

Mono Technology Public Company Limited and its subsidiaries  
Report and interim consolidated financial statements  
For the three-month period ended 31 March 2018

## **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 31 March 2018, the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, as well as the condensed notes to the consolidated financial statements, and 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*.

Krongkaew Limkittikul

Certified Public Accountant (Thailand) No. 5874

EY Office Limited

Bangkok: 9 May 2018

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

**Statement of financial position**

**As at 31 March 2018**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>		
	<b>Note</b>	<b>31 March 2018</b>	<b>31 December 2017</b>	<b>31 March 2018</b>	<b>31 December 2017</b>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		249,372	129,828	209,618	67,107
Current investments - bank deposits		235	233	3	3
Trade and other receivables	3	507,126	492,663	535,070	566,422
Inventories		11,509	10,497	-	-
Prepaid expenses		40,636	23,508	16,474	5,766
Other current assets		86,346	96,825	5,652	8,041
<b>Total current assets</b>		<b>895,224</b>	<b>753,554</b>	<b>766,817</b>	<b>647,339</b>
<b>Non-current assets</b>					
Restricted bank deposits	16.2	73,930	46,059	241	220
Investments in subsidiaries	4	-	-	3,143,825	3,026,826
Investment in a joint venture	5	48,151	46,833	-	-
Loans to subsidiaries	2	-	-	643,250	708,750
Property, plant and equipment	6	765,501	760,550	38,785	41,762
Intangible assets	7	2,327,523	2,258,095	70,432	70,982
Cost of spectrum license		1,425,040	1,456,793	-	-
Deferred tax assets		262,779	258,965	13,835	3,120
Other non-current assets		173,305	155,755	60,605	55,959
<b>Total non-current assets</b>		<b>5,076,229</b>	<b>4,983,050</b>	<b>3,970,973</b>	<b>3,907,619</b>
<b>Total assets</b>		<b>5,971,453</b>	<b>5,736,604</b>	<b>4,737,790</b>	<b>4,554,958</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 31 March 2018**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>		
	<b>Note</b>	<b>31 March 2018</b>	<b>31 December 2017</b>	<b>31 March 2018</b>	<b>31 December 2017</b>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term loans from banks		168,233	120,000	15,000	-
Trade and other payables	8	293,488	319,038	143,198	179,570
Current portion of long-term liabilities					
Long-term loans from banks	9	82,233	81,893	-	-
Cost of spectrum license payable	10	207,993	206,177	-	-
Liabilities under finance lease agreements		11,486	6,600	566	1,406
Income tax payable		3,746	3,407	-	-
Other current liabilities		53,551	65,286	11,151	11,117
<b>Total current liabilities</b>		<b>820,730</b>	<b>802,401</b>	<b>169,915</b>	<b>192,093</b>
<b>Non-current liabilities</b>					
Long-term liabilities - net of current portion					
Long-term loans from banks	9	1,422,764	1,440,838	-	-
Cost of spectrum license payable	10	701,446	695,321	-	-
Liabilities under finance lease agreements		17,178	6,029	-	-
Provision for long-term employee benefits		45,810	43,792	19,942	19,244
Deferred tax liabilities		8,604	8,990	-	-
<b>Total non-current liabilities</b>		<b>2,195,802</b>	<b>2,194,970</b>	<b>19,942</b>	<b>19,244</b>
<b>Total liabilities</b>		<b>3,016,532</b>	<b>2,997,371</b>	<b>189,857</b>	<b>211,337</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 31 March 2018**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>		
	<b>Note</b>	<b>31 March 2018</b>	<b>31 December 2017</b>	<b>31 March 2018</b>	<b>31 December 2017</b>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Shareholders' equity</b>					
Share capital	11				
Registered					
5,196,999,975 ordinary shares of Baht 0.1 each		<u>519,700</u>	<u>519,700</u>	<u>519,700</u>	<u>519,700</u>
Issued and fully paid-up					
3,390,746,672 ordinary shares (31 December 2017: 3,390,740,224 ordinary shares) of Baht 0.1 each		339,075	339,074	339,075	339,074
Premium on ordinary shares		3,440,913	3,440,898	3,440,913	3,440,898
Share subscriptions received in advance	12	200,065	-	200,065	-
Retained earnings					
Appropriated - statutory reserve		51,970	51,970	51,970	51,970
Unappropriated (deficit)		(922,113)	(941,579)	515,910	511,679
Other components of shareholders' equity		<u>(154,989)</u>	<u>(151,130)</u>	<u>-</u>	<u>-</u>
<b>Total shareholders' equity</b>		<u>2,954,921</u>	<u>2,739,233</u>	<u>4,547,933</u>	<u>4,343,621</u>
<b>Total liabilities and shareholders' equity</b>		<u>5,971,453</u>	<u>5,736,604</u>	<u>4,737,790</u>	<u>4,554,958</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 31 March 2018**

