

Enclosure 3.

Company's financial statements and summary of  
management discussion and analysis from the  
2015 annual report

## **Independent Auditor's Report**

To the Shareholders of Mono Technology Public Company Limited

I have audited the accompanying consolidated financial statements of Mono Technology Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at 31 December 2015, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statements of Mono Technology Public Company Limited for the same period.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**Opinion**

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Mono Technology Public Company Limited and its subsidiaries and of Mono Technology Public Company Limited as at 31 December 2015, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

**Emphasis of matter**

I draw attention to Note 4 to the financial statements regarding the change in recognition of the cost of spectrum license. The Company has restated the consolidated financial statements for the year ended 31 December 2014, presented herein as comparative information, to reflect the adjustments resulting from such change. My opinion is not qualified in respect of this matter.



Supachai Phanyawattano

Certified Public Accountant (Thailand) No. 3930

EY Office Limited

Bangkok: 19 February 2016

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

**Statement of financial position**

**As at 31 December 2015**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014 (Restated)	2015	2014
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	8	194,287,822	598,067,921	26,447,473	447,025,252
Current investments - deposits with financial institutions		223,400	400,000,000	-	400,000,000
Trade and other receivables	9	554,263,316	577,613,242	714,733,620	585,355,837
Short-term loans to subsidiaries	7	-	-	2,385,741,067	1,496,740,909
Inventories	10	9,911,241	7,738,256	-	-
Prepaid expenses		36,588,094	54,319,282	17,808,207	15,646,467
Input tax pending payment		41,400,853	21,450,139	11,662,210	4,744,192
<b>Total current assets</b>		<b>836,674,726</b>	<b>1,659,188,840</b>	<b>3,156,392,577</b>	<b>2,949,512,657</b>
<b>Non-current assets</b>					
Restricted bank deposits		450,559	208,765	109,347	97,851
Investments in subsidiaries	11	-	-	566,713,061	575,996,072
Property, plant and equipment	12	716,686,350	503,823,253	69,186,879	73,186,598
Intangible assets	13	1,723,404,170	1,222,229,790	24,425,723	22,327,634
Cost of spectrum license	14	1,714,351,846	1,843,131,106	-	-
Deferred tax assets	25	210,783,276	142,404,514	2,284,130	1,361,041
Other non-current assets		75,385,427	29,119,886	30,752,158	6,694,143
<b>Total non-current assets</b>		<b>4,441,061,628</b>	<b>3,740,917,314</b>	<b>693,471,298</b>	<b>679,663,339</b>
<b>Total assets</b>		<b>5,277,736,354</b>	<b>5,400,106,154</b>	<b>3,849,863,875</b>	<b>3,629,175,996</b>

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

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

**Statement of financial position (continued)**

**As at 31 December 2015**

(Unit: Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2015</u>	<u>2014</u> (Restated)	<u>2015</u>	<u>2014</u>
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Short-term loans from financial institutions	15	135,000,000	-	15,000,000	-
Trade and other payables	16	493,134,674	367,101,751	288,946,016	201,548,462
Current portion of long-term liabilities					
Cost of spectrum license payable		339,122,509	211,031,458	-	-
Liabilities under finance lease agreements	18	10,600,433	13,067,344	3,151,979	770,498
Income tax payable	19	-	17,397,375	-	17,397,375
Undue output tax		38,164,749	28,490,456	12,448,632	14,688,033
Other current liabilities		<u>3,459,290</u>	<u>6,522,763</u>	<u>-</u>	<u>352,103</u>
<b>Total current liabilities</b>		<u>1,019,481,655</u>	<u>643,611,147</u>	<u>319,546,627</u>	<u>234,756,471</u>
<b>Non-current liabilities</b>					
Long-term loan from financial institutions	17	725,460,000	403,390,000	-	-
Long-term liabilities, net of current portions					
Cost of spectrum license payable	18	1,069,408,048	1,408,530,556	-	-
Liabilities under finance lease agreements	19	8,739,607	5,698,051	4,387,139	68,962
Provision for long-term employee benefits	20	23,105,946	21,504,374	11,928,585	10,426,825
Deferred tax liabilities	25	<u>7,978,780</u>	<u>6,146,995</u>	<u>-</u>	<u>-</u>
<b>Total non-current liabilities</b>		<u>1,834,692,381</u>	<u>1,845,269,976</u>	<u>16,315,724</u>	<u>10,495,787</u>
<b>Total liabilities</b>		<u>2,854,174,036</u>	<u>2,488,881,123</u>	<u>335,862,351</u>	<u>245,252,258</u>

