

BUY (Unchanged)

TP: Bt 16.50 (From: Bt 16.00)

Change in Numbers
Upside : 14.6%

True Corporation Pcl (TRUE TB)

More room to re-rate

We reaffirm our BUY call on TRUE, seeing further room for it to re-rate to a higher TP of Bt16.5. We believe key re-rating factors are outstanding EPS growth of 30/18/5% in 2026-28F, the start of dividend payments with a rising yield to 4.2%, and ROE expanding to 28%.

Both growth and yield; BUY

We reaffirm our BUY call on TRUE for four reasons. **First**, we project 30/18/5% EPS growth in 2026-28F, despite earnings cuts of 6-13% on slower-than-expected revenue recovery and near-term macroeconomic headwinds. The growth is driven by ongoing cost savings and steady revenue growth. **Second**, TRUE is becoming a decent dividend payer, with its yield rising to 4.2% in 2028F. Combined with its resilient business nature, TRUE also looks like a compelling defensive play amid economic uncertainty. **Third**, with its stronger balance sheet and improving cash flow outlook driven by a structurally lower cost of funds, our WACC falls to 8.0% (from 8.3%), which lifts our DCF-based TP (2026F base year) to Bt16.5 (from Bt16.0). **Lastly**, due to its materially stronger fundamentals and ROE approaching 30%, we believe TRUE deserves to trade at a higher EV/EBITDA than in the past. Its current 8.3x 2026F EV/EBITDA is near the top of its 2019-25 trading range, vs. the implied 9.0x EV/EBITDA for our TP.

30/18% EPS growth in 2026-27F

We expect TRUE's earnings to grow 30% in 2026F, driven by full-year benefits from lower spectrum costs and continued post-merger cost savings, undeterred by high energy prices amid the Middle East war. We project 1% core service revenue growth in 2026F, with a recovery from the weak 2025 outweighing near-term macroeconomic headwinds. We expect revenue growth to normalize to 2% p.a., supported by an ongoing ARPU recovery and further uplift from value-added service bundling, to drive 18/5% EPS growth in 2027-28F. The slower growth in 2028F is due to us already factoring an upcoming bid for the new 3500MHz spectrum into its cost base.

Good industry environment

We see the Thai telecom industry as resilient with manageable competition. TRUE and its only rival, Advanced Info Service Pcl (ADVANC TB, Bt364, BUY), continue to focus on value-added services and bundling upgrades to grow revenue, rather than price cuts for market share gains. This bolsters our view of a gradual ARPU recovery toward the pre-price-war level in 2019. With an abundant spectrum supply in a two-player market, we expect lower license costs for both new spectrum and upcoming renewals.

Re-rating factors

TRUE's re-rating path is not yet over, in our view. Beyond its continued strong EPS growth, TRUE is now a much fundamentally stronger company with a healthier balance sheet, growing free cash flow (FCF), and expanding ROE. Falling net debt-to-EBITDA to 3.9x in 2025, from 4.7x pre-merger in 2023, has led to credit rating upgrades and a lower cost of debt of 3.8%, from 4.8%. Growing EBITDA, falling capex following completion of the core 5G network rollout, and lower spectrum costs collectively lift FCF yield to 8.7%, supporting our estimate of a dividend yield increase to 4.2% in 2028F.

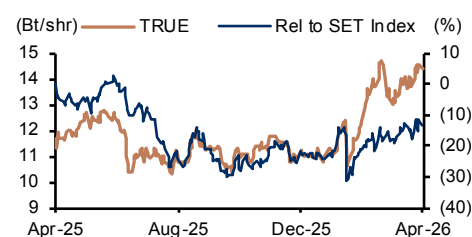

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COMPANY VALUATION

Y/E Dec (Bt m)	2025A	2026F	2027F	2028F
Sales	195,669	187,257	191,340	194,632
Net profit	9,240	24,074	28,428	29,844
Consensus NP	—	24,405	28,635	30,856
Diff frm cons (%)	—	(1.4)	(0.7)	(3.3)
Norm profit	18,520	24,074	28,428	29,844
Prev. Norm profit	—	27,506	30,224	32,919
Chg frm prev (%)	—	(12.5)	(5.9)	(9.3)
Norm EPS (Bt)	0.5	0.7	0.8	0.9
Norm EPS grw (%)	87.4	30.0	18.1	5.0
Norm PE (x)	26.9	20.7	17.5	16.7
EV/EBITDA (x)	8.8	8.3	7.9	7.5
P/BV (x)	6.6	5.6	4.9	4.5
Div yield (%)	2.2	2.4	4.0	4.2
ROE (%)	24.8	29.4	30.1	28.3
Net D/E (%)	410.2	326.0	288.6	243.6

PRICE PERFORMANCE



COMPANY INFORMATION

Price as of 7-Apr-26 (Bt)	14.40
Market Cap (US\$ m)	15,307.4
Listed Shares (m shares)	34,552.1
Free Float (%)	31.5
Avg. Daily Turnover (US\$ m)	66.9
12M Price H/L (Bt)	14.70/10.30
Sector	Telecom
Major Shareholder	Arise Digital Technology 24.95%

Sources: Bloomberg, Company data, ttb wealth estimates

ESG Summary Report P9

More room to re-rate

We reaffirm our BUY call

A big-cap stock with strong earnings growth ...

... and an increasing dividend yield

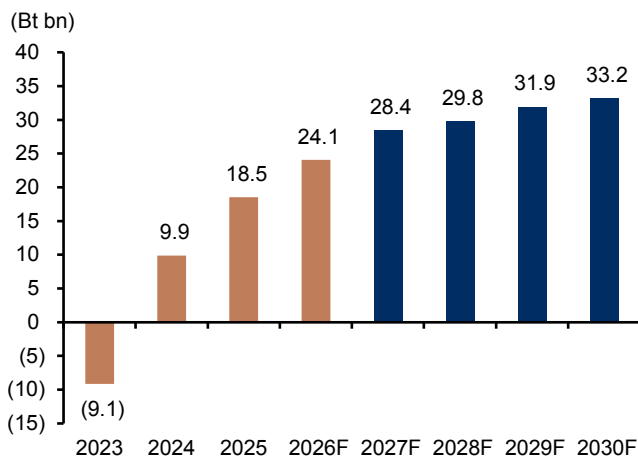
Lower cost of funds leads to lower WACC and a rise in our TP

We expect stronger fundamentals to re-rate its valuations

We reaffirm our BUY rating on True Corporation Plc (TRUE TB) for four key reasons:

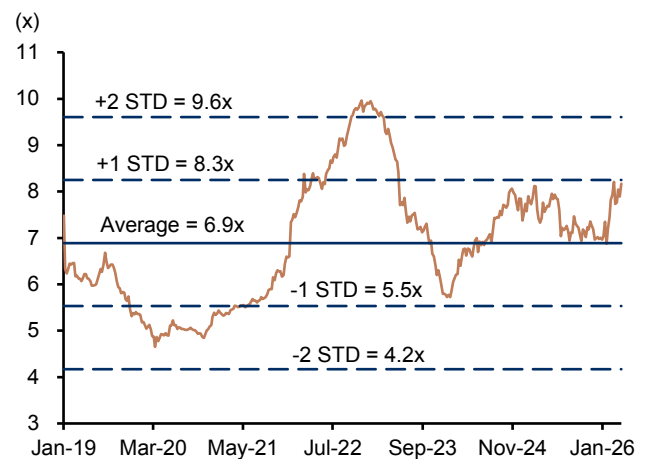
- **First**, TRUE remains a big-cap stock with a combination of a strong earnings-growth outlook and defensive characteristics. We estimate 30/18/5% EPS growth in 2026-28F, driven mainly by ongoing benefits from post-merger cost reductions and structurally lower industry-wide spectrum costs, neither of which is sensitive to current macroeconomic headwinds. We expect its revenue growth to remain steady, supported by the resilience of telecom service demand.
- **Second**, we project improving operating cash flow and lower capex for both network expansion and spectrum licenses, driving its free cash flow (FCF) yield higher to 8.7% in 2028F, which supports our estimate of the dividend yield rising to 4.2% in 2028F, marking TRUE's emergence as a decent dividend payer.
- **Third**, a strengthened balance sheet, together with a stronger cash flow outlook, has driven credit rating upgrades for TRUE, reducing its cost of funds to 3.8% in 2025 from 4.8% pre-merger in 2023. We project a further decline to 3.5% in 2028F as TRUE gradually refinances its debentures during this low-interest-rate environment. Those factors also lead us to reduce our WACC to 8.0% (from 8.3%), which raises our DCF-based 12-month TP (2026F base year) for TRUE to Bt16.5/share (from Bt16.0).
- **Lastly**, we believe TRUE deserves to trade at higher multiples than in the past, supported by its much stronger fundamentals of a now nearly 30% ROE (vs. being a loss-making company in the past decade) with a lower net debt-to-EBITDA ratio of 4.7x in 2025 (from 3.9x pre-merger in 2023). TRUE now trades at 8.3x 2026F EV/EBITDA, while our TP implies a 9.0x ratio.

Ex 1: Strong Earnings Growth Looks Intact



Sources: Company data, ttb wealth estimates

Ex 2: We Believe EV/EBITDA Could Re-Rate Further

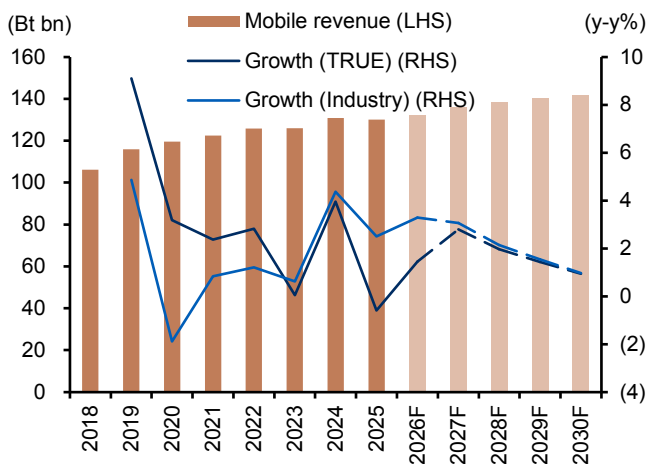


Sources: Bloomberg, ttb wealth estimates

Cost reductions drive strong earnings growth amid macro headwinds

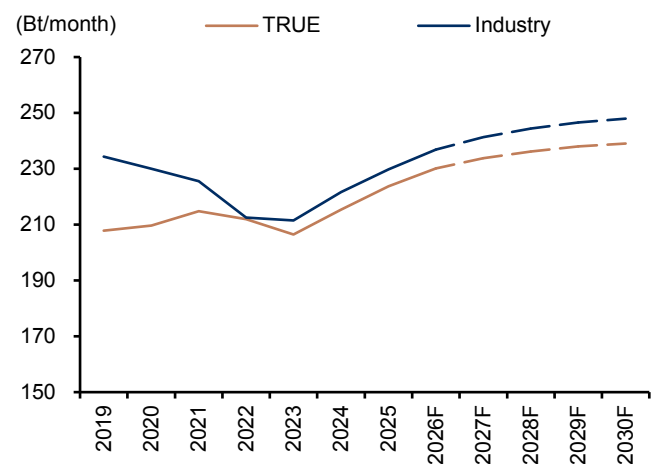
Our estimate of strong 30% earnings growth for TRUE in 2026F is driven mainly by two cost-side tailwinds, which we believe are largely insulated from macroeconomic conditions of potentially weaker consumer spending amid elevated energy prices. First, full-year benefits from lower spectrum costs, following the transition of its 2300MHz spectrum band from a rental arrangement with National Telecom Pcl (NT, not listed) to an auction-based license, effective August 2025, should be recognized this year. Second, post-merger synergy savings continue to sustain momentum since the amalgamation in 2023. We conservatively assume only 1% y-y core service revenue growth this year, as we expect the macroeconomic drags to partially offset its revenue recovery from a low base last year, when TRUE faced three concurrent headwinds of 1) discounts and giveaways granted to customers to compensate for a major network disruption in May, 2) weak Chinese tourist arrivals and cross-border visitors, which make up a sizable portion of its subscriber base, and 3) some subscriber losses from the network outage and a loss of broadcasting rights for key live sports content.