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

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales and service income		629,239	637,473	140,655	237,736
Dividend income	2	-	-	-	36,799
Other income		10,912	9,773	21,571	19,831
<b>Total revenues</b>		<u>640,151</u>	<u>647,246</u>	<u>162,226</u>	<u>294,366</u>
<b>Expenses</b>					
Cost of sales and services		453,144	446,336	105,682	179,436
Selling and servicing expenses		26,107	34,474	3,952	6,471
Administrative expenses		116,397	103,969	58,904	51,480
Loss on impairment of investment in a subsidiary		-	-	-	17,000
Reversal of allowance for impairment of investment in a joint venture	5	<u>(3,681)</u>	-	-	-
<b>Total expenses</b>		<u>591,967</u>	<u>584,779</u>	<u>168,538</u>	<u>254,387</u>
<b>Profit (loss) before finance cost and income tax income (expenses)</b>		48,184	62,467	(6,312)	39,979
Finance cost		<u>(32,311)</u>	<u>(35,482)</u>	<u>(172)</u>	<u>(212)</u>
<b>Profit (loss) before income tax income (expenses)</b>		15,873	26,985	(6,484)	39,767
Income tax income (expenses)	13	3,593	(3,839)	10,715	(3,812)
<b>Profit for the period</b>		<u>19,466</u>	<u>23,146</u>	<u>4,231</u>	<u>35,955</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		<u>(3,859)</u>	<u>(927)</u>	-	-
<b>Other comprehensive income for the period</b>		<u>(3,859)</u>	<u>(927)</u>	-	-
<b>Total comprehensive income for the period</b>		<u>15,607</u>	<u>22,219</u>	<u>4,231</u>	<u>35,955</u>
<b>Earnings per share</b>					
14					
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>0.006</u>	<u>0.007</u>	<u>0.001</u>	<u>0.011</u>
Diluted earnings per share					
Profit attributable to equity holders of the Company		<u>0.005</u>	<u>0.006</u>	<u>0.001</u>	<u>0.009</u>

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

(Unaudited but reviewed)

**Mono Technology Public Company Limited and its subsidiaries****Cash flow statement****For the three-month period ended 31 March 2018**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
<b>Cash flows from operating activities</b>				
Profit (loss) before tax	15,873	26,985	(6,484)	39,767
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:				
Depreciation	25,055	23,053	4,014	4,508
Amortisation	225,921	191,829	1,542	1,450
Amortisation of spectrum license cost	31,754	31,754	-	-
Reversal of allowance for doubtful accounts	(282)	-	-	-
Reversal of allowance for doubtful accounts - loans to subsidiaries	-	-	-	(642)
Reversal of reduction of inventories to net realisable value	(631)	(1,127)	-	-
Reversal of allowance for impairment of investment in a joint venture	(3,681)	-	-	-
Loss on impairment of investment in a subsidiary	-	-	-	17,000
Dividend income	-	-	-	(36,799)
(Gain) loss on disposals of equipment	71	87	6	(8)
Unrealised gain on exchange	(317)	(122)	-	-
Provision for long-term employee benefits	2,733	3,503	1,042	1,225
Interest income	(9)	(8)	(5,371)	(3,981)
Interest expenses	32,311	35,482	172	212
Profit (loss) from operating activities before changes in operating assets and liabilities	328,798	311,436	(5,079)	22,732
Operating assets (increase) decrease				
Trade and other receivables	(18,474)	(70,131)	9,635	(17,239)
Inventories	(381)	439	-	-
Prepaid expenses	(17,175)	188	(10,708)	(170)
Other current assets	7,086	(1,398)	(316)	431
Other non-current assets	(143)	1,240	(219)	71
Operating liabilities increase (decrease)				
Trade and other payables	3,927	18,478	(29,358)	(17,336)
Other current liabilities	(7,442)	(5,723)	179	8
Cash flows from (used in) operating activities	296,196	254,529	(35,866)	(11,503)
Cash paid for corporate income tax	(17,676)	(18,426)	(4,428)	(7,755)
<b>Net cash flows from (used in) operating activities</b>	<b>278,520</b>	<b>236,103</b>	<b>(40,294)</b>	<b>(19,258)</b>

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

(Unaudited but reviewed)

**Mono Technology Public Company Limited and its subsidiaries****Cash flow statement (continued)****For the three-month period ended 31 March 2018**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
<b>Cash flows from investing activities</b>				
Interest income	9	8	646	20,299
Increase in current investments - bank deposits	(2)	(2)	-	-
(Increase) decrease in loans to subsidiaries	-	-	80,000	(115,550)
Increase in restricted bank deposits	(27,872)	(22,295)	(21)	(114)
Cash paid for additional capital of subsidiaries	-	-	(131,500)	(20,000)
Dividend income	-	-	26,299	55,198
Acquisition and cash paid to settle payables				
from purchases of property, plant and equipment	(11,975)	(31,410)	(699)	(1,005)
Acquisition and cash paid to settle payables				
from purchases of intangible assets	(321,880)	(228,658)	(5,992)	(3,418)
Proceeds from sales of equipment	47	13	3	113
<b>Net cash flows used in investing activities</b>	<b>(361,673)</b>	<b>(282,344)</b>	<b>(31,264)</b>	<b>(64,477)</b>
<b>Cash flows from financing activities</b>				
Cash paid for interest expenses	(23,198)	(22,097)	(172)	(63)
Increase (decrease) in bank overdrafts and				
short-term loans from banks	48,232	(9,252)	15,000	(15,000)
Repayment of long-term loans from banks	(17,733)	(7,301)	-	-
Repayment of liabilities under finance lease agreements	(3,188)	(2,164)	(840)	(1,099)
Proceeds from increase in share capital	-	407,550	-	407,550
Proceeds from exercises of warrants	200,081	-	200,081	-
<b>Net cash flows from financing activities</b>	<b>204,194</b>	<b>366,736</b>	<b>214,069</b>	<b>391,388</b>
<b>Decrease in translation adjustments</b>	<b>(1,497)</b>	<b>(927)</b>	<b>-</b>	<b>-</b>
<b>Net increase in cash and cash equivalents</b>	<b>119,544</b>	<b>319,568</b>	<b>142,511</b>	<b>307,653</b>
Cash and cash equivalents at beginning of period	129,828	86,809	67,107	25,650
<b>Cash and cash equivalents at end of period</b>	<b>249,372</b>	<b>406,377</b>	<b>209,618</b>	<b>333,303</b>
	-	-	-	-
<b>Supplemental disclosures of cash flow information</b>				
Non-cash transactions				
Payable of acquisition of equipment	8,303	12,433	348	18
Payable of acquisition of intangible assets	56,584	86,665	-	-
Assets acquired under finance lease agreements	19,224	-	-	-
Settlement of loan to a subsidiary with assets	-	-	-	642

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 three-month period ended 31 March 2018**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>								
	Issued and fully paid-up share capital	Premium on ordinary shares	Share subscriptions received in advance	Retained earnings		Other components of shareholders' equity			Total shareholders' equity
				Appropriated	Unappropriated (deficit)	Exchange differences on translation of financial statements in foreign currency	Differences on business combination under common control	Total other components of shareholders' equity	Total shareholders' equity
<b>Balance as at 1 January 2017</b>	320,094	2,935,691	-	49,850	(795,592)	7,933	(152,365)	(144,432)	2,365,611
Profit for the period	-	-	-	-	23,146	-	-	-	23,146
Other comprehensive income for the period	-	-	-	-	-	(927)	-	(927)	(927)
Total comprehensive income for the period	-	-	-	-	23,146	(927)	-	(927)	22,219
Increase share capital (Note 11)	14,300	393,250	-	-	-	-	-	-	407,550
<b>Balance as at 31 March 2017</b>	<u>334,394</u>	<u>3,328,941</u>	<u>-</u>	<u>49,850</u>	<u>(772,446)</u>	<u>7,006</u>	<u>(152,365)</u>	<u>(145,359)</u>	<u>2,795,380</u>
<b>Balance as at 1 January 2018</b>	339,074	3,440,898	-	51,970	(941,579)	1,235	(152,365)	(151,130)	2,739,233
Profit for the period	-	-	-	-	19,466	-	-	-	19,466
Other comprehensive income for the period	-	-	-	-	-	(3,859)	-	(3,859)	(3,859)
Total comprehensive income for the period	-	-	-	-	19,466	(3,859)	-	(3,859)	15,607
The warrant holders exercised warrants (Note 12)	1	15	200,065	-	-	-	-	-	200,081
<b>Balance as at 31 March 2018</b>	<u>339,075</u>	<u>3,440,913</u>	<u>200,065</u>	<u>51,970</u>	<u>(922,113)</u>	<u>(2,624)</u>	<u>(152,365)</u>	<u>(154,989)</u>	<u>2,954,921</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 three-month period ended 31 March 2018**

(Unit: Thousand Baht)

	Separate financial statements					Total shareholders' equity
	Issued and fully paid-up share capital	Premium on ordinary shares	Share subscriptions received in advance	Retained earnings		
				Appropriated	Unappropriated	
<b>Balance as at 1 January 2017</b>	320,094	2,935,691	-	49,850	661,903	3,967,538
Profit for the period	-	-	-	-	35,955	35,955
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	35,955	35,955
Increase share capital (Note 11)	14,300	393,250	-	-	-	407,550
<b>Balance as at 31 March 2017</b>	<u>334,394</u>	<u>3,328,941</u>	<u>-</u>	<u>49,850</u>	<u>697,858</u>	<u>4,411,043</u>
<b>Balance as at 1 January 2018</b>	339,074	3,440,898	-	51,970	511,679	4,343,621
Profit for the period	-	-	-	-	4,231	4,231
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	4,231	4,231
The warrant holders exercised warrants (Note 12)	1	15	200,065	-	-	200,081
<b>Balance as at 31 March 2018</b>	<u>339,075</u>	<u>3,440,913</u>	<u>200,065</u>	<u>51,970</u>	<u>515,910</u>	<u>4,547,933</u>

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 period ended 31 March 2018**

**1. General information**

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

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 *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”) (together referred to as “the Group”) and were prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2017. There were no changes in the composition of the Group during the period

### 1.3. New financial reporting standards

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

During the period, the Company and its subsidiaries have adopted the revised financial reporting standards and interpretations (revised 2017) which are effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements. The adoption of these financial reporting standards does not have any significant impact on the Company's and its subsidiaries' financial statements.

#### b) Financial reporting standards that will become effective in the future

During the period, the Federation of Accounting Professions issued the financial reporting standard TFRS 15 *Revenue from Contracts with Customers*, which is effective for fiscal years beginning on or after 1 January 2019. Key principles of this standard are summarised below.

##### **TFRS 15 *Revenue from Contracts with Customers***

TFRS 15 supersedes TAS 11 *Construction Contracts* and TAS 18 *Revenue*, together with related Interpretations. Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

At present, the management of the Company and its subsidiaries is evaluating the impact of this standard to the financial statements in the year when it is adopted.

### 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 2017.

## 2. Related party transactions

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

(Unit: Million Baht)

	For the three-month periods ended 31 March				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	
<u>Transactions with the subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Sales and service income	-	-	1	2	Contract price or as agreed upon
Dividend income	-	-	-	37	Announced rate
Interest income	-	-	5	4	3 percent per annum
Other income	-	-	13	13	Contract price
Service revenue sharing payments	-	-	55	108	Contract price or as agreed upon
Sales promotion expenses	-	-	2	1	Contract price or as agreed upon
Sales of intangible assets	-	-	-	102	As agreed upon
<u>Transactions with related companies</u>					
Sales and service income	6	4	1	-	Contract price or as agreed upon
Cost of sales and services	3	3	2	2	Contract price or as agreed upon
Rental and service expenses	15	14	9	9	Contract price or as agreed upon
Other expenses	5	4	4	3	Contract price or as agreed upon

The balances of the accounts between the Company, its subsidiaries and those related parties were as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2018	31 December 2017 (Audited)	31 March 2018	31 December 2017 (Audited)
<b><u>Trade receivables - related parties (Note 3)</u></b>				
Subsidiaries	-	-	12	10
Related companies (related by common shareholders and directors)	6	2	1	1
<b>Total trade receivables - related parties</b>	<b>6</b>	<b>2</b>	<b>13</b>	<b>11</b>
<b><u>Other receivables - related parties (Note 3)</u></b>				
Subsidiaries	-	-	362	351
<b><u>Dividends receivable - related parties (Note 3)</u></b>				
Subsidiaries	-	-	-	26
<b><u>Deposits and retentions - related parties</u></b>				
Related companies (related by common shareholders and directors)	7	7	6	6
<b><u>Trade payables - related parties (Note 8)</u></b>				
Subsidiaries	-	-	44	74
Related companies (related by common shareholders and directors)	-	11	-	-
<b>Total trade payables - related parties</b>	<b>-</b>	<b>11</b>	<b>44</b>	<b>74</b>
<b><u>Other payables - related parties (Note 8)</u></b>				
Subsidiaries	-	-	24	18
Related companies (related by common shareholders and directors)	27	19	20	14
<b>Total other payables - related parties</b>	<b>27</b>	<b>19</b>	<b>44</b>	<b>32</b>

Loans to subsidiaries

The balances of loans between the Company and its subsidiaries and the movements were as follows:

(Unit: Million Baht)

	Separate financial statements			Balance as at 31 March 2018
	Balance as at 31 December 2017	Increase during the period	Decrease during the period	
	(Audited)			
Mono Generation Company Limited	-	10	-	10
Mono Travel Company Limited	6	-	(3)	3
Mono Production Company Limited	122	-	-	122
Mono Info Systems Company Limited	-	10	-	10
PT Mono Technology Indonesia	12	-	-	12
Mono Technology Vietnam Company Limited	11	-	-	11
Mono Radio Company Limited	103	2	(99)	6
Mono Radio Broadcast Company Limited	5	-	-	5
Mono Talent Studio Company Limited	19	-	(19)	-
Mono Broadcast Company Limited	380	15	-	395
Mono Sport Entertainment Company Limited	89	3	-	92
Total	747	40	(121)	666
Less: Allowance for doubtful accounts	(38)	-	15	(23)
Total loans to subsidiaries - net	709	40	(106)	643

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

Directors and management's benefits

During the periods, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

	(Unit: Million Baht)			
	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Short-term employee benefits	12	11	8	7

**3. Trade and other receivables**

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
		(Audited)		(Audited)
Trade receivables - related parties (Note 2)	6	2	13	11
Trade receivables - unrelated parties	112	161	47	55
Accrued revenues	361	305	112	123
Dividends receivable - related parties (Note 2)	-	-	-	26
Other receivables - related parties (Note 2)	-	-	362	351
Other receivables - unrelated parties	34	31	1	-
Total	513	499	535	566
Less: Allowance for doubtful accounts	(6)	(6)	-	-
Trade and other receivables - net	<u>507</u>	<u>493</u>	<u>535</u>	<u>566</u>



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

(Unit: Million Baht)

Age of receivables	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2018	2017	2018	2017
		(Audited)		(Audited)
<b><u>Trade receivables - related parties</u></b>				
Not yet due	6	2	3	2
Past due				
Up to 3 months	-	-	1	1
3 - 6 months	-	-	1	2
6 - 12 months	-	-	2	2
Over 12 months	-	-	6	4
Total trade receivables - related parties	6	2	13	11
<b><u>Trade receivables - unrelated parties</u></b>				
Not yet due	78	121	45	53
Past due				
Up to 3 months	18	35	2	2
3 - 6 months	12	2	-	-
6 - 12 months	7	-	-	-
Over 12 months	19	26	-	-
Total	134	184	47	55
Less: Allowance for sales return	(22)	(23)	-	-
	112	161	47	55
Less: Allowance for doubtful accounts	(6)	(6)	-	-
Total trade receivables - unrelated parties - net	106	155	47	55
Total trade receivables - net	112	157	60	66

#### **4. Investments in subsidiaries**

- 4.1 On 21 February 2018, a meeting of the Board of Directors of T Moment Company Limited (“T Moment”) passed a resolution to approve the call-up of a further 5 percent of the registered share capital (such that 50 percent of the registered share capital was called up), or a total of Baht 10 million. The Company made full payment of this share capital on 9 March 2018 in accordance with a resolution passed by the Company’s Board of Directors meeting. The Company’s shareholding in the subsidiary remained unchanged.
- 4.2 On 21 February 2018, a meeting of the Board of Directors of Mono Astro Company Limited (“Mono Astro”) passed a resolution to approve the call-up of a further 50 percent of the registered share capital (such that the registered share capital was fully called up), or a total of Baht 2.5 million. The Company made full payment of this share capital on 9 March 2018 in accordance with a resolution passed by the Company’s Board of Directors meeting. The Company’s shareholding in the subsidiary remained unchanged.
- 4.3 On 2 March 2018, a meeting of the Board of Directors of Mono Radio Company Limited (“Mono Radio”) passed a resolution to approve a Baht 99 million increase in the registered share capital of Mono Radio, from Baht 1 million (100,000 ordinary shares with a par value of Baht 10 each) to Baht 100 million (10,000,000 ordinary shares with a par value of Baht 10 each), through the issue of 9,900,000 additional ordinary shares with a par value of Baht 10 each. The increase in share capital will not have any impact on the Company’s interest in this subsidiary. The Company made payment of Baht 99 million for the new shares on 20 March 2018 and Mono Radio registered the corresponding increase in its share capital with the Ministry of Commerce on 22 March 2018.

Mono Radio used the cash received from these additional shares to repay outstanding loans of Baht 99 million to the Company, as described in Note 2 to the interim consolidated financial statements. The Company therefore reversed allowance for doubtful accounts of Baht 14.5 million provided for the loan to Mono Radio, and recognised allowance of Baht 14.5 million for impairment of investment in Mono Radio, in the separate financial statements for the current period.

- 4.4 On 2 March 2018, a meeting of the Board of Directors of Mono Talent Studio Company Limited (“Mono Talent Studio”) passed a resolution to approve a Baht 20 million increase in the registered share capital of Mono Talent Studio, from Baht 5 million (50,000 ordinary shares with a par value of Baht 100 each) to Baht 25 million (250,000 ordinary shares with a par value of Baht 100 each), through the issue of 200,000 additional ordinary shares with a par value of Baht 100 each. The increase in share capital will not have any impact on the Company’s interest in this subsidiary. The Company made payment of Baht 20 million for the new shares on 20 March 2018 and Mono Talent Studio registered the corresponding increase in its share capital with the Ministry of Commerce on 22 March 2018.

4.5 As at 31 March 2018, the net asset value of the subsidiaries was Baht 409 million (31 December 2017: Baht 387 million) lower than the cost of the investments. The Company did not record an allowance for impairment loss on such investments since its management believed that the decreases in the value of these investments was not permanent.

## 5. Investment in a joint venture

On 10 February 2017, a meeting of the Board of Directors of Yunnan Mono Digital Technology Company Limited approved its dissolution, which was registered on 13 February 2017, and USD 1.6 million was refunded to the subsidiary on 3 April 2018. The subsidiary therefore reversed the allowance of HKD 0.9 million, equivalent to approximately Baht 3.7 million, recorded for impairment of investment in this joint venture, in the consolidated financial statements for the current period. Currently, the joint venture is in the process of registering completion of its liquidation.

## 6. Property, plant and equipment

	(Unit: Million Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Net book value as at 1 January 2018	761	42
Acquisitions during the period - at cost	30	1
Depreciation for the period	<u>(25)</u>	<u>(4)</u>
Net book value as at 31 March 2018	<u><u>766</u></u>	<u><u>39</u></u>

The subsidiary has mortgaged land with structures thereon with a net book value of Baht 543 million (31 December 2017: Baht 547 million) as collateral against a long-term loan facility of Baht 250 million from a bank.

## 7. Intangible assets

	(Unit: Million Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Net book value as at 1 January 2018	2,258	71
Acquisitions during the period - at cost	296	1
Amortisation for the period	<u>(226)</u>	<u>(2)</u>
Net book value as at 31 March 2018	<u><u>2,328</u></u>	<u><u>70</u></u>

(Unaudited but reviewed)

## 8. Trade and other payables

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2018	2017	2018	2017
		(Audited)		(Audited)
Trade payables - related parties (Note 2)	-	11	44	74
Trade payables - unrelated parties	45	41	23	21
Other payables - related parties (Note 2)	27	19	44	32
Other payables - unrelated parties	70	66	12	19
Accrued expenses	86	90	20	29
Accounts payable for purchases of assets	65	92	-	5
Total trade and other payables	<u>293</u>	<u>319</u>	<u>143</u>	<u>180</u>

## 9. Long-term loans from banks

(Unit: Million Baht)

	Consolidated financial statements	
	31 March	31 December
	2018	2017
		(Audited)
Mono Broadcast Company Limited	1,313	1,325
Mono Production Company Limited	192	198
Total	<u>1,505</u>	<u>1,523</u>
Less: Current portion	<u>(82)</u>	<u>(82)</u>
Long-term loans from banks - net of current portion	<u>1,423</u>	<u>1,441</u>

(Unaudited but reviewed)

Movements in the long-term loans from banks account during the three-month period ended 31 March 2018 were summarised below.

	(Unit: Million Baht)
	Consolidated financial statements
Balance as at 1 January 2018	1,523
Less: Repayment	(18)
Balance as at 31 March 2018	1,505

The subsidiaries' loans are secured by the mortgage of a subsidiary's land with structures thereon, as described in Note 6 to the interim consolidated financial statements, the assignment of rights to receive all service income from areas and the provision of guarantees by the Company.

The loan agreements stipulate certain practices and covenants such as the maintenance of certain debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the agreements, and the shareholdings of current shareholders.

**10. Cost of spectrum license payable**

	(Unit: Million Baht)	
	Consolidated financial statements	
	31 March 2018	31 December 2017
Cost of spectrum license payable	954	954
Less: Deferred interest expenses	(45)	(53)
Total	909	901
Less: Portion due within one year	(208)	(206)
Cost of spectrum license payable - net of current portion	701	695

**11. Share capital**

	Ordinary shares	Par value	Issued and fully paid-up share capital	Premium on ordinary shares	Registration date
	(Share)	(Baht per share)	(Baht)	(Baht)	
Balance as at 1 January 2017	3,200,935,537		320,093,554	2,935,691,191	
1) On 12 and 13 January 2017, the Company allotted the 143 million newly issued ordinary shares to certain investors by way of private placements at an offering price of Baht 2.85 per share, or for a total amount of Baht 407.6 million.	<u>143,000,000</u>	0.1	<u>14,300,000</u>	<u>393,250,000</u>	19 January 2017
Balance as at 31 March 2017	<u><u>3,343,935,537</u></u>		<u><u>334,393,554</u></u>	<u><u>3,328,941,191</u></u>	
Balance as at 1 January 2018	3,390,740,224		339,074,023	3,440,898,002	
1) On 29 December 2017, the Company allotted additional ordinary shares as a result of the exercise of warrants to purchase newly issued ordinary shares (Note 12)	<u>6,448</u>	0.1	<u>645</u>	<u>15,424</u>	8 January 2018
Balance as at 31 March 2018	<u><u>3,390,746,672</u></u>		<u><u>339,074,668</u></u>	<u><u>3,440,913,426</u></u>	

**12. Warrants**

	(Unit: Units)
Balance as at 1 January 2018	1,432,395,941
Exercise during the period	<u>(80,042,858)</u>
Balance as at 31 March 2018	<u><u>1,352,353,083</u></u>

On 29 December 2017, the warrant holders exercised 6,430 warrants to purchase 6,448 newly issued ordinary shares with a par value of Baht 0.1 each, at an exercise price of Baht 2.492 per share, or for a total of Baht 16,068. The Company registered the corresponding increase in its issued and paid-up share capital with the Ministry of Commerce on 8 January 2018.

Subsequently, on 30 March 2018, the warrant holders exercised 80,042,858 warrants to purchase 80,282,986 newly issued ordinary shares with a par value of Baht 0.1 each, at an exercise price of Baht 2.492 per share. The Company registered the corresponding increase in its issued and paid-up share capital with the Ministry of Commerce on 4 April 2018. As at 31 March 2018 the Company therefore presented the cash of Baht 200 million received from the exercise of the warrants as “Share subscriptions received in advance” in shareholders’ equity in the statement of financial position.

In addition, on 3 May 2018, 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 the holders, from the existing exercise price of Baht 2.492 per share to Baht 2.464 per share and from the existing exercise ratio of 1 warrant to 1.003 ordinary shares to 1 warrant to 1.015 ordinary shares.

### 13. Income tax

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

Income tax (income) expenses for the periods are made up as follows:

	(Unit: Million Baht)			
	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
<b>Current income tax:</b>				
Current income tax charge	-	4	-	4
<b>Deferred tax:</b>				
Relating to origination and reversal				
of temporary differences	(4)	-	(11)	-
<b>Income tax (income) expenses reported</b>				
<b>in the statement of comprehensive income</b>	<u>(4)</u>	<u>4</u>	<u>(11)</u>	<u>4</u>

### 14. Earnings per share

Basic earnings per share is calculated by dividing profit 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.

(Unaudited but reviewed)

Diluted earnings per share is calculated by dividing profit 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 at the beginning of the period.

The following table sets forth the computation of basic and diluted earnings per share:

	Consolidated financial statements					
	For the three-month periods ended 31 March					
	Profit for the period		Weighted average number of ordinary shares		Earnings per share	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
	(Million Baht)	(Million Baht)	(Million shares)	(Million shares)	(Baht)	(Baht)
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company	19	23	3,393	3,326	0.006	0.007
<b>Effect of dilutive potential ordinary shares</b>						
Warrants offered to existing shareholders	-	-	621	462		
<b>Diluted earnings per share</b>						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	<u>19</u>	<u>23</u>	<u>4,014</u>	<u>3,788</u>	0.005	0.006

  

	Separate financial statements					
	For the three-month periods ended 31 March					
	Profit for the period		Weighted average number of ordinary shares		Earnings per share	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
	(Million Baht)	(Million Baht)	(Million shares)	(Million shares)	(Baht)	(Baht)
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company	4	36	3,393	3,326	0.001	0.011
<b>Effect of dilutive potential ordinary shares</b>						
Warrants offered to existing shareholders	-	-	621	462		
<b>Diluted earnings per share</b>						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	<u>4</u>	<u>36</u>	<u>4,014</u>	<u>3,788</u>	0.001	0.009



**15. Segment information**

The following table presents revenue and profit (loss) information regarding the Company's and its subsidiaries' operating segments for the periods.

(Unit: Million Baht)

	For the three-month periods ended 31 March							
	Media		Content		Adjustments		Consolidation	
	business <sup>(1)</sup>		business <sup>(2)</sup>		and			
	2018	2017	2018	2017	2018	2017	2018	2017
Sales and service income								
Revenues from external customers	596	593	33	44	-	-	629	637
Inter-segment revenues	-	-	82	37	(82)	(37)	-	-
Total revenues	<u>596</u>	<u>593</u>	<u>115</u>	<u>81</u>	<u>(82)</u>	<u>(37)</u>	<u>629</u>	<u>637</u>
Segment profit (loss)	241	237	(66)	(47)			175	190
Unallocated income and expenses:								
Other income							11	10
Selling and servicing expenses							(26)	(34)
Administrative and other expenses							(117)	(104)
Reversal of allowance for impairment of investment in a joint venture							4	-
Finance cost							(32)	(35)
Income tax income (expenses)							4	(4)
Profit for the period							<u>19</u>	<u>23</u>

(1) Media business consists of TV, radio, online and portable devices.

(2) Content business consists of movie business, sports business, music business, entertainment business, games business, travel business and horoscope business.

**16. Commitments and contingent liabilities****16.1 Capital commitments**

As at 31 March 2018, the subsidiaries had capital commitments of approximately Baht 573 million (31 December 2017: Baht 530 million), relating to the purchases of movie rights.

**16.2 Guarantees**

- a) The Company has guaranteed bank credit facilities of its subsidiaries (exclusive of guarantees provided for bank guarantees as described in Note 16.2 c) to the interim consolidated financial statements) totaling Baht 1,800 million (31 December 2017: Baht 1,800 million).
- b) The subsidiaries has guaranteed bank credit facilities of the Company amounting to Baht 35 million (31 December 2017: Baht 35 million).
- c) As at 31 March 2018, the Company and its subsidiaries had outstanding bank guarantees of Baht 1,041 million and USD 12 million (31 December 2017: Baht 1,041 million and USD 6 million) (the Company only: Baht 5 million (31 December 2017: Baht 5 million)) issued by banks on behalf of the Company and its subsidiaries to guarantee contractual performance. The bank guarantees are secured by guarantees provided by the Company and its subsidiaries and pledges of their saving deposits.

**16.3 Operating lease and service commitments**

Future minimum lease and service payments required under these non-cancellable operating lease and service contracts were as follows.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2018	2017	2018	2017
		(Audited)		(Audited)
Payable:				
in up to 1 year	137	159	32	31
in over 1 year and up to 5 years	276	288	29	34
in over 5 years	293	312	-	-

## 16.4 Litigation

- a) In June 2015, the Company was sued by an unrelated company through 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 percent per annum on the principal until settlement is completed.

On 17 January 2017, the Central Intellectual Property and International Trade Court announced its judgement on the lawsuit in a civil case. The Court of First Instance ordered the Company to pay compensation of Baht 3 million plus interest on the principal at a rate of 7.5 percent per annum until settlement is completed. Subsequently, on 4 April 2017, the Company appealed the judgement of the Court of First Instance to the Court of Appeal for Specialized Cases, and on 29 January 2018, the Court of Appeal for Specialized Cases read its judgement in the civil case, which was to order dismissal of the plaintiff's action. The Company therefore does not need to pay compensation in accordance with the judgement of the Court of First Instance, and the case is finalised.

On 25 April 2017, the Central Intellectual Property and International Trade Court read its judgement on the lawsuit in the criminal case, which was to order the Company to pay compensation of Baht 0.1 million. On 25 July 2017, the Company appealed the judgement of the Court of First Instance to the Court of Appeal for Specialized Cases, and on 27 February 2018, the Court of Appeal for Specialized Cases read its judgement in the criminal case, which was to order dismissal of the plaintiff's action. The Company therefore does not need to pay compensation in accordance with the judgement of the Court of First Instance, and the case is finalised.

- b) In July 2017, the Company was sued by an unrelated company through the Central Intellectual Property and International Trade Court in a criminal case for infringement on the online broadcast rights of video and audio content via its website.

On 15 December 2017, the Central Intellectual Property and International Trade Court accepted the lawsuit, and is currently investigating evidence.

The Company's management is confident that no significant losses will be incurred as a result of the lawsuit, and therefore no provision has been made for the contingent liabilities in its accounts.

## **17. Events after the reporting period**

17.1 On 25 April 2018, the 2018 Annual General Meeting of the Company's shareholders passed the following significant resolutions:

- a) To declare a dividend of Baht 0.03 per share, totaling Baht 104 million, from the retained earnings as at 31 December 2017. The amount of the dividend to be paid included a dividend for the additional ordinary shares of the Company issued as a result of the exercise of MONO-W1 on 30 March 2018. This dividend will be recorded in the second quarter of the current year.
- b) To decrease the Company's registered share capital by Baht 33.4 million, from Baht 519,699,997.50 (5,196,999,975 ordinary shares with a par value of Baht 0.1 each) to Baht 486,299,997.50 (4,862,999,975 ordinary shares with a par value of Baht 0.1 each), through the cancellation of 334 million unissued ordinary shares with a par value of Baht 0.1 each.

The Company is currently in the process of registering the corresponding decrease in its registered share capital with the Ministry of Commerce.

17.2 On 9 May 2018, a meeting of the Company's Board of Directors passed the following significant resolutions

- a) To approve the payment of a further 25 percent of the registered share capital of T Moment Company Limited ("T Moment") (such that 75 percent of the registered share capital was called up), or a total of Baht 50 million. The Company's shareholding in T Moment remained unchanged.
- b) To approve the payment of a further 50 percent of the registered share capital of Mono Play Company Limited ("Mono Play") (such that the registered share capital was fully called up), or a total of Baht 2.5 million. The Company's shareholding in Mono Play remained unchanged.

## **18. Approval of interim financial statements**

These interim financial statements were authorised for issue by the Company's Board of Directors on 9 May 2018.