

Mono Technology Public Company Limited and its subsidiaries
Report and interim consolidated financial statements
For the three-month period ended 31 March 2019

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 2019, 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: 7 May 2019

Mono Technology Public Company Limited and its subsidiaries

Statement of financial position

As at 31 March 2019

(Unit: Thousand Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		31 March 2019	31 December 2018	31 March 2019	31 December 2018
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		76,902	91,230	6,266	8,725
Current investments - bank deposits		238	236	3	3
Trade and other receivables	3	427,130	440,474	479,443	511,325
Inventories		16,877	16,528	-	-
Current tax assets		17,070	69,310	2,650	13,920
Prepaid expenses		32,565	38,809	3,619	5,124
Other current assets		67,637	83,225	3,249	3,446
Total current assets		638,419	739,812	495,230	542,543
Non-current assets					
Restricted bank deposits	14.2	68,800	62,597	242	262
Investments in subsidiaries	4	-	-	3,298,825	3,298,825
Loans to subsidiaries	2	-	-	620,500	619,250
Property, plant and equipment	5	736,615	732,358	27,075	29,988
Intangible assets	6	2,542,276	2,572,810	66,145	67,573
Cost of spectrum license		1,296,260	1,328,014	-	-
Deferred tax assets		249,626	245,447	13,392	11,911
Other non-current assets		153,507	84,038	44,494	30,419
Total non-current assets		5,047,084	5,025,264	4,070,673	4,058,228
Total assets		5,685,503	5,765,076	4,565,903	4,600,771

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 2019

(Unit: Thousand Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		31 March 2019	31 December 2018	31 March 2019	31 December 2018
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from banks		229,526	221,857	30,878	27,986
Trade and other payables	7	481,312	423,612	115,795	115,618
Short-term loan from a subsidiary	2	-	-	51,165	52,184
Current portion of long-term liabilities					
Long-term loans from banks	8	122,655	109,640	-	-
Cost of spectrum license payable	9	6,840	6,778	-	-
Liabilities under finance lease agreements		21,776	15,638	-	-
Income tax payable		1,609	1,342	-	-
Other current liabilities		53,886	89,505	11,129	12,428
Total current liabilities		917,604	868,372	208,967	208,216
Non-current liabilities					
Long-term liabilities - net of current portion					
Long-term loans from banks	8	1,299,809	1,333,821	-	-
Cost of spectrum license payable	9	851,805	844,058	-	-
Liabilities under finance lease agreements		27,837	18,392	-	-
Provision for long-term employee benefits		67,416	51,861	29,143	22,036
Deferred tax liabilities		7,102	7,477	-	-
Total non-current liabilities		2,253,969	2,255,609	29,143	22,036
Total liabilities		3,171,573	3,123,981	238,110	230,252

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 2019

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>31 March 2019</u>	<u>31 December 2018</u>	<u>31 March 2019</u>	<u>31 December 2018</u>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital				
Registered				
4,862,999,975 ordinary shares of Baht 0.1 each	<u>486,300</u>	<u>486,300</u>	<u>486,300</u>	<u>486,300</u>
Issued and fully paid-up				
3,471,029,658 ordinary shares of Baht 0.1 each	347,103	347,103	347,103	347,103
Premium on ordinary shares	3,632,950	3,632,950	3,632,950	3,632,950
Differences on business combination				
under common control	(152,365)	(152,365)	-	-
Retained earnings				
Appropriated - statutory reserve	51,970	51,970	51,970	51,970
Unappropriated (deficit)	(1,363,492)	(1,238,979)	295,770	338,496
Other components of shareholders' equity	<u>(2,236)</u>	<u>416</u>	<u>-</u>	<u>-</u>
Total shareholders' equity	<u>2,513,930</u>	<u>2,641,095</u>	<u>4,327,793</u>	<u>4,370,519</u>
Total liabilities and shareholders' equity	<u>5,685,503</u>	<u>5,765,076</u>	<u>4,565,903</u>	<u>4,600,771</u>
	-	-	-	-

