

# ANNUAL REPORT 2015



## Vision and Mission

### Vision

AJ “To Build  
Economy with  
Happiness  
in Thailand”

### Mission

“We shall supply innovative and trustworthy electronic appliances, including categories of audio and visual instruments and home appliances, that meet the consumers’ needs in enhancing every family wealth”

## Financial Highlights

Unit : Million baht

	2013	2014	2015
<strong>Financial Position</strong>			
Total Assets	1,226.54	2,960.18	2,387.47
Total Liabilities	857.80	2,277.37	1,164.52
Total Shareholders’ equities	368.74	682.82	1,222.95
<strong>Financial Performance</strong>			
Revenue from sales and services	1,643.59	1,863.11	1,764.19
Cost of Goods Sold from sales and services	1,055.67	1,143.51	1,063.03
Profit before Interest and Tax	109.40	175.97	94.42
Net Profit	68.30	122.14	6.37
<strong>Financial Ratios</strong>			
Net Profit Margin (%)	4.14	6.53	0.36
Return on Equity (%)	19.80	23.45	0.68
Return on Average Assets (%)	5.25	5.83	0.24
Debt to Equity (Times)	2.33	3.38	0.98
EPS (Baht)	0.029	0.042	0.002

The investor can study additional information of the Company from an annual information disclosure form (56-1 Form) at [www.sec.or.th](http://www.sec.or.th) or at the Company’s website: [www.ajthai.com](http://www.ajthai.com).



# C Contents



		Vision and Mission
	2	Message from the Chairman of Board Directors
	3	Message from Chief Executive Officer
	4	Report of the Audit Committee
	5	The Board of Directors
	9	Nature of Business
	11	Risk Factors
	14	Shareholding Structure
	14	Dividend Payment Policy
	15	Management Structure
	26	Corporate Governance
	32	Corporate Social Responsibility
	34	Internal Control
	36	Related Transactions
	41	Financial Positions and Operating Results
	48	Analysis of Financial Positions and Operating Results
	57	Independent Auditor's Report and Financial Statements

# Message from the Chairman of Board Directors

Under an economic slowdown in Thailand for the year 2015 in the same direction as the world economic recession and over debt crisis especially in European countries has been directly affected to the result of business operation. Even an effort from the government to stimulate the economic activities in term of tax benefit and infrastructure investment, the result was not be able to boost up the recovery of economy to the satisfied level. This is a period to test the adaptability of companies whether they can pass this hardship and able to walk forward to a better future or not. Through the fastness of technology changes, Crown Tech Advance Public Co., Ltd., a company which engages in business of import and distribution of the leading and widely known electric appliance, has to work even harder to make company grow forward and able to adapt business operation in every circumstances.



The Company adapted forward to a sustainability company, even sometimes the changes in business may create more risk and we have to accept that the result might not be up to what we are expected. All directors, executives and employees of the Company shall use their best effort to create maximum benefits to all stakeholders who are shareholders, customers, product provider as well as other relevant people under the legal framework and related regulations. We believe that this concept shall contribute to everlasting growth of the Company on sustainable basis.

With the perspective for a better company's future, another significant change in 2015 was that the Company has invested in 'Vending Corporation Co., Ltd' up to 60% shareholder with only small amount of first investment but expected for a good return in the near future. The company expanded into the related good potential business for a continuous and sustainable growth of the Company.

The Company sincerely thank you all shareholders for supporting the capital increase process and agreeing on the business growing direction. All executives and employees have a strong will to run the business to be a better and sustainable company with great operating result.

A handwritten signature in blue ink, appearing to read 'P. Rienmahasarn'.

(Dr. Pitsanu Rienmahasarn)  
Chairman of the Board of Directors

## Message from Chief Executive Officer



In 2015, Crown Tech Advance Public Company Limited had a total revenue at 1,768.81 million Baht, decreased by 101.11 million Baht or 5.41% compared with previous year at 1,869.92 million Baht. However the annual net profit was 6.37 million Baht decreased by 115.77 million Baht or 94.78% compared with previous year at 122.14 million Baht. Although the Company has performed its best to maximize both sales volume and profitability, the Company performance was still underperformed from the target. This was partly an effect from the economic slowdown and changes in customer behavior which affect the result of the business goal.

The Company adjusted its business model, business strategy and funding strategy in accordance with the changes into technology society and current economy. In term of business model, we seek for new opportunity by investing in new business with high potential growth.

This year, the company invested 60% of 'Vending Corporation Co., Ltd', the vending machine operation business to provide a variety of services included mobile top-up and utility bill payment, which the Company foresee that it still has more rooms for improvement and good business opportunity. In the first stage, the company invested 7.5 million baht from capital increase, and provided financial support up to 50 million Baht for subsidiary. Vending Corporation Co., Ltd. could utilize the maximum competency by expediently procuring international electronic parts of the machine which its parent Company have connections. The investment in this new subsidiary has been acknowledged to shareholders beforehand. Performance of the new subsidiary was very pleased that we installed the vending machine 5 times more than before cooperation. We expected that in year 2016 the performance of this subsidiary company would be better and definitely boost the overall financial performance of the company in another way.

In part of our core business, the procurement and selling of electrical appliance, we never stop developing. The Company built a stronger team by recruiting expertise employees to support the workforce and improved sale and marketing strategy to boost up the performance. We believe that these strategies will boost sales and improve our profit of the Company group.

In part of financing, the Company issued newly ordinary shares for existing shareholders and Private Placement in total of 431.74 million Baht in the 3rd quarter of 2015, which will be the capital fund to prepare for any upcoming opportunity and new business investment expansion. Now, the company is in the process to deal with the world's leading business company "Alibaba" for business partnership. Nevertheless, the company will thoroughly study on any potential risks to help protect against significant losses.

I and all of the team committed to dedicate all of our knowledge and capability for the bright future of the company and ready for any changes and development for a better and better Crown Tech Advance Public Company Limited.



(Mr. Amorn Meemano)  
Chief Executive Officer



# Report of the Audit Committee

The audit committee members composed of Dr. Pitsanu Rienmahasarn, an expert of business economy and domestic/international marketing, Mr. Vacharin Duangdara, an expert in law and business regulations, and Mr. Kamol Chirapathama, an expert in accounting and finance. All members performed the duties in compliance with regulations of the Stock Exchange of Thailand including other relevant laws. The important issues in the meeting in 2015 were summarized as follows:

1. Reviewed the quarterly and annual financial statements of 2015 by jointly discussing with the auditor and the accounting executives. The Audit Committee questioned on asset, liability, revenue, and expense by details as it has significant changes which may affect to the future operation i.e. inventory or obligation, which the auditor can clearly clarify. The audit committee deemed that such financial statements which have been prepared pursuant to generally accepted accounting principles were correct and reliable.
2. Reviewed risk controlling process especially in new business, Vending Corporation Co., Ltd. The review was specified on the project feasibility and shareholder benefits comparing with other shareholders.
3. Reviewed the related transaction or the transaction which might have conflict of interest. For 2015, the Audit Committee deemed that the company has high cost of borrowing from directors for working capital which resulted in interest obligation. The audit committee investigated appropriateness of charging interest rates calculation methodology.
4. Reviewed adequacy of the internal control system, which the Company hired professional to do internal audit control and reported on quarterly basis with minor issues after reviewing. The Audit Committee suggested that the company should have its own in-house internal audit department working parallel with external party in order to increase efficiency in operation and evaluate strength, weakness and turn the weakness of the Company to strength in the future.
5. Reviewed and ensure that the Company correctly and appropriately complied with the rules, regulations and laws on securities and stock exchange and any relevant laws. The company adapted the policy as audit committee recommended to comply with regulations.
6. The audit committee agreed and proposed to the executive committee to emphasize on ethical, corporate governance, anti-corruption, and risk control by setting up corporate governance committee, risk control committee and anti-corruption committee.
7. Reviewed and selected KPMG Phoomchai Audit Ltd., the Company's audit for the previous year to be the auditor for another year by proposing to the meeting of the Board of Directors to request for approval from the 2016 Annual General Meeting of Shareholders to appoint Mr. Nirand Lilamethwat, a certified public accountant, registration no. 2316, or Ms. Bongkot Aumsangam, a certified public account, registration no. 3684 or Mr. Thanit Osathalert, a certified public accountant, registration no. 5155 of KPMG Poomchai Auditing Co., Ltd., which are qualified to be the auditor of the listed company pursuant to regulations of the Office of the Securities and Exchange Commission to be the Company's auditor for 2016 and approved remuneration of 3,480,000 Baht.

The Audit Committee has independence to perform duties as per assigned and has consulted with auditor every quarter and also has taken other related information from other sources about company in consideration. Moreover, the audit committee set up private meeting without executive members in case of any different opinions and proposed recommendation to create good corporate governance to the company.

On behalf of the Audit Committee



(Dr. Pitsanu Rienmahasarn)

Chairman of the Audit Committee

# The Board of Directors

01

**Mr. Amorn Meemano**

Director / Executive Committee / Chief Executive Officer



**Education** : Honorary Doctor of Business administration,  
Ramkhamhaeng University  
Master Degree in Business Administration,  
Beijing University  
Bachelor Degree in Business Administration,  
Assumption University

**Training Record** : Director Accreditation Program

**Working Experience**

2015 - Present : Director , Vending Corporation Co., Ltd.  
2009 - Present : Managing Director, Muang Thai Digital Co., Ltd.  
2007 - Present : Director, Happy Vision Co., Ltd.  
2007 - Present : Managing Director, Muke Inter Co., Ltd.  
2006 - Present : Director, Maxon Herb Marketing (Thailand) Co., Ltd.  
2005 - Present : Director, Siam Advance Electronic Co., Ltd.  
2005 - Present : Managing Director, Cap Advance Co., Ltd.  
2002 - Present : Director, T & C Advance Electronic Co., Ltd.  
1999 - Present : Director, Siam Advance Electronic Co., Ltd.  
1999 - Present : Director, Petchnumnueng Jewelry Co., Ltd.

02

**Mr. Pipat Patiwetphinyo**

Director / Executive Committee / Deputy Managing Director : Operation



**Education** : Bachelor Degree in Business Administration -  
Marketing, Kasetsart University

**Training Record** : Director Accreditation Program

**Working Experience**

2015 - Present : Director, Vending Corporation Co., Ltd.  
2007 - Present : Director, Happy Vision Co., Ltd.  
2005 - Present : Director, Siam Advance Electronic Co., Ltd.  
2002 - Present : Director, T & C Advance Electronic Co., Ltd.  
1993 - 2007 : Director, JSC Electric Wire and Cable Co., Ltd.

03

## Mr. Anake Pattanaslid

Director



**Education** : Bachelor Degree in Business Administration,  
Huachiew University

**Training Record** : Director Accreditation Program

**Working Experience**

2007 - Present Director, Happy Vision Co., Ltd.  
 2013 - Present Director, Losanne Khao Yai Co., Ltd.  
 2010 - Present Director, T & C Advance Electronic Co., Ltd.  
 2006 - Present Director, Maxon Herb Marketing (Thailand) Co., Ltd.  
 2005 - Present Director, Siam Advance Electronic Co., Ltd.  
 1993 - Present Director, B.V.S. Trading Co., Ltd.  
 1987 - Present Director, Flying Fish Service (Thailand) Co., Ltd.  
 1987 - Present Director, Super Ten Co., Ltd.

04

## Pol.Lt. Gen. Jitti Rodbangyang

Director



**Education** : Master Degree in Social Sciences, Mahidol University  
 Bachelor Degree in Public Administration,  
 Royal Police Cadet Academy (Sam Pran)

**Training Record** : Director Accreditation Program

**Working Experience**

2007 - Present Director, Happy Vision Co., Ltd.  
 2012 - Present Commander Metropolitan Police Bureau,  
 Royal Thai Police  
 2001 - 2002 Provincial Commander, Royal Thai Police  
 2011 - Present Director, Siam Advance Electronic Co., Ltd.  
 2011 - Present Director, Happy Import Export Co., Ltd.  
 2011 - Present Director, T & C Advance Electronic Co., Ltd.  
 2011 - Present Independent Director, Permsin Steel Works Plc.



05

## Mrs. Nasikar Meemanonuns

Director



**Education** : Bachelor Degree in Business Administration Marketing,  
Thammasat University

**Training Record** : Director Certification Program (DCP)

### Working Experience

2015 - Present Director, Vending Corporation Co., Ltd.  
2015 - Present Director, Happy Vision Co., Ltd.  
1999 - Present Managing Director, Petchnumnueng Jewelry Co., Ltd.  
1997 - 1999 Managing Director, Petchnumnueng Shop  
1993 - 1996 Insurance agent, / Assistant Unit  
Manager AIA Group Limited  
1991 - 1993 Marketing Manager, S.O.S. Marketing Co., Ltd.  
1989 - 1990 Assistant Marketing Manager, T.N. Incorporated Co., Ltd.  
1987 - 1989 Assistant Marketing Manager, I.P. Trading Co., Ltd.  
1986 - 1987 Marketing Officer, Saha Pathanapibul Co., Ltd.

06

## Dr. Pisanu Rienmahasarn

Chairman of the Board of Directors/Chairman of the Audit Committee/  
Independent Director



**Education** : Doctor of Philosophy Degree,  
Ramkhamhaeng University  
Master Degree in Economics, Duke University,  
Durham NC, USA  
Bachelor Degree (Honour) in Economics,  
Thammasat University

**Training Record** : National Defence College, Wor Por Ror Aor. 4414  
Top Executive Program Class 5  
Capital Market Academy (CMA)  
Director Accreditation Program

### Working Experience

2011 - Present Senior Consultant/Senior Director - China ASEAN Studies  
Center, Panyapiwat Institute of Management  
2011 - Present Independent Director, Siam Advance Electronic Co., Ltd.  
2009 - Present Independent Director, Surapon Foods Plc.  
2008 - 2011 Dean, Faculty of Business Administration /  
Vice President, Huachiew Chalermprakiet University  
2005 - 2008 Deputy Permanent Secretary, Office of Permanent  
Secretary, Ministry of Commerce  
1998 - 2002 Deputy Permanent Secretary, Foreign Trade Department

07

**Mr. Vacharin Duangdara**

Audit Committee / Independent Director



**Education** : Master Degree in Business Administration (MBA),  
Kasetsart University

Bachelor Degree in Laws, Thammasat University

**Training Record** : Director Accreditation Program  
Director Certification Program

**Working Experience**

- 2011 - Present Director, Siam Advance Electronic Co., Ltd.
- 2011 - 2015 Independent Director, Permsin Steel Works Plc.
- 2009 - Present Chairman of Audit Committee / Independent Director,  
Chu Kai Plc.
- 1995 - Present Director, Professional Maximum Training and Trading  
Co., Ltd.
- 2004 - Present Director, Legal Line Co., Ltd.
- 2008 - 2011 Legal Consultant
- 1999 - 2004 AMC Company Debt Restructuring bought from  
Commercial Asset Management
- 1995 - 1999 AMC Company Debt Restructuring from Capital Company
- 1992 - 1995 Ake Chart Securities Company
- 1982 - 1992 Thanachart Securities Company

08

**Mr. Kamol Chirapathama**

Audit Committee / Independent Director



**Education** : Bachelor Degree in Monetary Economics,  
Thammasat University

**Training Record** : Director Certification Program

**Working Experience**

- 2013 - Present Director, Siam Advance Electronic Co., Ltd.
- 2007 - 2013 Deputy Managing Director, Living Land Capital Co., Ltd.
- 2006 - 2013 Director, Falcon 9 Co., Ltd.
- 2005 - 2013 Director, Top Life Venture Co., Ltd.
- 2003 - 2006 Assistant Managing Director, Top Line Living Co., Ltd.
- 2000 - 2002 Assistant Managing Director, Living Land Development  
Co., Ltd.
- 1988 - 1999 Senior Vice President - Credit Department,  
CMIC Finance & Securities Plc.
- 1983 - 1997 Credit Officer, Bangkok Investment Corporation Finance  
& Securities Plc.

# Nature of Business

## 1. Core Business

The Company's core business is the procurement and selling of electrical appliance majority in audio and home electrical appliances including of Set Top Box in accordance with the transition of television broadcasting system from analog system to digital system. Product characteristics and market competition are as follow:

- 1.1 Product Characteristic: Procurement and selling of electrical applicant under brand "AJ". The Company procures product with variety, up to date technology with quality and reasonable price. The product could be classified into 2 main categories are 1) Audio and Visual Product - AV i.e. DVD player, audio product & loudspeaker and karaoke player. This product category contributed approximately 75-83% of total revenue. 2) Home electrical appliance i.e. electric hot pot, electric rice cooker, iron, electric magnetic stove, watching machine and movable air conditioner. This product category contributed for approximately 17-25% of total revenue.
- 1.2 Market condition and competition environment: The Company sells its product mainly via modern trade channel which are Tesco Lotus, Big C, and Makro etc. even though this channel is gradually decreasing its role but it is still the main selling channel. The agent channel of distributing the product increased this year as company objective. Despite the high competition in new electrical appliance brand, the Company could maintain the market share as it could be said that brand "AJ" is well known to everyone. The introduction to new products under "AJ" is the Company long term strategy.

## 2. Investment in other businesses

In year 2015, the investment in other related business was better in term of financial performance. The Company's strategy is to have an investment expansion as the Company can foresee the potential growth of digital economy and to diversify into more than one business. In order to achieve such objective, the Company invested in 2 subsidiaries Happy Vision Co., Ltd and Vending Corporation Co., Ltd :

- 2.1 "Happy Vision Co., Ltd", the company produced television series for television broadcasting station, exported Thai series to other countries and imported foreign series into the country. For 2015, total revenue from this business was 43.3 million Baht with Net Profit of 14.26 million Baht. However, the Company sometimes faced with culture obstacles and lower potential future of Thailand TV digital industry, the company was likely to withdraw itself from this business.
- 2.2 "Vending Corporation Co., Ltd", the Company invested in 60% of Vending Corporation Co., Ltd on October 2015. Even though there are many competitors in vending business, the successful one required an expertized in capital, technology and employee which the Company considered that there are rooms for market opportunity in this business. The Company characteristic and market competition are as follow:
  - 2.2.1 Market Characteristic: Vending machine business is a service provider via vending machine for pre-paid mobile top-up mainly for 1-2-call (AIS), DTAC and True move





(TRUE) and other various online payments i.e. electrical and water bill. Revenue comes from shared fee from each transactions customer paid and discount from the mobile operator. The owner of the vending machine would also get revenue sharing from usage amount. All vending machine is always online and connect with the Company server. The owner has to buy AIR TIME as a credit usage for the device prior to the service. The amount of AIR TIME will reduce when customers paid service for each transaction. When the AIR TIME is reduced to the low amount, the owner will repurchase AIR TIME to increase the credit money for the service.

2.2.2 Market condition and competition environment: Two major competitors are “Boonterm” and “Singer” brand, estimated to have 50,000 machines each and other seven to eight small brands for 3,000-8,000 machines. All are a provider for pre-paid service mobile operator for AIS, DTAC and TRUE and other online payment i.e. public utility service or online game payment.

The competition in vending business got higher as all suppliers try to set vending machine to a place where customer could reach easier and also provide more various services. In order to gain market share in this highly competitive market, Vending Corporation Co., Ltd might have to lower service fee which would be the benefit to customer in another way around. However, with strong brand under “AJ” will help customer to recognize our new brand easily and the Company will use this recognition of strong brand to be a strategy to distribute the vending machine. Vending Corporation had revenue of 80.56 million Baht with Net Profit of 22.58 million Baht in just a couple of months after being a partner with AJ. As there are still rooms for opportunity in this industry, the Company decided to continuously intensively invest in this business to boost up business growth in the future.

# Risk Factors

Impacts from risks together with risk management method have been summarized and assessed by categorized as 2 groups 1) parent company business and 2) subsidiary company business which are as follows:

## 1. Parent company business risk

- 1.1 Risk from economic slowdown: Due to the economic slowdown from previous 2-3 years, this directly affected to slowdown of sales by lower purchase power from all customer segments. However, the Company has made an effort to stimulate sales by creating various promotion campaigns which partly helps to boost up revenue.
- 1.2 Risk from changes in technology: The Company's main products are electrical appliance which instantly impacted by the changes in technology and caused an obsoleted product. The Company has to continuously update consumer behavior trend and products to meet with different needs. The Company discovered that customers in urban and rural areas have different needs and behaviors.
- 1.3 Risk from the delay to change into a digital broadcasting system: Digital TV coupon, which the government gives as a discount to purchase SET TOP BOX, and conversion rate of those coupons in Thailand is lower compare to other countries. Many companies which produce solely SET TOP BOX divested from the industry due to the delay of conversion. The Company which was not solely depends on SET TOP BOX expected to receive income from the second round of coupon conversion as a result of lower competitors.
- 1.4 Risk from the delay of coupon reimbursement from TV digital system: Revenue from SET TOP BOX realized when consumer exchanges coupon for SET TOP BOX and the Company will use that coupon to reimburse money from the National Broadcasting and Telecommunications Commission after that. Because of strictly rule and investigation caused a delay of money withdrawal and may result in risk of unplanned lower level of working capital.
- 1.5 Risk from exchange rate: The Company bought the products using US Dollar as the major currency, and in 2015, USD continuously depreciated from 33 Baht/USD to 36 Baht/USD by the end of the year. Loss from exchange rate incurred this year.
- 1.6 Risk from reliance on management: In part of oversea purchasing and marketing still depends mainly on the executives as those have a high expertise in this industry. However, the Company is well aware of the risk on reliance on management; therefore, a clear organization structure is applied and recruiting high potential and high expertise managements into the Company especially in the sale and marketing function.

## 2. Subsidiary company business risk

The policy to invest in new subsidiary should be accounted for at least 50% of shares in order to limit the risk of inexperience knowledge but still able to manage business along together. As each party came from different company with different culture, might cause risk of from different in direction and working method. When there are new major shareholders in the company, the company



has to be well-prepared so that potential conflict would be minimized. Furthermore, the Company is a listed company in Stock Exchange of Thailand which has to comply with more strict rules and disclosure requirements than typical private company. Therefore, the subsidiary of the Company has to comply with the requirements. The risks from business operation of subsidiary company are as follow:

## 2.1 Happy Vision Co., Ltd.

- 2.1.1 Risk from the future forecast of the business - After digital TV system launched in 2015, there were only some channels that are popular among consumers i.e. Work Point, Grammy, Thairath TV, Now 26, Nation, Mono and Channel 8. Some channels eventually returned the license due to low popularity. This might cause a risk to related business which produces television series to supply to television broadcasting station.
- 2.1.2 Risk from differences in direction and working method - TV series for broadcasting production industry has a very unique operation from the company's core business as a procurement and selling of electrical appliance.

The risk of cooperation may incur from difference culture and management which somehow create a conflict. Not only 51% shares invested in Happy Vision Co., Ltd, but the company also invested another 30% in Muangthai Digital Co., Ltd, which operated online game business by having major shareholders from China. This business also has risk on acceptance and popularity among consumer. The Company might have to reconsider investment in this business for the next opportunity.



## 2.2 Vending Corporation Co., Ltd

Vending has conducted main business as a service provider vending machine for pre-paid mobile payments and other services under the trademark of “Term Sabuy AJ”.

- 2.2.1 Risk from installment sales - In order to increase the distribution of “Term Sabuy AJ” machine to the market, the Company created installment sales plan with reasonable down payment. The company has to closely monitor the collection of money in each period by automatically turning off the machine when unexpected overdue occurred.
- 2.2.2 Risk from limited capital from unexpected overdue installment sale - The Company has to buy vending machine from manufacturer in advance and get paid by installment from distributors afterward. More capital is needed when sales gets higher. The Company should create a funding plan to support this risk.
- 2.2.3 Risk from competition in vending top up machine market - Another two big players in this industry are “Boonterm” and “Singer” brands which estimated to have 50,000 machines each and other small 4-5 brands for 10,000 machines. The Company created the competitive advantages by creating management system to offer variety of services including continuously software development to be congruence with the needs of consumers and also penetrating into new customer segments for example government official venue and department stores.
- 2.2.4 Risk from changes in technology - As other online service industry, the Company has to promptly update new technology and innovation to improve the system and serve the customer needs.
- 2.2.5 Risk from changes in consumer behavior - Top-up vending machine business originated in Thailand to facilitate customers with limited purchasing power and to provide convenience to them. Many mobile service operators i.e. AIS, DTAC, or TRUE try to penetrate into this business industry itself as they had capital and customer base. The Company created competitive advantages by creating new service products to offer variety to serve changing customer needs for a sustainable growth of the Company.

# Shareholding Structure

As of 9 February 2016, the top ten shareholders were summarized as follows:

No.	Name	No. of shares (shares)	(%)
1	Mr. Amorn Meemano	435,565,157	11.23
2	Mr. Wichai Wachiraphong	331,412,710	8.55
3	Mrs. Nasikar Meemanonuns	194,820,372	5.02
4	Mr. Pipat Patiwetphinyo	175,882,238	4.54
5	Mr. Arnonchai Veerapravati	170,000,000	4.38
6	Miss Wanida Wasiphanphong	156,541,238	4.04
7	Miss Chinda Meemano	109,452,637	2.82
8	Miss Jintana Meemano	67,871,248	1.75
9	Mr. Chookiat Rujanapompajee	50,000,000	1.29
10	Mrs. Somjai Wasiphanphong	48,134,512	1.24
	Top ten shareholders	1,739,680,112	44.86
	Other shareholders	2,138,487,531	55.14
	<b>Total</b>	<b>3,878,167,643</b>	<b>100.00</b>

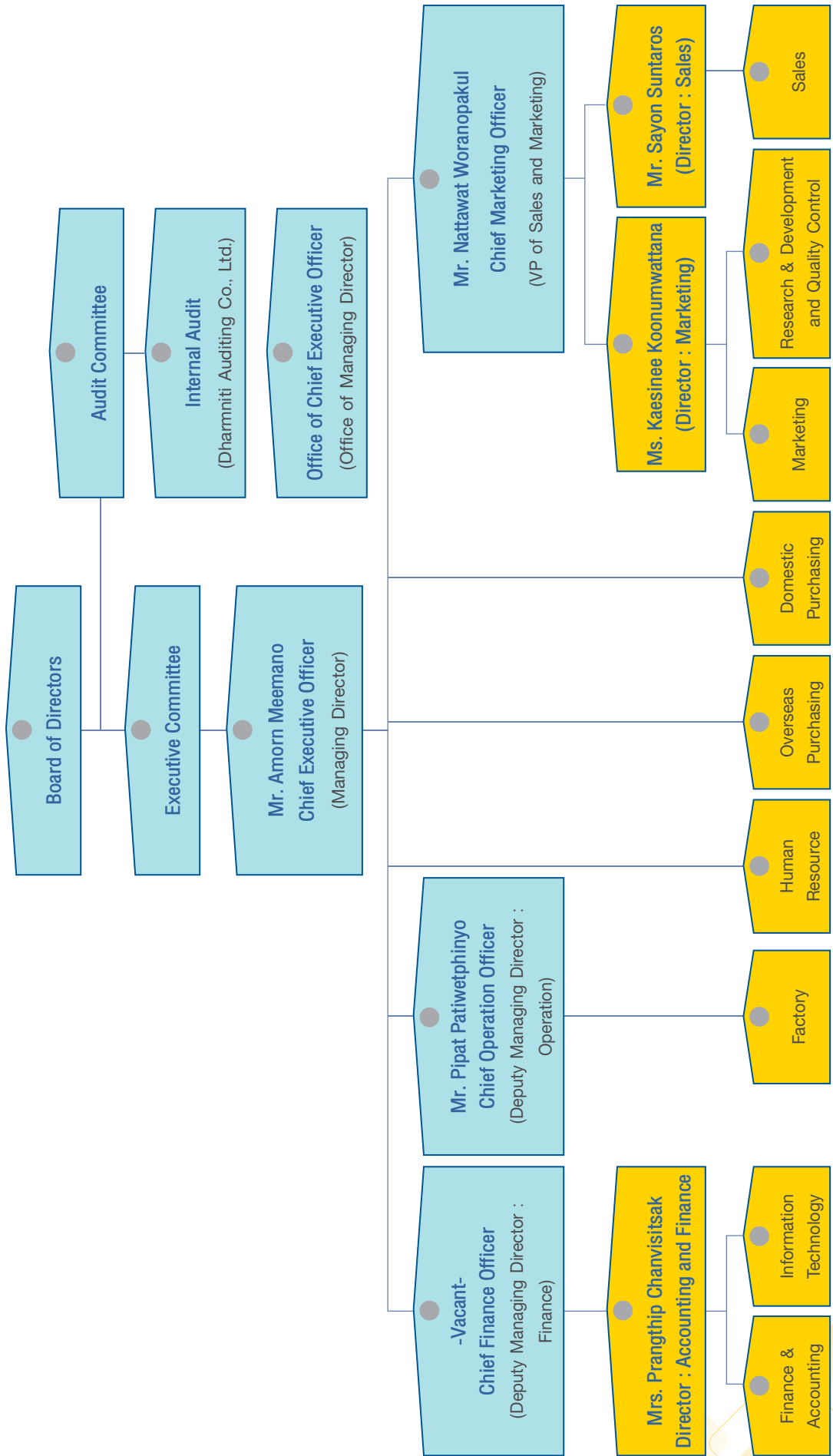
## Dividend Payment Policy

The Company has a policy to pay dividend at the minimum 40% of net profit after corporate taxes and all statutory reserves. However, the Company may pay dividend less than the amount specified above or may not pay dividend, if the Company is required capital for business expansion.

In addition, the Board of Directors' resolution on approval of the dividend payment is required to be proposed to the shareholders' meeting for the approval, except in case of interim dividend, where the Board of Directors has power to approve and then report to the shareholders' meeting for acknowledgement in the next meeting in 2016.

# Management Structure

Organizational Structure of the Company as of December 1, 2015





# Management Structure

The Company's management structure consists of 3 committees: the Board of Directors, the Audit Committee and the Executive Committee. The Company's management pursuant to organization chart is as follows:

## The Board of Directors

The Board of Directors as of January 1, 2016 consisted of:

Name	Position
1. Dr. Pisanu Rienmahasarn	Chairman / Chairman of the Audit Committee and Independent Director
2. Mr. Vacharin Duangdara	Audit Committee and Independent Director
3. Mr. Kamol Chirapathama	Audit Committee and Independent Director
4. Mr. Amorn Meemano	Managing Director
5. Mr. Pipat Patiwetphinyo	Director
6. Mr. Anake Pattanaslid	Director
7. Pol.Lt. Gen. Jitti Rodbangyang	Director
8. Mrs. Nasikar Meemanonuns	Director

Mrs. Prangthip Chanvisitsak is the company secretary.

## The Authorized Directors

The authorized directors who may sign to bind the Company: two directors of Mr. Amorn Meemano, Mr. Pipat Patiwetphinyo and Mrs. Nasikar Meemanonuns can jointly sign and affix the Company's seal.

## Scope of Duties and Responsibilities of the Board of Directors

Pursuant to resolution of the meeting of the Board of Directors No. 7/2013 on June 17, 2013 and the Extraordinary General Meeting of Shareholders No. 1/2013 on July 11, 2013, scope of duties and responsibilities of the Board of Directors was specified as follows:

1. To perform duties pursuant to laws, objectives and articles of association of the Company as well as resolutions of shareholders' meetings with honesty, integrity and to preserve the best interest of the Company.
2. To specify vision, policy and operating direction of the Company and to supervise performance of the management to ensure compliance with the specified policies and work plans effectively and efficiently in order to increase maximum economic value of the business and the best benefits of the shareholders
3. To monitor operating results to ensure that they are pursuant to policies and business objectives. Clear indicator must be specified to be used as operation guidelines by taking into consideration the possibility and reasonableness. In addition, policies and policy compliance must be reviewed constantly.
4. To carefully consider the conflict of interest and the transaction that might have conflict of interest by specifying clear guidelines that must mainly be for overall benefits of the Company and the shareholders. The person with interest shall not be entitled to make decision. To supervise to ensure compliance with standard regulations concerning operating procedures and disclosure of information of transaction which might have conflict of interest correctly, completely and transparently.
5. To specify approval authority for undertaking any transactions and operations concerning the Company's business to the group of persons or a person appropriately as appropriated and in accordance with the relevant laws. This task can be done by preparing as delegation of authority manual and it must be reviewed at least once a year.

6. To establish the reliable accounting system, processing system, financial reporting and auditing as well as to oversee assessment process on appropriateness of internal control system by assigning an independent person or function to responsible for inspection of such systems and those systems must be constantly reviewed.
7. To specify comprehensive risks management policy throughout the organization where the management shall comply with the policies and report to the Board of Directors on continued basis. To review or assess efficiency of risk management regularly and every time when it is found that risk level has changed as well as place importance on early alarm signal and any abnormal transactions.
8. To appoint the sub-committee or any person to oversee, monitor and control operations of the Company in material matters under supervision of the Board of Directors. To assess performance and fix remuneration of such sub-committee or person or assign authority to such sub-committee or person to be within the period of time as the Board of Directors deemed appropriated. The Board of Director may cancel, revoke, change or revise such authority.

The following operational powers shall be exercised only after they have obtained an approval from the shareholders' meeting first, provided that, any director or person who might have any conflicts, interests or conflict of interest regarding any transaction with the Company or its subsidiary shall not be entitled to vote on it:

- Any activity that the laws has specified that it must have an approval from the shareholders' meeting first.
- Any transaction that any director may have some interests and in scope that the laws or regulations of the Stock Exchange of Thailand prescribed that it is required to have an approval from the shareholders' meeting first.
- In addition, for the following cases, the resolution is required to be passed by the majority vote of not less than three-fourth of total votes of director members presenting at the meeting of the Board of Directors and of the shareholders presenting at the meeting and having the voting right:
  - Sell or transfer in whole or in substantial parts of the business of the Company to other person.
  - Purchase or accept the transfer of business of other public company or private company.
  - Execute, amend or terminate the agreement relating to lease out in whole or in substantial parts of business of the Company, assign the other person to manage the business of the Company or merge business of the Company with business of the other person, which objective is for profit sharing.
  - Issue new shares to pay to the Company's creditor pursuant to debt to equity conversion project.
  - Decrease the Company's registered capital by decreasing number of shares or decreasing share values.
  - Increase, decrease the capital, issue the debenture, amalgamate or dissolve the Company.
  - Any other issues as per specified by laws.

### The Audit Committee

As of January 1, 2016, the Audit Committee comprised of :

Name	Position
1. Dr. Pisanu Rienmahasarn	Chairman of the Audit Committee
2. Mr. Vacharin Duangdara	Audit Committee
3. Mr. Kamol Chirapathama	Audit Committee

Miss Chadaporn Monsom is a secretary of the Audit Committee.

Remark : Mr. Kamol Chirapathama as the Audit Committee has sufficiently skills and experiences to assume duties of auditing the Company's financial statement as he obtained Bachelor Degree on Monetary Economics from Thammasat University.

## Scope of Duties and Responsibilities of the Audit Committee

Pursuant to resolution of the meeting of the Board of Directors No. 7/2013 on June 17, 2013 and the Extraordinary General Meeting of Shareholders No. 1/2013 on July 11, 2013, scope of duties and responsibilities of the Audit Committee was specified as follows:

1. To audit to ensure that the Company has sufficient, credible and transparent financial reports by coordinating with the external auditor and the Company's executives who are responsible for preparing the quarterly and yearly financial reports.
2. To review the Company's internal control system and internal audit to ensure that they are suitable and effective jointly with the external auditor and internal auditor (if any) and to determine independence of the internal audit function or any other functions in charge of the internal auditing.
3. To review operations of the Company to ensure that they comply with the laws on securities and exchange, regulations of the Stock Exchange of Thailand and the laws related to the Company's businesses.
4. To select and propose the Company's auditor and to fix his or her remuneration by taking into consideration reliability, adequacy of resource, amount of auditing activities and experiences of such auditor as well as to attend the meeting with the auditor without any participation of the executives at least once a year.
5. To consider the connected transactions or transactions which might have conflicts of interest to ensure that they are reasonable, comply with the laws and regulations of the Stock Exchange of Thailand and for maximum benefits of the Company.
6. To review and ensure that the Company has appropriate and efficient risk management system.
7. To prepare the report about the Audit Committee's activities and disclose in the Company's annual report. Such report must be signed by the Chairman of the Audit Committee and included at least the following recommendations:
  - Recommendation on accuracy, completeness and creditability of the preparation process and information disclosure in the Company's financial report,
  - Recommendation on adequacy of the Company's internal control system,
  - Recommendation on compliance with laws on securities and exchange, the stock exchange's regulations, or other laws related to the Company's business,
  - Recommendation on suitability of the auditor,
  - Recommendation on transactions that may cause conflicts of interests,
  - Number of the Audit Committee's meetings and attendance of such meetings by each committee member,
  - Overall recommendations or observations that have arisen while the Audit Committee performed its duties in accordance with the Charter, and
  - Other reports which should be made available to the shareholders and general investors within scope of duty and responsibility assigned by the Company's Board of Directors
8. To perform any other tasks as assigned by the Board of Directors pursuant to opinions of the Audit Committee, for instance, review of financial management policy & risk management, review on compliance with business ethics of the management, review material reports jointly with the Company's management which must be presented to the general public as per specified by the law, i.e. executive report and analysis and etc.

In order to make the Audit Committee perform the work efficiently, the Audit Committee may seek independent opinion from the consultants of various professions, if it deems necessary at the Company's expense.

## Qualifications of the Audit Committee and Independent Director

- a. Holding shares not exceeding 1.0 percent of the total number of voting shares of the Company, its parent company, its subsidiary, its associate company or a juristic person who might have conflict of



interest, provided that, the shares held by the related person of such Independent Director shall also be counted for this purpose.

- b. Not being or having been a director involved in the management, an employee, an officer, a consultant with a monthly wage or a controlling person of the Company, its parent company, its subsidiary, its associate company or a subsidiary with the same level or a juristic person who might have conflict of interest, except he/she has resigned from such position at least 2 years prior to the date submitted a permit to the office.
- c. Not being related by blood or legal registration as a father, mother, spouse, sibling and child, including as a spouse of the child of an executive officer, a major shareholder, a controlling person or a person who will be nominated to become an executive officer or a controlling person of the Company or its subsidiary.
- d. Not having or had a business relationship with the Company, its parent company, its subsidiary, its associate company or a juristic person who might have conflict of interest in the manner which may interfere the exercise of independent judgment, including not being or having been a major shareholder, a director who is not an independent director or an executive officer of a person having a business relationship with the Company, its parent company, its subsidiary, its associate company or a juristic person who might have a conflict of interest, except where such restriction had passed for not less than 2 years prior to the date submitted a permit to the office.

The term “business relationship” under the first paragraph shall include any normal business transaction, rental or lease of immovable property, transaction relating to assets or services or granting or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, and any other similar Crown Tech Advance Public Company Limited 27 actions, which result in the Company or its counterpart being subject to indebtedness payable to the other party in the amount of 3 percent or more of the net tangible assets of the Company or 20 million Baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the method for calculation of value of connected transactions under the Notification of the Board of Directors of the Stock Exchange of Thailand governing disclosure of information and practices of the listed company on connected transactions, mutatis mutandis. The consideration of such indebtedness shall include indebtedness occurred during the period of one year prior to the date on which the business relationship with the same person commences.

- e. Not being or having been an auditor of the Company, its parent company, its subsidiary, its associate company, or a juristic person who might have a conflict of interest and not being a major shareholder, a controlling person, a director who is not an independent director, an executive officer or a partner of an audit office for which the auditor of the Company, its parent company, its subsidiary, its associated company or a juristic person who might have a conflict of interest work, except where such restriction had passed for not less than 2 years prior to the date submitted a permit to the office.
- f. Receives service fees exceeding 2 million Baht from the Company, its parent company, its subsidiary, its associate company or a juristic person who might have a conflict of interest. In addition, in case the professional service provide is a juristic person, it shall include a major shareholder, a director who is not an independent director, an executive officer or managing partner of such professional service provider, except where such restriction had passed for not less than 2 years prior to the date submitted a permit to the office.
- g. Not being a director appointed to represent the Company’s Board of Directors, a major shareholder or a shareholder who is related to the Company’s major shareholder.
- h. Subsidiary or not being a significant partner of a partnership or not being a director who is involved with management tasks, a staff member, an employee, a consultant with a monthly wage or holds shares more than 1.0 percent of total shares with voting rights of another company which is engaged in a business of the same nature as and of significant competition to that of the Company or its subsidiary.
- i. Not having any other characteristic which prevents the giving of an independent opinion on operations of the Company.

- j. Not being a director appointed from the Company's Board of Directors to make decision for business operations of the Company, its parent company, its associate company, a subsidiary of the same level or a juristic person who might have a conflict of interest and must not being a director of the listed company which is a parent company, a subsidiary, an associate company, a subsidiary in the same level.

After being appointed to be the Independent Director with qualifications pursuant to Item a. to j. above, the Independent Director may be empowered by the Board of Directors to make decision for business operation of the Company, its parent company, its subsidiary, its associate company, a subsidiary in the same level or a juristic person who might have a conflict of interest in the form of collective decision.

### Executive Committee

As of January 1, 2016, the Executive Committee consists of:

Name	Position
1. Mr. Amorn Meemano	Chairman of the Executive Committee
2. Mr. Pipat Patiwetphinyo	Executive Committee

### Scope of Duties and Responsibilities of the Executive Committee

Pursuant to resolution of the meeting of the Board of Directors No. 7/2013 on June 17, 2013 and the Extraordinary General Meeting of Shareholders No. 1/2013 on July 11, 2013, scope of duties and responsibilities of the Executive Committee was specified as follows :

1. To control management of the Company to ensure that it is in accordance with the policies specified by the Board of Directors and then report operating results to the Board of Directors.
2. To specify strategy and business plan, budget including management structure so that it can achieve policies and objectives of the Board of Directors, then propose to the Board of Directors for consideration
3. To specify approval authority of each person appropriately, by segregating duties which may favor for corruption from each other, and propose to the Board of Directors or the sub-committee assigned by the Board of Directors for approval. To control and ensure on adherence to the approved principles and regulations.
4. To consider organizational structure and to empower to manage salary structure, define scope and duty of work, assignment, appointment; transfer, cut or reduce salary; remove; dismiss or impose disciplinary penalty; give reward and consider praiseworthy of the employee.
5. To consider and approve on financial transactions with the banks or financial institutes to support normal business operations, such as open or close account; take on a loan; grant a loan, provide credit amount, pledge, mortgage, guarantee and others which including purchase and sell and register on ownership of title deed of land for normal business operation pursuant to the authority approved by the Company's Board of Directors.
6. To consider and approve on investment and specify investment budget as per specified in the delegation of authority manual.
7. To consider about fund raising to propose to the Company's Board of Directors.
8. To approve on appointment of consultant in various field necessary for business operations.
9. To approve the operating plan of each department of the Company including to approve a request from various departments which beyond power of such department.

However, for authorization of such duty and responsibility of the Executive Committee, the authorized person shall not be empowered to approve any transaction that such person or a person who might have a conflict of interest (meaning of "person who might have a conflict of interest" is as per defined by the notification of the Securities and Exchange Commission), or may have conflicts in any other manners against the

benefits of the Company or its subsidiary. The approval of such foregoing transactions are required to submit to the Board of Directors' meeting and/or the shareholders' meeting for consideration and approval pursuant to the Company's articles of association or as per required by relevant laws, except it is an approval of normal business transaction of the Company pursuant to the policy and criteria approved by the Board of Directors.

## The Management

As of January 1, 2016, the Company's management consisted of:

Name	Position
1. Mr. Amorn Meemano	Managing Director
2. Mr. Pipat Patiwetphinyo	Managing Director : Operation
3. Mr. Nattawat Woranopakul	Managing Director : Sales and Marketing
4. Mrs. Prangthip Chanvisitsak	Finance and Accounting Director
5. Ms. Kaesinee Koonumwattana	Marketing Director
6. Mr. Sayon Suntaros	Sales Director

## Scope of Duties and Responsibilities of the Managing Director

Pursuant to resolution of the meeting of the Board of Directors No. 7/2013 on June 17, 2013 and the Extraordinary General Meeting of Shareholders No. 1/2013 on July 11, 2013, scope of duties and responsibilities of the Managing Director was specified as follows:

1. To supervise general operations and/or management of the Company;
2. To operate or undertake the work pursuant to the policy, work plan and budget approved by the Company's Board of Directors and/or the Executive Committee.
3. To authorize to approve and delegate authority to approve the disbursement for procurement of assets and service for the Company's benefit, provided that such approval authority must be an approval of normal trading transaction with amount of money not exceeding the amount specified by the Board of Directors.
4. To authorize an issuance of order, rule, announcement, memorandum in order to make operations conform to the policy and for benefits of the Company including to preserve working discipline within the organization.
5. To authorize to act on and represent as the Company's representative to the third party in the relevant business and for benefits of the Company.
6. To approve for an appointment of consultant in various fields necessary for business operation of the Company.
7. To be the authorized person of the Company to manage the Company's businesses to make them achieve the objectives, regulations, policies, rules, regulations, orders, resolutions of the shareholders' meeting and/or resolutions of the Board of Directors and the Executive Committee.

However, the delegation of authority to the Managing Director as well as delegation of authority to other persons that the Managing Director deems appropriated shall not include the authority and/or delegation of authority to approve any transaction that he/she or a person who might have conflict of interest, interests or may have conflict in other manner (pursuant to Company's articles of association or as per specified by the Office of the Securities and Exchange Commission) has with the Company or its subsidiary. The approval of such foregoing transactions are required to submit to the Board of Directors' meeting and/or the shareholders' meeting for consideration and approval pursuant to the Company's articles of association or as per required by relevant laws, except it is an approval of normal business transaction of the Company pursuant to the policy and criteria approved by the Board of Directors.

## Define of Credit Approval Authority

Pursuant to resolution of the meeting of the Board of Directors No. 7/2013 on June 17, 2013 and the Extraordinary General Meeting of Shareholders No. 1/2013 on July 11, 2013, the credit approval authority pursuant to the credit approval authority table has been approved which can be summarized as follows:

1. The Executive Committee is authorized to approve the purchase and sales of products, raw materials, services and contract execution which can create commercial obligation and financial obligation not exceeding 100.00 million baht, to approve the contract execution which can have financial obligation not exceeding 50.00 million baht and to approve the purchase, sale and transfer of assets not exceeding 50.00 million baht.
2. The Managing Director is authorized to approve the purchase and sales of products, raw materials, services and contract execution which can create commercial obligation not exceeding 40.00 million baht, to approve the contract execution which can have financial obligation not exceeding 20.00 million baht and to approve the purchase, sale and transfer of assets not exceeding 20.00 million baht.

However, credit approval authority as mentioned above shall not against with the laws on securities and stock exchange and the related regulations, notifications, orders or requirements including the compliance on regulations concerning connected transactions and acquisition or disposal of material assets of the Company or subsidiary.

## Nomination of Director

### The Board of Directors

As the Company does not have the Nomination Committee, so the selection and appointment of the Board of Directors shall be made by committees and consideration shall be based on knowledge, capability, experience, vision and credibility. In addition, such candidate must be a qualified person and not have prohibited characteristics specified by the laws. The appointment is required to have an approval from the shareholders' meeting. Criteria and method can be summarized as follows:

1. The Company's Board of Directors shall consist of at least 5 directors, who shall possess qualification pursuant to the laws and not less than one half of total directors must reside in the kingdom.
2. The selection of the director by the shareholders' meeting shall elect the directors shall be based on majority votes pursuant to the following criteria and methods:
  - 2.1 A shareholder shall have a number of votes which is equivalent to the number of shares held by him/her.
  - 2.2 The shareholder shall vote for election of a director individually.
  - 2.3 The persons receiving the highest number of votes in the respective order of the votes shall be elected as directors up to the total number of directors required or to be elected at such time. In the event that a number of persons receive an equal number of votes for the last directorship exceed the number of directors the Company required or to be elected at such time, the chairman of the meeting shall have a casting vote.
3. During every annual general meeting, at least one-third of directors shall retire. If the number of directors is not a multiple of three, then the number of directors closest to one-third shall retire. The directors who shall retire in the first and the second year after the registration of the Company shall be selected by drawing lot, and for subsequently years, the longest serving directors shall be retired. A retired director may be reappointed.
4. The directors shall be entitled to receive the remuneration from the Company as gratuity, meeting allowance, pension, bonus or any benefits pursuant to the regulations or as per approved by the shareholders' meeting. Such remuneration may be as per an exact amount or as per defined criteria and shall be specified occasionally or it shall be in effect until further change. Moreover, they shall also earn



- the allowances and fringe benefits pursuant to the Company's regulations without having any impact to rights of the officers and employees of the Company who have been elected as the committee with regards to remuneration as the committee and benefits as the Company's officer or employee.
5. Any director who shall resign from directorship position shall submit a resignation letter to the Company and such resignation shall be effective from the date such letter arrives at the Company. The resigned director may inform his or her resignation to the registrar.
  6. In case of vacancy of director's position due to reasons other than by retirement in due course, the Board of Directors may appoint a person who is qualified and does not possess any prohibited qualifications specified in the Public Limited Act and laws on securities and exchange to be the director in the next Board of Directors' meeting. Except in a case where the remaining term of a director is less than 2 months, then the term of the newly appointed director shall expire at the same time as the director he/she substitutes. The resolution of the Board of Directors under paragraph one shall consist of votes not less than three fourths of the remaining directors.
  7. The shareholders' meeting may have a resolution to remove any director prior to expiration of his or her term with the votes not less than three fourths of votes of shareholders present at the meeting and have the voting right which must have accumulated shares not less than one half of total shares of the shareholders present at the meeting and have the voting right.
  8. The committee members shall select one of them is the Chairman, In case they deem reasonable, one or more than one member shall be selected as the Vice Chairman/Chairmen.

#### The Audit Committee / Independent Director

The Board of Directors or the Annual General Meeting of Shareholders is authorized to appoint at least 3 directors to be the Company's Audit Committee by selecting from the members of the Board of Directors. In addition, at least 1 member of the Audit Committee shall have adequate knowledge, understandings and experiences on accounting or finance. Upon the number of the Audit Committee is less than 3, the Board of the Directors or the shareholders' meeting shall appoint other director to replace such vacant position within 3 months from the date the number of Audit Committee is less than 3.

#### Executive Committee

The Company's Board of Directors is authorized to appoint the Executive Committee which shall not be less than 2 persons, by selecting from the committee members or the employees who possess skill and capability. However, such person must not be the Audit Committee to perform and supervise operations of the Company as per assigned by the Board of Directors on its behalf. The Executive Committee shall directly report to the Board of Directors.

### Directors' and Executives' Remuneration

#### Monetary Remuneration

##### Directors' Remuneration

The 2015 Annual General Meeting of Shareholders which held on April 27<sup>th</sup>, 2015 has approved

Position	Monthly Remuneration (Bht.)	Meeting Allowance per Time (Bht.)
Chairman	30,000	5,000
Director	25,000	5,000

The executive director shall not receive a monthly remuneration for being the director. Monetary allowance of the Board of Directors and the Audit Committee as of December 31, 2015 amounted to 2,370,000 baht, of which 1,175,000 baht was the remuneration of the Audit Committee as per the following detail:

Name	Position	Year 2015 as at December 31, 2015					
		Remuneration			Number of Meeting Attendance		
		Monthly Remuneration (Baht)	Special Remuneration (Baht)	Meeting Allowance (Baht)	The Board of Directors	The Audit Committee	The Executive Committee/ <sup>2</sup>
1. Mr. Pisanu Rienmahasam	Chairman/Chairman of the Audit Committee and Independent Director	360,000		75,000	12/12	5/5	-
2. Mr. Vacharin Duangdara	Independent Director / Audit Committee	300,000		75,000	12/12	5/5	-
3. Mr. Kamol Chirapathama	Independent Director / Audit Committee	300,000		65,000	11/12	4/5	-
4. Mr. Amorn Meemano	Independent Director / Audit Committee	-		60,000	12/12	-	17/17
5. Mr. Pipat Patiwetphinyo	Director / Executive Director	-		60,000	12/12	-	17/17
6. Mr. Anake Pattanaslid	Director	300,000		60,000	12/12	-	-
7. Pol.Lt. Gen. Jitti Rodbangyang	Director	300,000		35,000	7/12	-	-
8. Ms. Chinda Meemano	Director <sup>1</sup>	75,000		20,000	4/4		
9. Mrs. Nasikar Meemanonuns	Director <sup>2</sup>	250,000		35,000	7/12	-	-
<b>Total</b>		<b>1,885,000</b>		<b>485,000</b>			

Ramark: <sup>1</sup> Ms. Chinda Meemano has resigned from director on March 8<sup>th</sup>, 2015.

<sup>2</sup> Mrs. Nasikar Meemanonuns has been appointed to be director on March 10<sup>th</sup>, 2015.

## Executives' Remuneration

As of the year 2015, the Company has 28 executives, which are 13 executives from subsidiary company, the remuneration paid to the Company's executives as salary, bonus, provident fund and other fringe benefits were as follows:

The Executives' Remuneration	2014		2015	
	Number	Amount	Number	Amount
	(Person)	(Million Baht)	(Person)	(Million Baht)
Salary, commission and bonus	14	20.10	28	20.67
Other remunerations, i.e. provident fund, social security and overtime	14	0.89	19	1.09
<b>Total</b>	<b>14</b>	<b>20.99</b>	<b>28</b>	<b>21.76</b>

Remark: 4 Executives have resigned in 2015

## Non-monetary Remuneration

- None -

## Meeting of the Board of Directors

Normally, the Board of Directors has specified to arrange the meeting throughout the year and every quarter. Special meeting may be arranged as necessary. The meeting agenda must be clearly specified and an invitation to the meeting, meeting agenda including supporting document shall be sent to the directors at least 7 days in advance, so that the directors can have adequate time to study before attending the meeting. During the year of 2015, the Board of Directors has arranged 12 meetings. The Chairman has duty to allocate adequate time for the management to propose document and information to discuss important issues. In addition, the Group also arranges the monthly meeting for the Executive Committee and the Audit Committee shall arrange the meeting every quarter. Most of the directors attended the meeting every time, except in case, they are engaged in emergency and important engagement.

# Corporate Governance

The Company has a policy to adopt the Code of Best Practices as its operating guidelines and it has been approved by the meeting of the Board of Directors No. 7/2013 held on June 17, 2013. This policy shall be implemented for benefits of and for enhancement of transparency on business operations as well as to increase efficiency of the management, which consequently can strengthen confidence of the shareholders, investors and all relevant parties. The corporate governance covers 5 sections as follows:

## 1) The Rights of Shareholders

The Company recognizes and emphasizes the importance of fundamental rights of the shareholders and it shall not perform any act which shall violate or deprive their rights. In addition, it shall encourage the shareholders to exercise their fundamental rights, i.e. right to buy, sell, transfer shares in their possession, right to share in profits of the Company, right to have adequate access to the Company's information, right to vote for election or removal of the directors and appointment of an auditor, right to attend and vote in the shareholders' meeting to decide significant matter which has impact to the Company, such as allocation of dividend, determination and amendment of the Company's affidavit, articles of associations, capital increase or decrease and approval of special transactions and etc.

In addition to the abovementioned fundamental rights, the Company also has a policy to undertake measures to support and facilitate the right exercising of the shareholders as follows:

- To arrange the Annual General Meeting of Shareholders every year, by arranging within 4 months after the ending date of the accounting period in each year. The Company shall send each shareholder an invitation letter to the meeting together with supporting information at least 7 days in advance of the meeting date. Notice of the meeting invitation shall be advertised in the newspaper at least 3 days prior to the meeting date for 3 consecutive days. Comments of the Board of Directors shall be included in each agenda
- To disseminate the document supporting the meeting agenda of the shareholders' meeting in advance in the Company's website as well as to clarify about rights of the shareholders on participation in the meeting and voting for resolution.
- In case shareholders are unable to attend the meeting by themselves, they are authorized to give a proxy to recipient in order to participate and vote in the meeting by using proxy form which the company attached to the meeting invitation letter.
- The shareholders can submit their opinions, recommendations or inquiries in advance of the meeting date via email address of the Company's Investor Relations or email address of the Company Secretary.
- On the meeting date, the Company shall provide appropriate time and opportunity for the shareholders to express their views, recommendations and ask questions concerning the agenda openly before any resolutions shall be made. In case the shareholder has any enquiries for any agenda, the Company shall provide the personnel who are knowledgeable and expert in each field to answer any question under responsibility of the Board of Directors.
- All directors shall attend the meeting to reply any relevant inquiries which might have been asked by the shareholder' during the meeting.



## 2) The Equitable Treatment of Shareholders

The Company has an equitable treatment policy for all shareholders, all groups, including executive shareholders, non-executive shareholders, foreign shareholders and minority shareholders as follows:

- To specify that voting right in the meeting shall be pursuant to the number of shares held by the shareholders: one share is eligible for one vote.
- To specify that the Independent Director shall oversee the minority shareholders. The minority shareholders can express their opinions, comments or complaints to the Independent Director and such matter shall be properly taken care of. For instance if it is a complaint, the Independent Director shall investigate for fact and find the proper remedy method. If it is a recommendation which the Independent Director deems that it is important and shall be directly impact to the overall stakeholders or to the operating performance of the Company, then the Independent Director shall present such matter to the Board of Directors' meeting to further consider and specify as the meeting agenda for shareholders' meeting
- The Company's Board of Directors has prescribed measures to prevent abusive insider trading of the relevant persons, which included directors, executives, officers, and employees of the Group who can accessible to such information (including spouses and children under legal age of those persons). The Board also imposed penalty clause on disclosure of the Company's information or exploit the Company's information for personal gain pursuant to the policy on prevention of usage of inside information for personal gain. Furthermore, the Board of Directors provided information to the directors and the executives on their obligations to report their securities holding of the Company to the Office of the Stock and Exchange Commission (SEC) and pursuant to Section 59 of the Securities and Exchange Act B.E. 2535. The Board shall regularly inform any information and regulations of the SEC and the Stock Exchange of Thailand to the Board of Directors and the executives upon it has been notified thereof from such agency.

## 3) The Roles of Stakeholders

The Company recognizes the rights of all stakeholders, including the internal stakeholders (i.e. shareholders, employees, executives of the Company) and the external stakeholders (i.e. competitors, business partners, customers and etc. The Company realizes that supports and opinions from as well as enhancement of relationship with all stakeholders shall be beneficial to the business operations and for business expansion of the Company in the future. The Company shall ensure that all groups shall have been equally and fairly treated and it shall comply with the laws and the related regulations as follow:

**Shareholder:** The Company shall be a good representative of the shareholder by operating business by taking into consideration the long term grown of the Company as well as implementing the control system and internal audit system.

**Employee:** The Company realizes that the employee is one of the important resources to develop the growth of the organization. Hence, it supports on potential development of the human resources for maximum benefit of the Company, as well as teamwork collaboration for liquidity of work. It also provides safety working environment to the employees. It also treats all employees equally and fairly as well as provides them the proper fringe benefits.

**Business Partner:** The Company shall treat the business partner pursuant to honestly trading framework by strictly adhering to trading terms and commitment agreed with them.

**Competitor:** The Company shall ethically treat its competitor pursuant prudent rules on competition by avoiding performing any dishonest competition.

**Customer:** The Company determines to manufacture good products and render good services to the customers and shall faithfully and fairly deal business dealing with them.

**Society:** The Company shall put emphasis on preservation of the environmental conditions of the communities located surrounding the Company's location.

In addition, the Company has specified clearly prudent operating practices to respond to the needs of each group of stakeholders in "Business Ethics" and it also disseminate and made a campaign to encourage the Board of Directors, the management as well as the operating level employees to abide by work practice and everybody duties.

#### 4) Disclosure and Transparency

The Company realizes the importance on disclosure of the accurate, timely and transparent information of the financial report and general information pursuant to the criteria on disclosure of information and information technology of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand as well as other material information which shall impact the prices of the Company's securities, decision-making procedures of the investors and the stakeholders of the Company.

The Company shall disclose its information technology to the shareholders, the investors and the public through the channels and public media of the Office of Securities and Exchange Commission and the Stock Exchange of Thailand including on the Company's website: <http://www.ajthai.com>.

With regards to the Investor Relations, the Company has not yet established the Investor Relations Unit. However for preliminary stage, the Company Secretary was assigned to contact and communicate with the investors, the shareholders, as well as the analysts and the other related governmental authorities. The contact person is Mrs. Prangthip Chanvisitsak, the Company Secretary at telephone no. 0-2451-6888 Ext. 300 or at email address: [prangthip.c@ajthai.com](mailto:prangthip.c@ajthai.com).

#### 5) Responsibilities of the Board of Directors

##### Structure of the Board of Directors

The Board of Directors consists of the knowledgeable and experienced members in diverse fields useful for Company's business. The Board has important roles in setting up policies and business plans and it also monitored operating results on quarterly basis. It also places importance on internal control system and internal auditing for overall benefits of the Company and the shareholders.

As of January 1, 2016 the Board of Directors consists of 8 members, where 6 of them are nonexecutive directors and not less than one thirds of total number of directors are qualified to be Independent Directors to balance power on voting as well as to review performance of the management for the best interest of the Company.

The Board of Directors has appointed the 2 sub-committees, i.e. the Audit Committee and the Executive Committee, to help it to oversee the Company's business. Roles and responsibilities of the Board of Directors, the Audit Committee and the Executive Committee are clearly defined and segregated so they can make decision and present vision independently as per mentioned in details in topic "Management Structure".

- **The Audit Committee**

The Audit Committee consists of 3 members to perform specific matters and propose such matters to the Board of Directors for consideration or for acknowledgement pursuant to scope of duties specified.

- **The Executive Committee**

The Executive Committee consists of 2 members for flexibility on operations pursuant to scope of duties assigned by the Board of Directors.

In addition, the Company has a policy that the Chairman of the Board and the Managing Director must not be the same person to prevent from exercising unlimited power. The Board of Directors shall specify power and duties as well as select persons to hold such positions.

The Company also appointed the Company Secretary who has duties to provide advice on laws and regulations that the Board of Directors must be well aware of and comply, to supervise the Board's activities as well as to coordinate on compliance with the Board's resolutions.

**Directors and Executives' Remuneration**

The Company has clearly reported about the directors and executive's remuneration pursuant to the announcement of the Office of Securities and Exchange Commission (SEC). The above remuneration must have been approved by the Annual General Meeting of Shareholders (AGM) every year. In case any director is assigned to have additional duties and responsibilities, for instance, he/she is also assigned to perform duties as the Audit Committee, then such director shall have additional remuneration which are suitable with the additional assignment but the performance of the Company must also be jointly considered.

**Policy on Corporate Governance**

The Company's Board of Directors has specified the written corporate governance policy which has been approved by the Board of Directors' meeting No. 7/2013 on June 17, 2013.

The Company realizes the importance of corporate governance policy because it shall be beneficial to the Company's business operation and it can also enhance its stability and growth on sustainable basis and in the long run. For such operating guidelines, the Company puts emphasis on internal control and internal audit. The Board of Directors shall jointly assess the adequacy of internal control every year since 2013 to ensure that the Company has complied with the good corporate governance principles pursuant to the guidelines specified by the Stock Exchange of Thailand.

The Board of Directors shall review the policy and is compliance regularly. In addition, after the Company's ordinary shares are listed in the Stock Exchange of Thailand, the Company shall comply with the rules and regulations specified by the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.

**Business Ethics (Code of Conduct)**

The Company has prescribed the ethical practices of the directors, the executives and the employees, so that the relevant parties shall adhere as guidelines for performing the Company's mission with integrity, honesty and impartially. Such practices also include treatment to all groups of stakeholders. The Company has communicated such practices to all employees and executives in the organization and specified that they must strictly comply with such guidelines.

**Conflict of Interests**

The Company's policy concerning conflict of interest was specified based on principles that any decision making on business operations shall be for the best interest of the Company only and shall avoid any acts which can cause conflict of interest. The person who are related to or connected to the transaction to be considered must notify the Company about its relationship and connection with such transaction. During any consideration, person who is related to or connected with such transaction shall not participate in consideration process and shall not have power to authorize for such transaction.

The Audit Committee shall propose the connected transactions and the transactions which might have conflict of interest to the Board of Directors and they shall be carefully considered to ensure strictly compliance with the criteria of the Stock Exchange of Thailand where price fixing and conditions they have with the person who might have conflict of interest must be similar to those made or agreed with the third party and they must be disclosed in the annual report (Form 56-2) and annual information disclosure form (Form 56-1).

#### **Report of the Board of Directors**

The Board of Directors is responsible for the financial statement of the Company and its subsidiaries including information as presented in the annual report, information disclosure form and the financial statement. The Audit Committee is assigned to audit the quality of financial statement, internal control system and adequate disclosure in the note to financial statement by presenting to the Board of Directors every quarter. The preparation of such financial statement must be audited by the certified public accountant authorized by the Office of the Securities and Exchange Commission and pursuant to the generally accepted accounting standards in Thailand. Disclosure of important information system including the financial and non-financial information shall be based on complete, correct, reasonable and reliable facts and the suitable accounting policy.

#### **The Meeting of the Board of Directors**

The Company has arranged for the meeting of the Board of Directors regularly or at least every quarter and an extraordinary meeting may be arranged in case of necessity. For each meeting, the clear agenda must be clearly specified in advance and it must always have agenda on following up of operating operations. The Secretary of the Board of Directors shall prepare the meeting agenda and submit to each director 7 days in advance prior to the meeting so that the director can have time to study information before attending the meeting. Minutes of meeting which have been approved from the Board of Directors' meeting shall be sent to each director as appropriated and shall be systematically kept and made available for inspection by the Board of Directors or the relevant person any time.

The Chairman shall lead the meeting and all other directors are encouraged to express their views independently. Resolution of the Board of Directors' meeting shall be made by a majority of votes where each director shall have one vote. The director who might have any conflict of interest shall not attend the meeting and/or shall not cast the vote. In the event of a tie, the chairman of the meeting shall have an additional casting vote.

#### **Internal Control System and Internal Auditing System**

The Company places importance on internal control systems, both at management and operation level. For efficiency on operations, the Company has defined a clearly written duties and operational powers of the operating person and the supervising and assessing person. The Company also designated a responsible person to audit internal control system and internal auditing to ensure appropriateness and efficiency. Financial and operation controls have been efficiently performed pursuant to the guidelines. Compliance with laws and regulations related to the Company has also been inspected and the inspection results shall be directly reported to the Audit Committee and high level executives.

#### **The Supervision on the Use of Inside Information**

The Company has established a policy and method on supervision of the directors and the executives on the use of inside information which has not been disclosed to the public for personal gain as well as purchase and sales of securities as follows:





- The Company provided information to the directors and the executives on their obligations to report their holding including the holding of their spouses and children under legal age of the Company's securities to the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand including and penalty clauses pursuant to the Securities and Exchange Act B.E. 2535.
- The Company has notified its directors about their obligations to report about a change of their securities holding to the Office of the Securities and Exchange Commission under Clause 59 of the Securities and Exchange Act B.E. 2535 and also notified that they must submit this report to the Company on the same date they submitted to the Office of the Securities and Exchange Commission.
- The Company prescribed that the directors, the executives, the employees who can access to inside information are prohibited to disclose such information to the third party or non-related person. In addition, they shall not purchase or sell the Company's securities within the period of 30 days prior to the disclosure of financial statement or Company's position and they should wait for at least 24 hours after disclosure of such information before purchasing or selling the Company's securities.

The Company establishes the disciplinary penalty against people who exploit usage of or disclose inside information which, if released prematurely, would cause damage to the Company. Various penalties have been imposed, such as verbal warning, written warning, probation and termination of employment, by firing or discharging, as the case may be.

# Corporate Social Responsibility

Apart from supply the quality products at the prices that everyone could afford, Crown Tech Advance Public Company Limited, as a part of Thai society, has strong determination to develop and make Thai society to become a decent society that helps each other. Hence, it undertook many social projects to help the society both within and outside the organization as follows:

1. Monthly food offering to monk project: The Company has arranged the food offering to the monk and summon listening project every month since the end of 2012 and it still continues at the present days with objectives to sustainable nurture Buddhism in Thailand and to persuade the Company's personnel to get more closely to the religion.

Monks from temple which is located closed to the Company shall be invited to the Company to receive the food and to give summon to the employees in the morning. The Company believes that if the employees' spirit and mind have been disciplined and cultivated to have good morality, their live will be better. Moreover, the



Company also takes such opportunity to access to the employees at all levels by arranging informal meeting to communicate the Company's policies and to listen to opinions from the employees.

2. Lunch for employees at all levels project: In order to assist the employees on fundamental livelihood, particularly the low level ones, the Company has arranged lunch project, under the concept of "Same Pot of Rice and Curry for All AJ Employees". The Company shall provide rice and two kinds of food as lunch to all employees. The core mission of this project is that everyone from the highest executives to the janitor shall eat the same food. This project cannot only help the low income employees to have hygienic food which is cooked by the Company's maids, it can also strengthen harmony in the organization as it can make everyone in the organization feel like the same family who have to take care of each other.
3. AEC's neighboring employee project: As the Company is located in Samut Sakhon Province, which has a lot of the Myanmar employees and is lack of Thai employees, thus, some parts of the Company's workforce comprises of Myanmar employees. However, the policy and regulations on employment of foreign employees have been imposed as follows:
  - 3.1 Only legal labor shall be employed. Presently, all foreign labors employed by the Company must have a passport.
  - 3.2 Monthly wage and fringe benefits provided, i.e. labor wage, lunch, accommodation, bonus, social security and others equal to those provided to Thai employees.

The Company strictly perform business under legal framework and pursuant to regulations specified by the related government agencies. In addition, it also needs to be a role model on proper

employment of foreign labor for other private companies. The Company believes that by doing the right thing and respecting fundamental human right of all employees without any discrimination on race, language and etc., it shall make everybody, regardless of race and language, Thai or foreigner treasure the Company and be the important force in strengthening growth of the Company.

4. Expansion of AJ service center nationwide project: since the Company's products are home electrical appliances that the consumers use in their daily life and these products may have problem or out of order after they used for some period of time. In order to solve such problem, the Company appointed the repair and maintenance service centers for AJ products in almost every province to facilitate the AJ's customers in all areas. In addition, such services are rendered to both products under guarantee period and after warrantee period. The service center shall repair the product under warrantee period without any charging service fees as they can reimburse spare parts and labor cost from the Company. However, for repair of product after warrantee period, the service center shall charge for spare part cost and service fee from the customer. The Company shall sell spare parts to service centers at the reasonable price but the service center must have pricing standard for spare parts and labor costs, so that the customers shall not be overcharged for repair cost. This project can make the Company's customers feel confidence in the products and it can also support the small, local technicians to have professions so they can have sufficient income and can conduct business in their locality.
5. Project to support retail customers of Vending Corporation Co., Ltd: An objective of Vending Corporation Co., Ltd to approach into retail customers to own a vending machine in their local community and receive as another sources of income from being an ownership and distributed income from transaction fee. The company developed the system and service to increase income for retailers in order to support SME grown economy as the government vision to stimulate big economy as a whole.



Apart from major projects, the company also helps to prolong Thai culture and community i.e. Kathin ceremony at Huaykum temple at Chaiyaphume province.

# Internal Control

The Board of Directors assessed the Company's internal control in according to the Assessment Form of Internal Control of SEC, by asking the management in covering 5 components including

- 1) Control Environment
- 2) Risk Assessment
- 3) Control Activities
- 4) Information & Communication
- 5) Monitoring Activities

The Board of Directors concluded that the Company's internal control system was sufficient and appropriate, applied the acceptable accounting standard, SEC and SET rules and regulation in reporting quarterly and yearly financial statements. In addition, the company has a process in generating and the financial statements were disclosed correctly, sufficiently and timely. The company has sufficiently and appropriately internal control system and timely adjusted to the changes situation efficiently, in order to achieve the company's goal and comply with related rules and regulations. There are no significant issues which may cause any damage to the company. The internal control concerning the related transaction with major shareholders, director and their related parties is considered sufficient to protect the company's assets from the use of the company assets with fraud or without authorities. In this regards, the independent directors' and audit committee's opinion are the same as to the directors'.





The Company has a policy to hire outsource internal control by appointing Dharmniti Auditing Co., Ltd. (“Internal Controller”) as internal controller since 2007 to review and assess internal control of the company and provide suggestion of the appropriate internal control system comparing with internal control system under the COSO (The Committee of Sponsoring Organizations of the Treadway Commission) comprising of 1) Control Environment 2) Risk Assessment 3) