Telecommunications Co., Ltd.)	Office building rental	Thailand	-	-
Jasmine Technology Solution (Singapore) Pte. Ltd. (100% held by Jasmine Technology Solution Plc.)	Provision of Cloud AI, Internet of Things (IoT) and FinTech and engineer design and consultancy services in energy management and clean energy systems	Singapore	-	-

On 21 September 2022, Jasmine Technology Solution Public Company Limited (“JTS”) registered the establishment of Jasmine Technology Solution (Singapore) Pte. Ltd., in accordance with a resolution passed by a meeting of JTS’s Board of Directors on 10 May 2022.

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiaries are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currency” in the statements of changes in shareholders’ equity.
- f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries and associates under the cost method and net of allowance for impairment loss.

3. New financial reporting standards

a) Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2023

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

4. Change in an accounting estimate for useful life of a building

During the year, the Group reviewed the estimated useful lives of property, plant and equipment and changed the useful life of a building from 24 years to 44 years to reflect the current usage conditions and future economic benefits. As a result, depreciation expenses recognised in the consolidated statements of comprehensive income for the year ended 31 December 2022 decreased by Baht 107 million. In addition, profit for the year then ended in the consolidated statement of comprehensive income increased by the same amount.

Furthermore, future depreciation expenses to be recognised in the consolidated statements of comprehensive income will decrease by Baht 107 million per year for the years 2023 to 2029, and increase by Baht 40 million per year for the years 2030 to 2049. In addition, profit or loss for the year in the consolidated statements of comprehensive income for the years 2023 to 2049 will increase or decrease by the same amounts, respectively.

5. Significant accounting policies

5.1 Revenue and expense recognition

Revenues from providing telecommunications network service, internet service, other businesses related to the internet business, and providing management services are recognised when services have been rendered.

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns and discounts to customers.

Revenue from design and installation of telecommunications systems and computer systems, including supply of related equipment, is recognised by reference to the stage of completion as assessed by engineers or project managers.

Dividends are recognised when the right to receive the dividends is established.

Finance income represents interest income on debt instruments measured at amortised cost, which is calculated using the effective interest rate method and recognised in profit or loss on an accrual basis.

Interest expense from financial liabilities at amortised cost is calculated using the effective interest rate method and recognised on an accrual basis. The interest expense is included in "Finance cost" in profit or loss.

5.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

5.3 Cost to obtain a contract

The subsidiary recognises a commission paid to obtain a customer contract as an asset and amortises it to expenses on a systematic basis that is consistent with the pattern of revenue recognition. An impairment loss is recognised to the extent that the carrying amount of an asset recognised exceeds the remaining amount of the consideration that the entity expects to receive less direct costs. Provided that the amortisation period of the asset that the subsidiary otherwise would have used is one year or less, costs to obtain a contract are immediately recognised as expenses.

5.4 Investments

- a) Investments in associates are accounted for in the consolidated financial statements using the equity method.
- b) Investments in subsidiaries and associates are accounted for in the separate financial statements using the cost method, net of allowance for loss on impairment.

The weighted average method is used for computation the cost of investments.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

5.5 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value. Any gains or losses arising from changes in the value of investment properties are recognised in profit or loss when incurred.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

5.6 Property, plant and equipment/Depreciation

Land is stated at revalued amount. Buildings are stated at revalued amount less accumulated depreciation and allowance for loss on impairment of assets. (if any). Building and leasehold improvements and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets. (if any).

Land and buildings are initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair values. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Differences arising from the revaluation are dealt with in the financial statements as follows:

- When an asset's carrying amount is increased as a result of a revaluation of the Group's assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognised in equity under the heading of "Revaluation surplus". However, a revaluation increase is recognised as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.

- When an asset's carrying amount is decreased as a result of a revaluation of the Group's assets, the decrease is recognised in profit or loss. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in "Revaluation surplus" in respect of the same asset.

Depreciation of buildings and equipment is calculated by reference to their costs or the revalued amount on the straight-line basis over the following estimated useful lives:

Buildings	-	20 and 44 years (2021: 20 and 24 years)
Building improvements	-	5-12 years
Leasehold improvements	-	5 years
Telecommunications equipment	-	3-25 years
Tools and equipment	-	3 and 5 years
Furniture and office equipment	-	3 and 5 years
Motor vehicles	-	5 years

Depreciation is recognised as expense in profit or loss.

No depreciation is provided on land and assets under installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

5.7 Borrowing costs

Borrowing costs from leases directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

5.8 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Group, whether directly or indirectly, or which are under common control with the Group.

They also include associates and individuals or enterprises which directly or indirectly own a voting interest in the Group that gives them significant influence over the Group, key management personnel, directors and officers with authority in the planning and direction of the Group's operations.

5.9 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Except for short-term leases that have a lease term less than or equal to 12 months from commencement date (the date the underlying asset is available for use) or leases of low-value assets, which are recognised as expenses on a straight-line basis over the lease term, the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over their estimated useful lives, or the lease term if ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option.

Land and buildings	-	the lease term
Telecommunications equipment	-	the lease term
Furniture and office equipment	-	the lease term
Motor vehicles	-	5 years

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

5.10 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Group's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are charged to profit or loss.

5.11 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining 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. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

5.12 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plan

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.

Defined benefit plan

The Group has obligations in respect of the severance payments. It must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

5.13 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

5.14 Income tax

Income tax represents the sum of income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

5.15 Financial instruments

Financial assets are initially measured at fair value plus transaction costs, except for trade receivables that are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition, and classified as to be subsequently measured at amortised cost, using the effective interest rate (“EIR”) method and subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or when the rights to receive cash flows, substantially all the risks and rewards, or control of the asset has been transferred.

At initial recognition, the Group’s financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. The Group takes into account any fees or costs that are an integral part of the EIR. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. The EIR amortisation is included in finance cost. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Financial assets and liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment of financial assets

The Group’s consideration of credit risk and default of contract is based on past due contractual payments and other internal or external information. An allowance for expected credit losses (“ECLs”) on financial assets is recognised based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate of the financial assets. However, the Group applies a simplified approach in calculating ECLs for trade receivables and contract assets, based on its historical credit loss experience with adjustments to reflect forward-looking factors specific to the debtors and the economic environment.

5.16 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

6. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Costs to obtain contracts

The recognition of costs incurred to obtain a contract as an asset requires management to use judgement regarding whether such costs are the incremental costs of obtaining a contract with a customer as well as what amortisation method should be used.

Leases

Determining the lease term with extension and termination options

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Allowance for expected credit losses of trade receivables

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Property, plant, equipment and investment properties/Depreciation

The Group presents investment properties at the fair value, and measures land and buildings at revalued amounts. They are determined by an independent appraiser using the market approach or the income approach for land and buildings. Key assumptions used in estimating the fair value of investment properties and the revalued amounts of land and buildings are described in Notes 14 and 15 to the consolidated financial statements, respectively.

In determining depreciation of buildings and equipment, the management is required to make estimates of the useful lives and residual values of the buildings and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review building and leasehold improvements and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Allowance for impairment of assets relating to Bitcoin mining

In determining allowance for impairment of assets relating to Bitcoin mining, the management is required to exercise judgement regarding determination of the recoverable amount of the assets, which is the higher of their fair value less costs of disposal and their value in use. The management is required to exercise judgement in selecting a method to determine the recoverable amount. The fair value less costs of disposal calculation is based on available data on binding arm's-length sales transactions for similar assets or observable market prices, less incremental costs of disposing of the asset and includes consideration of the appropriateness of the physical and economic depreciation rates. The management is required to exercise judgement in considering the appropriateness for the assets, reflecting the amount that the Group could obtain from the disposal of the assets, less costs of disposal. The value in use calculation is based on a discounted cash flow model, with the cash flows derived from forward-looking estimates for the next 5 years and excluding any restructuring activities to which the Group is not yet committed or significant future investments that will enhance the performance of the assets of the cash-generating unit being tested. The recoverable amount is sensitive to the discount rate used in the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to equipment and advance payments for equipment recognised by the Group. The key assumptions used to determine the recoverable amount, together with a sensitivity analysis, are disclosed and further explained in Note 15 to the consolidated financial statements.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

Litigation and disputes

The Group has contingent liabilities as a result of litigation. The Group's management has used judgement to assess of the results of the litigation and this involves evaluating the degree of probability that losses will be incurred. Changes in the factors used in management's evaluation and events may result in actual results differing from the estimates.

7. Related party transactions

Relationships with companies that control, or are controlled by, the Group, whether directly or indirectly, or which are under common control with the Group, are as follows:

Name of entities	Nature of relationship
Subsidiaries	Companies for which the Company has the power to set financial and operating policies in order to generate benefits from their activities
Jasmine Broadband Internet Infrastructure Fund ("JASIF")	Associated company
Mono Group	Common major shareholder
PIN VESTMENT COMPANY LIMITED ("PINVEST")	Common major shareholder

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties.

(Unit: Million Baht)

	Consolidated		Transfer pricing policy
	financial statements		
	<u>2022</u>	<u>2021</u>	
<u>Transactions with an associate</u>			
Management and maintenance income of the OFCs	413	401	Contract price (Note 29)
Cost of equipment and network rental	8,618	8,172	Contract price (Note 29)
<u>Transactions with related companies</u>			
Sales and service income	5	6	Contract price or price charged to other customers
Cost of sales and services	466	391	Contract price or price charged to other customers
Rental expenses	19	2	Contract price
Acquisitions of intangible assets	-	31	Contract price
Other expenses	29	40	Contract price or price charged to other customers

(Unit: Million Baht)

	Separate		Transfer pricing policy
	financial statements		
	<u>2022</u>	<u>2021</u>	
<u>Transactions with subsidiaries</u>			
(eliminated from the consolidated financial statements)			
Management fee income	536	562	Contract price
Rental and other service income	77	39	Contract price or price charged to other customers
Interest income	407	366	0.82% to MLR-0.25% per annum
Other expenses	36	35	Contract price
Interest expenses	127	162	0.8% to MLR-0.25% (2021: 0.8% to MLR) per annum

The balances of the accounts between the Group and those related parties are as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Trade receivables - related parties (Note 10)</u>				
Related companies				
Mono Group	5	4	-	-
<u>Other receivables - related parties (Note 10)</u>				
Subsidiaries				
(eliminated from the consolidated financial statements)				
Associate				
JASIF	141	134	-	-
Total	141	134	702	536
Less: Allowance for expected credit losses	-	-	(11)	(11)
Other receivables - related parties - net	141	134	691	525
<u>Dividend receivable from a subsidiary</u>				
Subsidiary				
(eliminated from the consolidated financial statements)				
<u>Trade payables - related parties (Note 17)</u>				
Related companies				
Mono Group	697	429	-	-

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<u>Other payables - related parties (Note 17)</u>				
Subsidiaries (eliminated from the consolidated financial statements)	-	-	43	103
Related companies				
Mono Group	41	41	-	-
Total other payables - related parties	41	41	43	103
<u>Lease liabilities - related parties</u>				
Associate				
JASIF	48,500	51,744	-	-
Related company				
PINVEST	34	94	-	-
Total lease liabilities - related parties	48,534	51,838	-	-
<u>Provision for rental assurance - related parties</u>				
Associate				
JASIF	17,617	20,359	-	-
<u>Deposit received from customers - related parties</u>				
Subsidiaries (eliminated from the consolidated financial statements)	-	-	6	9

The balances of short-term loans between the Group and the movements are as follows:

(Unit: Million Baht)

	Separate financial statements			
	Balance as at	Movements during the year		Balance as at
	31 December	Increase	Decrease	31 December
	2021			2022
<u>Short-term loans to subsidiaries</u>				
(eliminated from the consolidated financial statements)				
Acumen Co., Ltd.	6,559	328	-	6,887
Jasmine Submarine				
Telecommunications Co., Ltd.	19	163	-	182
Jasmine Technology Solutions Plc.	56	144	(200)	-
THREE BB TV Co., Ltd.	898	53	(52)	899
Total	7,532	688	(252)	7,968

(Unit: Million Baht)

	Separate financial statements			
	Balance as at	Movements during the year		Balance as at
	31 December			31 December
	2021	Increase	Decrease	2022
Short-term loans from subsidiaries				
(eliminated from the consolidated financial statements)				
ACeS Regional Services Co., Ltd.	330	-	-	330
Jasmine Submarine				
Telecommunications Co., Ltd.	115	-	(115)	-
Jasmine Internet Co., Ltd.	100	-	(25)	75
Premium Assets Co., Ltd.	398	-	-	398
Thai Long Distance				
Telecommunications Co., Ltd.	10	-	-	10
T.J.P. Engineering Co., Ltd.	50	-	-	50
Triple T Broadband Plc.	2,255	283	(432)	2,106
Total	3,258	283	(572)	2,969

Directors and management's benefits

During the years, the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Short-term employee benefits	146	144	36	34
Post-employment benefits	7	6	1	1
Termination benefits	23	25	9	18
Total	176	175	46	53

Guarantee obligations and commitments with related parties

The Company has outstanding guarantee obligations with its subsidiaries, as described in Notes 33.4 c) and 33.4 d) to the consolidated financial statements. The subsidiary has long-term service commitments with its related parties, as described in Note 29 to the consolidated financial statements.

8. Cash and cash equivalents

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cash	11	8	-	-
Bank deposits	655	1,545	184	279
Bills of exchange	57	-	-	-
Total	<u>723</u>	<u>1,553</u>	<u>184</u>	<u>279</u>

As at 31 December 2022, bank deposits in savings accounts, fixed deposits and bills of exchange of the Group carried interests between 0.05 and 0.75 percent (2021: between 0.05 and 0.375 percent) per annum and of the Company carried interests between 0.15 and 0.45 percent (2021: between 0.05 and 0.25 percent) per annum.

9. Restricted bank deposits redeemable within one year

As at 31 December 2022, the Group's savings and fixed deposits, amounting to Baht 14 million (2021: Baht 16 million), have been pledged to secure credit facilities.

10. Trade and other receivables

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Trade receivables - related parties (Note 7)	5	4	-	-
Trade receivables - unrelated parties	3,794	3,693	-	56
Other receivables - related parties (Note 7)	141	134	702	536
Other receivables - unrelated parties	59	114	-	-
Total	<u>3,999</u>	<u>3,945</u>	<u>702</u>	<u>592</u>
Less: Allowance for expected credit losses	<u>(713)</u>	<u>(548)</u>	<u>(11)</u>	<u>(67)</u>
Trade and other receivables - net	<u>3,286</u>	<u>3,397</u>	<u>691</u>	<u>525</u>

The balances of trade receivables, aged on the basis of due dates, are summarised below.

(Unit: Million Baht)

Age of receivables	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<u>Related parties</u>				
Not yet due	1	1	-	-
Past due				
Up to 3 months	1	1	-	-
Over 3 - 6 months	1	1	-	-
Over 6 - 12 months	1	-	-	-
Over 12 months	1	1	-	-
Total (Note 7)	5	4	-	-
<u>Unrelated parties</u>				
Not yet due	178	116	-	-
Past due				
Up to 3 months	345	458	-	-
Over 3 - 6 months	187	124	-	-
Over 6 - 12 months	239	53	-	-
Over 12 months	2,845	2,942	-	56
Total	3,794	3,693	-	56
Less: Allowance for expected credit losses	(713)	(548)	-	(56)
Net	3,081	3,145	-	-
Total trade receivables - net	3,086	3,149	-	-

The normal credit term is 30 to 60 days.

Set out below is the movement in the allowance for expected credit losses of trade receivables.

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Beginning balance	548	1,040	56	50
Provision for expected credit losses	494	287	-	-
Amount written off	(329)	(793)	(56)	-
Effect from foreign exchange	-	14	-	6
Ending balance	713	548	-	56

An outstanding balance of trade receivables as at 31 December 2022 of Jasmine Submarine Telecommunications Company Limited (“JSTC”), amounting to Baht 2,518 million (2021: Baht 2,518 million), is a trade receivable from services under a co-investor agreement made between JSTC and TOT Public Company Limited (“TOT”), a concession provider, which was subsequently merged with CAT Telecom Public Company Limited in January 2021 to form National Telecom Public Company Limited (“NT”). TOT ceased making payment for outstanding service charges from September 2008 to 4 October 2011 (the expiry date of the co-investor agreement) since TOT is disputing the method of calculating rates of revenue sharing with JSTC. In order to finalise the revenue sharing rates, on 22 December 2014, JSTC submitted the dispute to the Arbitration Institute, Office of the Judiciary, asking TOT to pay revenue sharing together with interest, totaling Baht 3,395 million. TOT submitted a dispute proposal to the Arbitration Institute on 19 August 2016, asking JSTC to return excess revenue sharing received based on the co-investor agreement and to pay opportunity costs, together amounting to Baht 9,931 million. In May 2019, JSTC received the Arbitration Award from the Arbitration Institute, which ordered TOT to make full payment of debt amounting to Baht 2,518 million, plus interest at a rate of 7.5 percent per annum until the date the dispute was submitted, totaling Baht 3,395 million, plus interest at a rate of 7.5 percent per annum until full payment is made. The award also ordered JSTC to pay damages amounting to Baht 16 million to TOT together with interest at a rate of 7.5 percent per annum until full payment is made. However, TOT filed a petition to revoke the Arbitration Award from the Arbitration Institute with the Central Administrative Court. On 15 February 2023, the Central Administrative Court upheld the award made by the Arbitration Committee, requiring NT (formerly known as “TOT”) to make payment of the outstanding service charges together with interest to JSTC amounting to Baht 3,395 million, as well as payment of interest to be incurred on the principal of Baht 2,518 million from the date the dispute was submitted (22 December 2014) until the date full payment is made. An appeal period has not been expired and no litigants have filed an appeal with the Supreme Administrative Court. JSTC therefore considers no transactions, including provision for costs and damages, related to the Arbitration Award and the judgement should be recorded in the accounts.

Furthermore, on 26 August 2016, TOT submitted a dispute proposal to the Arbitration Institute, asking Thai Long Distance Telecommunications Company Limited (“TLDT”) and JSTC to jointly or separately pay costs of repairing or replacing equipment and overseas training, together with damages including interest, and business opportunity costs, under the co-investor agreement and the addendum to the agreement, totaling Baht 258 million. Subsequently, in November 2019, TLDT and JSTC received the Arbitration Award from the Arbitration Institute, which ordered TLDT and JSTC to pay costs and damages, together with interest calculated until the date of the Arbitration Award, totaling to Baht 24.9 million, to TOT by settlement with outstanding receivable between TOT and TLDT together with interest calculated

until the date of the Arbitration Award, totaling Baht 25.0 million. The balance that TLDT will receive from TOT is Baht 0.1 million together with interest of 7.5 percent per annum until full payment is made. TLDT recorded all costs and damages together with interest, amounting to Baht 24.9 million, as administrative expenses in profit or loss in the consolidated financial statements for the year 2019, and TOT filed a petition to revoke the Arbitration Award from the Arbitration Committee with the Central Administrative Court. JSTC and TLDT filed an objection to defend the petition filed with the Central Administrative Court. The case is currently being considered by the Court.

The management and the legal advisor of JSTC and TLDT believe that they have fully complied with the co-investor agreement and expect JSTC to receive payment of the outstanding trade receivable, presented in the consolidated statement of financial position as at 31 December 2022, in accordance with the Arbitration Award made by the Arbitration Committee and the judgement from the Central Administrative Court, without any significant impact on the consolidated financial statements. In addition, the opinion of the legal advisor of JSTC affirms the confidence of JSTC's management that in the current circumstances it is highly probable that the final order of the Supreme Administrative Court will not revoke the Arbitration Award made by the Arbitration Committee in accordance with the petition of TOT/NT. However, the ultimate outcome of the cases is still uncertain.

11. Accounts receivable under troubled debt restructuring

On 22 April 2008, TT&T Public Company Limited ("TT&T") filed a petition for business rehabilitation with the Central Bankruptcy Court for the purpose of restructuring its debt and on 22 July 2009, the Central Bankruptcy Court ordered the appointment of P Planner Company Limited as the rehabilitation plan preparer. On 11 August 2010, the creditors passed an extraordinary resolution to accept the plan. However, on 5 October 2010, a number of creditors, including the subsidiaries, submitted objections to the plan to the Central Bankruptcy Court. On 28 December 2010, the Court issued an order accepting the business rehabilitation plan of TT&T. During the year 2011, the subsidiaries filed an appeal against the approval of the business rehabilitation plan with the Supreme Court. At present, the case is being considered by the Court.

According to TT&T's rehabilitation plan, the subsidiaries were to receive settlement of both principal and interest receivable in cash and by conversion to ordinary shares in TT&T in accordance with the terms and conditions stipulated in the plan. Under the plan, certain subsidiaries' outstanding balances, totaling Baht 54 million, were to be fully repaid by TT&T in cash on the last working day of the first quarter of 2015. However, on 15 March 2016, the Central Bankruptcy Court issued an absolute receivership order against TT&T. For prudent reasons, in 2016, the subsidiaries therefore recorded allowance for expected credit losses for the balance of the accounts receivable from TT&T.

Furthermore, the rehabilitation plan stipulates that the settlement of the balances between Triple T Broadband Public Company Limited (“TTTBB”) and TT&T in 2009 by way of the assignment of promissory notes amounting to Baht 707 million that were issued by TT&T, and which were endorsed by TT & T Subscriber Services Company Limited (“TT&TSS”), a subsidiary of TT&T, for transfer to TTTBB, and notification by TTTBB of its intention to offset balances with TT&T by way of exercising its rights in proceeds payable by TT&T to TT&TSS, and TT&TSS transfers of claims amounting to Baht 170 million to TTTBB to offset debt payable by TTTBB to TT&T, constituted settlements that are not consistent with the purpose of the contract. As a result, they do not constitute complete and legitimate debt settlement transactions since any settlement of such debt by TTTBB must be made by the method stipulated in the concession agreement of TT&T, whereby TTTBB has to directly settle debt to TOT and TOT will then allocate the settled amount to TT&T in accordance with the revenue sharing rate agreed under the concession. Non-cash settlements by TTTBB, such as by exercising claims or promissory notes and/or direct settlement with TT&T are inconsistent with the purpose of the contract and do not constitute a complete and legitimate debt settlement transaction.