Ex 3: Recovering Revenue Growth From Hiccup In 2025



Sources: Company data, ttb wealth estimates

Ex 4: Improving ARPU Trend, In Line With The Industry

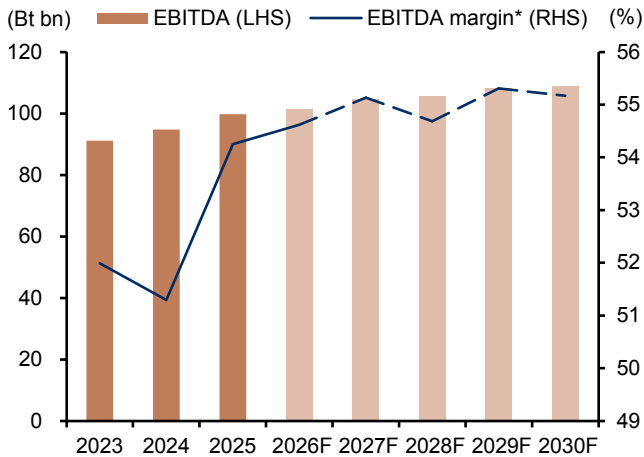


Sources: Company data, ttb wealth estimates

Steady earnings growth going forward as revenue growth normalizes

We expect TRUE's earnings to continue growing by 18% and 5% in 2027-28F, as we project its core service revenue to normalize at an organic 2% p.a. growth rate. This is based on our view that the industry's competitive landscape remains benign. While the market briefly raised concerns that the recent change in TRUE's major shareholders could reignite competition, given CP Group's historically more aggressive pricing approach, we have observed no change in revenue strategy from either operator. Both TRUE and Advanced Info Service Pcl (ADVANC TB, Bt364, BUY) continue to focus on raising ARPUs through value-added service bundling to grow revenue, rather than reverting to price cuts to gain market share. We believe this rational stance is supported by the Thai telecom industry already turning into a duopoly, with similar market shares for the two players, leaving limited upside for a market share gain strategy. Meanwhile, we expect TRUE's major cost items to remain contained despite tapering cost-reduction benefits. Our estimate of slower earnings growth in 2028F reflects our conservative assumption of additional costs associated with the 3500MHz spectrum license, which we expect to be auctioned in 2027. That said, it would not be a financial burden, as we expect this new spectrum to enhance TRUE's 5G network quality, and its superior compatibility with global 5G standards should partially offset incremental network capex going forward.

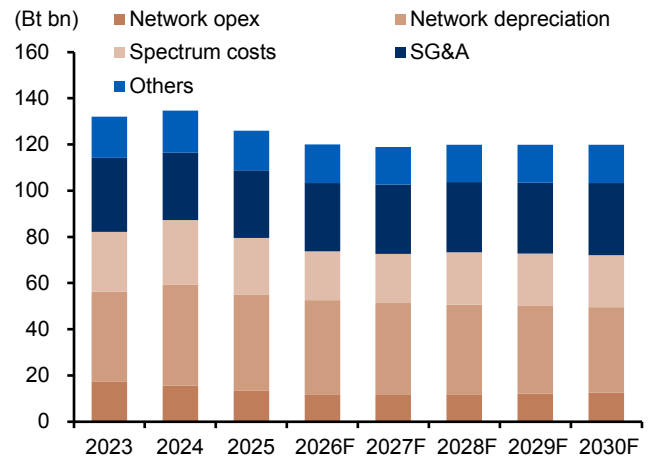
Ex 5: Growing EBITDA With Stronger Margins ...



Sources: Company data, ttb wealth estimates

Note: Our EBITDA margin is calculated on core service revenue (ex. IC revenues and network and equipment rentals) plus product sales.

Ex 6: ... As Cost Base Remains Contained

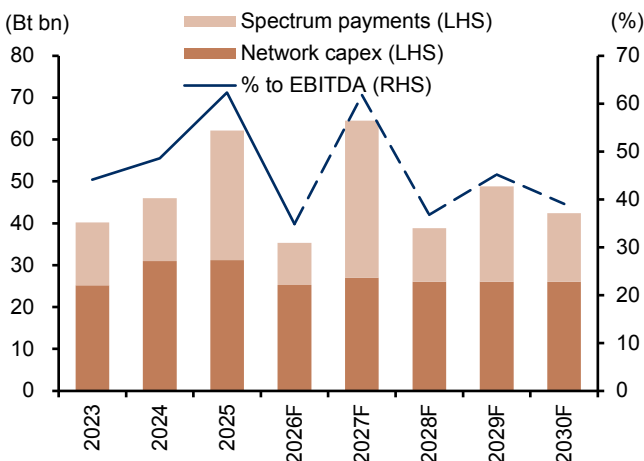


Sources: Company data, ttb wealth estimates

Growing operating cash inflows, with declining investment cash outflows

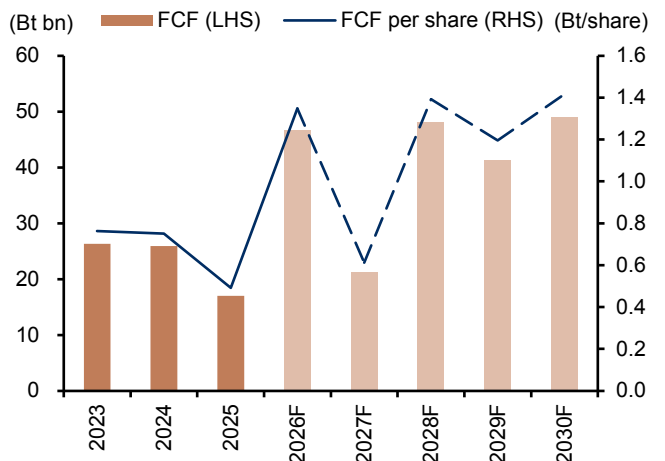
We project TRUE's EBITDA to grow by 3/4/1% in 2026-28F, driven by revenue growth and the cost reductions discussed above. Alongside rising EBITDA, we project its total capex, comprising network investment and spectrum license payments, to taper materially from 45-60% of annual EBITDA in 2023-25 to 35-45% in 2026-30F (see Exhibit 7). The only exception is a jump to 62% in 2027F, as we have factored in the expected auction for the 3500MHz band, assuming 50% of the license price is paid in the first year of use. We expect this combination of increasing EBITDA and declining capital intensity to drive its FCF yield higher to 8.7% in 2028F, from 1.9% in 2025, supporting our estimate of its dividend yield rising to 4.2% in 2028F, based on our conservative payout assumptions of 50-70% over 2026-28F. We therefore see TRUE becoming a stable dividend payer, which strengthens its defensive characteristics, alongside the resilient nature of telecom service demand.

Ex 7: Declining Cash Flow For Investments ...



