

**Company's financial statements and summary of management discussion and analysis from the 2021 annual report**

**Independent Auditor's Report**

To the Shareholders of Mono Next Public Company Limited

**Opinion**

I have audited the accompanying consolidated financial statements of Mono Next Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2021, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Mono Next Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Mono Next Public Company Limited and its subsidiaries and of Mono Next Public Company Limited as at 31 December 2021, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

**Basis for Opinion**

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**Key Audit Matters**

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond for each matter are described below.

*Revenue recognition*

The Group is principally engaged in both media and content businesses. As a result, the Group has a variety of revenues from sales of goods and rendering of services. The amount of the Group's revenue is significantly and directly affected its operating performance, to which users of financial statements pay attention. I have therefore focused on the Group's revenue recognition.

I have examined the revenue recognition of the Group by

- Assessing and testing the Group's internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls, and expanding the scope of the testing of the internal controls with respect to revenue recognition
- On a sampling basis, examining supporting documents for actual sales and service transactions occurring during the year and near the end of the reporting period
- Reviewing credit notes that the Group issued after the period-end
- Performing analytical procedures on disaggregated data to detect possible irregularities in sales and service transactions throughout the period, particularly for accounting entries made through journal vouchers

*Impairment of assets*

As at 31 December 2021, intangible assets and cost of spectrum license totaled Baht 2,264 million, representing 51 percent of the Group's total assets in the consolidated statement of financial position, as described in Notes 11 and 12 to the consolidated financial statements. Moreover, the Company had investments in subsidiaries and loans to and interest receivable from subsidiaries amounting to Baht 4,159 million, representing 94 percent of total assets in the separate statement of financial position, as described in Notes 6 and 9 to the consolidated financial statements. Management's assessment was that there were indicators that these assets may be impaired. In determining the impairment loss, management had to exercise judgement with respect to the projections of future operating performance and plans for management of assets, and the determination of an appropriate discount rate and key assumptions, which directly affect the amount of allowance for impairment loss on such assets.

I gained an understanding of and assessed the assumptions applied in preparing plans and cash flow projections, based on

- Gaining an understanding of the process by which the figures were arrived at
- Comparing the assumptions with external and internal sources of information
- Comparing past cash flow projections with actual operating results in order to assess the exercise of management judgement in estimating cash flow projections
- Evaluating the discount rate applied by management through analysis of the moving average finance costs of the Group and of the industry
- Testing the calculation of the realisable values of the assets using the selected financial model
- Considering the impact of changes in key assumptions on realisable values, especially changes in the discount rate and long-term revenue growth rates
- Reviewing the disclosures made with respect to the impairment assessment for assets

*Deferred tax assets for unused tax losses*

As at 31 December 2021, the Group had deferred tax assets for unused tax losses amounting to Baht 290 million. The Group has disclosed its accounting policy and details relating to deferred tax in Notes 4 and 24, respectively, to the consolidated financial statements. A deferred tax asset is recognised when it is highly probable that the Group's taxable profit will be sufficient to allow utilisation of the deferred tax in the future. Determining whether there will be sufficient future taxable profit to utilise taxable losses requires significant management judgement with respect to preparation of business plans and projections of future taxable profit based on approved business plans. Therefore, there is a risk with respect to the amount of deferred tax assets.

I assessed the estimates of future taxable profit by checking the required information and key economic assumptions used in the projections against information from both external and internal sources, with particular consideration given to information and assumptions that directly affect revenue growth and gross profit margin. Furthermore, I compared past profit projections with actual taxable profits to assess the exercise of management judgement in estimating taxable profits. I also tested the calculation of future taxable profit

based on the above information and assumptions, and considered the effects of changes to key assumptions on the projected future taxable profits, especially in respect of long-term revenue growth. In addition, I reviewed the disclosures of information regarding temporary differences and unused tax losses for which deferred tax assets were not recognised by the Group.

### **Other Information**

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.



Krongkaew Limkittikul

Certified Public Accountant (Thailand) No. 5874

EY Office Limited

Bangkok: 23 February 2022

## Summary of Financial Statements

Statements of financial position of the Company and subsidiaries as of December 31, 2019 – 2021

Statements of Financial Position	As of December 31					
	2021		2020		2019	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>Assets</b>						
<b>Current assets</b>						
Cash and cash equivalents	162.66	3.65	173.22	3.93	45.07	0.99
Trade and other receivables	529.90	11.89	244.71	5.55	141.49	3.12
Contract assets – accrued revenues	153.34	3.44	140.14	3.18	189.12	4.16
Inventories	1.97	0.04	8.09	0.18	16.34	0.36
Current tax assets	48.49	1.09	44.68	1.01	66.94	1.47
Prepaid expenses	8.77	0.20	7.39	0.17	17.51	0.39
Other current assets	45.53	1.02	40.64	0.92	57.32	1.26
<b>Total current assets</b>	<b>950.66</b>	<b>21.33</b>	<b>658.87</b>	<b>14.94</b>	<b>533.79</b>	<b>11.75</b>
<b>Non-current assets</b>						
Restricted bank deposits	99.76	2.24	66.85	1.52	39.61	0.87
Investment in joint venture			–	–	0.88	0.02
Property, plant and equipment	602.32	13.51	652.40	14.81	712.97	15.69
Intangible assets	1,798.26	40.34	2,040.79	46.32	2,282.81	50.25
Cost of spectrum license	465.35	10.44	529.02	12.01	592.86	13.05
Deferred tax assets	441.61	9.91	364.29	8.27	300.53	6.62
Other non-current assets	99.53	2.23	93.87	2.13	79.33	1.75
<b>Total non-current assets</b>	<b>3,506.83</b>	<b>78.67</b>	<b>3,747.22</b>	<b>85.06</b>	<b>4,008.99</b>	<b>88.25</b>
<b>Total assets</b>	<b>4,457.49</b>	<b>100.00</b>	<b>4,406.09</b>	<b>100.00</b>	<b>4,542.78</b>	<b>100.00</b>

Statements of Financial Position (Continued)	As of December 31					
	2021		2020		2019	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>Liabilities</b>						
<b>Current liabilities</b>						
Bank overdrafts and short-term loans from banks	141.85	3.18	155.02	3.52	185.87	4.09
Trade and other payables	903.64	20.27	497.30	11.29	358.36	7.89
Contract liabilities – unearned revenues	73.05	1.64	124.39	2.82	72.61	1.60
Short-term loans from an unrelated party	90.00	2.02	215.00	4.88	–	–
Current portion of long-term liabilities						
Long-term loans from banks	330.00	7.40	199.24	4.52	300.79	6.62
Cost of spectrum license and interest payable	–	–	227.67	5.17	–	–
Liabilities under finance lease agreements	7.48	0.17	15.81	0.36	21.84	0.48
Income tax payable	–	–	0.63	0.01	0.39	0.01
Other current liabilities	48.69	1.09	25.09	0.57	37.53	0.83
<b>Total current liabilities</b>	<b>1,594.71</b>	<b>35.77</b>	<b>1,460.15</b>	<b>33.14</b>	<b>977.39</b>	<b>21.52</b>
<b>Non-current liabilities</b>						
Long-term liabilities, net of current portions						
Long-term loans from banks	1,373.21	30.81	1,502.68	34.11	1,233.08	27.14
Cost of spectrum license and interest payable	–	–	–	–	212.18	4.67
Lease liabilities	3.86	0.09	8.83	0.20	16.22	0.36
Deferred tax liabilities	–	–	3.68	0.08	5.83	0.13
Provision for long-term employee benefits	87.95	1.97	78.09	1.77	86.39	1.90
<b>Total non-current liabilities</b>	<b>1,465.02</b>	<b>32.87</b>	<b>1,593.28</b>	<b>36.16</b>	<b>1,553.70</b>	<b>34.20</b>
<b>Total liabilities</b>	<b>3,059.73</b>	<b>68.64</b>	<b>3,053.43</b>	<b>69.30</b>	<b>2,531.09</b>	<b>55.72</b>
<b>Shareholders' equity</b>						
Registered capital	381.81		347.11		486.30	
Issued and fully paid-up capital	347.11	7.79	347.11	7.88	347.11	7.64
Premium on ordinary shares	3,633.00	81.50	3,633.00	82.45	3,633.01	79.97
Differences on business combination under common control	(152.37)	(3.42)	(152.37)	(3.46)	(152.37)	(3.35)
Retained earnings						
Appropriated – statutory reserve	51.97	1.17	51.97	1.18	51.97	1.14
Unappropriated (deficit)	(2,481.89)	(55.68)	(2,527.11)	(57.35)	(1,865.88)	(41.07)
Other components of shareholders' equity	(0.06)	(0.00)	0.06	0.00	(2.15)	(0.05)
<b>Total shareholders' equity</b>	<b>1,397.76</b>	<b>31.36</b>	<b>1,352.66</b>	<b>30.70</b>	<b>2,011.69</b>	<b>44.28</b>
<b>Total liabilities and shareholders' equity</b>	<b>4,457.49</b>	<b>100.00</b>	<b>4,406.09</b>	<b>100.00</b>	<b>4,542.78</b>	<b>100.00</b>



## Statement of comprehensive income of the Company and subsidiaries for the year ended December 31, 2019 – 2021

Statement of Comprehensive Income	Consolidated Financial Statements					
	For the year ended December 31					
	2021		2020		2019	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>Revenue</b>						
Revenue from contracts with customers	2,167.72	98.92	1,644.65	97.19	2,150.39	98.47
Other income	23.62	1.08	47.63	2.81	33.36	1.53
<b>Total Revenues</b>	<b>2,191.34</b>	<b>100.00</b>	<b>1,692.28</b>	<b>100.00</b>	<b>2,183.75</b>	<b>100.00</b>
<b>Expenses</b>						
Cost of sales and services	1,726.00	78.76	1,729.15	102.18	1,963.11	89.89
Selling and servicing expenses	97.95	4.47	163.32	9.65	281.76	12.90
Administrative expenses	296.15	13.51	342.08	20.21	493.69	22.61
Expected credit losses (reversal)	0.14	0.01	9.78	0.58	(0.04)	–
Loss on impairment of other non-financial assets	–	–	37.34	2.21	5.25	0.24
<b>Total Expenses</b>	<b>2,120.24</b>	<b>96.76</b>	<b>2,281.67</b>	<b>134.83</b>	<b>2,743.77</b>	<b>125.64</b>
<b>Operating Profit</b>	<b>71.10</b>	<b>3.24</b>	<b>(589.39)</b>	<b>(34.83)</b>	<b>(560.02)</b>	<b>(25.64)</b>
Share of profit (loss) from investment in an associate	–	–	(0.28)	(0.01)	0.81	0.03
<b>Profit (loss) before finance cost and tax income (expenses)</b>	<b>71.10</b>	<b>3.24</b>	<b>(589.67)</b>	<b>(34.84)</b>	<b>(559.21)</b>	<b>(25.61)</b>
Finance income	0.26	0.01	0.19	0.01	0.59	0.03
Finance cost	(108.17)	(4.94)	(120.32)	(7.11)	(110.42)	(5.06)
<b>Loss before income tax</b>	<b>(36.81)</b>	<b>(1.68)</b>	<b>(709.80)</b>	<b>(41.94)</b>	<b>(669.04)</b>	<b>(30.64)</b>
Income tax income (expenses)	82.03	3.74	48.30	2.85	52.85	2.42
<b>Profit (Loss) for the year</b>	<b>45.22</b>	<b>2.06</b>	<b>(661.49)</b>	<b>(39.09)</b>	<b>(616.19)</b>	<b>(28.22)</b>
Exchange differences on translation of financial statements in foreign currency	(0.12)		2.21		(2.57)	
Actuarial gain (loss) – net of income tax	–		0.27		(10.72)	
<b>Other comprehensive income for the year</b>	<b>(0.12)</b>		<b>2.48</b>		<b>(13.29)</b>	
<b>Total comprehensive income for the year</b>	<b>45.10</b>		<b>(659.02)</b>		<b>(629.48)</b>	
<b>Profit attributable to</b>						
Profit attributable to equity holders of the Company	45.22		(661.49)		(616.19)	
<b>Profit for the year attributable to</b>	<b>45.22</b>		<b>(661.49)</b>		<b>(616.19)</b>	
<b>Loss per share</b>						
Basic loss per share	0.013		(0.191)		(0.178)	
Loss attributable to equity holders of the Company	0.013		(0.191)		(0.178)	
Weighted average number of ordinary shares (million shares)	3,471.05		3,471.05		3,471.05	

## Statement of cash flows of the Company and subsidiaries for the year ended December 31, 2019 – 2021

Statement of Cash Flows	Consolidated Financial Statements		
	For the year ended December 31		
	2021	2020	2019
	Million Baht	Million Baht	Million Baht
Net cash from operating activities	1,179.57	641.93	1,032.05
Net cash used in investing activities	(907.36)	(737.24)	(1,010.30)
Cash flows from financing activities	(282.65)	221.25	(65.58)
Increase (decrease) in translation adjustments	(0.12)	2.21	(2.57)
Net increase (decrease) in cash and cash equivalents	(10.56)	128.15	(46.40)

## Key Financial Ratio

Financial Ratio	Consolidated Financial Statements		
	2021	2020	2019
<b><u>Liquidity Ratio</u></b>			
Liquidity Ratio (Time)	0.60	0.45	0.55
Quick Ratio (Time)	0.52	0.38	0.36
Cash Flow Liquidity Ratio (Time)	0.77	0.53	1.12
Account Receivable Turnover (Time)	4.08	4.67	5.85
Average Collection Period (Day)	89.51	78.18	62.41
Inventory Turnover (Time)	279.63	120.17	100.31
Average Sale Period (Day)	1.31	3.04	3.64
Payable Turnover (Time)	3.02	7.19	12.53
Average Payment Period (Day)	121.05	50.74	29.13
Cash Cycle (Day)	(30.23)	30.48	36.92
<b><u>Profitability Ratio</u></b>			
Gross Profit Margin (%)	20.38	(5.14)	8.71
Operating Profit Margin (%)	2.19	(38.73)	(27.59)
Other income to total income ratio (%)	1.08	2.81	1.53
Operating Cash Flows to Operating Profit Ratio (%)	2,484.43	(100.77)	(173.93)
Net Profit Margin (%)	2.06	(39.09)	(28.22)
Return on Equity (ROE) (%)	3.29	(39.32)	(26.49)

Financial Ratio	Consolidated Financial Statements		
	2021	2020	2019
<b><u>Efficiency Ratio</u></b>			
Return on Assets (ROA) (%)	1.02	(14.78)	(11.96)
Return on Fix Assets (ROFA) (%)	17.52	(85.28)	(71.80)
Total Assets Turnover (Time)	0.49	0.38	0.42
<b><u>Financial Policy Ratio</u></b>			
Debt to Equity Ratio (Time)	2.19	2.26	1.26
Interest Coverage (Time)	13.54	7.44	7.31
Interest-bearing debt per profit before interest expense, income tax, depreciation, and amortization	1.32	2.57	2.12
Cash Basic (Time)	2.61	1.13	1.74

### Management Discussion and Analysis

There has been waves of Coronavirus outbreak since 2020 which has slowed down overall economy and advertising industry. In 2021, the Company learned from the past experiences and carefully monitored in order to continuously state measures and policies suitable to these unstable situations. Achieving objectives from the adjustment of business strategy, boosting cost management and control, recovering from the pandemic during the fourth quarter of 2021, and gaining positive results from the on-going content provider business, MonoMax and 3BB GIGATV, led to the growth of revenue and profit from the operations. The Company was certain that the outbreak situation started improving and the economy would quickly recover. Marketing and marketing activities would improve media and advertising businesses in year 2022.

#### 1) Overview of Operation Results

##### Revenue

**Total revenue** of the Company and subsidiaries for 2021 amounted to 2,191.34 million Baht, compared to 1,692.28 million Baht in 2020, increasing by 499.06 million Baht or 29.49 percent, with details summarized as follows:

Revenue	Consolidated Financial Statements			
	2021	2020	Increase (Decrease)	%
Sales and service income	2,167.72	1,644.65	523.07	31.80
Other income	23.62	47.63	(24.01)	(50.41)
<b>Total</b>	<b>2,191.34</b>	<b>1,692.28</b>	<b>499.06</b>	<b>29.49</b>

**Sales and service income** of the Company and subsidiaries for 2021 totaled 2,167.72 million Baht, compared to 1,644.65 million Baht in 2020, increasing by 523.07 million Baht, or 31.80 percent. Details of sales and service income can be categorized in terms of business as follows:

Business	Consolidated Financial Statements			
	2021	2020	Increase (Decrease)	%
Media business	1,923.56	1,456.08	467.48	32.11
Content business and other businesses	244.16	188.57	55.59	29.48
<b>Total</b>	<b>2,167.72</b>	<b>1,644.65</b>	<b>523.07</b>	<b>31.80</b>

**Revenue from media business** comprising of the TV, online and subscription video on demand business of the Company and subsidiaries for 2021 was 1,923.56 million Baht, comparing to 1,456.08 million Baht in 2020, increasing by 467.48 million Baht or 32.11 percent. The increasing income was mainly due to advertising revenue. Despite new waves of COVID-19 outbreak through the year 2021, people gained more understanding of the disease, in addition, the government restrictions were not as intense as the outbreak during the early of 2020. Consequently, in 2021, the market began to recover which resulted in the rising of advertising revenue. The Company also had sales promotion policy, program chart restructuring, and adding new programs which received a good feedback. Revenue from MonoMax and 3BB GIGATV content service increased by 237.1 million Baht, or 104.1 percent, comparing to the previous year. The business grows continuously in the same direction as the growth of digital media.

**Revenues from content business and other businesses** comprising movie, entertainment, commerce and content management of the Company and subsidiaries in 2021 amounted to 244.16 million Baht, increasing by 55.59 million Baht, or 29.48 percent from 188.57 million Baht of 2020 since the Company gained more income from content management service.

**Other income** of the Company and subsidiaries in 2021 was 23.62 million Baht, compared with 47.63 million Baht in 2020, decreasing by 24.01 million Baht or 50.41 percent.

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

**Cost, expense, finance income, financial cost and income tax** of the Company and subsidiaries in 2021 totaled 2,146.12 million Baht, compared to 2,353.78 million Baht in 2020, decreasing by 207.66 million Baht or 8.82 percent.

Details	Consolidated Financial Statements			
	2021	2020	Increase (Decrease)	%
Cost of sales and services	1,726.00	1,729.15	(3.15)	(0.18)
Selling and servicing expenses	97.95	163.32	(65.37)	(40.03)
Administrative expenses	296.15	342.08	(45.93)	(13.43)
Expected credit losses (reversal)	0.14	9.78	(9.64)	(98.57)
Loss on impairment of other non-financial assets	-	37.34	(37.34)	(100.00)
Total expenses	2,120.24	2,281.67	(161.43)	(7.08)
Share of profit from investment in an associate	-	0.28	(0.28)	(100)
Finance income	(0.26)	(0.19)	(0.07)	(36.84)
Finance cost	108.17	120.32	(12.15)	(10.10)
Tax income (expenses)	(82.03)	(48.30)	(33.73)	(69.83)
<b>Total</b>	<b>2,146.12</b>	<b>2,353.78</b>	<b>(207.66)</b>	<b>(8.82)</b>

The reduction in operating expenses was mainly due to the restructuring within the group which focused on core businesses, in addition, the Company was capable of managing cost of sales and expenses more efficiently.

#### **Net Profit (Loss)**

The Company and subsidiaries recorded the net profit for 2021 at 45.22 million Baht, comparing to net loss of 661.49 million Baht in 2020, profit increased by 706.71 million Baht or 106.84 percent.

## **2) Financial Status Analysis**

### **Assets**

The total assets of the Company and subsidiaries as of the end of 2021 amounted to 4,457.49 million Baht, increasing by 51.40 million Baht of 2020. This was in consequence of current assets increased in amount of 291.79 million Baht but non-current assets decreased in amount of 240.39 million Baht. An increase in current assets was mostly because trade and other receivables increased by 285.19 million Baht. A decrease in non-current assets was mostly because intangible assets decreased by 242.53 million Baht.

### **Liabilities**

As of the end of 2021, total liabilities of the Company and subsidiaries stood at 3,059.73 million Baht, increasing by 6.30 million Baht from 2020. The increase of liabilities was mainly due to an increase in trade and other payables of 406.34 million Baht. The reduction of liabilities came from cost payment of spectrum license acquisition totally 227.67 million Baht and an increase in short-term loans from an unrelated party of 125.00 million baht.

### **Shareholders' equity**

Shareholders' equity of the Company and subsidiaries as of the end of 2021 was 1,397.76 million Baht, increasing by 45.10 million Baht from 2020 which was mainly due to the 2021 profit of 45.22 million Baht.

#### **Investment Structure**

As of December 31, 2021, the Company and subsidiaries recorded the total liabilities of 3,059.73 million Baht, accounting for 68.64 percent of total assets. Shareholders' equity was 1,397.76 million Baht, accounting for 31.36 percent of total assets. Debt to Equity Ratio was 2.19 times, decreasing by 0.07 times from the year 2020.

#### **Profitability**

As of December 31, 2021, the Company and subsidiaries' gross profit margin was 20.38 percent, increasing by 25.52 percent from 2020. Net profit margin was 2.06 percent, increasing by 41.15 percent from 2020 since the operating results of the Company and subsidiaries was greatly improved.

#### **Asset Management Ability**

In 2021, the Company and subsidiaries' Return on Assets was 1.02 percent, increasing by 15.80 percent from 2020 and Total Assets Turnover in 2021 was 0.49 times which increased by 0.11 times from the 2020 since the operating results of the Company and subsidiaries was greatly improved.

#### **Liquidity and Capital Adequacy**

In 2021, the Company and subsidiaries' liquidity ratio was 0.60 times, increasing by 0.15 times from 2020. This was because the increase in current liabilities of the Company and subsidiaries. Quick Ratio was 0.52 times, increasing by 0.14 times from 2020.

In 2021, debt-to-equity ratio was 2.19 times, decreasing by 0.07 times from 2020 because the Company and subsidiaries' shareholders equity increased from operating profit.

#### **Liability Commitments**

As of December 31, 2021, the subsidiaries had outstanding payment commitments in respect of service agreements amounting to 159 million Baht. The terms of the agreements were generally between 1 and 8 years.

### **3) Trends of the Year 2022**

Although there are some instabilities about the widespread of Omicron strain of COVID-19 during the beginning of the year 2022, it is believed that the situation will recover soon due to the comparison of the spreading pattern in other countries. The Company is also confident that Thai economy will improve and there will be an increased amount of money on advertisement from marketing and marketing activities, leading to the recovery of media and advertising businesses. However, there are still some instabilities on the trust and purchasing power of consumers. The competitiveness in the market is still high, the Company has to apply strategy on price and promotion policy to maintain the growth and market share. Apart from the objectives focusing on the growth of revenue in the main business and cost management of appropriate contents supporting the expansion of business on company's platform, the Company provides business plan that supports the lifestyles of New Normal era and new forms of technology including 1) developing business to Web 3.0 technology, and 2) gaining different Virtual experiences to achieve sustainable growth.