On 18 January 2011, P Planner Company Limited, as the rehabilitation plan administrator at that time, issued a notification refusing to accept rights arising from non-compliance with the contract. On 2 February 2011, TTTBB filed a lawsuit with the Central Bankruptcy Court, petitioning the Court to order that the action taken by the plan administrator was unlawful. However, on 2 February 2012, the Central Bankruptcy Court issued an order refusing TTTBB’s petition because the Court considered TTTBB to have filed the petition incorrectly. On 9 March 2012, TTTBB filed an appeal with the Supreme Court. At present, the case is being considered by the Court.

The legal advisor of TTTBB expressed an opinion that TTTBB was entitled to make direct settlement of leased line service payable under the leased line service contract made with TT&T that had resulted in the objection to payment method because TTTBB and TT&T are direct counterparties to the agreement. TTTBB’s payment of leased line service payable by endorsing and transferring promissory notes to TT&T, as described above, can be seen as TT&T being the issuer and the holder of the promissory notes at the same time. Therefore, the rights in and liabilities under the promissory notes rest with the same party, and harmonious. Consequently, the debt under the promissory notes and the outstanding service payables are each extinguished in an amount equal to the promissory notes and TTTBB’s expression to TT&T of its intention to offset debt by transferring its rights of claim in trade receivables transferred from TT&TSS, as discussed above, makes TTTBB a debtor and creditor of TT&T at the same time. TT&T and TTTBB are thus bound together by a debt incurred for the same purpose, with TTTBB entitled to express its intention to offset payable with TT&T in an amount equal to the debt of both parties.

Moreover, the plan stipulates that the plan preparer has authority to refuse to acknowledge rights under the leased line service contracts, including any additional revisions of agreements and/or memorandums, and all agreements related to the leased line service rate, pursuant to section 90/40 or 90/41 bis of the Bankruptcy Act. However, the legal advisor of TTTBB expressed an opinion that the exercise of rights by the plan preparer would not have any retroactive impact on the rights and obligations under the contracts.

The management of TTTBB is confident that TTTBB has correctly complied with the legal opinions of its legal advisor in the matters above, and therefore does not reflect the effect of these matters in its accounts.

12. Investments in subsidiaries

12.1 Details of investments in subsidiaries as presented in the separate financial statements are as follows:

Company's name	(Unit: Million Baht)			
	Paid-up capital		Cost	
	2022	2021	2022	2021
Jasmine Submarine Telecommunications Co., Ltd.	1,550	1,550	1,946	1,946
Acumen Co., Ltd.	760	760	760	760
THREE BB TV Co., Ltd.	100	100	99	99
T.J.P. Engineering Co., Ltd.	200	200	160	160
Mobile Communication Services Co., Ltd.	100	100	70	70
Jasmine Technology Solutions Plc.	706	706	58	58
Three BB Co., Ltd.	52	52	52	52
Jasmine International Overseas Co., Ltd.	115	115	46	46
Jasmine Internet Co., Ltd.	15	15	7	7
			3,198	3,198
Less: Allowance for impairment of investments			(147)	(147)
Total investments in subsidiaries - net			3,051	3,051

12.2 As described in Note 10 to the consolidated financial statements, at present, JSTC received the Arbitration Award from the Arbitration Institute and the judgement from the Central Administrative Court, which ordered TOT to make full payment of outstanding service revenue sharing charges under the co-investor agreement. An appeal period has not been expired and no litigants have filed an appeal with the Supreme Administrative Court. The management of JSTC believes that the recorded revenue of such service is consistent with the co-investor agreement.

12.3 On 23 September 2022, an Extraordinary General Meeting of the Company's shareholders passed a resolution approving the sale of all investments in TTTBB and its subsidiaries held by Acumen Company Limited ("Acumen") and Jasmine Broadband Internet Infrastructure Fund ("JASIF") in which units are held by the Company, to an unrelated company (buyer), at a total price of Baht 32,420 million, under the precedent conditions stipulated in the conditional memorandum of understanding the Company and Acumen entered into with the buyer on 3 July 2022.

The precedent conditions include a condition that JASIF's unitholders approve the terminations of and amendments to certain conditions stipulated in the existing agreements relating to the infrastructure fund transactions TTTBB entered into with JASIF, as described in Note 29 to the consolidated financial statements. However, on 18 October 2022, an Extraordinary General Meeting of JASIF's unitholders passed a resolution not to approve the terminations of and amendments to the certain conditions. The Company is currently in process of fulfilling the other precedent conditions and still aims at achieving complete sale.

After the disposal of the investments, TTTBB, Triple T Internet Company Limited, In Cloud Company Limited, Three BB Company Limited (the Company will restructure Three BB Company Limited's shareholding such that it is owned by TTTBB or TTTBB's subsidiaries before the effective date of the sale and purchase agreement for the shares and investment units) and JASIF will no longer be subsidiaries and an associate of the Group.

As at 31 December 2022, the Group pledged 87 million ordinary shares of JTS held by the Company, amounting to Baht 22 million, and the other 2 million ordinary shares of JTS held by a subsidiary, as collateral to secure long-term loans as described in Note 19 to the consolidated financial statements.

13. Investments in associates

13.1 Details of associates and share of comprehensive income

(Unit: Million Baht)

		Consolidated financial statements								
Company's name	Nature of business	Country of incorporation	Shareholding percentage		Cost		Carrying amounts based on equity method		Share of profit from investments in associates during the year	
			2022	2021	2022	2021	2022	2021	2022	2021
			(%)	(%)						
Jasmine Broadband Internet Infrastructure Fund (Note 12)	Investment in infrastructure businesses	Thailand	19	19	14,570	14,570	3,007	3,287	1,148	1,126
Internet Knowledge Service Center Co., Ltd.	Communication equipment rental	Thailand	38	38	49	49	67	64	3	-
Total					14,619	14,619	3,074	3,351	1,151	1,126

(Unit: Million Baht)

Separate financial statements

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Cost		Allowance for impairment of investments		Carrying amounts based on cost method - net
			2022 (%)	2021 (%)	2022	2021	2022	2021	
Jasmine Broadband Internet Infrastructure Fund (Note 12)	Investment in infrastructure businesses	Thailand	19	19	14,570	14,570	-	-	14,570
Internet Knowledge Service Center Co., Ltd.	Communication equipment rental	Thailand	38	38	49	49	(33)	(33)	16
Total					14,619	14,619	(33)	(33)	14,586

13.2 During the year, the Company received dividends of Baht 1,429 million (2021: Baht 1,444 million) from JASIF.

Investment in JASIF under equity method and cost method is detailed below.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	Equity method		Cost method	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cost	14,725	14,725	14,725	14,725
Add: Accumulated share of profit from investment	6,343	5,195	-	-
Less: Accumulated gains on sales of assets to the fund in proportion to the Company's unit holding	(9,268)	(9,268)	-	-
Less: Accumulated dividend income	(8,638)	(7,210)	-	-
Less: Accumulated return of capital	(155)	(155)	(155)	(155)
Net	<u>3,007</u>	<u>3,287</u>	<u>14,570</u>	<u>14,570</u>

As at 31 December 2022, the fair value of the investment in JASIF which is listed on the Stock Exchange of Thailand was Baht 12,236 million (2021: Baht 15,504 million).

The Company has to maintain the percentage unit holding in JASIF as described in Note 29 to the consolidated financial statements.

As at 31 December 2022, the Company held 1,520 million investment units (2021: 1,520 million investment units) in JASIF. The Company has pledged 1,520 million investment units (2021: 1,520 million investment units) held in JASIF to secure its long-term loans as described in Note 19 to the consolidated financial statements.

14. Investment properties

	(Unit: Million Baht)	
	Consolidated financial statements	
	<u>2022</u>	<u>2021</u>
Net book value at beginning of year	1,259	1,236
Additions	3	1
Transfers from property, plant and equipment - net book value	3	-
Net gain from a fair value adjustment (included in other income - others)	33	22
Net book value at end of year	<u>1,298</u>	<u>1,259</u>
Rental income	20	22

The investment properties of the subsidiary represent land and an office building held for rent. Their fair value has been determined based on valuation performed by an accredited independent valuer and categorised within Level 3 of the fair value hierarchy. The fair value of the land and the office building held for rent have been determined using the income approach.

Key assumptions used in the valuation are summarised below.

	Consolidated financial statements		Result to fair value whereas an increase in assumption value
	<u>2022</u>	<u>2021</u>	
Yield rate (% per annum)	7	7	Increase in fair value
Long-term vacancy rate (%)	5-20	5-20	Decrease in fair value
Long-term growth in real rental rates (% per annum)	3.33	3.33	Increase in fair value
Discount rate (% per annum)	10	10	Decrease in fair value

The subsidiary has entered into operating leases in respect of the lease of office building space. The lease terms are between 1 year and 3 years. Future minimum rentals receivable under those leases are as follows:

	(Unit: Million Baht)	
	Consolidated financial statements	
	<u>2022</u>	<u>2021</u>
Less than 1 year	14	17
In over 1 and up to 3 years	6	8

15. Property, plant and equipment

(Unit: Million Baht)

Consolidated financial statements										
	Revaluation basis		Cost basis							Total
	Land	Buildings	Building and leasehold improvements	Telecommunications equipment	Motor vehicles	Tools and equipment	Furniture and office equipment	Others	Assets under installation	
Cost/Revalued										
1 January 2021	223	849	513	57,024	124	833	1,356	495	1,236	62,653
Additions	69	-	35	424	-	-	45	1	3,049	3,623
Disposals	-	(20)	-	(3,037)	-	(71)	(28)	(10)	-	(3,166)
Transfers in (out)	-	-	-	2,253	1	176	35	-	(2,514)	(49)
Revaluations	706	369	-	-	-	-	-	-	-	1,075
31 December 2021	998	1,198	548	56,664	125	938	1,408	486	1,771	64,136
Additions	-	-	11	344	-	665	56	3	2,765	3,844
Disposals	-	-	-	(336)	(3)	(38)	(46)	(3)	-	(426)
Transfer to investment properties	(1)	(7)	-	-	-	-	-	(3)	-	(11)
Transfer from right-of-use assets	-	-	-	45	1,454	-	18	-	-	1,517
Transfers in (out)	-	21	1	3,291	-	118	19	-	(3,470)	(20)
31 December 2022	997	1,212	560	60,008	1,576	1,683	1,455	483	1,066	69,040

(Unit: Million Baht)

Consolidated financial statements (continued)

	Revaluation basis		Cost basis							Total
	Land	Buildings	Building and leasehold improvements	Telecommunications equipment	Motor vehicles	Tools and equipment	Furniture and office equipment	Others	Assets under installation	
Accumulated depreciation										
1 January 2021	-	501	459	26,134	85	626	1,167	15	-	28,987
Depreciation for the year	-	35	23	5,136	17	89	112	3	-	5,415
Depreciation on disposals	-	-	-	(2,880)	-	(21)	(27)	(10)	-	(2,938)
Revaluations	-	(536)	-	-	-	-	-	-	-	(536)
31 December 2021	-	-	482	28,390	102	694	1,252	8	-	30,928
Depreciation for the year	-	57	25	4,651	14	206	103	5	-	5,061
Depreciation on disposals	-	-	-	(259)	(3)	(38)	(46)	(2)	-	(348)
Transfer to investment properties	-	(4)	-	-	-	-	-	(3)	-	(7)
Transfer from right-of-use assets	-	-	-	42	1,360	-	18	-	-	1,420
31 December 2022	-	53	507	32,824	1,473	862	1,327	8	-	37,054

(Unit: Million Baht)

	Separate financial statements				
	Leasehold improvements	Furniture and office equipment	Tools and equipment	Motor vehicles	Total
Cost					
1 January 2021	55	29	3	1	88
Additions	24	7	-	-	31
Transfer in (out)	-	1	(1)	-	-
31 December 2021	79	37	2	1	119
Additions	-	2	-	-	2
Disposals	-	(3)	-	-	(3)
31 December 2022	79	36	2	1	118
Accumulated depreciation					
1 January 2021	54	27	2	1	84
Depreciation for the year	-	2	-	-	2
31 December 2021	54	29	2	1	86
Depreciation for the year	5	3	-	-	8
Depreciation on disposals	-	(3)	-	-	(3)
31 December 2022	59	29	2	1	91
Net book value					
31 December 2021	25	8	-	-	33
31 December 2022	20	7	-	-	27
Depreciation for the year					
2021 (included in administrative expenses)					2
2022 (included in administrative expenses)					8

The Group arranged for an independent professional valuer to appraise the value of certain assets, categorised within Level 3 of the fair value hierarchy, in 2021 on an asset-by-asset basis. The valuer determined using the market approach or the income approach for land and buildings.