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

Directors

(Unaudited but reviewed)

Mono Technology Public Company Limited and its subsidiaries**Statement of comprehensive income****For the three-month period ended 31 March 2019**

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

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Profit or loss:					
Revenues					
Sales and service income	10	562,873	629,239	45,951	140,655
Other income		7,183	3,488	31,015	20,767
Total revenues		570,056	632,727	76,966	161,422
Expenses					
Cost of sales and services		481,450	453,144	54,801	105,682
Selling and servicing expenses		53,860	26,107	4,805	3,952
Administrative expenses		117,875	108,973	55,021	58,100
Reversal of allowance for impairment of investment in a joint venture		-	(3,681)	-	-
Total expenses		653,185	584,543	114,627	167,734
Profit (loss) before finance cost and income tax income		(83,129)	48,184	(37,661)	(6,312)
Finance cost		(31,627)	(32,311)	(632)	(172)
Profit (loss) before income tax income		(114,756)	15,873	(38,293)	(6,484)
Income tax income	11	2,401	3,593	298	10,715
Profit (loss) for the period		(112,355)	19,466	(37,995)	4,231
Other comprehensive income:					
<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		(2,652)	(3,859)	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Actuarial loss - net of income tax		(12,158)	-	(4,731)	-
Other comprehensive income for the period		(14,810)	(3,859)	(4,731)	-
Total comprehensive income for the period		(127,165)	15,607	(42,726)	4,231
Earnings per share					
12					
Basic earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company		(0.032)	0.006	(0.011)	0.001
Diluted earnings per share					
Profit attributable to equity holders of the Company			0.005		0.001

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 2019

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Cash flows from operating activities				
Profit (loss) before tax	(114,756)	15,873	(38,293)	(6,484)
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:				
Depreciation	26,806	25,055	3,520	4,014
Amortisation	273,870	225,921	3,681	1,542
Amortisation of spectrum license cost	31,754	31,754	-	-
Reversal of doubtful debts	(13)	(282)	-	-
Reversal of doubtful debt - loan to a subsidiary	-	-	(1,383)	-
Reduction of inventories to net realisable value (reversal)	287	(631)	-	-
Reversal of allowance for impairment of investment in a joint venture	-	(3,681)	-	-
(Gain) loss on disposals of equipment	(3)	71	(4)	6
Unrealised gain on exchange	(523)	(317)	(2,109)	-
Provision for long-term employee benefits	3,199	2,733	1,193	1,042
Interest income	(19)	(9)	(4,592)	(5,371)
Interest expenses	31,627	32,311	632	172
Profit (loss) from operating activities before changes in operating assets and liabilities	252,229	328,798	(37,355)	(5,079)
Operating assets (increase) decrease				
Trade and other receivables	13,354	(18,474)	34,146	9,635
Inventories	(636)	(381)	-	-
Prepaid expenses	6,786	(17,175)	1,583	(10,708)
Other current assets	15,588	7,086	196	(316)
Other non-current assets	(158)	(143)	(155)	(219)
Operating liabilities increase (decrease)				
Trade and other payables	4,178	3,927	651	(29,358)
Other current liabilities	(37,062)	(7,442)	(1,300)	179
Cash flows from (used in) operating activities	254,279	296,196	(2,234)	(35,866)
Cash paid for corporate income tax	(17,316)	(17,676)	(2,650)	(4,428)
Net cash flows from (used in) operating activities	236,963	278,520	(4,884)	(40,294)