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

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

**Statement of financial position (continued)**

As at 31 December 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014 (Restated)	2015	2014
<b>Shareholders' equity</b>					
Share capital	21				
Registered					
4,927,999,975 ordinary shares (2014:					
4,620,000,000 ordinary shares) of Baht 0.1 each		<u>492,799,998</u>	<u>462,000,000</u>	<u>492,799,998</u>	<u>462,000,000</u>
Issued and fully paid-up					
3,100,935,537 ordinary shares (2014:					
3,079,999,975 ordinary shares) of Baht 0.1 each		310,093,554	307,999,998	310,093,554	307,999,998
Share subscription received in advance		-	302,958	-	302,958
Premium on ordinary shares		2,749,191,191	2,698,945,842	2,749,191,191	2,698,945,842
Retained earnings					
Appropriated - statutory reserve	23	49,280,000	41,591,817	49,280,000	41,591,817
Unappropriated (deficit)		(539,645,296)	16,218,302	405,436,779	335,083,123
Other components of shareholders' equity		<u>(145,357,131)</u>	<u>(153,833,886)</u>	-	-
<b>Total shareholders' equity</b>		<u>2,423,562,318</u>	<u>2,911,225,031</u>	<u>3,514,001,524</u>	<u>3,383,923,738</u>
<b>Total liabilities and shareholders' equity</b>		<u>5,277,736,354</u>	<u>5,400,106,154</u>	<u>3,849,863,875</u>	<u>3,629,175,996</u>
		-	-	-	-

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

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

**Statement of comprehensive income**

**For the year ended 31 December 2015**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014 (Restated)	2015	2014
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales and service income		1,892,953,253	1,526,312,845	1,082,824,686	1,278,394,590
Dividend income from subsidiaries	11	-	-	235,991,150	331,187,580
Other income		32,182,168	77,113,889	141,827,437	139,007,472
<b>Total revenues</b>		<u>1,925,135,421</u>	<u>1,603,426,734</u>	<u>1,460,643,273</u>	<u>1,748,589,642</u>
<b>Expenses</b>					
Cost of sales and services		1,652,687,778	1,010,845,385	853,502,517	869,281,386
Selling and servicing expenses		229,650,718	181,552,514	53,211,120	50,091,432
Administrative expenses		449,909,816	406,081,282	262,704,730	220,806,099
Loss on impairment of investment in subsidiaries		-	-	21,794,689	-
Doubtful account		-	531,289	118,262,086	114,670
<b>Total expenses</b>		<u>2,332,248,312</u>	<u>1,599,010,470</u>	<u>1,309,475,142</u>	<u>1,140,293,587</u>
<b>Profit (loss) before finance cost and income tax</b>		<u>(407,112,891)</u>	<u>4,416,264</u>	<u>151,168,131</u>	<u>608,296,055</u>
Finance cost		<u>(133,097,062)</u>	<u>(81,294,927)</u>	<u>(888,953)</u>	<u>(149,962)</u>
<b>Profit (loss) before income tax</b>		<u>(540,209,953)</u>	<u>(76,878,663)</u>	<u>150,279,178</u>	<u>608,146,093</u>
Income tax	25	<u>53,636,561</u>	<u>64,456,262</u>	<u>(10,635,316)</u>	<u>(56,309,748)</u>
<b>Profit (loss) for the year</b>		<u>(486,573,392)</u>	<u>(12,422,401)</u>	<u>139,643,862</u>	<u>551,836,345</u>
<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		8,476,755	(1,568,596)	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial gains		-	6,909,438	-	5,188,715
Income tax effect		-	(1,332,222)	-	(1,037,743)
<b>Other comprehensive income for the year</b>		<u>8,476,755</u>	<u>4,008,620</u>	<u>-</u>	<u>4,150,972</u>
<b>Total comprehensive income for the year</b>		<u>(478,096,637)</u>	<u>(8,413,781)</u>	<u>139,643,862</u>	<u>555,987,317</u>
<b>Earnings per share</b>					
27					
Basic earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company		<u>(0.158)</u>	<u>(0.004)</u>	<u>0.045</u>	<u>0.179</u>
Diluted earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company		<u>(0.158)</u>	<u>(0.004)</u>	<u>0.041</u>	<u>0.173</u>