Key assumptions used in the valuation are summarised below:

	Consolidated financial statements	Result to fair value whereas an increase in assumption value
Yield rate (% per annum)	7	Increase in fair value
Long-term vacancy rate (%)	5-20	Decrease in fair value
Long-term growth in real rental rates (% per annum)	3.33	Increase in fair value
Discount rate (% per annum)	10	Decrease in fair value

Had the land, buildings and building improvements been carried in the financial statements on a historical cost basis, their net book value would have been as follows:

	(Unit: Million Baht)	
	Consolidated financial statements	
	2022	2021
Land	291	292
Buildings	255	293

As at 31 December 2022, certain items of buildings and equipment were fully depreciated but are still in use. The gross carrying amounts of these assets before deducting accumulated depreciation and allowance for impairment amounted to Baht 13,422 million (2021: Baht 10,980 million), of which Baht 81 million (2021: Baht 83 million) was from the Company.

In 2005, Premium Assets Company Limited ("PA") purchased Jasmine International Tower from a financial institution at a price of Baht 1,200 million. The Company had prepaid rental for space in this building, as described in Note 21.1 to the consolidated financial statements, and the Group therefore presents this prepaid rent as part of the cost of the purchased building in the consolidated financial statements, in order that the presentation of information reflects its underlying economic substance.

In 2021, Jastel Network Company Limited (“Jastel”) invested in Bitcoin mining business, which is a new business that involves risk and is affected by volatility in the price of Bitcoin price and other uncontrollable key variables, including future changes in regulations and technology, and this may affect the value of the assets in the future. However, the Group’s management believes that this is a long-term investment that will increase income-generating opportunities for the Group. As at 31 December 2022, Jastel had investment in net assets relating to the Bitcoin mining business (including advance payments for equipment) amounting to Baht 516 million and cryptocurrency assets from mining amounting to Baht 102 million. During the current year, the value of Bitcoin declined significantly from Baht 1.5 million per Bitcoin as at 31 December 2021 to Baht 0.6 million per Bitcoin as at 31 December 2022. The Group’s management recognised losses on impairment of equipment and advance payments for equipment amounting to Baht 285 million and Baht 77 million, respectively, under cost of sales and services in profit or loss for the current year in order to present the carrying amount of these assets at their recoverable amounts. The Group determined the recoverable amount of the cash-generating unit related to the Bitcoin mining business based on fair value less costs to sell. Jastel engaged an independent specialist to appraise the fair value of the assets relating to Bitcoin mining business, using the depreciated replacement cost method. The fair value hierarchy level was classified as level 2. Jastel’s management used this as the basis for determining the allowance for impairment of the assets.

Key assumptions used in determining fair value less costs to sell included a replacement cost of Bitcoin mining equipment amounting to approximately Baht 0.05 million to Baht 0.28 million, and an economic depreciation rate of 17 percent.

Possible changes in key assumptions used by the management in determining the recoverable amount of its cash-generating unit, which would result in an increase in the recognised loss on impairment for the year, are shown below.

	Consolidated financial statements	
	Increase (decrease)	Decrease in the recoverable amount
	(Percent)	(Million Baht)
Replacement cost	(1)	3
Economic depreciation rate	1	4

16. Short-term loans from banks

Short-term loans of subsidiaries from banks, on which interest is charged at a rate close to the Minimum Loan Rate (MLR) and LIBOR plus a certain margin specified in the agreement, are secured by savings and fixed deposits of the subsidiaries.

17. Trade and other current payables

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Trade payables - related parties (Note 7)	697	429	-	-
Trade payables - unrelated parties	2,282	1,598	-	-
Other payables - related parties (Note 7)	41	41	43	103
Other payables - unrelated parties	536	487	22	38
Accrued expenses	70	91	37	49
Accrued project cost	155	146	-	-
Total trade and other payables	3,781	2,792	102	190
Comprise of:				
Current portion of trade and other payable	3,565	2,792	102	190
Trade and other payables - net of current portion	216	-	-	-
	3,781	2,792	102	190

TTTBB has ongoing disputes with TT&T related to settlement of outstanding intercompany debt in 2009 by means of assigning promissory notes and transferring rights in receivables totaling Baht 877 million and in leased line service agreements, as described in Note 11 to the consolidated financial statements.

During the current year, the subsidiaries reversed liabilities amounting to Baht 81 million, which were precluded by prescription. The reversal is shown under the caption of "Revenue from the reversal of liabilities" in profit or loss in the consolidated statement of comprehensive income.

18. Short-term loans

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Short-term loans from subsidiaries (Note 7)	-	-	2,969	3,258
Short-term loan from unrelated parties	-	60	-	60
Total	-	60	2,969	3,318

19. Long-term loans from banks

(Unit: Million Baht)

Loan	Interest rate (% per annum)	Repayment schedule	Consolidated		Separate	
			financial statements		financial statements	
			2022	2021	2022	2021
19.1	MLR - 0.25	Principal is payable in semi-annual installments, beginning in June 2018 with the final installment due in December 2025.	3,413	3,881	3,413	3,881
19.2	11	Principal is payable in annually installments, beginning in December 2022 with the final installment due in December 2024.	170	300	-	-
19.3	MLR	Principal is payable in monthly installments, beginning in March 2022 with the final installment due in February 2024	1,966	-	-	-
Total			5,549	4,181	3,413	3,881
Less: Deferred front-end fee			(38)	(52)	(27)	(48)
Net balance			5,511	4,129	3,386	3,833
Less: Current portion			(4,292)	(634)	(3,386)	(605)
Long-term loans - net of current portion			1,219	3,495	-	3,228

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Beginning balance	4,181	3,366	3,881	3,366
Add: Additional borrowings/Refinance	2,290	1,540	-	1,240
Less: Repayment	(922)	(725)	(468)	(725)
Ending balance	5,549	4,181	3,413	3,881

The loan No. 19.1 is the Company's loan secured by guarantees provided by the pledge of 1,520 million (2021: 1,520 million) investment units in JASIF and a savings account opened as a debt service reserve of the Company. Furthermore, the loan agreement stipulates certain requirements and covenants relating to matters such as the maintenance of financial ratios, the maintenance of shareholdings and the creation of obligations. In addition, when a dividend is received from JASIF or cash is received from a sale of JASIF's investment units, the proceeds are to be used for loan repayment, except any dividends received from JASIF during the period from July 2021 to June 2022 not required to be used for loan repayment.

The loans No. 19.2 and 19.3 are the subsidiaries' loans secured by savings accounts of a subsidiary, 89 million ordinary shares of JTS held by the Group, a subsidiary's land and building thereon and the rights to make collection under rental and service contracts from lessees, and guaranteed by the Group. Furthermore, the loan agreements stipulate certain requirements and covenants relating to matters such as the maintenance of financial ratios, the maintenance of shareholdings and the creation of obligations. In 2022, a subsidiary entered into the long-term loan No. 19.3's agreement to refinance short-term loans from bank.

As at 31 December 2022, the Company was unable to maintain the required financial ratio stipulated in the loan agreement. As a result, the lender may exercise certain rights stipulated in the loan agreement, including the right to recall the entire loan. To comply with Thai Financial Reporting Standards, the Company classified the balance of the loan as current liabilities in the statement of financial position as at 31 December 2022. Nevertheless, the Company has been able to regularly service both the principal and the interest. Moreover, based on historical experience, the Company's management anticipated that the lending bank would not recall the loan within one year although the Company was unable to comply with the financial covenant and is confident that this has not resulted in any cross-defaults. The Company is currently in the process of requesting a letter from the lender, waiving the requirement to maintain the stipulated financial ratio. The Company's management believes that this matter will not have any significant impact on the Group's financial statements.

20. Accounts payable from compromise agreements

On 14 September 2006, the Central Bankruptcy Court issued an order to terminate the Company's business rehabilitation plan ("the Plan") after the Company complied with all requirements in the plan approved by the Central Bankruptcy Court on 7 August 2003. However, certain creditors of the Company lodged objections to certain issues with the Supreme Court during the rehabilitation process. Subsequently, the Central Bankruptcy Court read the judgement of the Supreme Court on 19 August 2013, rejecting the rehabilitation plan and cancelling the Central Bankruptcy Court's business rehabilitation order. As a result, the rights of claim of the Company's creditors returned to what they were prior to the rehabilitation order. Whether and how much the Company will be required to pay to any particular creditor depends on whether the creditors present themselves, exercise their rights and convince the Company that they are the creditors of the amounts claimed.

In August 2014, five financial institutions filed lawsuits petitioning the Central Intellectual Property and International Trade Court ("Central Intellectual Property Court") to order the Company to make debt repayments under loan agreements, guarantee agreements and rehabilitation agreements, totaling Baht 526 million, USD 25 million and JPY 1,736 million. Subsequently, in 2018, the Central Intellectual Property Court issued judgements on the cases between the Company and four plaintiffs that filed the lawsuits, ordering the Company to make debt payments totaling USD 16 million and JPY 2,721 million, together with interest until full payment was made, in accordance with the conditions stipulated in the judgements.

However, in 2019 and 2020, the Company entered into compromise agreements with five plaintiffs, with one plaintiff granted approval by the Central Intellectual Property Court and the other four plaintiffs granted approval by the Court of Appeal for Specialised Cases. The cases are therefore finalised. The compromise agreements require the Company to pay principal and interest totaling Baht 347 million, USD 26 million and JPY 2,207 million, together with interest in accordance with the agreements until full payment is made. Full payment is to be made in instalments, within 20 July 2025 in accordance with the conditions stipulated in the agreements.