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 2019**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Cash flows from investing activities				
Interest income	19	9	2,328	646
Increase in current investments - bank deposits	(2)	(2)	-	-
Decrease in loans to subsidiaries	-	-	133	80,000
(Increase) decrease in restricted bank deposits	(6,203)	(27,872)	20	(21)
Cash paid for additional capital of subsidiaries	-	-	-	(131,500)
Dividend income	-	-	-	26,299
Acquisition and cash paid to settle payables				
from purchases of equipment	(8,950)	(11,975)	(376)	(699)
Acquisition and cash paid to settle payables				
from purchases of intangible assets	(184,113)	(321,880)	(2,253)	(5,992)
Proceeds from sales of equipment	52	47	20	3
Net cash flows used in investing activities	<u>(199,197)</u>	<u>(361,673)</u>	<u>(128)</u>	<u>(31,264)</u>
Cash flows from financing activities				
Cash paid for interest expenses	(24,400)	(23,198)	(339)	(172)
Increase in bank overdrafts and short-term loans from banks	7,670	48,232	2,892	15,000
Repayment of long-term loans from banks	(20,996)	(17,733)	-	-
Repayment of liabilities under finance lease agreements	(11,716)	(3,188)	-	(840)
Proceeds from exercises of warrants	-	200,081	-	200,081
Net cash flows from (used in) financing activities	<u>(49,442)</u>	<u>204,194</u>	<u>2,553</u>	<u>214,069</u>
Decrease in translation adjustments	<u>(2,652)</u>	<u>(1,497)</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	<u>(14,328)</u>	<u>119,544</u>	<u>(2,459)</u>	<u>142,511</u>
Cash and cash equivalents at beginning of period	<u>91,230</u>	<u>129,828</u>	<u>8,725</u>	<u>67,107</u>
Cash and cash equivalents at end of period	<u><u>76,902</u></u>	<u><u>249,372</u></u>	<u><u>6,266</u></u>	<u><u>209,618</u></u>
	-	-	-	-
Supplemental disclosures of cash flow information				
Non-cash transactions				
Payable of acquisition of equipment	4,290	8,303	509	348
Payable of acquisition of intangible assets	213,482	56,584	-	-
Assets acquired under finance lease agreements	27,299	19,224	-	-

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 2019

(Unit: Thousand Baht)

Consolidated financial statements

	Issued and fully paid-up share capital		Premium on ordinary shares	Share subscriptions received in advance	Differences on business combination under common control	Retained earnings		Other components of shareholders' equity	Total other components of shareholders' equity	Total shareholders' equity
						Appropriated	Unappropriated (deficit)	Exchange differences on translation of financial statements in foreign currency		
Balance as at 1 January 2018	339,074	3,440,898	-	(152,365)	51,970	(941,579)	1,235	1,235	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	1	15	200,065	-	-	-	-	-	200,081	
Balance as at 31 March 2018	<u>339,075</u>	<u>3,440,913</u>	<u>200,065</u>	<u>(152,365)</u>	<u>51,970</u>	<u>(922,113)</u>	<u>(2,624)</u>	<u>(2,624)</u>	<u>2,954,921</u>	
Balance as at 1 January 2019	347,103	3,632,950	-	(152,365)	51,970	(1,238,979)	416	416	2,641,095	
Loss for the period	-	-	-	-	-	(112,355)	-	-	(112,355)	
Other comprehensive income for the period	-	-	-	-	-	(12,158)	(2,652)	(2,652)	(14,810)	
Total comprehensive income for the period	-	-	-	-	-	(124,513)	(2,652)	(2,652)	(127,165)	
Balance as at 31 March 2019	<u>347,103</u>	<u>3,632,950</u>	<u>-</u>	<u>(152,365)</u>	<u>51,970</u>	<u>(1,363,492)</u>	<u>(2,236)</u>	<u>(2,236)</u>	<u>2,513,930</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 2019

(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	
Balance as at 1 January 2018	339,074	3,440,898	-	51,970	511,679	4,343,621
Total comprehensive income - profit for the period	-	-	-	-	4,231	4,231
The warrant holders exercised warrants	1	15	200,065	-	-	200,081
Balance as at 31 March 2018	<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>
						-
Balance as at 1 January 2019	347,103	3,632,950	-	51,970	338,496	4,370,519
Loss for the period	-	-	-	-	(37,995)	(37,995)
Other comprehensive income for the period	-	-	-	-	(4,731)	(4,731)
Total comprehensive income for the period	-	-	-	-	(42,726)	(42,726)
Balance as at 31 March 2019	<u>347,103</u>	<u>3,632,950</u>	<u>-</u>	<u>51,970</u>	<u>295,770</u>	<u>4,327,793</u>
						-

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

Mono Technology Public Company Limited and its subsidiaries
Notes to the interim consolidated financial statements
For the three-month period ended 31 March 2019

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 2018. There were no changes in the composition of the Group during the period, except that a subsidiary completed the liquidation as discussed in Note 4 to the interim consolidated financial statements.