Sources: Company data, ttb wealth estimates

Ex 8: ... Further Supports An Improving FCF Outlook



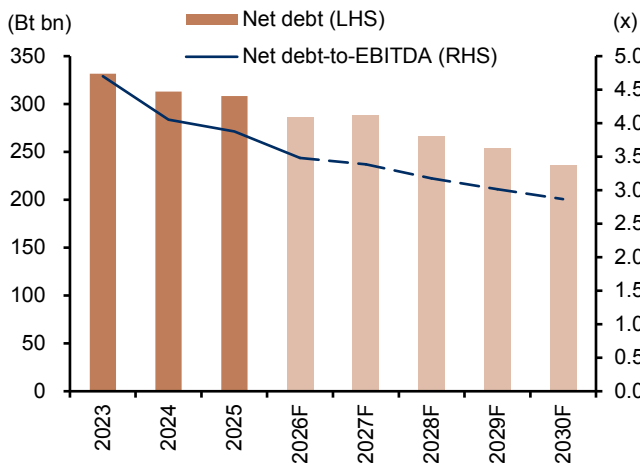
Sources: Company data, ttb wealth estimates

Higher profitability and lower financial risks are re-rating factors, in our view

We estimate that TRUE's rising FCF, driven by growing operating cash flow from operations (EBITDA) and declining capex, is strengthening its balance sheet, with surplus cash directed toward gradual debt reduction alongside dividend payments. We project TRUE's net debt-to-EBITDA to decline to 3.2x in 2028F, from 3.9x in 2025 and 4.7x pre-merger in 2023, as its net debt falls to Bt368bn, from Bt416bn in 2025. This deleveraging trajectory, combined with the stronger FCF outlook, has prompted credit rating upgrades from both domestic and international creditors, enabling TRUE to access local and foreign debt markets (i.e., Japanese yen and US dollar debentures) at attractive rates in the current low-interest-rate environment. TRUE's cost of debt has fallen to 3.8% in 2025, from 4.8% in 2023, and we project a further reduction to 3.5% by 2028F as TRUE actively redeems and refinances its debentures at lower rates.

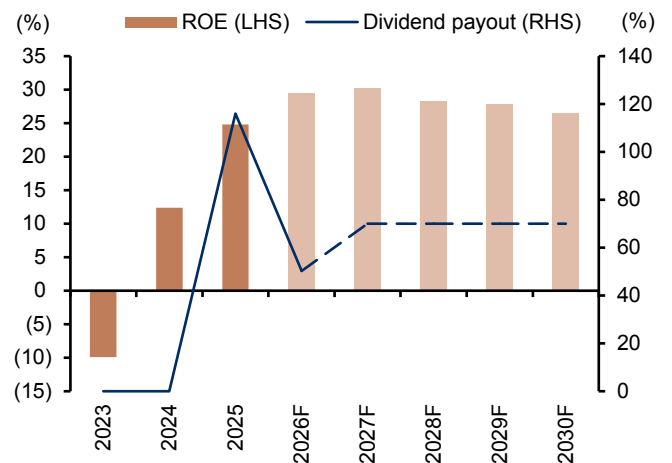
Altogether, the lower financial and operational risks reduce our WACC assumption to 8.0%, from 8.3%, a key re-rating factor in our DCF-based valuation. Beyond WACC, TRUE's expanding ROE represents another re-rating factor, as we project it to improve from -10% pre-merger in 2023 to 25% in 2025 and 28% in 2028F. This profitability improvement reflects both a more favorable industry competitive landscape and the longer life cycle of 5G technology relative to prior generations, which provides a longer period to generate returns on invested network. Note that some year-to-year ROE fluctuation is largely due to its net D/E ratio declining from 4.1x in 2025 to 2.4x in 2028F rather than a profitability deterioration.

Ex 9: Rising FCF Also Leads To Deleveraging Trend



Sources: Company data, ttb wealth estimates

Ex 10: Our Payout Assumptions Remain Conservative



Sources: Company data, ttb wealth estimates

Ex 11: Declining Trend Of Spectrum License Prices In Thailand

Spectrum	License prices (Bt m)	Prices per bandwidth (Bt m/MHz)	Bidding year
Low bands			
900MHz	76,928	7,693	2015
900MHz	38,064	7,613	2018
700MHz	17,584	1,758	2020
700MHz	17,584	1,758	2020
Mid bands			
2100MHz	27,000	900	2012
1800MHz	39,792	2,653	2015
1800MHz	12,511	2,502	2018
2600MHz	17,873	199	2019
1500MHz	4,654	233	2025
2300MHz	21,770	311	2025
High bands			
26GHz	4,487	4.5	2020

Sources: Company data, The National Broadcasting and Telecommunications Commission (NBTC), ttb wealth estimates

Ex 12: 12-month DCF-based TP Calculation Using A Base Year Of 2026F

(Bt m)	2026F	2027F	2028F	2029F	2030F	2031F	2032F	2033F	2034F	2035F	2036F	2037F	Terminal value
EBITDA	94,783	99,695	101,293	104,488	105,447	108,033	108,780	107,680	110,046	110,387	112,542	110,740	—
Free cash flow	51,999	57,469	43,890	66,341	38,848	63,132	51,825	56,951	57,890	73,739	35,535	67,674	1,157,357
PV of free cash flow	51,856	49,313	34,876	48,827	26,483	39,863	30,303	30,844	29,039	34,262	15,289	26,970	461,237
Risk-free rate (%)	2.5												
Market risk premium (%)	8.0												
Beta	1.1												
WACC (%)	8.0												
Terminal growth (%)	2.0												
Enterprise value - add investments	879,163												
Net debt (2025)	308,272												
Minority interest	(341)												
Equity value	571,231												
# of shares (m)	34,552												
Target price/share (Bt)	16.5												

