TRUE REPORTS NET PROFIT OF BAHT 10 BILLION IN 2Q18





TRUE REPORTS NET PROFIT OF BAHT 10 BILLION IN 2Q18

BANGKOK, August 14, 2018 – True Corporation PLC (SET: TRUE) recorded Baht 10 billion of net profit in the second quarter of 2018 driven by all-time high service revenue and a gain from asset sales to the Digital Telecommunications Infrastructure Fund (DIF).

Consolidated net profit drastically improved to more than Baht 10 billion in 2Q18, compared to a loss of Baht 1.2 billion in the same period last year, thanks to revenue and subscriber growth for both the cellular and broadband internet businesses as well as the gain from successful asset sale to DIF. Excluding impact from DIF, asset impairments and other non-recurring items for a fair comparison to prior quarters, net profit was Baht 456 million, compared to losses of Baht 1.2 billion in 2Q17 and 152 million in 1Q18, while EBITDA grew 8% YoY and 2% QoQ to Baht 9.4 billion in 2Q18.

President (Co) Mr. Vichaow Rakphongphairoj said, “We are pleased to see True Group reporting a net profit and continued improvement of our core businesses in 2Q18 as our determination to provide customers with the best experience and value offerings yielded positive results. TrueMove H has continued to grow faster than the industry improving our revenue market share to 28%. TrueOnline reinforced its broadband leadership with strong response to the 1Gbps and FTTH propositions. Meanwhile, the 2018 FIFA World Cup drove growth at TrueVisions. We will continue to add value to our traditional telecommunication services with innovation and digital offerings while positive contributions from our corporate-wide digitization are expected to materialize further. These will help shape a brighter future for True Group and position us well to benefit from the digital transformation in both operational and financial terms.”

President (Co) Dr. Kittinut Tikawan said, “The second-quarter results show continued improvement and we expect this upward momentum to continue. We are committed to putting all efforts to enhance our existing nationwide network utilizing advanced technologies and our comprehensive spectrum portfolio, and to providing the best value offerings and service excellence. At the same time, we will further strengthen True Group’s integrated media and digital platforms, engaging privilege programs, and synergy with strategic and business partners to reinforce subscriber benefits and loyalty while supporting growth across all businesses. The growing digitalization of both consumers and businesses presents ample opportunities for True Group to innovate products and services to better serve consumers’ evolving lifestyles as proven with our pioneering role in consistently bringing advanced technologies and world-class standards to Thai consumers. This will solidify our leading position as an enabler of digital lifestyles.”

TrueMove H continued to outperform the industry in both revenue and subscriber growth as YoY service revenue grew faster than competitors for the 25th consecutive quarter with service revenue growing approximately 10% YoY to Baht 18.4 billion in 2Q18 while the Group’s privilege programs and synergy with business partners including device, channel and e-payment further strengthened. TrueMove H expanded its total subscriber base to 28.08 million, of which 7.23 million were postpaid and 20.85 million were prepaid users. The business gained 446k net adds in 2Q18 contrasting with

155k net subscriber loss of its major competitors combined. From TrueMove H's improving position in the mobile market, its value and subscriber market share climbed to 28% and 31% respectively in the second quarter.

TrueOnline's broadband business continued its solid performance as its extensive FTTH footprint gained further traction. In the second quarter of 2018, TrueOnline's total broadband internet revenue increased 16% YoY to Baht 6.5 billion fuelled by growth both upcountry and in the Bangkok and Metropolitan Area. The business recorded 85k net adds in Q2 and grew its broadband subscriber base to 3.4 million. At the same time, TrueOnline strengthened its number-one position in Thailand's fixed broadband market with the launch of the 1Gbps package receiving positive responses.

TrueVisions' service revenue jumped 14% QoQ and 13% YoY to Baht 3.5 billion in 2Q18 largely driven by the 2018 FIFA World Cup, of which all matches were broadcast through True Group's multiple platforms including TrueID, mobile, online and television. Entertainment revenues from key events such as Cirque Du Soleil Toruk The First Flight also contributed to its solid revenue growth for the quarter. TrueVisions ended the second quarter with a total customer base of more than 4 million. Paying subscribers rose 35k QoQ and 90k YoY to 2.2 million which is in accordance with its strategy to emphasize on paying subscriber base to further bolster revenues going forward.