Movement of the accounts payable from compromise agreements account is summarised below.

	(Unit: Million Baht)	
	Consolidated/Separate financial statements	
	<u>2022</u>	<u>2021</u>
Balance at beginning of year	1,500	1,541
Repayments in accordance with the agreements	(340)	(122)
Unrealised losses (gains) on exchange	(23)	81
Balance at end of year	1,137	1,500
Less: Current portion	(631)	(717)
Accounts payable from compromise agreements - net of current portion	<u>506</u>	<u>783</u>

21. Leases

The Group as a lessee has lease contracts for various items of assets used in its operations. Leases generally have lease terms between over 1 year and 13 years.

21.1 Right-of-use assets

	(Unit: Million Baht)				
	Consolidated financial statements				
	Land and buildings	Telecommunications equipment	Furniture and office equipment	Motor vehicles	Total
1 January 2021	170	54,899	5	620	55,694
Additions	161	107	21	-	289
Disposals	(1)	-	-	-	(1)
Terminations of leases	(4)	-	-	-	(4)
Depreciation for the year	(131)	(5,087)	(6)	(266)	(5,490)
31 December 2021	195	49,919	20	354	50,488
Additions	89	260	12	2	363
Adjustments of lease liabilities and terminations of leases	(1)	642	-	-	641
Transfer to property, plant and equipment	-	(3)	-	(95)	(98)
Depreciation for the year	(127)	(5,116)	(12)	(255)	(5,510)
31 December 2022	<u>156</u>	<u>45,702</u>	<u>20</u>	<u>6</u>	<u>45,884</u>

(Unit: Million Baht)

	Separate financial statements			
	Office building space	Furniture and office equipment	Motor vehicles	Total
1 January 2021	106	1	2	109
Depreciation for the year	(15)	-	(1)	(16)
31 December 2021	91	1	1	93
Depreciation for the year	(14)	-	-	(14)
31 December 2022	77	1	1	79

In 1998, the Company entered into a 30-year agreement to lease space in an office building (Jasmine International Tower) from Premium Real Estate Company Limited, a former associate dissolved in 2017, and paid advance rental of Baht 415 million. Subsequently, in 2000, the associate transferred the ownership of the building to financial institutions in settlement of liabilities, in accordance with a debt restructuring agreement.

In 2005, PA purchased the building from the financial institutions, as described in Note 15 to the consolidated financial statements. As a result, in order that the presentation of information reflects its underlying economic substance, the Group presents its prepaid rent as part of the cost of the purchased building in the consolidated financial statements.

21.2 Lease liabilities

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Lease payments	64,454	70,918	1	2
Less: Deferred interest expenses	(15,403)	(18,422)	-	-
Total	49,051	52,496	1	2
Less: Current portion	(4,412)	(4,318)	(1)	(1)
Lease liabilities - net of current portion	<u>44,639</u>	<u>48,178</u>	<u>-</u>	<u>1</u>

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Beginning balance	52,496	56,452	2	3
Additions	390	283	-	-
Accretion of interest	3,271	3,476	-	-
Adjustments of lease liabilities and terminations of leases	599	(7)	-	-
Repayment	(7,705)	(7,715)	(1)	(1)
Ending balance	49,051	52,496	1	2

As at 31 December 2022, the Group's weighted average incremental borrowing rate is 5.81 percent (2021: 5.5 percent) per annum.

A maturity analysis of lease payments is disclosed in Note 34 to the consolidated financial statements, under the liquidity risk.

21.3 Expenses relating to leases that are recognised in profit or loss

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Depreciation expense of right-of-use assets	5,510	5,490	14	16
Interest expense on lease liabilities	3,271	3,476	-	-
Expense relating to short-term leases	34	20	-	-
Expense relating to leases of low-value assets	18	18	-	-

21.4 Others

The Group had total cash outflows for leases for the year 2022 of Baht 7,757 million (2021: Baht 7,753 million), including the cash outflow related to short-term leases and leases of low-value assets.

22. Accounts payable for equipment

The Group entered into agreements to purchase equipment from unrelated parties. Under the conditions of the agreements, the Group is obliged to make payments within 1-2 years. During the year 2018, a subsidiary transferred the rights, responsibilities and liabilities under certain agreements to the Company.

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Accounts payable for equipment	314	725	120	268
Less: Deferred interest expense	(2)	(11)	-	-
Total	312	714	120	268
Less: Current portion	(312)	(530)	(120)	(268)
Total accounts payable for equipment - net of current portion	-	184	-	-

On 25 February 2021, an equipment creditor filed a lawsuit against the Company, asking for payment of equipment amounting to USD 10 million, for a default on installment payments as stipulated in the agreement. However, on 9 March 2022, the creditor asked to dismiss the case, and the Court ordered to dismiss and dispose of the case as a result.

23. Long-term debentures

Details of long-term debentures are presented as follows:

(Unit: Million Baht)

	Consolidated	
	financial statements	
	<u>2022</u>	<u>2021</u>
Face value	2,113	1,373
Less: Deferred debenture issuance expenses	(26)	(22)
Long-term debentures - net	2,087	1,351

	(Unit: Million Baht)	
	Consolidated financial statements	
	2022	2021
Beginning balance	1,351	-
Debentures issued during the year	740	1,373
Debenture issuance expenses	(15)	(24)
Amortisation of debenture issuance expenses for the year	11	2
Ending balance	2,087	1,351

On 30 September 2021, TTTBB issued 1,373,500 registered, senior and secured debentures with a trustee to institutional investors and participating dealers, which grant an option to redeem before maturity, for a total of Baht 1,373.5 million. They have a face value of Baht 1,000 each and carry interest at a fixed rate of 6.25 percent per annum, payable every 3 months. The debenture term is 3 years from the issuance date, with a maturity date of 30 September 2024.

On 8 April 2022, JTS issued name-registered, senior and secured debentures amounting to Baht 740 million with a trustee, which can be redeemed before maturity, to institutional investors and participating dealers for the purpose of funding investment in the Bitcoin mining business and repayment of loans to financial institutions. The debentures have a face value of Baht 1,000 each and carry interest at a fixed rate of 6.25 percent per annum, payable every 3 months. The debenture term is 3 years from the issuance date, with a maturity date on 8 April 2025.

As at 31 December 2022, long-term debentures were secured by 60 million ordinary shares of JTS held by a subsidiary, in accordance with the condition stipulated that the value of collateral is not to be less than 1.25 times the value of the debenture offering as at the issuance date. The subsidiary is required to comply with certain procedures and conditions, such as maintaining a financial ratio.

The long-term debentures of the Group had a fair value amounting to Baht 2,105 million, using the yield curve as announced by the Thai Bond Market Association. The fair value hierarchy level was classified as Level 2.

24. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Provision for long-term employee benefits				
at beginning of year	840	828	31	46
Included in profit or loss:				
Current service cost	44	45	1	2
Interest cost	11	11	-	-
Included in other comprehensive income:				
Actuarial loss (gain) arising from				
Demographic assumptions changes	49	-	1	-
Financial assumptions changes	(115)	-	(3)	-
Experience adjustments	22	-	23	-
Benefits paid during the year	(35)	(44)	(8)	(17)
Provision for long-term employee benefits				
at end of year	816	840	45	31

The Group expects to pay Baht 64 million (2021: Baht 27 million) of long-term employee benefits during the next year and the Company only expects to pay Baht 2 million (2021: Baht 2 million).

As at 31 December 2022, the weighted average duration of the liabilities for long-term employee benefit of the Group is 9-16 years (2021: 5-22 years) and of the Company only is 10 years (2021: 8 years).

Significant actuarial assumptions are summarised below:

(Unit: Percent per annum)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Discount rate	2.52-3.44	0.74-2.22	2.75	1.17
Salary increase rate	5	5	5	5

The result of sensitivity analysis on significant assumptions that affect the present value of the long-term employee benefit obligation is summarised below:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Discount rate				
Increase 50 basis points (3.02% - 3.94%)	(38)	(50)	(2)	15
Decrease 50 basis points (2.02% - 2.94%)	41	38	2	17
Salary increase rate				
Increase 100 basis points (6%)	82	90	3	19
Decrease 100 basis points (4%)	(72)	(93)	(3)	13

25. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

Pursuant to Section 1202 of the Thai Civil and Commercial Code, subsidiaries incorporated under Thai laws is required to set aside to a statutory reserve an amount equal to at least 5 percent of its profit each time the subsidiaries pay out a dividend, until such reserve reaches 10 percent of its registered share capital. The statutory reserve can neither be offset against deficit nor used for dividend payment.

26. Finance cost

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Interest expenses on borrowings	608	433	399	482
Interest expenses on lease liabilities	3,271	3,476	-	-
Interest expenses on accounts payable for equipment	11	20	-	1
Total	<u>3,890</u>	<u>3,929</u>	<u>399</u>	<u>483</u>

27. Expenses by nature

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Telecommunications network rental and service expenses	2,330	1,124	-	-
Depreciation and amortisation	10,644	10,967	23	18
Salaries, wages and other employee benefits	2,693	2,756	77	66
Telecommunications license fees	583	681	-	-
Electricity expenses	298	276	2	1
Cost of goods sold	656	170	-	-
Sales promotion expenses	313	340	-	-
Repair and maintenance expenses	243	250	-	-
Rental and service expenses	82	109	8	7
Expected credit losses	494	287	-	-
Consulting fees	76	79	32	50
Losses on exchange	-	229	-	121

28. Income tax

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Current tax:				
Current income tax charge	129	128	35	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(93)	135	6	-
Income tax expenses reported in profit or loss	<u>36</u>	<u>263</u>	<u>41</u>	<u>-</u>

The amounts of income tax relating to each component of other comprehensive income are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Deferred tax on gain from revaluation of assets	-	324	-	-

Below is the reconciliation between accounting profit (loss) and income tax.