Sources: Company data, ttb wealth estimates

Valuation Comparison

Ex 13: Valuation Comparison With Regional Peers

Name	BBG Code	Market	EPS growth		— PE —		— P/BV —		EV/EBITDA		Div Yield	
			26F (%)	27F (%)	26F (x)	27F (x)	26F (x)	27F (x)	26F (x)	27F (x)	26F (%)	27F (%)
Bharti Airtel	BHARTI IN	India	(20.5)	44.2	39.7	27.5	8.0	6.7	11.2	9.8	1.2	1.7
Idea Cellular	IDEA IN	India	na	na	na	na	na	na	16.9	14.3	0.0	0.0
Tata Communication	TCOM IN	India	(31.3)	45.5	31.6	21.7	11.0	8.3	10.9	9.2	1.4	1.6
Indosat	ISAT IJ	Indonesia	9.3	13.1	11.1	9.8	1.7	1.6	4.2	4.0	5.7	6.7
Telekomunikasi Indonesia	TLKM IJ	Indonesia	0.6	5.6	12.9	12.2	2.1	2.1	4.8	4.7	6.5	6.9
Axiata Group Bhd	AXIATA MK	Malaysia	47.5	45.8	37.5	25.7	1.0	1.0	6.3	6.0	4.6	4.8
Maxis Bhd	MAXIS MK	Malaysia	5.5	3.8	17.0	16.4	4.4	4.2	8.3	8.2	5.1	5.1
Singapore Telecom	ST SP	Singapore	(28.5)	19.5	28.5	23.8	3.0	3.0	22.7	21.3	3.8	4.2
StarHub	STH SP	Singapore	(26.7)	60.6	30.9	19.2	0.0	0.0	8.5	7.5	5.9	5.9
SK Telecom	017670 KS	S. Korea	195.7	na	na	13.8	na	1.3	4.9	4.9	4.2	4.3
Taiwan Mobile	3045 TT	Taiwan	3.3	3.7	22.2	21.4	3.8	3.8	11.8	11.8	4.4	4.6
Advanced Info Service *	ADVANC TB	Thailand	9.7	8.0	21.5	19.9	20.8	19.1	11.2	10.2	4.4	4.8
Thaicom *	THCOM TB	Thailand	na	na	na	648.7	1.4	1.4	10.6	13.5	0.0	0.1
True Corporation *	TRUE TB	Thailand	30.0	18.1	20.7	17.5	5.6	4.9	8.3	7.9	2.4	4.0
Average			16.2	24.4	24.9	67.5	5.2	4.4	10.0	9.5	3.5	3.9

Source: Bloomberg

Note: * ttb wealth estimates, using ttb wealth normalized EPS

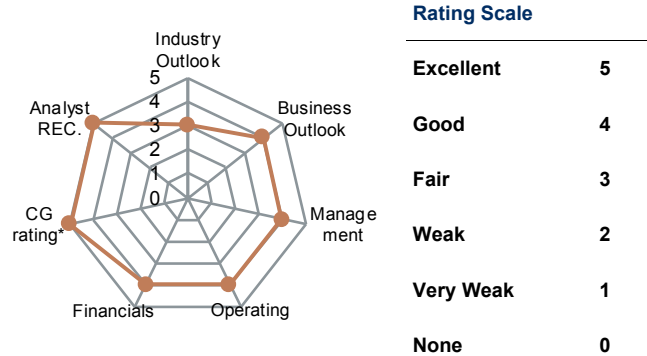
Based on 7 April 2026 closing prices

COMPANY DESCRIPTION

True Corporation Pcl (TRUE) is an amalgamation of the two leading telecom operators in Thailand (True and DTAC). As of early 2026, Telenor Asia divested the majority of its holdings, leaving the CP Group and related parties as the company's major shareholders. TRUE held a 50% market share in the mobile service segment and 38% in the fixed broadband segment as of 2025 in Thailand's duopoly telecom industry. TRUE offers a full range of voice and data services for mobile, fixed-broadband internet, digital video content, and live streaming on a subscription basis. Digital solutions and data-related services are new markets that TRUE is trying to penetrate.

Source: ttb wealth

COMPANY RATING



Source: ttb wealth; *CG Rating

Rating Scale

Excellent	5
Good	4
Fair	3
Weak	2
Very Weak	1
None	0

TTB WEALTH'S SWOT ANALYSIS

S — Strength

- A fully integrated telecommunication service provider with the largest share in the mobile service market and the second-largest share in the fixed-broadband segment.
- A subsidiary of CP Group, one of the largest conglomerates in Thailand, with a strong regional business footprint, and also strong strategic partners, China Mobile and Telenor Group, which are major telecom providers on a global scale.

O — Opportunity

- Higher data consumption with a rising number of connected devices in all consumer, commercial, and industrial segments.
- Increasing demand for data analytics, in which TRUE has significant behavioral data on the population in the country.

W — Weakness

- The company operates with high financial gearing and still generates slim amounts of free cash flow and is thus prone to economic or financial shocks in the macro picture.
- Its key rival commands much stronger profitability and a much healthier balance sheet.

T — Threat

- Telecommunication services are commoditizing, while value creation from new technology advancements seems to be more for content creators and platform providers rather than network infrastructure operators.

CONSENSUS COMPARISON

	Consensus	ttb wealth	Diff
Target price (Bt)	16.41	16.50	1%
Norm profit 26F (Bt m)	24,196	24,074	-1%
Norm profit 27F (Bt m)	28,613	28,428	-1%
Consensus REC	BUY: 21	HOLD: 2	SELL: 0

HOW ARE WE DIFFERENT FROM THE STREET?

- Both our 2026-27F earnings estimates and our valuation for TRUE are relatively in line with the Bloomberg consensus.

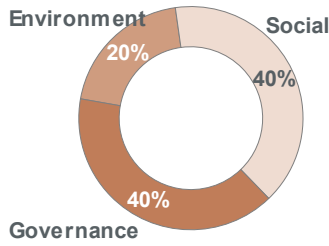
RISKS TO OUR INVESTMENT CASE

- A more aggressive price war and increased competition in the mobile and fixed broadband service markets are the key downside risks to our call.
- Any economic shock or disruption in the financial markets that prevents TRUE from refinancing its debts smoothly would be a downside risk to our investment case.
- Slower-than-expected recognition or a lower-than-expected magnitude of its post-merger synergy benefits is a downside risk to our earnings forecasts and valuation.

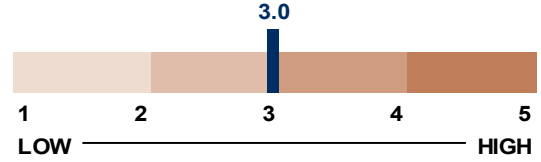
Sources: Bloomberg consensus, ttb wealth estimates

Source: ttb wealth

ESG Weighting



ESG Rating



	SET ESG Index	SET ESG (BBB-AAA)	DJSI Index	tbt wealth ESG Rating (1.0-5.0)	MSCI (CCC-AAA)	ESG Book (0-100)	CG Rating (0-5)
TRUE	-	-	YES	3.04	A	68	5.0

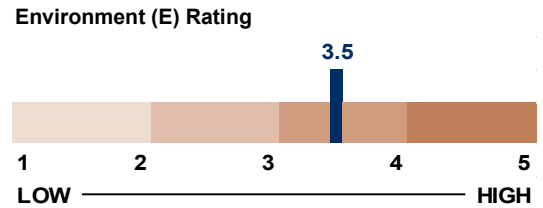
Sources: SETTRADE, SET ESG Index, SET ESG Rating, The Dow Jones Industrial Average (DJSI) MSCI ESG Research LLC, ESG Book, Thai IOD (CG rating)
 Note: Please see third party on "terms of use" toward the back of this report.



