

Mono Technology Public Company Limited

and its subsidiaries

Review report and interim consolidated financial statements

For the three-month and nine-month periods ended

30 September 2016

## **Independent Auditor's Report on Review of Interim Financial Information**

To the Shareholders of Mono Technology Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Mono Technology Public Company Limited and its subsidiaries as at 30 September 2016, the related consolidated statements of comprehensive income for the three-month and nine-month periods ended 30 September 2016, the related consolidated statement of changes in shareholders' equity and cash flows for the nine-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of Mono Technology Public Company Limited for the same period. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

### **Scope of Review**

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

### **Conclusion**

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

**Emphasis of matter**

I draw attention to Note 2 to the interim financial statements regarding the change in recognition of the cost of spectrum license. The Company has restated the consolidated financial statements for the three-month and nine-month periods ended 30 September 2015, presented herein as comparative information, to reflect the adjustments resulting from such change. My opinion is not qualified in respect of this matter.

**Other matter**

The consolidated statement of financial position of Mono Technology Public Company Limited and its subsidiaries, and the separate statement of financial position of Mono Technology Public Company Limited as at 31 December 2015, presented as comparative information, were audited by another auditor of our firm who expressed an unqualified opinion on those statements, but drew attention to the matters similar to the matters as stated in the above Emphasis of matters paragraph, under his report dated 19 February 2016. The consolidated statements of comprehensive income for the three-month and nine-month periods ended 30 September 2015 and the consolidated statements of changes in shareholders' equity and cash flows for the nine-month period ended 30 September 2015 of Mono Technology Public Company Limited and its subsidiaries (prior to restatement), and the separate financial statements of Mono Technology Public Company Limited for the same period, presented herein as comparative information, were also reviewed by the aforementioned auditor who concluded, under his report dated 13 November 2015, that nothing had come to his attention that caused him to believe that the interim financial information was not prepared, in all material respects, in accordance with Thai Accounting Standard 34 (revised 2014) Interim Financial Reporting.

Krongkaew Limkittikul

Certified Public Accountant (Thailand) No. 5874

EY Office Limited

Bangkok: 9 November 2016

**Mono Technology Public Company Limited and its subsidiaries**

**Statement of financial position**

**As at 30 September 2016**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>30 September 2016</u>	<u>31 December 2015</u>	<u>30 September 2016</u>	<u>31 December 2015</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		164,271	194,288	27,151	26,447
Current investments - deposits with bank		226	223	-	-
Trade and other receivables	4	569,902	554,263	475,037	714,734
Loans to subsidiaries	3	-	-	-	2,385,741
Inventories		11,408	9,911	-	-
Prepaid expenses		28,034	36,588	4,943	17,808
Undue input tax		29,151	41,401	11,216	11,663
<b>Total current assets</b>		<b>802,992</b>	<b>836,674</b>	<b>518,347</b>	<b>3,156,393</b>
<b>Non-current assets</b>					
Restricted bank deposits		9,129	451	106	109
Investments in subsidiaries	5	-	-	2,966,713	566,713
Investment in joint venture	6	72,526	-	-	-
Loans to subsidiaries	3	-	-	501,626	-
Property, plant and equipment	7	785,006	716,686	59,472	69,187
Cost of spectrum license	8	1,617,943	1,714,352	-	-
Other intangible assets	9	1,969,804	1,723,404	126,550	24,426
Deferred tax assets		211,066	210,783	2,567	2,284
Other non-current assets		117,621	75,386	47,791	30,752
<b>Total non-current assets</b>		<b>4,783,095</b>	<b>4,441,062</b>	<b>3,704,825</b>	<b>693,471</b>
<b>Total assets</b>		<b>5,586,087</b>	<b>5,277,736</b>	<b>4,223,172</b>	<b>3,849,864</b>

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

**Mono Technology Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 30 September 2016**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>30 September 2016</u>	<u>31 December 2015</u>	<u>30 September 2016</u>	<u>31 December 2015</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Short-term loans from bank		135,000	135,000	15,000	15,000
Trade and other payables	10	357,423	493,135	253,078	288,946
Current portion of long-term liabilities					
Long-term loan from banks	11	37,144	-	-	-
Cost of spectrum license payable	12	355,098	339,123	-	-
Liabilities under finance lease agreements		6,589	10,600	3,199	3,152
Undue output tax		30,979	38,164	10,016	12,448
Other current liabilities		6,023	3,459	1,539	-
<b>Total current liabilities</b>		<u>928,256</u>	<u>1,019,481</u>	<u>282,832</u>	<u>319,546</u>
<b>Non-current liabilities</b>					
Long-term liabilities, net of current portions					
Long-term loan from banks	11	1,359,156	725,460	-	-
Cost of spectrum license payable	12	698,093	1,069,408	-	-
Liabilities under finance lease agreements		4,503	8,739	2,234	4,387
Provision for long-term employee benefits		26,873	23,106	13,496	11,929
Deferred tax liabilities		9,846	7,979	-	-
<b>Total non-current liabilities</b>		<u>2,098,471</u>	<u>1,834,692</u>	<u>15,730</u>	<u>16,316</u>
<b>Total liabilities</b>		<u>3,026,727</u>	<u>2,854,173</u>	<u>298,562</u>	<u>335,862</u>

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

**Mono Technology Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 30 September 2016**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>		
	<b>Note</b>	<b>30 September 2016</b>	<b>31 December 2015</b>	<b>30 September 2016</b>	<b>31 December 2015</b>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Shareholders' equity</b>					
Share capital	13				
Registered					
4,984,999,975 ordinary shares (2015:					
4,927,999,975 ordinary shares) of Baht 0.1 each		<u>498,500</u>	<u>492,800</u>	<u>498,500</u>	<u>492,800</u>
Issued and fully paid-up					
3,200,935,537 ordinary shares (2015:					
3,100,935,537 ordinary shares) of Baht 0.1 each		320,094	310,094	320,094	310,094
Premium on ordinary shares		2,935,691	2,749,191	2,935,691	2,749,191
Retained earnings					
Appropriated - statutory reserve		49,280	49,280	49,280	49,280
Unappropriated (deficit)		(596,633)	(539,645)	619,545	405,437
Other components of shareholders' equity		<u>(149,072)</u>	<u>(145,357)</u>	<u>-</u>	<u>-</u>
<b>Total shareholders' equity</b>		<u>2,559,360</u>	<u>2,423,563</u>	<u>3,924,610</u>	<u>3,514,002</u>
<b>Total liabilities and shareholders' equity</b>		<u>5,586,087</u>	<u>5,277,736</u>	<u>4,223,172</u>	<u>3,849,864</u>
		-	-	-	-

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

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Directors  
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(Unaudited but reviewed)