1.3 New financial reporting standards

a) Financial reporting standards that became effective in the current period

During the period, the Company and its subsidiaries have adopted the revised (revised 2018) and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after 1 January 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Company's and its subsidiaries' financial statements. However, the new standard involves changes to key principles, which are summarised below:

IFRS 15 Revenue from Contracts with Customers

IFRS 15 supersedes the following accounting standards together with related interpretations.

TAS 11 (revised 2017)	Construction Contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

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.

This standard does not have any significant impact on the Company's and its subsidiaries' financial statements.

b) Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2020

The Federation of Accounting Professions issued a number of new financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2020. These new standards involve changes to key principles, which are summarised below.

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Accounting standard:

TAS 32 Financial Instruments: Presentation

Financial Reporting Standard Interpretations:

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

The management of the Company and its subsidiaries is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

TFRS 16 Leases

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17.

The management of the Company and its subsidiaries is currently evaluating the impact of this standard on 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 2018.

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	financial statements	financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	
<u>Transactions with the subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Sales and service income	-	-	1	1	Contract price or as agreed upon
Interest income	-	-	5	5	3 percent per annum
Other income	-	-	22	13	Contract price
Service revenue sharing payments	-	-	21	55	Contract price or as agreed upon
Marketing expenses	-	-	1	2	Contract price or as agreed upon
<u>Transactions with related companies</u>					
Sales and service income	6	6	2	1	Contract price or as agreed upon
Cost of sales and services	3	3	1	2	Contract price or as agreed upon
Rental and service expenses	15	15	9	9	Contract price or as agreed upon
Other expenses	2	5	2	4	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 2019	31 December 2018 (Audited)	31 March 2019	31 December 2018 (Audited)
<u>Trade receivables - related parties (Note 3)</u>				
Subsidiaries	-	-	14	18
Related companies (related by common shareholders and directors)	5	2	2	1
Total trade receivables - related parties	<u>5</u>	<u>2</u>	<u>16</u>	<u>19</u>
<u>Accrued revenues - related parties (Note 3)</u>				
Subsidiaries	-	-	110	108
Related companies (related by common shareholders and directors)	2	1	-	-
Total accrued revenues - related parties	<u>2</u>	<u>1</u>	<u>110</u>	<u>108</u>
<u>Other receivables - related parties (Note 3)</u>				
Subsidiaries	-	-	302	326
<u>Deposits and retentions - related parties</u>				
Related companies (related by common shareholders and directors)	7	7	6	6
<u>Trade payables - related parties (Note 7)</u>				
Subsidiaries	-	-	25	27
Related companies (related by common shareholders and directors)	13	6	-	-
Total trade payables - related parties	<u>13</u>	<u>6</u>	<u>25</u>	<u>27</u>
<u>Other payables - related parties (Note 7)</u>				
Subsidiaries	-	-	20	19
Related companies (related by common shareholders and directors)	35	31	27	24
Total other payables - related parties	<u>35</u>	<u>31</u>	<u>47</u>	<u>43</u>
<u>Accrued expenses - related parties (Note 7)</u>				
Subsidiaries	-	-	2	2
Related companies (related by common shareholders and directors)	4	9	2	3
Total accrued expenses - related parties	<u>4</u>	<u>9</u>	<u>4</u>	<u>5</u>

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 December 2018	Increase during the period	Decrease during the period	
	(Audited)			
Mono Generation Company Limited	38	-	-	38
Mono Travel Company Limited	1	-	(1)	-
Mono Production Company Limited	122	-	-	122
Mono Info Systems Company Limited	15	2	-	17
PT Mono Technology Indonesia	12	-	-	12
Mono Technology Vietnam Company Limited	11	-	(11)	-
Mono Radio Company Limited	8	-	-	8
Mono Radio Broadcast Company Limited	5	-	-	5
Mono Broadcast Company Limited	430	-	-	430
Total	642	2	(12)	632
Less: Allowance for doubtful accounts	(23)	-	11	(12)
Total loans to subsidiaries - net	619	2	(1)	620

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. 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.

Short-term loan from a subsidiary

During the year 2018, the Company obtained a loan of USD 1.6 million from Mono Technology Hong Kong Limited in the form of a promissory note. The loan is unsecured, carries interest at a rate of 3 percent per annum, and is repayable within one year.

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>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Short-term employee benefits	12	12	8	8

3. Trade and other receivables

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	(Audited)		(Audited)	
Trade receivables - related parties (Note 2)	5	2	16	19
Trade receivables - unrelated parties	130	193	19	17
Accrued revenues - related parties (Note 2)	2	1	110	108
Accrued revenues - unrelated parties	273	224	30	38
Other receivables - related parties (Note 2)	-	-	302	326
Other receivables - unrelated parties	25	28	2	3
Total	435	448	479	511
Less: Allowance for doubtful accounts	(8)	(8)	-	-
Trade and other receivables - net	427	440	479	511

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

Age of receivables	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2019	31 December 2018 (Audited)	31 March 2019	31 December 2018 (Audited)
<u>Trade receivables - related parties</u>				
Not yet due	5	2	3	2
Past due				
Up to 3 months	-	-	2	3
3 - 6 months	-	-	2	5
6 - 12 months	-	-	2	1
Over 12 months	-	-	7	8
Total trade receivables - related parties	5	2	16	19
<u>Trade receivables - unrelated parties</u>				
Not yet due	93	145	19	15
Past due				
Up to 3 months	26	49	-	2
3 - 6 months	13	4	-	-
6 - 12 months	4	3	-	-
Over 12 months	28	28	-	-
Total	164	229	19	17
Less: Allowance for sales return	(34)	(36)	-	-
	130	193	19	17
Less: Allowance for doubtful accounts	(8)	(8)	-	-
Total trade receivables - unrelated parties - net	122	185	19	17
Total trade receivables - net	127	187	35	36

4. Investments in subsidiaries

- 4.1 On 30 January 2019, Mono Technology Vietnam Company Limited registered the completion of its liquidation.
- 4.2 As at 31 March 2019, the net asset value of the subsidiaries was Baht 412 million (31 December 2018: Baht 397 million) lower than the cost of the investments. The Company did not record a further allowance for impairment loss on such investments since its management believed that it was not of a permanent nature.

5. Property, plant and equipment

	(Unit: Million Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2019	732	30
Acquisitions during the period - at cost	31	1
Depreciation for the period	(26)	(4)
Net book value as at 31 March 2019	<u>737</u>	<u>27</u>

A subsidiary has mortgaged land with structures thereon with a net book value of Baht 532 million (31 December 2018: Baht 533 million) as collateral against a long-term loan facility of Baht 250 million from a bank.

6. Intangible assets

	(Unit: Million Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2019	2,573	68
Acquisitions during the period - at cost	243	2
Amortisation for the period	(274)	(4)
Net book value as at 31 March 2019	<u>2,542</u>	<u>66</u>

(Unaudited but reviewed)

7. Trade and other payables

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2019	2018	2019	2018
		(Audited)		(Audited)
Trade payables - related parties (Note 2)	13	6	25	27
Trade payables - unrelated parties	33	34	8	12
Other payables - related parties (Note 2)	35	31	47	43
Other payables - unrelated parties	68	79	14	15
Accrued expenses - related parties (Note 2)	4	9	4	5
Accrued expenses - unrelated parties	110	101	17	14
Accounts payable for purchases of assets	218	164	1	-
Total trade and other payables	<u>481</u>	<u>424</u>	<u>116</u>	<u>116</u>

8. Long-term loans from banks

(Unit: Million Baht)

	Consolidated financial statements	
	31 March	31 December
	2019	2018
		(Audited)
Mono Broadcast Company Limited	1,263	1,275
Mono Production Company Limited	160	168
Total	<u>1,423</u>	<u>1,443</u>
Less: Current portion	<u>(123)</u>	<u>(109)</u>
Long-term loans from banks - net of current portion	<u>1,300</u>	<u>1,334</u>

(Unaudited but reviewed)

Movements in the long-term loan from bank account during the period were summarised below.

	(Unit: Million Baht)
	Consolidated
	financial statements
	<u>1,443</u>
Balance as at 1 January 2019	1,443
Less: Repayment	<u>(20)</u>
Balance as at 31 March 2019	<u>1,423</u>

The subsidiaries' loans are secured by the mortgage of a subsidiary's land with structures thereon, as described in Note 5 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.

9. Cost of spectrum license payable

	(Unit: Million Baht)	
	Consolidated	
	financial statements	
	31 March	31 December
	2019	2018
		(Audited)
Cost of spectrum license payable	954	954
Less: Deferred interest expenses	<u>(95)</u>	<u>(103)</u>
Total	859	851
Less: Portion due within one year	<u>(7)</u>	<u>(7)</u>
Cost of spectrum license payable - net of current portion	<u>852</u>	<u>844</u>

On 11 April 2019, it was announced in the Government Gazette that recipients of digital TV spectrum licenses would be granted a waiver of the payment of the final installment of the minimum bid price of the spectrum license fee and the final two installments of the license fee in excess of the minimum bid price, and that licensees who have not yet paid the license fee installments other than the waived installments are to make full payment of these remaining amounts within 120 days from the date on which the order is effective, in accordance with the terms and conditions stipulated by the Office of the National Broadcasting and Telecommunications Commission (NBTC). Management of the Company and its subsidiaries is currently evaluating the impact to the financial statements and will recognise the effect of the waiver in the second quarter of 2019.

10. Revenue from contracts with customers

(Unit: Million Baht)

	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Type of goods or service:				
Advertising services	482	475	18	22
Subscription services	32	120	28	119
Content services	49	34	-	-
Total revenue from contracts with customers	<u>563</u>	<u>629</u>	<u>46</u>	<u>141</u>
Timing of revenue recognition:				
Revenue recognised at a point in time	548	612	45	140
Revenue recognised over time	15	17	1	1
Total revenue from contracts with customers	<u>563</u>	<u>629</u>	<u>46</u>	<u>141</u>

11. 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 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>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Current income tax:				
Current income tax charge	1	-	-	-
Deferred tax:				
Relating to origination and reversal				
of temporary differences	<u>(3)</u>	<u>(4)</u>	<u>-</u>	<u>(11)</u>
Income tax income reported in the statement				
 of comprehensive income	<u>(2)</u>	<u>(4)</u>	<u>-</u>	<u>(11)</u>

The amounts of income tax relating to each component of other comprehensive income for the periods are as follows:

	(Unit: Million Baht)			
	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Deferred tax on actual loss	<u>(2)</u>	<u>-</u>	<u>(1)</u>	<u>-</u>

12. 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 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						
		Weighted average				
Profit (loss)		number of		Earnings (loss)		
for the period		ordinary shares		per share		
<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	
(Million Baht)	(Million Baht)	(Million shares)	(Million shares)	(Baht)	(Baht)	
Basic earnings (loss) per share						
Profit (loss) attributable to equity holders of the Company	(112)	19	3,471	3,393	(0.032)	0.006
Effect of dilutive potential ordinary shares						
Warrants offered to existing shareholders	-	-	-	621		
Diluted earnings per share						
Profit (loss) attributable to ordinary shareholders					Anti-	
assuming the conversion of warrants to ordinary shares	<u>(112)</u>	<u>19</u>	<u>3,471</u>	<u>4,014</u>	diluted	0.005
Separate financial statements						
For the three-month periods ended 31 March						
		Weighted average				
Profit (loss)		number of		Earnings (loss)		
for the period		ordinary shares		per share		
<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	
(Million Baht)	(Million Baht)	(Million shares)	(Million shares)	(Baht)	(Baht)	
Basic earnings (loss) per share						
Profit (loss) attributable to equity holders of the Company	(38)	4	3,471	3,393	(0.011)	0.001
Effect of dilutive potential ordinary shares						
Warrants offered to existing shareholders	-	-	-	621		
Diluted earnings per share						
Profit (loss) attributable to ordinary shareholders					Anti-	
assuming the conversion of warrants to ordinary shares	<u>(38)</u>	<u>4</u>	<u>3,471</u>	<u>4,014</u>	diluted	0.001

13. 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 ⁽¹⁾		business ⁽²⁾		and			
	2019	2018	2019	2018	2019	2018	2019	2018
Sales and service income								
Revenues from external customers	514	596	49	33	-	-	563	629
Inter-segment revenues	-	-	99	82	(99)	(82)	-	-
Total revenues	<u>514</u>	<u>596</u>	<u>148</u>	<u>115</u>	<u>(99)</u>	<u>(82)</u>	<u>563</u>	<u>629</u>
Segment profit (loss)	157	241	(75)	(66)			82	175
Unallocated income and expenses:								
Other income							7	3
Selling and servicing expenses							(54)	(26)
Administrative and other expenses							(118)	(109)
Reversal of allowance for impairment of investment in a joint venture							-	4
Finance cost							(31)	(32)
Income tax income							2	4
Profit (loss) for the period							<u>(112)</u>	<u>19</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.

14. Commitments and contingent liabilities**14.1 Capital commitments**

As at 31 March 2019, the subsidiaries had capital commitments of approximately Baht 493 million (31 December 2018: Baht 380 million), relating to the purchases of movie rights.

14.2 Guarantees

- a) The Company has guaranteed bank credit facilities of its subsidiaries (exclusive of guarantees provided for bank guarantees as described in Note 14.2 c) to the interim consolidated financial statements) totaling Baht 1,703 million (31 December 2018: Baht 1,727 million).
- b) The subsidiaries have guaranteed bank credit facilities of the Company amounting to Baht 35 million (31 December 2018: Baht 35 million).
- c) As at 31 March 2019, the Company and its subsidiaries had outstanding bank guarantees of Baht 1,036 million and USD 12 million (31 December 2018: Baht 1,038 million and USD 10 million) (the Company only: Baht 2 million (31 December 2018: Baht 2 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.

14.3 Operating lease and service commitments

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

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2019	2018	2019	2018
		(Audited)		(Audited)
Payable:				
in up to 1 year	148	151	30	35
in over 1 year and up to 5 years	239	238	4	8
in over 5 years	236	250	-	-

14.4 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.

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.

However, on 7 May 2018, the plaintiff appealed the judgements of the Court of Appeal for Specialized Cases in both the civil case and the criminal case to the Supreme Court. The appeals are currently being considered by the Supreme Court.

- 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. Subsequently, on 6 November 2018, the court ordered dismissal of the plaintiff's action. The plaintiff did not appeal the judgement of the court within 21 March 2019, and the case is thus finalised.

- c) In August 2018, the Company and its subsidiary were sued by an unrelated individual through the Central Intellectual Property and International Trade Court in a criminal case for infringement of copyright in literary works, seeking compensation of Baht 7 million. The preliminary examination is currently being considered.

The Company's and its subsidiary'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.

15. Event after the reporting period

Amendments to the law relating to the legal severance pay rates

On 5 April 2019, The Labor Protection Act (No. 7) B.E. 2562 was announced in the Government Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. The law is effective from 5 May 2019. This change is considered a post-employment benefits plan amendment and the Company and its subsidiaries have additional long-term employee benefit liabilities of Baht 18 million (The Company only: Baht 8 million) as a result. The Company and its subsidiaries will reflect the effect of the change as expenses in the second quarter of 2019.

16. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 7 May 2019.