ESG Summary

- We assign TRUE an average overall ESG score of 3.0. We believe this reflects a balanced mix of strengths in environmental execution and technology-driven governance, offset by social risks related to service reliability and governance constraints stemming from limited board independence. While ESG fundamentals are progressing, consistency in execution and transparency in disclosure remain key areas for improvement.
- We assign TRUE an Environmental (E) score of 3.5, supported by its strong decarbonization targets and tangible progress in renewable energy adoption across its network and operations. Energy-efficiency initiatives and e-waste management further reinforce the company's progress toward its environmental targets. We believe more quantitative disclosure of progress and interim milestones would improve visibility into execution.
- We assign a decent Social (S) score of 3.1, reflecting TRUE's critical role in providing nationwide connectivity and digital services. Strong and well-covered network services and proactive cybersecurity initiatives support its social profile. However, the May 2025 network outage and ongoing public concerns about data privacy weigh on perceptions of customer trust and service reliability.
- We assign a moderate Governance (G) score of 2.8, reflecting a well-structured governance framework with strong oversight of cybersecurity and technological transformation. That said, limited board independence, due to significant shareholder representation, constrains alignment with global best practices. Meanwhile, regulatory complexity remains an ongoing governance risk for the sector.

We assign TRUE a decent E score of 3.5, supported by its ambitious decarbonization targets and tangible progress in renewable energy adoption. Energy efficiency and e-waste initiatives further reinforce its transition. We believe more quantitative disclosures on progress toward those targets would meaningfully strengthen its environmental credentials.

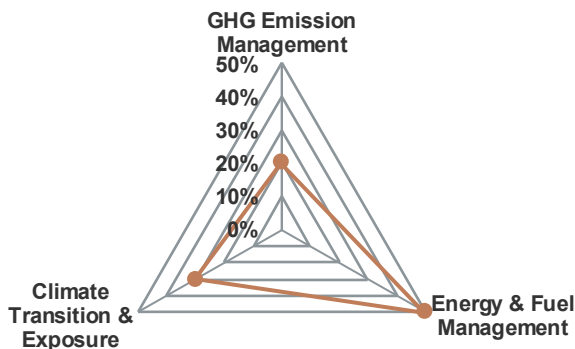


ENVIRONMENT **Our Comments**

- GHG Emission Management
- Energy & Fuel Management
- Climate Transition & Exposure

- We assign TRUE a decent E score of 3.5, reflecting its clearly defined decarbonization roadmap with tangible progress in renewable electricity adoption. That said, we see scope for improvement in the disclosure of quantified progress and interim milestones to better track execution against its targets.
- TRUE has established ambitious climate targets, including carbon neutrality for Scope 1 and 2 emissions by 2030 and net-zero emissions by 2050. Near-term goals include a 42% reduction in Scope 1–2 emissions and a 25% reduction in Scope 3 emissions by 2030, relative to a 2020 baseline.
- Its key progress toward those decarbonization targets is the deployment of solar power across its network infrastructure. As of 2024, TRUE has installed approximately 46MW of solar capacity, including both owned assets and power purchase agreements with strategic partners, covering mobile base stations, switching centers, and headquarters.
- Energy efficiency initiatives are further enhanced through automated network optimization systems, which dynamically adjust network operations to reduce power consumption. These systems also support more efficient site utilization, lowering electronic waste and associated emissions.
- TRUE implements industry-standard digitalization initiatives, including e-tax, e-billing, online payments, and digital service platforms. These contribute to less paper usage and resource consumption, while also improving its operational efficiency.
- The company targets zero landfill for e-waste by 2030, supported by structured waste segregation and recycling programs. Electronic waste from operations (e.g., network equipment and batteries) is processed through certified vendors, while customer-facing campaigns promote responsible e-waste disposal and environmental awareness.
- TRUE extends its climate strategy across the supply chain through its Business Partner Code of Conduct, requiring suppliers to align with global climate-related standards and environmental regulations.

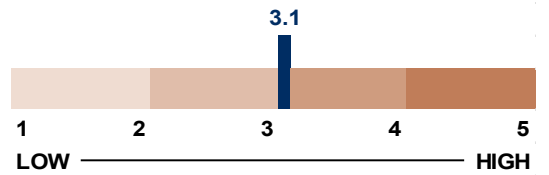
SCALE WEIGHTING



Sources: ttb wealth, Company data

We believe Social is the most critical ESG aspect for TRUE, given its role in providing increasingly essential connectivity and digital services. That said, we assign TRUE a decent S score of 3.1, reflecting its recent nationwide network outage and lingering public concerns around data privacy, despite its strong service reach and cyber-protection initiatives.

Social (S) Rating



SOCIAL

Our Comments

- Access & Affordability
- Data Security & Customer Privacy
- Product Quality & Safety
- Fair Product Marketing & Labelling
- Operational Risk Management
- Labor Relations
- Diversity & Inclusion
- Recruitment, Development & Retention

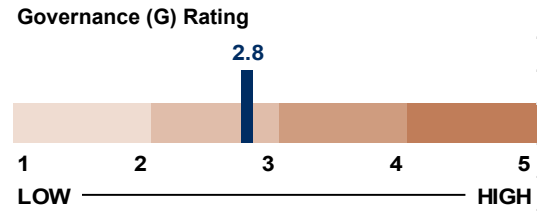
- We assign TRUE a decent S score of 3.1. In our view, its social relevance is high as a major telecom operator, given that connectivity is critical to economic activity and public safety. While its broad network reach and service accessibility are strengths, the May 2025 outage and recurring data privacy concerns weigh on the score.
- TRUE's 5G network covers over 94% of the population, supporting strong service quality for its 47.5m subscribers. However, a nationwide outage of over one hour in May 2025, affecting both mobile and internet services, led to widespread public dissatisfaction.
- Following the incident, TRUE migrated traffic to an alternative core network, informed the NBTC, and enhanced customer compensation. We will continue to monitor improvements in its operational risk management.
- Data privacy and customer trust remain key pillars. TRUE maintains PDPA-aligned policies and provides DPO contact channels. However, despite no clearly confirmed material breach, ongoing public concerns around data security remain a mild overhang.
- TRUE has responded proactively to rising scam risks via SMS, calls, and malicious links. "True CyberSafe" system, covering over 60m users, has blocked over 2.0bn malicious links since December 2024, supported by AI call/SMS filtering and the "9777" reporting channel.
- We like TRUE's focus on workplace diversity and inclusion, which is important in a post-merger organization combining different corporate cultures and management styles. The company publicly emphasizes diversity across race, gender, age, and other dimensions, and has promoted this through its "Bring Your Best" and "True Colors" initiatives.
- Employee development is increasingly important as TRUE shifts toward an AI-driven telco-tech model. Management has highlighted AI integration, digital transformation, and new leadership roles such as Chief Data and AI Officer as part of the company's organizational redesign.
- That said, the post-merger restructuring and flatter organization also imply potential workforce disruption and execution pressure, which we view as a mild social risk to monitor.