**Mono Technology Public Company Limited and its subsidiaries****Statement of comprehensive income****For the three-month period ended 30 September 2016**

(Unit: Thousand Baht, except earnings per share expressed in Baht)

		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>Note</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
		(Restated)			
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales and service income		603,770	449,137	240,189	250,557
Dividend income from subsidiary	5	-	-	59,997	99,996
Other income		11,693	15,428	18,336	39,414
<b>Total revenues</b>		<b>615,463</b>	<b>464,565</b>	<b>318,522</b>	<b>389,967</b>
<b>Expenses</b>					
Cost of sales and services		438,790	375,406	195,287	225,697
Selling and servicing expenses		27,578	46,861	3,661	10,591
Administrative expenses		99,215	138,395	37,252	62,424
<b>Total expenses</b>		<b>565,583</b>	<b>560,662</b>	<b>236,200</b>	<b>298,712</b>
<b>Profit (loss) before share of loss from investment</b>					
<b>in joint venture, finance cost and income tax</b>		<b>49,880</b>	<b>(96,097)</b>	<b>82,322</b>	<b>91,255</b>
Share of loss from investment in joint venture	6	(1,585)	-	-	-
<b>Profit (loss) before finance cost and income tax</b>		<b>48,295</b>	<b>(96,097)</b>	<b>82,322</b>	<b>91,255</b>
Finance cost		(36,205)	(34,324)	(318)	(213)
<b>Profit (loss) before income tax</b>		<b>12,090</b>	<b>(130,421)</b>	<b>82,004</b>	<b>91,042</b>
Tax income (expenses)	15	(1,974)	18,598	(1,450)	1,797
<b>Profit (loss) for the period</b>		<b>10,116</b>	<b>(111,823)</b>	<b>80,554</b>	<b>92,839</b>
<b>Other comprehensive income:</b>					
<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		(1,976)	8,691	-	-
<b>Other comprehensive income for the period</b>		<b>(1,976)</b>	<b>8,691</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>		<b>8,140</b>	<b>(103,132)</b>	<b>80,554</b>	<b>92,839</b>
<b>Earnings per share</b>					
Basic earnings (loss) per share	16				
Profit (loss) attributable to equity holders of the Company		0.0031	(0.0364)	0.0253	0.0302
Diluted earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company		0.0028	(0.0364)	0.0227	0.0289

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

(Unaudited but reviewed)

**Mono Technology Public Company Limited and its subsidiaries****Statement of comprehensive income**

For the nine-month period ended 30 September 2016

(Unit: Thousand Baht, except earnings per share expressed in Baht)

		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>Note</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
		(Restated)			
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales and service income		1,682,044	1,380,991	738,412	815,544
Dividend income from subsidiary	5	-	-	177,193	123,995
Other income		24,332	37,357	73,592	107,552
<b>Total revenues</b>		<b>1,706,376</b>	<b>1,418,348</b>	<b>989,197</b>	<b>1,047,091</b>
<b>Expenses</b>					
Cost of sales and services		1,239,697	1,213,159	606,141	631,515
Selling and servicing expenses		85,430	178,513	15,853	44,896
Administrative expenses		321,716	382,473	146,106	207,020
<b>Total expenses</b>		<b>1,646,843</b>	<b>1,774,145</b>	<b>768,100</b>	<b>883,431</b>
<b>Profit (loss) before share of loss from investment</b>					
<b>in joint venture, finance cost and income tax</b>		59,533	(355,797)	221,097	163,660
Share of loss from investment in joint venture	6	(1,811)	-	-	-
<b>Profit (loss) before finance cost and income tax</b>		<b>57,722</b>	<b>(355,797)</b>	<b>221,097</b>	<b>163,660</b>
Finance cost		(106,011)	(97,862)	(921)	(516)
<b>Profit (loss) before income tax</b>		<b>(48,289)</b>	<b>(453,659)</b>	<b>220,176</b>	<b>163,144</b>
Tax income (expenses)	15	(8,699)	42,844	(6,068)	(7,639)
<b>Profit (loss) for the period</b>		<b>(56,988)</b>	<b>(410,815)</b>	<b>214,108</b>	<b>155,505</b>
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currency		(3,715)	10,919	-	-
<b>Other comprehensive income for the period</b>		<b>(3,715)</b>	<b>10,919</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>		<b>(60,703)</b>	<b>(399,896)</b>	<b>214,108</b>	<b>155,505</b>
<b>Earnings per share</b>					
Basic earnings (loss) per share	16				
Profit (loss) attributable to equity holders of the Company		(0.0180)	(0.1334)	0.0677	0.0506
Diluted earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company		(0.0180)	(0.1334)	0.0647	0.0445

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



(Unaudited but reviewed)

**Mono Technology Public Company Limited and its subsidiaries**

**Statement of cash flows**

**For the nine-month period ended 30 September 2016**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2016</u>	<u>2015</u> (Restated)	<u>2016</u>	<u>2015</u>
<b>Cash flows from operating activities</b>				
Profit (loss) before tax	(48,289)	(453,659)	220,176	163,144
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities				
Depreciation	56,987	52,243	15,790	17,800
Amortisation	483,392	317,866	1,896	1,676
Amortisation of cost of spectrum license	96,409	96,320	-	-
Reversal of allowance for doubtful account for loans to subsidiary	-	-	(13,594)	-
Reduction of inventory to net realisable value (reversal)	(742)	1,031	-	-
Dividend received from investments in subsidiary	-	-	(177,193)	(123,995)
Share of loss from investment in joint venture	1,811	-	-	-
Losses (gains) on sales and written-off of equipment	1,365	(374)	(9)	-
Losses on written-off of intangible assets	6,601	24,548	295	-
Unrealised losses (gains) on exchange	(59)	-	114	(10,854)
Written-off of withholding tax	-	114	-	-
Provision for employee benefits	4,102	6,354	1,815	2,401
Interest income	(333)	(4,674)	(27,401)	(50,624)
Interest expenses	106,012	97,862	921	516
Profit from operating activities before changes in operating assets and liabilities	707,256	137,631	22,810	64
Operating assets (increase) decrease				
Trade and other receivables	(22,847)	15,889	196,936	(19,645)
Inventories	(755)	(3,366)	-	-
Prepaid expenses	8,535	8,411	12,912	(7,308)
Other non-current assets	3,045	(2,098)	487	101
Operating liabilities increase (decrease)				
Trade and other payables	(8,919)	59,374	(35,666)	18,559
Other current liabilities	2,557	(4,285)	1,540	(287)
Cash from (used in) operating activities before income tax and withholding tax	688,872	211,556	199,019	(8,516)
Cash paid for income tax	(53,683)	(67,416)	(23,877)	(45,302)
Cash received from withholding tax refund	1,307	4,505	-	-
<b>Net cash from (used in) operating activities</b>	<b>636,496</b>	<b>148,645</b>	<b>175,142</b>	<b>(53,818)</b>