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

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

**Statement of cash flows**

**For the year ended 31 December 2015**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2015</u>	<u>2014</u> (Restated)	<u>2015</u>	<u>2014</u>
<b>Cash flows from operating activities</b>				
Profit (loss) before tax	(540,209,953)	(76,878,663)	150,279,178	608,146,093
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities				
Depreciation	70,440,502	55,654,792	23,675,732	21,975,019
Amortisation	455,881,267	145,351,415	2,147,540	2,653,523
Amortisation cost of spectrum license	128,779,260	88,557,792	-	-
Doubtful accounts	-	531,289	118,262,086	114,670
Reduction of inventory cost to net realisable value (reversal)	1,018,654	(1,217,302)	-	-
Loss on impairment of investments in subsidiaries	-	-	21,794,689	-
Dividend income from investments in subsidiaries	-	-	(235,991,150)	(331,187,580)
Gains on sales of equipment	(411,443)	(86,276)	-	(1,890)
Losses on sales and written-off of intangible assets	24,547,826	6,962,917	-	-
Unrealised losses (gains) on exchange	2,092,529	(3,622)	(10,198,582)	(2,011,210)
Provision for employee benefits	5,692,155	5,841,382	2,159,099	2,062,025
Interest income	(5,001,399)	(26,607,126)	(69,446,742)	(54,883,229)
Interest expenses	133,097,062	81,294,927	888,953	149,962
Profit from operating activities before changes in operating assets and liabilities	275,926,460	279,401,525	3,570,803	247,017,383
Operating assets (increase) decrease				
Trade and other receivables	31,055,886	(171,619,223)	(49,479,241)	(54,295,582)
Inventories	(3,191,639)	154,457	-	-
Prepaid expenses	19,003,062	(30,297,501)	(2,053,703)	(4,619,424)
Other non-current assets	991,593	19,908,381	156,525	9,848,536
Operating liabilities increase (decrease)				
Trade and other payables	(8,177,514)	90,496,249	84,972,977	(4,699,733)
Other current liabilities	(3,063,472)	4,524,158	(352,103)	(1,125,203)
Provision for employee benefits	(1,738,180)	-	-	-
Cash from operating activities	310,806,196	192,568,046	36,815,258	192,125,977
Cash paid for income tax	(82,070,062)	(58,999,816)	(53,170,320)	(50,725,971)
Cash received from withholding tax refund	4,505,136	11,001,208	-	11,001,208
<b>Net cash from (used in) operating activities</b>	<b>233,241,270</b>	<b>144,569,438</b>	<b>(16,355,062)</b>	<b>152,401,214</b>