SCALE WEIGHTING



Sources: ttb wealth, Company data

We assign TRUE a moderate G score of 2.8, supported by its well-structured oversight framework on cybersecurity and technological transformation, which are increasingly critical for telecom operators. However, limited board independence remains a key constraint, while regulatory complexity remains a typical governance risk for large-scale operators.

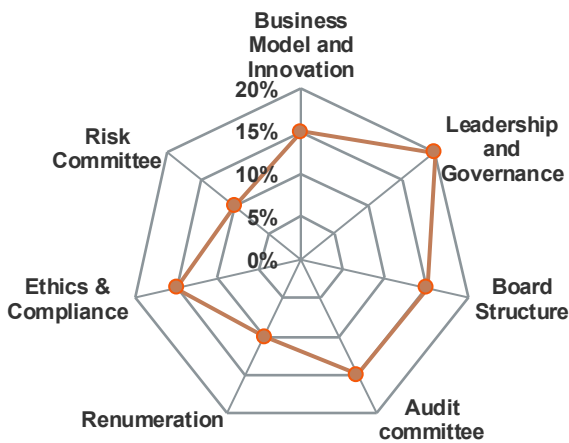


GOVERNANCE & SUSTAINABILITY **Our Comments**

- **Business Model and Innovation**
- **Leadership and Governance**
- **Board Structure**
- **Audit committee**
- **Remuneration**
- **Ethics & Compliance**
- **Risk Committee**

- We assign TRUE a moderate G score of 2.8, reflecting adequate governance architecture and clear oversight of cybersecurity and data privacy, which are increasingly critical for telecom operators. However, limited board independence, given significant shareholder representation, constrains alignment with global best practices.
- Board composition remains a key governance constraint in our view. TRUE’s nine-member board includes four independent directors (44%), with the chairman from the founding family and several representatives from major shareholders. While compliant with Thai requirements ($\geq 1/3$), this is below the 2/3 independence seen in global best practice standards.
- We also flag that upcoming changes in major shareholding structure, with increasing concentration in CP Group and the founding family, could further influence board composition and independence going forward.
- That said, we see TRUE’s committee structure is robust and well-aligned with sector risks, with dedicated committees for Corporate Governance & Sustainability, Risk, Cybersecurity, and Finance, covering enterprise risk, cybersecurity, and data privacy oversight.
- We see TRUE’s innovation strategy as relatively advanced vs. domestic peers. The company positions itself as an “AI-first organization,” supported by board-level AI training, suggesting strong recognition of technology as both a strategic and governance priority.
- We continue to view regulatory and legal complexity as a key governance watchpoint, as reflected in multiple disclosed disputes and litigation items typical for large telecom operators.

SCALE WEIGHTING



Sources: ttb wealth, Company data

INCOME STATEMENT

FY ending Dec (Bt m)	2024A	2025A	2026F	2027F	2028F
Sales	206,020	195,669	187,257	191,340	194,632
Cost of sales	145,069	130,065	117,119	116,335	117,183
Gross profit	60,951	65,604	70,138	75,005	77,449
% gross margin	29.6%	33.5%	37.5%	39.2%	39.8%
Selling & administration expenses	32,001	29,185	29,556	29,935	30,323
Operating profit	28,950	36,420	40,582	45,069	47,125
% operating margin	14.1%	18.6%	21.7%	23.6%	24.2%
Depreciation & amortization	72,025	70,847	69,802	69,759	68,846
EBITDA	84,760	91,183	94,783	99,695	101,293
% EBITDA margin	41.1%	46.6%	50.6%	52.1%	52.0%
Non-operating income	1,785	1,396	375	383	389
Non-operating expenses	(647)	(1,284)	0	0	0
Interest expense	(22,825)	(20,600)	(19,444)	(18,851)	(18,550)
Pre-tax profit	7,263	15,931	21,512	26,601	28,964
Income tax	182	496	538	1,330	2,317
After-tax profit	7,082	15,435	20,974	25,271	26,647
% net margin	3.4%	7.9%	11.2%	13.2%	13.7%
Shares in affiliates' Earnings	2,816	2,956	2,924	2,946	2,974
Minority interests	(12)	129	175	211	223
Extraordinary items	(20,851)	(9,279)	0	0	0
NET PROFIT	(10,966)	9,240	24,074	28,428	29,844
Normalized profit	9,885	18,520	24,074	28,428	29,844
EPS (Bt)	(0.3)	0.3	0.7	0.8	0.9
Normalized EPS (Bt)	0.3	0.5	0.7	0.8	0.9

Cost reductions remain as near-term earnings drivers for TRUE

BALANCE SHEET

FY ending Dec (Bt m)	2024A	2025A	2026F	2027F	2028F
ASSETS:					
Current assets:	94,009	71,940	73,472	74,399	75,202
Cash & cash equivalent	26,832	17,891	20,000	20,000	20,000
Account receivables	46,189	36,704	35,912	36,695	37,327
Inventories	2,585	1,864	1,925	1,912	1,926
Others	18,404	15,482	15,635	15,791	15,949
Investments & loans	21,726	22,228	22,228	22,228	22,228
Net fixed assets	208,701	195,850	187,928	182,276	176,166
Other assets	351,047	374,212	367,961	406,182	387,919
Total assets	675,484	664,230	651,590	685,084	661,514
LIABILITIES:					
Current liabilities:	209,411	170,363	157,720	161,133	160,205
Account payables	101,100	82,509	77,010	76,494	77,052
Bank overdraft & ST loans	1	1,600	0	0	0
Current LT debt	89,054	65,511	61,143	64,713	62,872
Others current liabilities	19,256	20,743	19,568	19,926	20,282
Total LT debt	250,603	259,052	244,571	243,445	222,908
Others LT liabilities	141,284	159,667	161,655	180,643	169,310
Total liabilities	601,299	589,083	563,946	585,220	552,424
Minority interest	295	(341)	(516)	(727)	(950)
Preferred shares	0	0	0	0	0
Paid-up capital	138,208	138,208	138,208	138,208	138,208
Share premium	145,076	145,076	145,076	145,076	145,076
Warrants	0	0	0	0	0
Surplus	(1,179)	(2,005)	(2,005)	(2,005)	(2,005)
Retained earnings	(208,216)	(205,791)	(193,119)	(180,688)	(171,239)
Shareholders' equity	73,890	75,488	88,160	100,591	110,040
Liabilities & equity	675,484	664,230	651,590	685,084	661,514