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

(Unaudited but reviewed)

**Mono Technology Public Company Limited and its subsidiaries****Statement of cash flows (continued)**

For the nine-month period ended 30 September 2016

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2016</u>	<u>2015</u> (Restated)	<u>2016</u>	<u>2015</u>
<b>Cash flows from investing activities</b>				
Interest income	333	6,339	24,703	6,866
Decrease (increase) in current investment - deposits with banks	(3)	347,963	-	347,963
Decrease (increase) in loans to subsidiaries	-	-	1,888,052	(868,151)
Decrease (increase) in restricted bank deposits	(8,678)	(17)	3	(17)
Increase in investments in subsidiaries	-	-	(2,400,000)	(12,512)
Cash paid for purchase of investment in a joint venture	(74,337)	-	-	-
Dividends received from investments in subsidiary	-	-	229,191	215,991
Acquisition of property, plant and equipment	(179,887)	(186,276)	(5,651)	(12,992)
Proceeds from sales of equipment	41	504	157	-
Cost of spectrum license	(412,000)	(301,000)	-	-
Acquisition of intangible assets	(694,018)	(798,946)	(2,814)	(3,967)
<b>Net cash used in investing activities</b>	<b>(1,368,549)</b>	<b>(931,433)</b>	<b>(266,359)</b>	<b>(326,819)</b>
<b>Cash flows from financing activities</b>				
Interest expenses	(51,837)	(33,823)	(969)	(678)
Increase in bank overdrafts and short-term loans				
from banks	-	143,411	-	15,000
Cash received from long-term loan from banks	670,840	322,070	-	-
Repayment of liabilities under finance lease agreements	(8,248)	(11,820)	(2,106)	(1,692)
Cash received from warrant exercises	-	2,339	-	2,339
Proceeds from increase in share capital	95,000	-	95,000	-
Dividend paid to the Company's shareholders	(4)	(61,565)	(4)	(61,565)
<b>Net cash from (used in) financing activities</b>	<b>705,751</b>	<b>360,612</b>	<b>91,921</b>	<b>(46,596)</b>
<b>Increase (decrease) in translation adjustments</b>	<b>(3,715)</b>	<b>10,919</b>	<b>-</b>	<b>-</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(30,017)</b>	<b>(411,257)</b>	<b>704</b>	<b>(427,233)</b>
Cash and cash equivalents at beginning of period	194,288	598,068	26,447	447,025
<b>Cash and cash equivalents at end of period</b>	<b>164,271</b>	<b>186,811</b>	<b>27,151</b>	<b>19,792</b>
	-	-	-	-
<b>Supplemental cash flows information</b>				
Non-cash transactions:				
Purchases of equipment for which no cash has been paid	-	3,465	-	4,553
Purchases of intangible assets for which no cash has been paid	-	42,634	-	-
Issued ordinary shares to purchase intangible assets	101,500	-	101,500	-
Receipt of repayment of loan to subsidiary by assets	-	-	10,663	-

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

(Unaudited but reviewed)

## Mono Technology Public Company Limited and its subsidiaries

## Statement of changes in shareholders' equity

For the nine-month period ended 30 September 2016

(Unit: Thousand Baht)

<b>Consolidated financial statements</b>									
Equity attributable to owners of the Company									
					Other components of equity				
					Other comprehensive income				
					Exchange differences on translation of financial statements in foreign currency	Business combination under common control	Total other components of shareholders' equity		Total shareholders' equity
			Retained earnings						
Issued and paid-up share capital	Share subscription received in advance	Premium on ordinary shares	Appropriated - statutory reserve	Unappropriated (deficit)					
<b>Balance as at 31 December 2014 (Audited) - as previously reported</b>	308,000	303	2,698,946	41,592	67,528	(1,469)	(152,365)	(153,834)	2,962,535
Effect of the change in recognition of cost of spectrum license (Note 2)	-	-	-	-	(51,310)	-	-	-	(51,310)
<b>Balance as at 31 December 2014 (Audited) - as restated</b>	308,000	303	2,698,946	41,592	16,218	(1,469)	(152,365)	(153,834)	2,911,225
Loss for the period - restated (Note 2)	-	-	-	-	(410,815)	-	-	-	(410,815)
Other comprehensive income for the period	-	-	-	-	-	10,919	-	10,919	10,919
Total comprehensive income for the period - restated	-	-	-	-	(410,815)	10,919	-	10,919	(399,896)
Increase in share capital (Note 13)	94	(303)	2,245	-	-	-	-	-	2,036
Share subscription received in advance (Note 13)	-	50,000	-	-	-	-	-	-	50,000
Dividend paid (Note 17)	-	-	-	-	(61,602)	-	-	-	(61,602)
<b>Balance as at 30 September 2015</b>	<u>308,094</u>	<u>50,000</u>	<u>2,701,191</u>	<u>41,592</u>	<u>(456,199)</u>	<u>9,450</u>	<u>(152,365)</u>	<u>(142,915)</u>	<u>2,501,763</u>
<b>Balance as at 31 December 2015 (Audited)</b>	310,094	-	2,749,191	49,280	(539,645)	7,008	(152,365)	(145,357)	2,423,563
Loss for the period	-	-	-	-	(56,988)	-	-	-	(56,988)
Other comprehensive income for the period	-	-	-	-	-	(3,715)	-	(3,715)	(3,715)
Total comprehensive income for the period	-	-	-	-	(56,988)	(3,715)	-	(3,715)	(60,703)
Increase in share capital (Note 13)	10,000	-	186,500	-	-	-	-	-	196,500
<b>Balance as at 30 September 2016</b>	<u>320,094</u>	<u>-</u>	<u>2,935,691</u>	<u>49,280</u>	<u>(596,633)</u>	<u>3,293</u>	<u>(152,365)</u>	<u>(149,072)</u>	<u>2,559,360</u>

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

(Unaudited but reviewed)

**Mono Technology Public Company Limited and its subsidiaries**

**Statement of changes in shareholders' equity (continued)**

**For the nine-month period ended 30 September 2016**

(Unit : Thousand Baht)