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



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

**Statement of cash flows (continued)**

**For the year ended 31 December 2015**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2015</u>	<u>2014</u> (Restated)	<u>2015</u>	<u>2014</u>
<b>Cash flows from investing activities</b>				
Interest income	6,666,774	42,192,778	7,041,169	41,187,539
Decrease in current investments - deposits with financial institutions	399,776,600	1,001,431,274	400,000,000	1,001,501,274
Increase in short-term loans to subsidiaries	-	-	(997,099,740)	(1,389,219,623)
Decrease (increase) in restricted bank deposits	(241,794)	154,975	(11,496)	(97,851)
Increase in investments in subsidiaries	-	-	(12,511,678)	(106,706,885)
Dividend received from investments in subsidiaries	-	-	215,991,900	322,387,910
Acquisitions of property, plant and equipment	(207,091,132)	(326,960,301)	(15,450,578)	(22,942,391)
Proceeds from sales of equipment	618,589	45,025	-	45,021
Acquisitions of intangible assets	(931,752,759)	(993,192,193)	(4,245,629)	(4,988,179)
Acquisition of spectrum license	<u>(301,000,000)</u>	<u>(339,000,000)</u>	<u>-</u>	<u>-</u>
<b>Net cash used in investing activities</b>	<b><u>(1,033,023,722)</u></b>	<b><u>(615,328,442)</u></b>	<b><u>(406,286,052)</u></b>	<b><u>(158,833,185)</u></b>
<b>Cash flows from financing activities</b>				
Interest expenses	(44,400,392)	(15,421,811)	(996,990)	(149,962)
Increase in short-term loans from financial institutions	135,000,000	-	15,000,000	-
Cash receipt from long-term loan from financial institution	322,070,000	403,390,000	-	-
Repayment of liabilities under finance lease agreements	(15,917,912)	(19,354,557)	(2,713,577)	(3,952,661)
Proceeds from increase in share capital	52,338,905	-	52,338,905	-
Dividend paid to the Company's shareholders	<u>(61,565,003)</u>	<u>(173,699,987)</u>	<u>(61,565,003)</u>	<u>(173,699,987)</u>
<b>Net cash from (used in) financing activities</b>	<b><u>387,525,598</u></b>	<b><u>194,913,645</u></b>	<b><u>2,063,335</u></b>	<b><u>(177,802,610)</u></b>
<b>Increase (decrease) in translation adjustments</b>	<b><u>8,476,755</u></b>	<b><u>(1,568,596)</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Net decrease in cash and cash equivalents</b>	<b>(403,780,099)</b>	<b>(277,413,955)</b>	<b>(420,577,779)</b>	<b>(184,234,581)</b>
Cash and cash equivalents at beginning of year	<u>598,067,921</u>	<u>875,481,876</u>	<u>447,025,252</u>	<u>631,259,833</u>
<b>Cash and cash equivalents at end of year</b>	<b><u>194,287,822</u></b>	<b><u>598,067,921</u></b>	<b><u>26,447,473</u></b>	<b><u>447,025,252</u></b>
	-	-	-	-
<b>Supplemental cash flows information:</b>				
Non-cash transaction				
Purchases of equipment for which no cash has been paid	76,419,614	12,142,882	4,225,435	2,291,378
Purchases of intangible assets for which no cash has been paid	49,850,714	58,750,393	-	-
Cost of spectrum license payable	-	1,873,000,000	-	-
Stock dividend	-	167,999,998	-	167,999,998

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

**Mono Technology Public Company Limited and its subsidiaries**  
**Statement of changes in shareholders' equity**  
**For the year ended 31 December 2015**