	(Unit: Million Baht)	
	Consolidated financial statements	
	<u>2022</u>	<u>2021</u>
Accounting loss before tax	(2,027)	(1,121)
Applicable tax rate (percent)	20	20
Accounting loss before tax multiplied by income tax rate	(405)	(224)
Reversal of deferred tax assets recognised in the prior years	6	138
Tax effect of income and expenses that are not taxable income or expenses:		
Share of profit from investments in associates	(230)	(225)
Gain on sale of investment within the Group	-	157
Gains on changes in fair value of investment properties	8	8
Losses on changes in revalued amounts of buildings	(7)	(3)
Losses on impairment of assets	83	-
Others	36	11
Unrecognised deferred tax assets:		
Tax losses brought forward, utilised during the year	(82)	(80)
Tax losses of the current year	937	898
Provision for rental assurance (Note 29)	(547)	(659)
Differences of depreciation and interest expenses		
from lease payments in accordance with lease contracts	215	250
Effects on elimination of intercompany transactions	18	(8)
Others	4	-
Income tax expenses reported in profit or loss	36	263

	(Unit: Million Baht)	
	Separate financial statements	
	<u>2022</u>	<u>2021</u>
Accounting profit before tax	1,881	1,627
Applicable tax rate (percent)	20	20
Accounting profit before tax multiplied by income tax rate	376	325
Reversal of deferred tax assets recognised in the prior years	6	-
Tax effect of income and expenses that are not taxable income or expenses:		
Dividend income from associate	(286)	(289)
Others	(1)	(2)
Unrecognised deferred tax assets:		
Tax losses brought forward, utilised during the year	(54)	(34)
Income tax expenses reported in profit or loss	41	-

The components of deferred tax assets are as follows:

	(Unit: Million Baht)			
	Consolidated statements of financial position		Consolidated statements of comprehensive income	
	As at 31 December		For the years ended 31 December	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Deferred tax assets (liabilities)				
Allowance for expected credit losses	8	10	2	131
Costs to obtain a contract	(31)	(49)	(18)	(5)
Provision for long-term employee benefits	13	18	5	3
Gains on changes in fair value of investment properties	(211)	(211)	-	8
Losses on changes in revalued amounts of buildings	(8)	2	10	(2)
Losses on impairment of assets	83	-	(83)	-
Surplus on revaluation of assets	(315)	(324)	(9)	324
Deferred tax relating to origination and reversal of temporary differences			(93)	459
	(461)	(554)		
Deferred tax presented in the statement of financial position				
Deferred tax assets	97	19		
Deferred tax liabilities	(558)	(573)		
	(461)	(554)		

(Unit: Million Baht)

	Separate statements		Separate statements	
	of financial position		of comprehensive income	
	As at 31 December		For the years ended 31 December	
	2022	2021	2022	2021
Deferred tax assets				
Provision for long-term employee benefits	-	6	6	-
Deferred tax relating to origination and reversal of temporary differences			6	-
Deferred tax assets	-	6		

As at 31 December 2022, the Group had deductible temporary differences and unused tax losses totaling Baht 41,384 million (2021: Baht 38,010 million) and the Company only totaling Baht 45 million (2021: Baht 274 million), on which deferred tax assets have not been recognised as the Group believes that future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

The subsidiaries' unused tax losses amounting to Baht 15,307 million (the Company only: Nil) (2021: the Group's Baht 11,090 million and the Company's Baht 273 million) will expire by 2027 (2021: by 2026).

29. Infrastructure fund transactions

In February 2015, the Company and TTTBB entered into agreements with JASIF as follows:

a) Asset Sale and Transfer Agreement

TTTBB entered into the Asset Sale and Transfer Agreement with JASIF to sell the OFCs at a price of Baht 55,000 million, with TTTBB to deliver and transfer a total of approximately 980,500 core kilometres of OFCs.

b) Main Lease Agreement

TTTBB entered into the OFCs lease agreement with JASIF for the lease of 80 percent of the OFCs sold and delivered to JASIF pursuant to the Asset Sale and Transfer Agreement. The Main Lease Agreement is for a period of approximately 11 years (ending 22 February 2026). TTTBB agrees to pay fixed rental fee at the rate of Baht 425 per core kilometer per month until 31 December 2015 and the fee will be increased on 1 January each year in line with the change in the Thailand CPI announced by the Ministry of Commerce, with a cap of 3 percent per annum. TTTBB agrees to pay the rent for the last three months in advance to JASIF at the time when the first rental payment is due. The advance rental payment in the aggregate must be at least Baht 816 million. TTTBB is responsible for payment of any entry fees for laying the OFCs that occur in the future.

c) Rental Assurance Agreement

JASIF may lease 20 percent of the OFCs to any lessee. During the period in which there are no third-party lessees, TTTBB agrees to lease these assets and pay for the rental fee to JASIF in order to guarantee JASIF's lease revenue throughout the term of the Rental Assurance Agreement for three years. The Rental Assurance Agreement will be renewed for additional three-year periods at the option of JASIF until the expiration of the Main Lease Agreement with the rental fee of Baht 750 per core kilometer per month until 31 December 2015 and the fee will be increased on 1 January each year in line with the change in the Thailand CPI announced by the Ministry of Commerce with a cap of 3 percent per annum.

d) OFCs Maintenance Agreement

JASIF appointed TTTBB to carry out the services of repairing, replacing, maintaining and managing the OFCs on behalf of JASIF. JASIF shall pay the service fee to TTTBB at the rate of Baht 200 per core kilometer per year until 31 December 2015 and the service fee will be increased by 3 percent per annum on 1 January each year. This agreement shall be effective until 22 February 2026 or the earlier termination of the Main Lease Agreement.

e) Marketing Services Agreement

TTTBB shall find other lessees to lease 20 percent of total OFCs (“Secondary Optical Fiber Cable”) of JASIF. If any lessee is interested in leasing these assets, JASIF is entitled to lease these assets to such lessee. TTTBB agrees to waive its right to use these assets immediately after a lease agreement has been entered into with such lessee. JASIF agrees to pay a service fee to TTTBB in an amount equal to 25 percent of the amount that exceeds the aggregate amount of rental that TTTBB actually receives from all lessees for the lease of any Secondary Optical Fiber Cable during the three-year term of this agreement, deducted by aggregate amount of rental that TTTBB shall be liable to pay to JASIF under the Rental Assurance Agreement throughout the three-year term in respect of the lease of Secondary Optical Fiber Cable of this agreement. The term of the agreement is three years and will be renewed for additional three-year periods at the option of JASIF until the expiration of TTTBB’s Type-three Telecommunications license.

f) Undertaking Agreement

The Undertaking Agreement specifies that the Company has to maintain its unitholding at 33.33 percent of the total number of investment units issued in JASIF (“initial investment units”) by not selling, transferring or disposing of the initial investment units for the first three years, unless it receives prior written consent from JASIF, and during the fourth to sixth years, the Company may not sell, transfer or dispose of the investment units of JASIF to the extent that its unitholding falls below 19 percent of the total initial number of investment units issued, unless it receives prior written consent from JASIF. Moreover, the Company and its affiliates must maintain shareholdings of at least 76 percent in TTTBB and Triple T Internet Company Limited (“TTTI”), and that TTTBB must maintain certain financial ratios, such as current liabilities to equity ratio, debt to equity ratio, and financial ratio for dividend payment, as specified in the agreement. In addition, liabilities of TTTBB and TTTI, as specified in the agreement, may not exceed the rate as specified in the agreement at any given time.

On 19 November 2019, TTTBB entered into an Additional Assets Sale and Transfer Agreement with JASIF, and TTTBB and the Company amended the existing agreements with JASIF as follows:

1. TTTBB entered into the Additional Assets Sale and Transfer Agreement to sell 700,000 core kilometers of additional OFCs (“the Additional Assets”) for a total of Baht 38,000 million (excluding VAT).
2. Amendments to the Main Lease Agreement, TTTBB agreed to lease 80 percent of the Additional Assets, totaling approximately 560,000 core kilometers, that TTTBB sold and delivered to JASIF, at the rental rate starting from Baht 433.21 per core kilometer per month (excluding VAT). The rental rate is to increase on every 1 January of each year according to the Thailand CPI announced by the Ministry of Commerce. The rental increase will not exceed 3 percent but not less than 0 percent per annum. A term of rental is approximately 12 years and 2 months, the agreement expiry date will be on 29 January 2032 which is the expiry date of telecommunications license type-three held by TTTBB. The OFCs rental period was extended to the end of the lease period of the Additional Assets based on the terms and conditions of the original Main Lease Agreement. TTTBB is to be responsible for expenses and subduct rental expenses related to relocation of the existing OFCs in case the actual expenses are greater than the financial projection in the initial public offering of JASIF. TTTBB will also be responsible for such expenses in respect of the Additional Assets during the term of the Amended and Restated Main Lease Agreement.

In addition, TTTBB grants JASIF the right to extend the term of main lease of the existing OFCs and the Additional Assets for 10 years from 29 January 2032, if TTTBB’s service income from broadband internet in 2030 is not less than Baht 40,000 million and the telecommunications license type-three held by TTTBB is renewed and extended including receiving all necessary approvals for the main lease extension. The rental fee after the extended period will be Baht 433.21 per core kilometer per month (excluding VAT) and the rental rate is to increase on every 1 January of each year according to the Thailand CPI announced by the Ministry of Commerce. However, the rental increase shall not exceed 3 percent but not less than 0 percent per annum.

3. Amendments to the Rental Assurance Agreement, during the period in which there are no third-party lessees, TTTBB agreed to lease the remaining Additional Assets which accounted for 20 percent of the total Additional Assets, totaling approximately 140,000 core kilometers, at the rental rate starting at Baht 764.48 per core kilometer per month (excluding VAT). The rental rate is to increase on every 1 January of each year according to the Thailand CPI announced by the Ministry of Commerce. However, the rental increase shall not exceed 3 percent but not less than 0 percent per annum. The lease term is 3 years from the effective date of the lease agreement. However, JASIF has an option to renew the Amended and Restated Rental Assurance Agreement for additional three-year periods until 29 January 2032 in respect of the Additional Assets.

4. Amendments to the OFCs Maintenance Agreement, TTTBB is to provide operation and maintenance services with respect to the Additional Assets at the same service rate stipulated in the original OFCs Maintenance Agreement. In addition, the service period of the OFCs Maintenance Agreement is extended to expire at the same date of the expiry date of the Amended and Restated Main Lease Agreement.

In addition, the OFCs Maintenance Agreement does not cover the repair of damages apart from the maintenance of the assets that is specified in the agreement.

5. Amendments to the Marketing Services Agreement, TTTBB is to seek other lessees to lease 20 percent of the Additional Assets based on the terms and conditions of the original Marketing Services Agreement. The service period is approximately 3 years from the date of the Amended and Restated Marketing Services Agreement. However, JASIF has an option to renew the Amended and Restated Marketing Services Agreement for additional three-year periods until 29 January 2032 in respect of the Additional Assets.

In May 2022, JASIF renewed the Amended and Restated Rental Assurance Agreement and Amended and Restated Marketing Service Agreement made with TTTBB for additional periods of three years from their expiration dates. These renewal periods commenced from 20 November 2022.

6. Amendments to the Undertaking Agreement, the Company is to maintain additional investment units in JASIF. The Company must not sell, transfer or dispose of additional investment units, except that it receives a written consent from JASIF. Details are as follows:

- 1) Within the period from the 1st year to the 6th year after the completion of the Additional Assets purchase, the Company shall maintain investment units at 19 percent of total investment units of JASIF.
- 2) In the period from the 7th year after the completion of the Additional Assets purchase to the expiry date of the Amended and Restated Main Lease Agreement, the Company shall maintain investment units at 15 percent of total investment units of JASIF. The maintained unitholding will decrease to 0 percent if JASIF fully repays all of the long-term loan from the financial institution.

In addition, the Group shall maintain a minimum of 76 percent shareholding in TTTBB and TTTI. Furthermore, TTTBB must maintain financial ratios such as current liabilities to equity ratio, debt to equity ratio, and financial ratios for dividend payment as specified in the agreement. Moreover, TTTBB and TTTI must maintain the debt in accordance with the definition specified in the agreement at any time not more than the amount specified in the agreement, and TTTBB shall also deposit the amount specified in the agreement to reserve of the rental payment.

30. Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing profit (loss) for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares held by outsiders in issue during the year.