	Separate financial statements					Total shareholders' equity
	Issued and paid-up share capital	Share subscription received in advance	Premium on ordinary shares	Retained earnings		
				Appropriated - statutory reserve	Unappropriated	
<b>Balance as at 31 December 2014 (Audited)</b>	308,000	303	2,698,946	41,592	335,083	3,383,924
Total comprehensive income for the period	-	-	-	-	155,505	155,505
Increase in share capital (Note 13)	94	(303)	2,245	-	-	2,036
Share subscription received in advance (Note 13)	-	50,000	-	-	-	50,000
Dividend paid (Note 17)	-	-	-	-	(61,602)	(61,602)
<b>Balance as at 30 September 2015</b>	<b>308,094</b>	<b>50,000</b>	<b>2,701,191</b>	<b>41,592</b>	<b>428,986</b>	<b>3,529,863</b>
<b>Balance as at 31 December 2015 (Audited)</b>	310,094	-	2,749,191	49,280	405,437	3,514,002
Total comprehensive income for the period	-	-	-	-	214,108	214,108
Increase in share capital (Note 13)	10,000	-	186,500	-	-	196,500
<b>Balance as at 30 September 2016</b>	<b>320,094</b>	<b>-</b>	<b>2,935,691</b>	<b>49,280</b>	<b>619,545</b>	<b>3,924,610</b>

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

**Mono Technology Public Company Limited and its subsidiaries**

**Notes to interim consolidated financial statements**

**For the three-month and nine-month periods ended 30 September 2016**

**1. General information**

**1.1 Basis for the preparation of interim financial statements**

These interim financial statements are prepared in accordance with Thai Accounting Standard 34 (revised 2015) *Interim Financial Reporting*, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events, and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

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

**1.2 Basis of consolidation**

The interim consolidated financial statements included the financial statements of Mono Technology Public Company Limited (“the Company”) and its subsidiary companies (“the subsidiaries”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2015, with no structural changes related to subsidiaries occurring during the current period, except for an establishment of new subsidiary as discussed in Note 5 to the interim financial statements.

**1.3 New financial reporting standards**

During the period, the Company and its subsidiaries have adopted the revised and new financial reporting standards and accounting treatment guidance issued by the Federation of Accounting Professions which became effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards did not have any significant impact on the financial statements of the Company and its subsidiaries.

#### 1.4 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2015.

#### 2. Cumulative effect of the change in recognition of the cost of spectrum license

As described in Note 4 to the financial statements for the year 2015, Mono Broadcast Company Limited ("Broadcast") has adjusted its recognition of the cost of licenses for digital television systems ("the license"). Broadcast originally determined that the bid price of the license should be treated as an initial cost of the license, and that the conditions setting the period of payment were in accordance with normal conditions clearly stipulated by the government agency. Broadcast therefore recorded the cost of the license as an asset and recorded the outstanding cost of the spectrum license, based on the bid price, as a liability. However, on 8 February 2016, the Federation of Accounting Professions ("FAP") published an exposure document providing an interpretation on accounting issues related to the recognition of licenses granted by the government sector, whereby gradual payment of license costs is interpreted as being similar to the sale of goods under installment terms and an entity is therefore required to determine the cost of the license based on the sum of the amounts to be paid immediately, within a specified period, and the discounted value of the amount that the entity is required to pay to the government agency in installments. Moreover, if an entity has not reported such transactions in accordance with this interpretation is to restate its prior year financial statements. As a result, Broadcast has adjusted cost of licenses for digital television systems in its interim financial statements for the three-month and nine-month periods ended at 30 September 2015 (the spectrum license was granted on 25 April 2014) in accordance with the interpretation of the FAP, and the effects on the consolidated statement of comprehensive income are as follows:

(Unit: Million Baht)

	Consolidated financial statements	
	For the three-month period ended 30 September 2015	For the nine-month period ended 30 September 2015
<b>Statement of comprehensive income</b>		
<b>Profit or loss:</b>		
Decrease in amortisation cost of spectrum license	5	16
Increase in finance cost	21	69
Decrease in profit attributable to equity holders of the Company	16	53
Decrease in basic earnings per share (Baht)	0.005	0.017

### 3. Related party transactions

The following are relationships with enterprises and individuals that control, or are controlled by, the Company and its subsidiaries, whether directly or indirectly, or which are under common control with the Company and its subsidiaries.

Name of entities	Nature of relationship
Subsidiary companies	More than 50% shareholding by the Company
Jasmine Group	Common major shareholders and directors
Toyota PS Enterprise Co., Ltd.	Common directors
Green Star Environment Co., Ltd.	Common directors
Media Shaker Co., Ltd.	Common directors

During the periods, the Company and its subsidiaries had significant business transactions with related persons or 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 Company and its subsidiaries and those related parties.

(Unit: Million Baht)

	Consolidated financial statements				Transfer Pricing Policy
	For the three-month		For the nine-month		
	periods ended		periods ended		
	30 September		30 September		
	2016	2015	2016	2015	
<u>Transactions with related companies</u>					
Sales and service income	9	6	23	22	Contract price or as agreed upon
Other income	-	1	-	1	Contract price or as agreed upon
Cost of service	1	-	2	-	Contract price or as agreed upon
Rental and service expenses	19	19	55	55	Contract price or as agreed upon
Promotional expenses	-	1	-	2	Contract price or as agreed upon
Other expenses	4	5	12	16	Contract price or as agreed upon

(Unaudited but reviewed)

(Unit: Million Baht)

	Separate financial statements				Transfer Pricing Policy
	For the three-month		For the nine-month		
	periods ended		periods ended		
	30 September		30 September		
2016	2015	2016	2015		
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Sales and service income	2	2	6	4	Contract price or as agreed upon
Dividend income	60	100	177	124	According to the resolution of the subsidiaries' meeting
Interest income	3	17	27	46	3% per annum
Other income	13	11	39	38	Contract price
Service revenue sharing	112	136	356	340	Contract price or as agreed upon
Promotional expenses	1	-	4	6	Contract price or as agreed upon
Other expenses	-	3	2	11	Contract price or as agreed upon
<u>Transactions with related companies</u>					
Sales and service income	4	3	11	10	Contract price or as agreed upon
Rental and service expenses	13	13	37	37	Contract price or as agreed upon
Promotional expenses	-	-	-	1	Contract price or as agreed upon
Other expenses	3	5	11	15	Contract price or as agreed upon

As at 30 September 2016 and 31 December 2015, the balances of accounts between the Company, its subsidiaries and those related parties were as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
2016	2015	2016	2015	
	(Audited)		(Audited)	
<u>Trade receivables - related parties (Note 4)</u>				
Subsidiaries	-	-	6	123
(eliminated from the consolidated financial statements)				
Related companies	6	4	2	2
Total trade receivables - related parties	6	4	8	125



(Unaudited but reviewed)

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2016	2015	2016	2015
		(Audited)		(Audited)
<b><u>Other receivables - related parties (Note 4)</u></b>				
Subsidiaries	-	-	179	231
(eliminated from the consolidated financial statements)				
Total other receivables - related parties	-	-	179	231
<b><u>Dividend receivables - related party (Note 4)</u></b>				
Subsidiary	-	-	60	112
(eliminated from the consolidated financial statements)				
Total dividend receivables - related party	-	-	60	112
<b><u>Deposits and retentions - related parties</u></b>				
Related companies	6	7	6	6
Total deposits and retentions - related parties	6	7	6	6
<b><u>Trade payables - related parties (Note 10)</u></b>				
Subsidiaries	-	-	120	169
(eliminated from the consolidated financial statements)				
Related companies	-	1	-	-
Total trade payables - related parties	-	1	120	169
<b><u>Other payables - related parties (Note 10)</u></b>				
Subsidiaries	-	-	6	3
(eliminated from the consolidated financial statements)				
Related companies	22	23	18	17
Total other payables - related parties	22	23	24	20

(Unaudited but reviewed)

Loans to subsidiaries

As at 30 September 2016 and 31 December 2015, the balances of loans to subsidiaries and the movements were as follows:

(Unit: Million Baht)

	Separate financial statements			Balance as at 30 September 2016
	Balance as at 31 December 2015	During the period		
		Increase	Decrease	
	(Audited)			
Mono Generation Co., Ltd.	770	40	(800)	10
Mono Travel Co., Ltd.	23	-	(12)	11
Mono Production Co., Ltd.	1,466	84	(1,445)	105
Mono Entertainment Co., Ltd.	62	-	-	62
PT Mono Technology Indonesia	12	-	-	12
Mono Technology Korea Corporation	106	-	(94)	12
Mono Technology Vietnam Co., Ltd.	11	-	-	11
Mono Radio Co., Ltd.	49	29	-	78
Mono Radio Broadcast Co., Ltd.	5	-	-	5
Mono Talent Studio Co., Ltd.	-	5	-	5
Mono Broadcast Co., Ltd.	-	190	-	190
Mono Sport Entertainment Co., Ltd.	-	25	-	25
	2,504	373	(2,351)	526
Allowance for doubtful accounts	(118)	-	94	(24)
Total	2,386	373	(2,257)	502

On 21 March 2016 and 27 June 2016, the Company received loan repayment from Mono Production Co., Ltd., total amounting to Baht 1,445 million.

On 21 March 2016, 4 April 2016 and 3 June 2016, the Company received loan repayment from Mono Generation Co., Ltd., total amounting to Baht 800 million.

On 9 November 2016, a meeting of the Company's Board of Directors passed a resolution to approve the write off of a loan of Baht 80 million to Mono Technology Korea Corporation which the Company had already set aside allowance for doubtful debt in full as bad debt, after the Company received loan repayment of Baht 4 million in cash and Baht 10 million in other forms.

(Unaudited but reviewed)

The balances are loans to subsidiaries in form of promissory notes which have no collateral and carry interest at the rate 3 percent per annum. The loans are due on demand. However, the Company has no intention to call for loan repayment from subsidiaries within one year, therefore, the Company classifies this loan as non-current assets.

#### Directors and management's benefits

During the three-month and nine-month periods ended 30 September 2016, the Company and its subsidiaries had employee benefit expenses payable to their directors and management amounting to Baht 12 million and Baht 34 million, respectively (2015: Baht 11 million and Baht 33 million, respectively) and of the Company only amounting to Baht 7 million and Baht 21 million, respectively (2015: Baht 6 million and Baht 20 million, respectively).

#### Guarantee obligations with related parties

The Company and its subsidiaries have outstanding guarantee obligations with the related parties as described in Note 19.2 to the interim financial statements.

#### **4. Trade and other receivables**

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	(Audited)		(Audited)	
Trade receivables - related parties (Note 3)	6	4	8	125
Trade receivables - unrelated parties	196	223	96	114
Accrued revenue	263	188	133	135
Dividend receivables - related party (Note 3)	-	-	60	112
Other receivables - related parties (Note 3)	-	-	179	231
Other receivables - unrelated parties	113	147	3	2
Total	578	562	479	719
Less: Allowance for doubtful accounts	(8)	(8)	(4)	(4)
Trade and other receivables - net	570	554	475	715

(Unaudited but reviewed)

The outstanding balances of trade receivables as at 30 September 2016 and 31 December 2015, aged on the basis of due dates, are summarised below.

(Unit: Million Baht)

Age of receivables	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2016	2015	2016	2015
		(Audited)		(Audited)
<b><u>Trade receivables - related parties</u></b>				
Not yet due	6	3	4	112
Past due				
Up to 3 months	-	1	1	3
3 - 6 months	-	-	1	1
6 - 12 months	-	-	1	2
Over 12 months	-	-	1	7
Total trade receivables - related parties	<u>6</u>	<u>4</u>	<u>8</u>	<u>125</u>
<b><u>Trade receivables - unrelated parties</u></b>				
Not yet due	163	144	90	75
Past due				
Up to 3 months	21	78	2	35
3 - 6 months	7	7	-	-
6 - 12 months	13	5	-	-
Over 12 months	18	13	4	4
	<u>222</u>	<u>247</u>	<u>96</u>	<u>114</u>
Less: Allowance for sales return	<u>(26)</u>	<u>(24)</u>	<u>-</u>	<u>-</u>
	196	223	96	114
Less: Allowance for doubtful accounts	<u>(8)</u>	<u>(8)</u>	<u>(4)</u>	<u>(4)</u>
Total trade receivables - unrelated parties, net	<u>188</u>	<u>215</u>	<u>92</u>	<u>110</u>
Total trade receivables - net	<u>194</u>	<u>219</u>	<u>100</u>	<u>235</u>

(Unaudited but reviewed)

**5. Investments in subsidiaries**

(Unit: Million Baht)

Company's name	Separate financial statements					
	Cost		Dividend received during the three-month periods ended		Dividend received during the nine-month periods ended	
	30 September 2016	31 December 2015	30 September 2016	30 September 2015	30 September 2016	30 September 2015
	(Audited)					
Mono Generation Co., Ltd.	902	52	-	-	-	-
Mono Travel Co., Ltd.	9	9	-	-	-	-
Mono Info Systems Co., Ltd.	8	8	60	100	177	124
Mono Production Co., Ltd.	1,820	320	-	-	-	-
Mono Entertainment Co., Ltd.	55	55	-	-	-	-
Mono Radio Co., Ltd.	1	1	-	-	-	-
Mono Radio Broadcast Co., Ltd.	-	-	-	-	-	-
Mono Talent Studio Co., Ltd.	5	5	-	-	-	-
T Moment Co., Ltd.	50	-	-	-	-	-
PT Mono Technology Indonesia	4	4	-	-	-	-
Mono Technology Korea Corporation	18	18	-	-	-	-
Mono Technology Hong Kong Ltd.	107	107	-	-	-	-
Mono Technology Vietnam Co., Ltd.	10	10	-	-	-	-
	<u>2,989</u>	<u>589</u>	<u>60</u>	<u>100</u>	<u>177</u>	<u>124</u>
Less: Allowance for impairment of investments	<u>(22)</u>	<u>(22)</u>				
Total investment in subsidiaries	<u>2,967</u>	<u>567</u>				

On 19 February 2016, a meeting of the Company's Board of Directors passed the following significant resolutions:

- a) Approved the establishment of "T moment Co., Ltd." by the Company, which invested in 1,999,997 ordinary shares of Baht 100 each, amounting to Baht 50 million (with 25% of the registered capital call up). On 18 March 2016, the Company made full payment of this share capital. The Company's shareholding in T moment Co., Ltd was at 100 percent
- b) Approved the acquisition all of the additional ordinary shares of Mono Production Co., Ltd., 15,000,000 ordinary shares of Baht 100 each, amounting to Baht 1,500 million. The Company's shareholding in this subsidiary remained unchanged. On 21 March 2016, the Company made full payment of such share capital.

(Unaudited but reviewed)

On 11 May 2016, a meeting of the Company's Board of Directors passed the following significant resolutions:

- a) Approved the acquisition of all 8,500,000 additional ordinary shares of Baht 100 each of Mono Generation Co., Ltd., amounting to Baht 850 million, with the Company's shareholding in this subsidiary remained unchanged. On 3 June 2016, the Company made full payment of such share capital.
- b) Approved the registration of the dissolution of PT Mono Technology Indonesia and Mono Technology Korea Corporation. The subsidiary companies are currently in the process of liquidation.

As at 30 September 2016, the net book value of subsidiaries was Baht 374 million lower than the cost of investment. However, the Company did not record the impairment of the investments since the management of the Company believed that the decrease in value was not permanent.

## 6. Investment in a joint venture

Investment in a joint venture represents investment in an entity which is jointly controlled by a subsidiary (Mono Technology Hong Kong Ltd.) and other company. Details of this investment are as follows:

(Unit: Million Baht)

		Consolidated financial statements					
Company's name	Nature of business	Shareholding percentage		Cost		Carrying amounts based on equity method	
		30 September 2016 (%)	31 December 2015 (%)	30 September 2016 (Audited)	31 December 2015 (Audited)	30 September 2016	31 December 2015
Yunnan Mono Digital Technology Company Limited	Provided information and entertainment content	42	-	74	-	73	-
Total				74	-	73	-

(Unaudited but reviewed)

During the period, the subsidiary recognised its share of loss from investment in a joint venture in the consolidated financial statements as follows:

(Unit: Million Baht)

Company's name	Consolidated financial statements			
	Share of loss from investment in a joint venture during the three-month periods ended 30 September		Share of loss from investment in a joint venture during the nine-month periods ended 30 September	
	2016	2015	2016	2015
Yunnan Mono Digital Technology Company Limited	1.6	-	1.8	-
Total	1.6	-	1.8	-

In June 2016, the subsidiary invested in a joint venture with another company to establish Yunnan Mono Digital Technology Company Limited in China. This company has a registered share capital of USD 8 million (62.5% called up).

## 7. Property, plant and equipment

(Unit: Million Baht)

	Consolidated financial statements	Separate financial statements
<b>Net book value as at 1 January 2016</b>	717	69
Acquisitions during the period - at cost	124	6
Increase in capitalised borrowing costs*	2	-
Disposals during the period - net book value at disposal date	(1)	-
Depreciation for the period	(57)	(16)
<b>Net book value as at 30 September 2016</b>	<b>785</b>	<b>59</b>

\*Capitalised rates are 6.5% per annum

The subsidiary has mortgaged the land with structures thereon, amounting to Baht 250 million, as collateral for the subsidiary's long-term loan from bank.

(Unaudited but reviewed)

**8. Cost of spectrum license**

	(Unit: Million Baht)	
	Consolidated	Separate
	financial statements	financial statements
<b>Net book value as at 1 January 2016</b>	1,714	-
Amortisation for the period	(96)	-
<b>Net book value as at 30 September 2016</b>	<u>1,618</u>	<u>-</u>

**9. Other intangible assets**

	(Unit: Million Baht)	
	Consolidated	Separate
	financial statements	financial statements
<b>Net book value as at 1 January 2016</b>	1,723	24
Acquisitions during the period - at cost	736	104
Amortisation for the period	(483)	(2)
Loss on impairment for the period	(6)	-
<b>Net book value as at 30 September 2016</b>	<u>1,970</u>	<u>126</u>

**10. Trade and other payables**

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2016	2015	2016	2015
	(Audited)		(Audited)	
Trade payables - related parties (Note 3)	-	1	120	169
Trade payables - unrelated parties	80	109	52	51
Other payables - related parties (Note 3)	22	23	24	20
Other payables - unrelated parties	66	81	18	14
Accrued expenses	119	95	39	35
Account payables - acquisition of assets	70	184	-	-
<b>Total trade and other payables</b>	<u>357</u>	<u>493</u>	<u>253</u>	<u>289</u>



(Unaudited but reviewed)

## 11. Long-term loan from banks

(Unit: Million Baht)

	Consolidated financial statements	
	30 September 2016	31 December 2015
		(Audited)
Long-term loans from banks	1,396	725
Less: Current portion	(37)	-
Long-term loans from banks - net of current portion	<u>1,359</u>	<u>725</u>

Movements in the long-term loan from banks account during the nine-month period ended 30 September 2016 were summarised below.

(Unit: Million Baht)

	Consolidated financial statements
<b>Balance as at 1 January 2016</b>	725
Add: Additional borrowings	671
<b>Balance as at 30 September 2016</b>	<u>1,396</u>

During the current period, Mono Production Co., Ltd., a subsidiary, entered into a new Baht 230 million loan agreement with a local commercial bank. The loan is subject to interest at a rate close to the minimum loan rate and is to be settled on a quarterly basis in 84 installments, with the first installment due on 31 December 2016 and settlement to be completed by 31 May 2023. The long-term loan is secured by the mortgage of the subsidiary's land with structures thereon, as described in Note 7 to the interim financial statements, the assignment of rights to receive all service income from areas and the provision of guarantees by the company. The loan agreement stipulates certain practices and covenants such as the maintenance of certain financial ratios, and the shareholdings of current shareholders.

As at 30 September 2016, the subsidiaries had long-term credit facilities of Baht 184 million (31 December 2015: Baht 625 million) which had not yet been drawn down.

(Unaudited but reviewed)

## 12. Cost of spectrum license payable

(Unit: Million Baht)

Consolidated  
financial statements

	30 September 2016	31 December 2015
		(Audited)
Cost of spectrum license payable	1,160	1,572
Less: Deferred interest expenses	(107)	(164)
Total	1,053	1,408
Less: Portion due within one year	(355)	(339)
Cost of spectrum license payable - net of current portion	698	1,069

## 13. Share capital

In December 2014, the warrant holders exercised their rights to purchase 121,183 the Company's ordinary shares at a price of Baht 2.5 per share, a total of Baht 0.3 million, which the Company registered the increase in its share capital to Baht 308,012,115.80 (3,080,121,158 ordinary shares of Baht 0.1 each) with the Ministry of Commerce on 8 January 2015.

In March 2015, the warrant holders exercised their rights to purchase 814,379 the Company's ordinary shares at a price of Baht 2.5 per share, a total of Baht 2.0 million, which the Company registered the increase in its share capital to Baht 308,093,553.70 (3,080,935,537 ordinary shares of Baht 0.1 each) with the Ministry of Commerce on 8 April 2015.

On 23 February 2016, there were subscriptions of shares of 50,000,000 ordinary shares by offer to certain investors by way of private placement at Baht 1.9 per share, totaling Baht 95 million. The Company registered the increase in the issued and paid-up capital from Baht 310 million, divided into 3,100,935,537 ordinary shares with a par value of Baht 0.1 per share, to the new issued and paid-up capital of Baht 315 million, divided into 3,150,935,537 ordinary shares with a par value of Baht 0.1 per share, with the Ministry of Commerce on 26 February 2016. The Company recorded the increase in its share capital of Baht 5 million and the remaining amount of Baht 90 million as premium on ordinary shares.

(Unaudited but reviewed)

On 27 April 2016, the Annual General Meeting of the shareholders of the Company passed the following significant resolutions:

- a) Decrease its registered share capital from Baht 492,799,997.50 (4,927,999,975 ordinary shares of Baht 0.1 each) to Baht 466,999,997.50 (4,669,999,975 ordinary shares of Baht 0.1 each) by cancellation of 258,000,000 unissued ordinary shares with a par value of Baht 0.1 each, in order to eliminate the registered share capital under the general mandate approval for the year 2015.
- b) Increase its registered share capital from Baht 466,999,997.50 (4,669,999,975 ordinary shares of Baht 0.1 each) to Baht 498,499,997.50 (4,984,999,975 ordinary shares of Baht 0.1 each) by issuing 315,000,000 ordinary shares with a par value of Baht 0.1 each under the general mandate of 265,000,000 shares, for which the offering price is not to be lower than 90 percent of the average market price, and to support an increase in registered capital of 50,000,000 shares for specific the purpose utilizing proceeds.

The Company registered the decrease and increase in its registered capital with the Ministry of Commerce on 10 and 11 May 2016, respectively.

On 3 June 2016, the Company passed a resolution approving the allocation of 50,000,000 ordinary shares to be offered to certain investors by way of private placement at Baht 2.03 per share, or for a total of Baht 101.50 million, to make payment for movie rights and screenplays amounting to approximately Baht 103 million. Since the offer price of Baht 2.03 per share was less than 90 percent of the weighted average market price. The transaction thus met the criteria of a sale at a price below 90 percent of the market price, meaning that there is a requirement to stipulate a silent period under Stock Exchange of Thailand regulations. The Company registered the increase in its issued and paid-up capital from Baht 315 million, divided into 3,150,935,537 ordinary shares with a par value of Baht 0.1 per share, to the Baht 320 million, divided into 3,200,935,537 ordinary shares with a par value of Baht 0.1 per share, with the Ministry of Commerce on 7 June 2016. The Company recorded an increase in its share capital of Baht 5 million and the remaining amount of Baht 96.5 million was recorded as premium on ordinary shares.

#### **14. Warrants**

On 2 June 2016, the Company passed a resolution approving an adjustment of the exercise price and the exercise ratio of MONO-W1 for the purpose of preserving the interests of Mono-W1 holders, from the existing exercise price of Baht 2.50 per share to Baht 2.492 per share and from the existing exercise ratio of 1 warrant to 1 ordinary share to 1 warrant to 1.003 ordinary shares.

During the current period, no warrants were exercised to purchase new ordinary shares, leaving 1,479,067,065 warrants unexercised as at 30 September 2016.

(Unaudited but reviewed)

## 15. Income tax

Interim income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax for the three-month periods ended 30 September 2016 and 2015 are made up as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Interim corporate income tax charge	2	(2)	1	(2)
Relating to origination and reversal of temporary differences	-	(17)	-	-
Tax expenses (income) reported in the statement of comprehensive income	<u>2</u>	<u>(19)</u>	<u>1</u>	<u>(2)</u>

Income tax for the nine-month periods ended 30 September 2016 and 2015 are made up as follows

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Interim corporate income tax charge	7	10	6	9
Relating to origination and reversal of temporary differences	2	(53)	-	(1)
Tax expenses (income) reported in the statement of comprehensive income	<u>9</u>	<u>(43)</u>	<u>6</u>	<u>8</u>

## 16. Earnings per share

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

Diluted earnings (loss) per share is calculated by dividing profit (loss) for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the period or on the date the potential ordinary shares were issued.

(Unaudited but reviewed)

The following table sets forth the computation of basic and diluted earnings (loss) per share for the three-month periods ended 30 September 2016 and 2015:

Consolidated financial statements					
Profit (loss) for the period		Weighted average number of ordinary shares		Earnings (loss) per share	
<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
(Million Baht)	(Million Baht)	(Million shares)	(Million shares)	(Baht)	(Baht)
	(Restated)				(Restated)
<b>Basic earnings (loss) per share</b>					
Profit (loss) attributable to equity holders of the parent					
10	(112)	3,201	3,081	0.0031	(0.0364)
<b>Effect of dilutive potential ordinary shares</b>					
Warrants offered to existing shareholders					
-	-	364	132		
<b>Diluted earnings (loss) per share</b>					
Profit (loss) attributable to equity holders of the parent assuming the conversion of warrants to ordinary shares					
<u>10</u>	<u>(112)</u>	<u>3,565</u>	<u>3,213</u>	0.0028	Anti - dilutive
Separate financial statements					
Profit for the period		Weighted average number of ordinary shares		Earnings per share	
<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
(Million Baht)	(Million Baht)	(Million shares)	(Million shares)	(Baht)	(Baht)
<b>Basic earnings per share</b>					
Profit attributable to equity holders of the parent					
81	93	3,201	3,081	0.0253	0.0302
<b>Effect of dilutive potential ordinary shares</b>					
Warrants offered to existing shareholders					
-	-	364	132		
<b>Diluted earnings per share</b>					
Profit attributable to equity holders of the parent assuming the conversion of warrants to ordinary shares					
<u>81</u>	<u>93</u>	<u>3,565</u>	<u>3,213</u>	0.0227	0.0289

(Unaudited but reviewed)

The following table sets forth the computation of basic and diluted earnings (loss) per share for the nine-month periods ended 30 September 2016 and 2015:

Consolidated financial statements					
Loss for the period		Weighted average number of ordinary shares		Loss per share	
<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
(Million Baht)	(Million Baht)	(Million shares)	(Million shares)	(Baht)	(Baht)
	(Restated)				(Restated)
<b>Basic loss per share</b>					
Loss attributable to equity holders					
of the parent					
(57)	(411)	3,163	3,081	(0.0180)	(0.1334)
<b>Effect of dilutive potential ordinary shares</b>					
Warrants offered to existing shareholders					
-	-	143	423		
<b>Diluted loss per share</b>					
Loss attributable to equity holders of					
the parent assuming the conversion of					
warrants to ordinary shares					
<u>(57)</u>	<u>(411)</u>	<u>3,306</u>	<u>3,504</u>	Anti - dilutive	Anti - dilutive
Separate financial statements					
Profit for the period		Weighted average number of ordinary shares		Earnings per share	
<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
(Million Baht)	(Million Baht)	(Million shares)	(Million shares)	(Baht)	(Baht)
<b>Basic earnings per share</b>					
Profit attributable to equity holders					
of the parent					
214	156	3,163	3,081	0.0677	0.0506
<b>Effect of dilutive potential ordinary shares</b>					
Warrants offered to existing shareholders					
-	-	143	423		
<b>Diluted earnings per share</b>					
Profit attributable to equity holders					
of the parent assuming the conversion					
of warrants to ordinary shares					
<u>214</u>	<u>156</u>	<u>3,306</u>	<u>3,504</u>	0.0647	0.0445

(Unaudited but reviewed)

**17. Dividends**

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht per share)
Annual dividends for 2014	Annual General Meeting of the shareholders on 23 April 2015	61.6	0.02
Total dividend payments for the nine-month period ended 30 September 2015		61.6	0.02

**18. Segment information**

The Company and its subsidiaries are organised into business units based on their products and services. During the current period, the Company and its subsidiaries have not changed the organisation of their reportable segments.

Below table presents revenues and profit (loss) information regarding the Company and its subsidiaries' operating segments for the three-month and nine-month periods ended 30 September 2016 and 2015.

	(Unit: Million Baht)							
	For the three-month periods ended 30 September							
	Media and Content <sup>(1)</sup>		Entertainment <sup>(2)</sup>		Elimination of inter-segment revenues		Consolidation	
	2016	2015	2016	2015	2016	2015	2016	2015
	(Restated)						(Restated)	
Sales and service income								
Revenues from external customers	577	385	27	64	-	-	604	449
Inter-segment revenues	-	-	17	6	(17)	(6)	-	-
Total revenues	577	385	44	70	(17)	(6)	604	449
Segment income (loss)	201	50	(36)	23	-	-	165	73
Unallocated income and expenses:								
Other income							12	15
Selling and servicing expenses							(28)	(47)
Administrative expenses							(99)	(138)
Share of loss from investment in joint venture							(2)	-
Finance cost							(36)	(34)
Tax income (expenses)							(2)	19
Profit (loss) for the period							10	(112)

(Unaudited but reviewed)

(Unit: Million Baht)

For the nine-month periods ended 30 September

	Media and Content <sup>(1)</sup>		Entertainment <sup>(2)</sup>		Elimination of inter-segment revenues		Consolidation	
	2016	2015	2016	2015	2016	2015	2016	2015
	(Restated)						(Restated)	
Sales and service income								
Revenues from external customers	1,575	1,236	107	145	-	-	1,682	1,381
Inter-segment revenues	-	-	48	14	(48)	(14)	-	-
Total revenues	<u>1,575</u>	<u>1,236</u>	<u>155</u>	<u>159</u>	<u>(48)</u>	<u>(14)</u>	<u>1,682</u>	<u>1,381</u>
Segment income (loss)	502	207	(59)	(39)	-	-	443	168
Unallocated income and expenses:								
Other income							24	37
Selling and servicing expenses							(85)	(179)
Administrative expenses							(322)	(382)
Share of loss from investment in joint venture							(2)	-
Finance cost							(106)	(98)
Tax income (expenses)							(9)	43
Loss for the period							<u>(57)</u>	<u>(411)</u>

(1) The media and content segment consists of Mobile Value Added Services (MVAS), Internet media business, publishing business, TV media business and radio media business.

(2) The entertainment segment consists of music business and movie business.

## 19. Commitments and contingent liabilities

### 19.1 Capital commitments

As at 30 September 2016, the Company and its subsidiaries had capital commitments of approximately Baht 559 million, relating to purchase of movie rights (31 December 2015: Baht 417 million), relating to the construction of building and purchase of movie rights.

### 19.2 Guarantees

- a) As at 30 September 2016, the Company had guaranteed credit facilities that have been issued by bank on behalf of the subsidiaries amounting to Baht 3,080 million (31 December 2015: Baht 3,244 million).
- b) As at 30 September 2016, the subsidiaries had guaranteed credit facilities that have been issued by bank on behalf of the Company amounting to Baht 35 million (31 December 2015: Baht 35 million).



(Unaudited but reviewed)

- c) As at 30 September 2016, the Company and its subsidiaries had outstanding bank guarantees of Baht 1,353 million (31 December 2015: Baht 1,736 million) issued by banks on behalf of the Company and its subsidiaries in respect of performance bonds and of the Company only amounting to Baht 5 million (31 December 2015: Baht 5 million).

### 19.3 Operating lease and service commitments

The Company and its subsidiaries had entered into several lease agreements in respect of the lease of office building space and other service contracts. The terms of the agreements were generally between 1 and 15 years.

As at 30 September 2016 and 31 December 2015, future minimum lease payments required under these non-cancellable operating lease and service contracts were as follows.

	(Unit: Million Baht)	
	<u>30 September 2016</u>	<u>31 December 2015</u>
		(Audited)
Payable:		
In up to 1 year	178	220
In over 1 and up to 5 years	290	316
In over 5 years	383	426

### 19.4 Litigation

In June 2015, the Company was sued by an unrelated company with the Central Intellectual Property and International Trade Court in a civil case and criminal case that the Company infringed the copyright to broadcast a live sports program, seeking compensation of Baht 34 million plus interest at a rate of 7.5% per annum on the principal until settlement is completed. The case is under consideration by the Central Intellectual Property and International Trade Court.

The management of the Company is confident that no significant losses will be incurred as a result of the lawsuit and therefore no provision has been made against the contingent liability in its account.

### 20. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 9 November 2016.