Much healthier balance sheet after amalgamation

Sources: Company data, ttb wealth estimates

CASH FLOW STATEMENT

FY ending Dec (Bt m)	2024A	2025A	2026F	2027F	2028F
Earnings before tax	7,263	15,931	21,512	26,601	28,964
Tax paid	(370)	(423)	(535)	(1,327)	(2,314)
Depreciation & amortization	55,809	54,764	54,201	54,626	54,167
Chg In working capital	5,015	(8,385)	(4,769)	(1,286)	(88)
Chg In other CA & CL / minorities	3,137	6,689	1,591	3,145	3,170
Cash flow from operations	70,854	68,576	72,000	81,759	83,899
Capex	(20,758)	(20,917)	(25,283)	(27,000)	(26,000)
Right of use	14,716	(11,504)	(1,982)	(1,968)	(1,954)
ST loans & investments	(5)	5	2	0	0
LT loans & investments	1,173	(502)	0	0	0
Adj for asset revaluation	0	0	0	0	0
Chg In other assets & liabilities	(46,241)	(26,120)	(10,776)	(39,238)	(13,172)
Cash flow from investments	(51,114)	(59,037)	(38,039)	(68,206)	(41,126)
Debt financing	(25,564)	(10,838)	(20,449)	2,444	(22,378)
Capital increase	0	0	0	0	0
Dividends paid	(21)	(6,564)	(11,402)	(15,996)	(20,395)
Warrants & other surplus	(903)	(1,078)	0	0	0
Cash flow from financing	(26,488)	(18,480)	(31,851)	(13,552)	(42,773)
Free cash flow	19,740	9,539	33,960	13,552	42,773

Stronger free cash flow leads to falling gearing burden

VALUATION

FY ending Dec	2024A	2025A	2026F	2027F	2028F
Normalized PE (x)	50.33	26.9	20.7	17.5	16.7
Normalized PE - at target price (x)	57.67	30.8	23.7	20.1	19.1
PE (x)	na	53.8	20.7	17.5	16.7
PE - at target price (x)	na	61.7	23.7	20.1	19.1
EV/EBITDA (x)	9.6	8.8	8.3	7.9	7.5
EV/EBITDA - at target price (x)	10.4	9.6	9.0	8.6	8.3
P/BV (x)	6.7	6.6	5.6	4.9	4.5
P/BV - at target price (x)	7.7	7.6	6.5	5.7	5.2
P/CFO (x)	7.0	7.3	6.9	6.1	5.9
Price/sales (x)	2.4	2.5	2.7	2.6	2.6
Dividend yield (%)	0.0	2.2	2.4	4.0	4.2
FCF Yield (%)	4.0	1.9	6.8	2.7	8.6
(Bt)					
Normalized EPS	0.3	0.5	0.7	0.8	0.9
EPS	(0.3)	0.3	0.7	0.8	0.9
DPS	0.0	0.3	0.4	0.6	0.6
BV/share	2.1	2.2	2.6	2.9	3.2
CFO/share	2.1	2.0	2.1	2.4	2.4
FCF/share	0.6	0.3	1.0	0.4	1.2

Sources: Company data, ttb wealth estimates

FINANCIAL RATIOS

FY ending Dec	2024A	2025A	2026F	2027F	2028F
Growth Rate					
Sales (%)	21.9	(5.0)	(4.3)	2.2	1.7
Net profit (%)	na	na	160.5	18.1	5.0
EPS (%)	na	na	160.5	18.1	5.0
Normalized profit (%)	na	87.4	30.0	18.1	5.0
Normalized EPS (%)	na	87.4	30.0	18.1	5.0
Dividend payout ratio (%)	0.0	115.9	50.2	70.0	70.0
Operating performance					
Gross margin (%)	29.6	33.5	37.5	39.2	39.8
Operating margin (%)	14.1	18.6	21.7	23.6	24.2
EBITDA margin (%)	41.1	46.6	50.6	52.1	52.0
Net margin (%)	3.4	7.9	11.2	13.2	13.7
D/E (incl. minor) (x)	4.6	4.3	3.5	3.1	2.6
Net D/E (incl. minor) (x)	4.2	4.1	3.3	2.9	2.4
Interest coverage - EBIT (x)	1.3	1.8	2.1	2.4	2.5
Interest coverage - EBITDA (x)	3.7	4.4	4.9	5.3	5.5
ROA - using norm profit (%)	1.4	2.8	3.7	4.3	4.4
ROE - using norm profit (%)	12.4	24.8	29.4	30.1	28.3
DuPont					
ROE - using after tax profit (%)	8.9	20.7	25.6	26.8	25.3
- asset turnover (x)	0.3	0.3	0.3	0.3	0.3
- operating margin (%)	14.6	18.7	21.9	23.8	24.4
- leverage (x)	8.9	9.0	8.0	7.1	6.4
- interest burden (%)	24.1	43.6	52.5	58.5	61.0
- tax burden (%)	97.5	96.9	97.5	95.0	92.0
WACC (%)	8.0	8.0	8.0	8.0	8.0
ROIC (%)	6.8	9.1	10.3	11.5	11.2
NOPAT (Bt m)	28,227	35,285	39,567	42,816	43,355
invested capital (Bt m)	386,716	383,760	373,874	388,749	375,820

*Now a nearly 30% ROE,
vs. being loss making
over the last decade*

Sources: Company data, ttb wealth estimates

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Stock Exchange Has prepared the results of evaluating sustainable stocks which are stocks of listed companies (SETESG Rating) as an alternative for investors who want to invest in stocks of listed companies that are outstanding in ESG, including to support listed companies with operations. sustainable business Taking into account all stakeholders in both social and environmental aspects. There is a management process to create sustainability for the organization, such as risk management. Supply chain management and innovation development. Therefore, the SETESG index was created to be an index that reflects the price movement of a group of securities. of companies with sustainable business operations that meet the required size and liquidity criteria

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BB - BBB - A	AVERAGE : A company with a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers
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90-100		Excellent
80-89		Very Good
70-79		Good
60-69		Satisfactory
50-59		Pass
Below		N/A

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