	<b>Consolidated financial statements</b>										(Unit: Baht)	
	Equity attributable to owners of the Company											
	Issued and fully paid-up share capital	Share subscription received in advance	Premium on ordinary shares	Retained earnings		Unappropriated (deficit)	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
				Appropriated	Unappropriated (deficit)							
<b>Balance as at 1 January 2014</b>	140,000,000	-	2,698,945,842	14,000,000	392,254,201	99,877	-	(152,365,167)	(152,265,290)	3,092,934,753		
Loss for the year - restated	-	-	-	-	(12,422,401)	-	-	-	-	(12,422,401)		
Other comprehensive income for the year	-	-	-	-	5,577,216	(1,568,596)	-	-	(1,568,596)	4,008,620		
Total comprehensive income for the year	-	-	-	-	(6,845,185)	(1,568,596)	-	-	(1,568,596)	(8,413,781)		
Dividend paid (Note 29)	167,999,998	-	-	-	(341,598,897)	-	-	-	-	(173,598,899)		
Unappropriated retained earnings transferred to statutory reserve	-	-	-	27,591,817	(27,591,817)	-	-	-	-	-		
Share subscription received in advance	-	302,958	-	-	-	-	-	-	-	302,958		
<b>Balance as at 31 December 2014 - as restated</b>	<b>307,999,998</b>	<b>302,958</b>	<b>2,698,945,842</b>	<b>41,591,817</b>	<b>16,218,302</b>	<b>(1,468,719)</b>	<b>(152,365,167)</b>	<b>(152,365,167)</b>	<b>(153,833,886)</b>	<b>2,911,225,031</b>		
<b>Balance as at 31 December 2014 - as previously reported</b>	<b>307,999,998</b>	<b>302,958</b>	<b>2,698,945,842</b>	<b>41,591,817</b>	<b>67,528,021</b>	<b>(1,468,719)</b>	<b>(152,365,167)</b>	<b>(153,833,886)</b>	<b>(153,833,886)</b>	<b>2,962,534,750</b>		
Effect of the change in recognition of cost of spectrum license (Note 4)	-	-	-	-	(51,309,719)	-	-	-	-	(51,309,719)		
<b>Balance as at 31 December 2014 - as restated</b>	<b>307,999,998</b>	<b>302,958</b>	<b>2,698,945,842</b>	<b>41,591,817</b>	<b>16,218,302</b>	<b>(1,468,719)</b>	<b>(152,365,167)</b>	<b>(152,365,167)</b>	<b>(153,833,886)</b>	<b>2,911,225,031</b>		
Loss for the year	-	-	-	-	(486,573,392)	-	-	-	-	(486,573,392)		
Other comprehensive income for the year	-	-	-	-	-	8,476,755	-	-	8,476,755	8,476,755		
Total comprehensive income for the year	-	-	-	-	(486,573,392)	8,476,755	-	-	8,476,755	(478,096,637)		
Increase in share capital (Note 21)	2,093,556	(302,958)	50,245,349	-	-	-	-	-	-	52,035,947		
Dividend paid (Note 29)	-	-	-	-	(61,602,023)	-	-	-	-	(61,602,023)		
Unappropriated retained earnings transferred to statutory reserve	-	-	-	7,688,183	(7,688,183)	-	-	-	-	-		
<b>Balance as at 31 December 2015</b>	<b>310,093,554</b>	<b>-</b>	<b>2,749,191,191</b>	<b>49,280,000</b>	<b>(539,645,296)</b>	<b>7,008,036</b>	<b>(152,365,167)</b>	<b>(152,365,167)</b>	<b>(145,357,131)</b>	<b>2,423,562,318</b>		

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

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

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

**For the year ended 31 December 2015**

(Unit : Baht)

	<b>Separate financial statements</b>						Total shareholders' equity
	Issued and fully paid-up share capital	Share subscription received in advance	Premium on ordinary shares	Retained earnings		Unappropriated	
				Appropriated	Unappropriated		
<b>Balance as at 1 January 2014</b>	140,000,000	-	2,698,945,842	14,000,000	148,286,520	3,001,232,362	
Total comprehensive income for the year	-	-	-	-	555,987,317	555,987,317	
Dividend paid (Note 29)	167,999,998	-	-	-	(341,598,897)	(173,598,899)	
Unappropriated retained earnings transferred to statutory reserve	-	-	-	27,591,817	(27,591,817)	-	
Share subscription received in advance	-	302,958	-	-	-	302,958	
<b>Balance as at 31 December 2014</b>	<b>307,999,998</b>	<b>302,958</b>	<b>2,698,945,842</b>	<b>41,591,817</b>	<b>335,083,123</b>	<b>3,383,923,738</b>	
<b>Balance as at 1 January 2015</b>	<b>307,999,998</b>	<b>302,958</b>	<b>2,698,945,842</b>	<b>41,591,817</b>	<b>335,083,123</b>	<b>3,383,923,738</b>	
Total comprehensive income for the year	-	-	-	-	139,643,862	139,643,862	
Increase in share capital (Note 21)	2,093,556	(302,958)	50,245,349	-	-	52,035,947	
Dividend paid (Note 29)	-	-	-	-	(61,602,023)	(61,602,023)	
Unappropriated retained earnings transferred to statutory reserve	-	-	-	7,688,183	(7,688,183)	-	
<b>Balance as at 31 December 2015</b>	<b>310,093,554</b>	<b>-</b>	<b>2,749,191,191</b>	<b>49,280,000</b>	<b>405,436,779</b>	<b>3,514,001,524</b>	

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

## Management Discussion and Analysis

### (1) Overview of Operation Results

#### Revenue

Total revenue of the Company and subsidiaries for 2015 amounted to 1,925.14 million Baht, compared to 1,603.42 million Baht in 2014, increasing by 321.72 million Baht or 20.06 percent, with details summarized as follows:

Revenue	Consolidated Financial Statements			
	2015	2014	Increase(Decrease)	%
Sales and service income	1,892.96	1,526.31	366.65	24.02
Other income	32.18	77.11	(44.93)	(58.27)
<b>Total</b>	<b>1,925.14</b>	<b>1,603.42</b>	<b>321.72</b>	<b>20.06</b>

Sales and service income of the Company and subsidiaries for 2015 totaled 1,892.96 million Baht, compared to 1,526.31 million Baht in 2014, increasing by 366.65 million Baht, or 24.02 percent. Details of sales and service income can be categorized in terms of business as follows:

Business	Consolidated Financial Statements			
	2015	2014	Increase(Decrease)	%
Media and content business	1,682.88	1,412.51	270.37	19.14
Entertainment business	210.08	113.80	96.28	84.60
<b>Total</b>	<b>1,892.96</b>	<b>1,526.31</b>	<b>366.65</b>	<b>24.02</b>

Revenue from media and content business comprising mobile internet, publishing and TV businesses of the Company and subsidiaries for 2015 was 1,682.88 million Baht, compared to 1,412.51 million Baht in 2014, increasing by 270.37 million Baht, or 19.14 percent. The increase of revenue mostly derives from TV advertising of the fact that a subsidiary has run business on SDTV under the name MONO29 channel. Being rated one of the top five favorite free-to-air digital TV, the channel's popularity has been on the increase drawing attention of advertising agencies and customers to advertise their products and services via our channel. This trend is continuously growing higher.

Revenue from entertainment business comprising music and movie businesses of the Company and subsidiaries in 2015 amounted to 210.08 million Baht, compared to 113.80 million Baht in 2014, increasing by 96.28 million Baht, or 84.60 percent. This is due to the fact that a subsidiary has imported premium movies to domestic cinemas and received warm welcome from viewers. As a result, revenue from movie business rises higher.

Other income of the Company and subsidiaries in 2015 was 32.18 million Baht, compared with 77.11 million Baht in 2014, decreasing by 44.93 million Baht or 58.27 percent, due to reduction of interest income.

#### Cost, Expense, Financial Cost and Income Tax

Cost, expense, financial cost and income tax of the Company and subsidiaries in 2015 totaled 2,411.71 million Baht, compared to 1,615.84 million Baht in 2014, increasing by 795.87 million Baht or 49.25 percent.

Details	Consolidated Financial Statements			
	2015	2014	Increase (Decrease)	%
Cost of sales and services	1,652.69	1,010.85	641.84	63.50
Selling and servicing expenses	229.65	181.55	48.10	26.49
Administrative expenses	449.91	406.08	43.83	10.79
Doubtful account	-	0.53	(0.53)	(100.00)
<b>Total expenses</b>	<b>2,332.25</b>	<b>1,599.01</b>	<b>733.24</b>	<b>45.86</b>
Finance cost	133.10	81.29	51.81	63.73
Income tax expenses	(53.64)	(64.46)	10.82	(16.79)
<b>Total</b>	<b>2,411.71</b>	<b>1,615.84</b>	<b>795.87</b>	<b>49.25</b>

The cost and administrative expenses increased because a subsidiary targeted to promote “MONO29” channel in a wider range through marketing events and advertising via various channels. Moreover, the Company has provided and produced premium movie contents in order to gain more customers and highlight our slogan “Free TV with the most number of Great Movies and Popular TV Series”. The subsidiary also obtained business operation costs such as license fee, network service fee and satellite service fee, all of which resulted in the rising of cost and business operation expenses.

#### **Net Profit**

The Company and subsidiaries recorded the net loss for 2015 at 486.57 million Baht, compared to 12.42 million Baht in 2014, loss increased by 474.15 million Baht or 3,817.63 percent due to investment in premium contents and the public relations of “MONO29” channel. Moreover, in 2015, the Company and subsidiaries recognized the expense and amortization from non-profitable asset which amounted to 91.35 million Baht. The adjustment on the record of the costs of national commercial digital terrestrial television license which the Federation of Accounting has specified the new cost price on February 8, 2016 by discount rate resulted in an increased of lost by 68.79 million Baht. Thus, the cost and expenses on related operations rise higher. Nevertheless, the popularity of “MONO29” has risen that the channel has become one of the top five favorite digital free TV channel. As a result, income from advertising tends to rise continually.