The following table sets forth the computation of basic earnings (loss) per share for the years:

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Profit (loss) attributable to equity holders of the Company (million Baht)	(2,029)	(1,501)	1,840	1,627
Weighted average number of ordinary shares (million shares)	8,593	8,593	8,593	8,593
Basic earnings (loss) per share (Baht)	(0.24)	(0.17)	0.21	0.19

31. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

During the current year, for management purposes the Group was reorganised into business units based on services, as described in this operating segment information, which is consistent with the internal reports that the chief operating decision maker uses for making decisions about resource allocation and assessing performance. The Group has 3 reportable segments as follows:

- 1) The Broadband and Internet TV segment
- 2) The Digital Asset and Technology Solution segment
- 3) Other segments

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

Inter-segment revenues are eliminated on consolidation.

The following table presents revenue and profit (loss) information regarding the Group's operating segments.

(Unit: Million Baht)

	Broadband Internet and Internet TV segment		Digital Asset and Technology Solution segment		Other segments		Eliminations of inter-segment transactions		Consolidated	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	Sales and service income									
Revenues from external customers	18,028	18,033	1,533	1,131	139	137	-	-	19,700	19,301
Inter-segment revenues	181	187	1,101	799	162	147	(1,444)	(1,133)	-	-
Total revenues	18,209	18,220	2,634	1,930	301	284	(1,444)	(1,133)	19,700	19,301
Segment operating profit (loss)	5,068	5,431	37	389	(10)	(2)			5,095	5,818
Unallocated income and expenses:										
Revenue from reversal of obligations									81	609
Other income									500	461
Selling and servicing expenses									(976)	(1,082)
Administrative expenses									(3,523)	(3,610)
Expected credit losses									(494)	(287)
Gains (losses) on exchange									24	(229)
Share of profit from investments in associates									1,151	1,126
Finance income									5	2
Finance cost									(3,890)	(3,929)
Income tax									(36)	(263)
Non-controlling interests of subsidiaries									34	(117)
Loss attributable to equity holders of the Company									(2,029)	(1,501)

Geographic information

The Group operates in Thailand only. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

Major customers

For the year 2022 and 2021, the Group has no major customer with revenue of 10 percent or more of the Group's revenues.

32. Provident fund

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Group contribute to the fund monthly at rates of 2 percent of basic salary and rates of 3 percent to 15 percent of basic salary, respectively. The fund, which is managed by BBL Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The Group's contributions for the year 2022 amounting to Baht 24 million (2021: Baht 14 million), and of the Company amounting to Baht 1 million (2021: Baht 0.3 million), were recognised as expenses.

33. Commitments and contingent liabilities

33.1 Capital commitments

As at 31 December 2022, the subsidiaries had capital commitments of USD 26 million and Baht 16 million (2021: USD 40 million and Baht 59 million), relating to the acquisition of equipment.

33.2 Service and royalty commitments

As at 31 December 2022, the Group had outstanding payment commitments in respect of service agreements and royalties from rights to broadcast content, totaling Baht 886 million and USD 35 million (2021: Baht 886 million and USD 49 million) (the Company only: Baht 2 million (2021: Baht 1 million)). The terms of the agreements were generally between 1 and 5 years.

33.3 Long-term service commitments

TTTBB is committed to pay rental fees and provide services to JASIF in accordance with certain conditions as described in Note 29 to the consolidated financial statements.

33.4 Guarantees

- a) As at 31 December 2022, the Group had outstanding commitments of Baht 368 million (2021: Baht 372 million) in respect of bid bonds and performance bonds issued by banks on behalf of the Group.
- b) As at 31 December 2022, the subsidiaries had outstanding commitments under letters of credit with overseas suppliers totaling USD 1 million (2021: USD 5 million).
- c) As at 31 December 2022, the Group had outstanding guarantees in respect of a lease agreement that a subsidiary made with a leasing company. The outstanding amount payable under the lease for which the Group provided a guarantee was Baht 49 million (2021: Baht 78 million).
- d) As at 31 December 2022, the Group guaranteed credit facilities of a subsidiary received from a commercial bank, amounting to Baht 4,290 million (2021: Baht 256 million). The credit facilities are secured by 46 million ordinary shares (2021: 23 million ordinary shares) of JTS held by the Company and its subsidiary, with a net book value of Baht 18 million (2021: Baht 63 million).

33.5 T.J.P. Engineering Company Limited (“TJP”) has entered into a turn-key agreement with a counterparty, whereby TJP is obliged to deliver work within the period stipulated in the agreement, which is within 29 December 2006. Up to the present, TJP has been unable to make delivery within the stipulated period because of delays in the delivery of areas by related agencies, and the counterparty is therefore entitled to charge a penalty to TJP at the rate of 0.2 percent of the contract value (Baht 34 million) per each day of delay. TJP’s management and legal advisor are confident that no significant losses will be incurred as a result of this matter.

33.6 In 2013, JTS entered into an agreement with a government agency to sell tablet personal computers for a contract value of Baht 724 million. Under a condition in the agreement, JTS was to deliver all of the tablets to the government agency counterparty within December 2013. However, in 2014, the counterparty submitted a letter to JTS to request the termination of the sale and purchase of the tablet agreement with JTS, as it considered that JTS was unable to deliver the tablets as scheduled under the agreement and to request that JTS pays a penalty at a daily rate of 0.2 percent of the price of the unshipped tablets from the dates of delivery stipulated in the agreement to the date of termination of the agreement, amounting to Baht 142 million. In November 2014, the counterparty filed a lawsuit with the Central Administrative Court, requesting JTS to pay a penalty for its inability to deliver tablets as stipulated in the agreement and to make payment under the performance bond, together with interest at a rate of 7.5 percent per annum, totaling Baht 190 million. JTS submitted a notice of breach of agreement to a local company, claiming that it had failed to deliver tablets in accordance with the agreement, and JTS exercised its right to terminate the agreement with this company. JTS received Baht 38 million from a bank which had issued a bank guarantee as a performance bond on behalf of that company and to which JTS had retained the legal right to seize as compensation for losses caused by this company or incurred as a result of a breach of agreement by this company, with JTS having recorded this amount as a liability under the caption of trade and other payables in the consolidated statement of financial position since 2014 and treated as a provision for any penalties and losses that might be incurred. Moreover, in accordance with a condition stipulated in the sale and purchase of tablets agreement in the event that JTS is required to pay penalties and compensation to the government agency, JTS is able to reclaim all losses from this local company, which was to sell the tablets to JTS. However, in 2018, the Central Administrative Court issued a judgement, requesting JTS to pay a penalty, amounting to Baht 7 million, plus interest at a rate of 7.5 percent per annum from the case filing date until full payment is made. The provision recorded by JTS for penalties and compensation that might be incurred is sufficient based on the amount of the penalty under the judgement of the Central Administrative Court. However, JTS and the government agency filed appeals with the Supreme Administrative Court. At present, the case is under consideration by the Supreme Administrative Court.

The ultimate outcome of this lawsuit cannot be determined at this time. JTS's management and legal advisor are confident that no significant losses will be incurred as a result of this lawsuit, and the recorded provision for penalties and compensation is sufficient based on the judgement of the Central Administrative Court.

33.7 Litigation and disputes with TT&T and TOT

On 15 March 2016, the Central Bankruptcy Court issued an absolute receivership order on TT&T. As a result of this order, the Official Receiver is legally required to become involved in any civil case being considered by the court that relates to the assets of the debtor under the absolute receivership order. Furthermore, when petitioned by the Official Receiver, the court has authority to suspend such civil case or to issue any orders considered appropriate. Therefore, with respect to civil cases related to the assets of TT&T, the court may decide to confer with the Official Receiver on how to proceed with the cases, and take this into account in reaching their decisions in each case.

1. Cloud Computing Solutions Company Limited (“CCS”) has disputed outstanding balances of USD 5 million receivable from TT&T pursuant to the contract for the supply of the Customer Care and Billing system. In June 2015, an arbitration award was made by the arbitration tribunal revoking TT&T’s dispute proposal submitted to the Arbitration Institute in 2011 that CCS breached the contract, asking CCS to pay a total of Baht 1,780 million, together with interest at a rate of 7.5 percent per annum from the date of the submission of the dispute, and ordering TT&T to pay the outstanding balance of installments due together with interest to CCS, totaling Baht 204 million. With respect to the Central Bankruptcy Court’s absolute receivership order against TT&T, CCS submitted an application for repayment of debt, together with interest, to the Official Receiver. The settlement of this debt will therefore be made in accordance with the process prescribed by bankruptcy laws. Currently, TT&T is in the process of following legal procedures with respect to bankruptcy laws, implemented by the Official Receiver.
2. In 2010, TTTBB received a notice from the Official Receiver, the Business Reorganisation Department, informing TTTBB that TT&T had requested TTTBB to pay outstanding debts of Baht 834 million which are subject to an interest rate of 7.5 percent per annum until full payment is made. However, in August 2016, the Official Receiver relevant to the bankruptcy case submitted a letter dated 9 August 2016 notifying TTTBB that it had to pay outstanding debt of Baht 1,157 million arising from the same obligation for which the notice from the Official Receiver was sent to TTTBB in 2010 regarding the business reorganisation of TT&T. The Official Receiver explained that the investigation under the business reorganisation was superseded when the debtor was in receivership and the investigation would be reconsidered under bankruptcy laws, with nearly 90 percent of the claim being the lease line service payable that TTTBB paid to TT&T through the offset of debt payable and the assignment of promissory notes in 2009, as described in Note 11 to the consolidated financial statements. However, the rehabilitation planner disputed that the payment did not constitute a complete and legitimate debt settlement transaction and the remaining balance is not equal to the liabilities that TTTBB recorded in the accounts.

Subsequently, in December 2021, TTTBB received a debt confirmation letter dated 7 December 2021 from the Official Receiver of the bankruptcy case of TT&T requesting TTTBB to pay TT&T the outstanding debt under the letter dated 9 August 2016, amounting to Baht 1,152 million, plus interest accrued at a rate of 7.5 percent per annum on the principal of Baht 723 million from 16 March 2016 to 10 April 2021 and interest accrued at a rate of 5 percent per annum from 11 April 2021 until the amount is settled. However, on 20 December 2021, TTTBB filed another petition with the Official Receiver for the bankruptcy case of TT&T to review the amount, maintaining the opinion that most of the debt to TT&T has been settled, as described above. On 12 April 2022, TTTBB received a letter from the Official Receiver confirming that there was no reason to perform a new review. Subsequently, on 15 August 2022, TTTBB filed a petition opposing the debt confirmation order with the Central Bankruptcy Court. TTTBB's management maintains the opinion that most of the debt to TT&T has been settled, as described above. At present, the case is being considered by the Central Bankruptcy Court.

On 12 January 2011, TTTBB received a notice from the Thai Arbitration Institute, Alternative Dispute Resolution Office, Office of the Judiciary, stating that on 27 December 2010 TT&T had filed a statement of claim demanding TTTBB settle leased line payable totaling Baht 1,447 million, plus interest accrued at a rate of 7.5 percent per annum until the amount is settled. TT&T later amended the claim to Baht 1,496 million. On 29 June 2011, TTTBB filed an objection and a counterclaim for damages suffered as a result of TTTBB's inability to use the leased line service, amounting to Baht 3,477 million, with the Thai Arbitration Institute. On 29 July 2014, the arbitration tribunal unanimously agreed that TT&T was in breach of the agreement, and the Chairman of the arbitration tribunal rendered the award stating that the compensation and penalty, which TT&T shall be liable to TTTBB, and the outstanding network rental service fee to be paid by TTTBB, shall be set off against each other and extinguished, while the other claims shall be lifted. On 12 November 2014, TT&T filed a petition with the Civil Court seeking to reverse Thai Arbitration Institute's order. On 29 November 2016, the Official Receiver relevant to the bankruptcy case of TT&T filed an appeal with the Civil Court requesting not to conduct the case and dispose of the case from the directory, and the Civil Court ordered to dispose of the case.

The debt confirmation letter dated 7 December 2021, which had the characteristics of an order from the Official Receiver, did not include any additional balance of debt for circuit service to that in the Thai Arbitration Institute's award in this dispute. As a result, TTTBB's management and legal advisor are of the opinion that the circuit service payable was suspended and precluded by prescription in 2021 and was no longer claimable by any party. Therefore, in 2021, TTTBB recorded the reversal of the debt and presented it as "Revenue from the reversal of liabilities" in profit or loss for the year 2021.

The ultimate outcome of the lawsuit that are not finalised cannot be determined at this time. TTTBB's management is confident that no significant losses will be incurred as a result of the lawsuit and therefore no provision for contingent liabilities has been recorded in the accounts.

3. On 25 September 2014, Acumen filed a lawsuit against TT&T, and 13 related individuals and juristic persons with the Nonthaburi Provincial Court, claiming damages in the amount of Baht 6,350 million on the grounds that the 13 defendants jointly committed a wrongful act against Acumen by using the Memorandum of Understanding between Acumen and TT&T which allowed the shareholders of TT&T to purchase the newly issued shares and/or existing shares of TTTBB held by Acumen, which all defendants were well aware had been null and void for a long time, in order to file a lawsuit against Acumen. They intentionally filed the lawsuit and the petition for an interlocutory injunction order while TTTBB was in the process of applying to establish an infrastructure fund, despite the fact that they would not receive any benefit from the complaint. The lawsuit and the petition for an interlocutory injunction were filed in order to obstruct TTTBB's establishment of the infrastructure fund, and this constituted a bad faith act before the court, which had caused damage to Acumen. At present, the case is being considered by the Nonthaburi Provincial Court.

On 7 August 2019, four individuals, who are shareholders of TT&T, filed a lawsuit against Acumen with the Nonthaburi Provincial Court. They claimed that Acumen had not complied with a Memorandum of Understanding regarding the exercise of a right to purchase ordinary shares of TTTBB and requested Acumen to return the 5,868,073 newly issued registered ordinary shares of TTTBB to four plaintiffs. If Acumen is unable to return the shares to four plaintiffs, Acumen should pay compensation together with interest, as well as the previous dividend that the plaintiffs should have received, together totaling Baht 29 million. Subsequently, on 3 December 2019, Acumen filed a lawsuit against four individuals with the Civil Court, claiming damages in the amount of Baht 305 million on the grounds that the four defendants jointly committed a wrongful act by filing a lawsuit against Acumen in bad faith. However, on 14 June 2022, the Civil Court rendered an order to dismiss of the lawsuit that Acumen filed against the four individuals. On 26 August 2022, Acumen filed an appeal and the cases are currently being considered by the Court.

On 14 December 2020, four individuals filed a lawsuit against Acumen with the Civil Court, claiming damages of Baht 8 million on the grounds that Acumen committed a tort by violating court rights and bringing false allegations to file a lawsuit against the four plaintiffs with the Nonthaburi Provincial Court. Subsequently, on 14 September 2022, the Civil Court dismissed the lawsuit. On 6 January 2023, the four plaintiffs filed an appeal, and the case is currently being considered by the Appeal Court.

In addition, in 2021, another group of individuals, who are shareholders of TT&T, filed the other three lawsuits against Acumen with the Civil Court and the Nonthaburi Provincial Court. They claimed that Acumen had not complied with the Memorandum of Understanding regarding the exercise of a right to purchase ordinary shares of TTTBB and requested Acumen to pay compensation together with interest totaling Baht 40 million. At present, the cases are being considered by the Court.

In case that a group of individuals, who are shareholders of TT&T, filed a lawsuit against Acumen, claiming that Acumen had not complied with a Memorandum of Understanding regarding the exercise of a right to purchase ordinary shares of TTTBB, the plaintiffs in those four cases have also filed petitions for class actions. The Court has ordered the dismissal of the class action petitions for four cases and one of these cases has already been dismissed by the Appeal Court. At present, the petitions and the cases are being considered by the Courts.

The ultimate outcomes of the lawsuits that are not finalised cannot be determined at this time. The management of Acumen is confident that no significant losses will be incurred as a result of these lawsuits and therefore no provision for contingent liabilities has been recorded in the accounts.

- 33.8 As at 31 December 2022, TTTBB had commercial disputes with a state enterprise, and has been sued for damages totaling Baht 193 million (2021: Baht 443 million). At present, the cases are under consideration by the Court. TTTBB's management believes that the disputes will not have a significant impact on the Group's financial statements.

33.9 Telecommunications licenses and Broadcasting licenses

Seven subsidiaries received Telecommunications licenses and Broadcasting licenses from the National Broadcasting and Telecommunications Commission (“NBTC”), which are summarised as follows:

Company	Type of license	Authorised service	Period
Acumen Co., Ltd.	Type-two Telecom without a telecommunications network	Very Small Aperture Terminal (VSAT) service	22 June 2020 - 22 June 2025
Triple T Broadband Plc.	Type-one Telecom	Internet service	22 June 2020 - 22 June 2025
	Type-three Telecom	Internet service and telecommunications services	23 February 2006 - 29 January 2032
Jasmine Internet Co., Ltd.	Type-one Telecom	Resale of mobile phone and voice over internet phone services	15 July 2020 - 15 July 2025
	Type-one Telecom	Resale of telecommunications service and internet service	22 June 2020 - 22 June 2025
Jastel Network Co., Ltd.	Type-one Telecom	Internet service	22 June 2020 - 22 June 2025
	Type-two Telecom	Domestic and international leased circuit service and international internet gateway service	15 June 2020 - 15 June 2025
	Type-three Telecom	International private leased circuit service	30 June 2020 - 17 November 2024
Triple T Internet Co., Ltd.	Type-one Telecom	Resale of leased circuit service, resale of fixed line service and resale of mobile phone service	24 August 2020 - 24 August 2025
	Type-one Telecom	Mobile telephone network service	22 June 2020 - 22 June 2025
THREE BB TV Co., Ltd.	Non-National Spectrum Broadcast Network	Non-national spectrum broadcast network service	29 July 2020 - 28 July 2035

The subsidiaries are required to comply with certain conditions stated in the licenses, and to pay annual license fees, as well as fees for the Universal Service Obligation (“USO”) and the Broadcasting and Telecommunications Research and Development Fund for Public Interest (“BTFFP”) in accordance with conditions and requirements stipulated by the NBTC.

34. Financial instruments

34.1 Financial risk management objectives and policies

The Group’s financial instruments principally comprise cash and bank deposits, trade and other receivables, loans and borrowings, trade and other payables, lease liabilities and deposits received from customers. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade receivables and other financial instruments. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, outstanding trade receivables and other financial instruments are regularly monitored, and the Group does not have high concentrations of credit risk since it has a large customer base in various industries.

At each reporting date, the Group determines expected credit losses on the basis of an aging profile of outstanding debts for customer groups with similar credit risks, or on the basis of the cash flows that the Group expects to receive, discounted at the effective interest rate.

Market risk

Interest rate risk

The Group’s exposure to interest rate risk relates primarily to its loans, trade and other payables, and borrowings. Most of the Group’s financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate. The Group’s interest rate risk is therefore considered to be low. Interest rates of significant financial assets and liabilities are presented in the related notes to the financial statements.

Foreign currency risk

The Group's exposure to the foreign currency risk relates primarily to its purchases of equipment and payments of accounts payable that are denominated in foreign currencies.

The balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Consolidated financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	4	8	74	77	34.5624	33.4199
Yen (100 Yen)	-	-	1,620	1,948	26.0914	29.0639

Foreign currency	Separate financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	-	-	24	32	34.5624	33.4199
Yen (100 Yen)	-	-	1,620	1,948	26.0914	29.0639

The Group's exposure to foreign currency changes is not material.

Liquidity risk

The Group manages its liquidity risk through the use of loans and lease contracts. The Group can access a sufficient variety of funding sources and is able to roll over debt maturing within 12 months.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted cash flows.

(Unit: Million Baht)

	Consolidated financial statements			
	As at 31 December 2022			
	Less than 1 year	1 to 5 years	Over 5 years	Total
Short-term loans from banks	1,250	-	-	1,250
Trade and other payables	3,349	216	-	3,565
Long-term loans from banks	1,444	2,436	-	3,880
Accounts payable from compromise agreements	695	544	-	1,239
Lease liabilities	5,765	30,447	28,242	64,454
Accounts payable for equipment	314	-	-	314
Long-term debentures	132	2,237	-	2,369
Provision for rental assurance	3,238	11,223	4,550	19,011
Total	16,187	47,103	32,792	96,082

(Unit: Million Baht)

	Consolidated financial statements			
	As at 31 December 2021			
	Less than 1 year	1 to 5 years	Over 5 years	Total
Short-term loans from banks	2,702	-	-	2,702
Trade and other payables	2,792	-	-	2,792
Long-term loans from banks	853	3,798	-	4,651
Accounts payable from compromise agreements	802	865	-	1,667
Lease liabilities	5,727	30,262	34,929	70,918
Accounts payable for equipment	540	185	-	725
Long-term debentures	86	1,524	-	1,610
Provision for rental assurance	3,143	12,681	5,757	21,581
Total	16,645	49,315	40,686	106,646

(Unit: Million Baht)

Separate financial statements				
As at 31 December 2022				
	Less than		Over	Total
	1 year	1 to 5 years	5 years	
Trade and other payables	102	-	-	102
Long-term loans from banks	1,396	2,281	-	3,677
Accounts payable from compromise agreements	695	544	-	1,239
Lease liabilities	1	-	-	1
Accounts payable for equipment	120	-	-	120
Total	2,314	2,825	-	5,139

(Unit: Million Baht)

Separate financial statements				
As at 31 December 2021				
	Less than		Over	Total
	1 year	1 to 5 years	5 years	
Trade and other payables	190	-	-	190
Long-term loans from banks	790	3,472	-	4,262
Accounts payable from compromise agreements	802	865	-	1,667
Lease liabilities	1	1	-	2
Accounts payable for equipment	268	-	-	268
Total	2,051	4,338	-	6,389

As at 31 December 2022, the Company had short-term loans Baht 2,969 million (2021: Baht 3,318 million) payable on demand.

34.2 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

35. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate financial structure and preserves the ability to continue its business as a going concern. As at 31 December 2022, the Group's debt to equity ratio was 23.60:1 (2021: 16.11:1) and the Company's was 0.41:1 (2021: 0.53:1).

36. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 28 February 2023.