## **(2) Financial Status Analysis**

### **Assets**

The total assets of the Company and subsidiaries as of the end of 2015 amounted to 5,277.74 million Baht, decreasing by 122.36 million Baht of 2014. This was in consequence of non-current assets increased in amount of 700.16 million Baht and current assets decreased in amount of 1,081.91 million Baht.

A decrease in current assets was mostly because:

Cash and bank deposit decreased by 403.78 million Baht. Current investments decreased by 399.78 million Baht due to the investment in studio construction and content acquisition in support of the growth of Digital TV business and movie business.

An increase in non-current assets was mostly because:

The costs of property and equipment amounted to 716.69 million Baht, increasing by 212.87 million Baht. The intangible assets amounted to 1,723.40 million Baht, increasing by 501.17 million Baht from investment in studio as well as content acquisition in support of the growth of Digital TV business and movie business.

### **Liabilities**

Liabilities of the Company and subsidiaries as of the end of 2015 amounted to 2,854.18 million Baht, increasing by 365.30 million Baht in 2014 due to an increase in current liabilities of 375.87 million Baht.

An increase in current liabilities was mostly because:

Short-term loan from bank increased by 135.00 million Baht from working capital. Trade and other payables amounted to 493.14 million Baht, increasing by 126.04 million Baht. Current portion of liabilities under cost of spectrum license payable amounted to 339.12 million Baht, increasing by 128.09 million Baht.

### **Shareholders' equity**

Shareholders' equity of the Company and subsidiaries as of the end of 2015 was 2,423.56 million Baht, decreasing by 487.66 million Baht from 2014. The Company lost 486.57 million Baht in 2015 from operating result. Dividend was paid to the shareholders in amount of 61.60 million Baht. Therefore the retained earnings decreased by 548.17 million Baht. Nevertheless, the capital of the Company was increased during the year 2015 by 52.33 million Baht from warrant conversion.

### **Investment Structure**

As of December 31, 2014, the Company and subsidiaries recorded the total liabilities of 2,742.32 million Baht, accounting for 48.08 percent of liability and shareholders' equity. Shareholders' equity was 2,962.53 million Baht, accounting for 45.92 percent of liability and shareholders' equity. Debt to Equity Ratio was 1.18 times, increasing by 0.33 times from the year 2014.

### **Profitability**

As of December 31, 2015, the Company and subsidiaries' gross profit margin was 12.69 percent, decreasing by 21.08 percent from 2014. Net Profit Margin was -25.27 percent, decreasing by 24.50 percent from 2014. A key factor decreasing the profitability ratio over year was the new digital TV business of a

subsidiary. Cost on public relations of “MONO29” resulted in higher cost and expenses on related operations. Nevertheless, the popularity of “MONO29” has risen higher and the income from advertising tends to rise continually. Thus, the increased expenses resulted in lower profitability ratio. Meanwhile, the Return on Equity (ROE) for 2015 was -18.24 percent, decreasing by 17.83 percent from 2014 due to lower profit as mentioned previously.

**Asset Management Ability**

In 2015, the Company and subsidiaries’ Return on Assets (ROA) was 9.11 percent, decreasing by 8.83 percent from the previous year and Total Assets Turnover was 0.36 times which was equal to the previous year. This was because in 2015 the Company and subsidiaries had lower profit while asset and content investments was transacted in order to support TV digital business.

**Liquidity and Capital Adequacy**

In 2015, the Company and subsidiaries’ liquidity ratio was 0.82 times, decreasing by 1.76 times from the previous year. Quick Ratio was 0.59 times, decreasing by 1.72 times from 2014 due to property investment and content acquisition to support the growth of TV digital business.

In 2015, debt to equity ratio was 1.18 times, increasing by 0.33 times from the previous year because a subsidiary has increased investment on more contents in order to support TV digital business. Thus, debt to equity has risen. Nevertheless, the Company’s capital was in adequate level.

**Liability Commitments**

In 2015, the future minimum lease payments required under these operating lease and service contracts were as follows:

Unit: Million Baht

<b>Payment Period</b>	<b>Amount</b>
Within one year	220
More than one year but not exceeding 5 years	316
More than 5 years	426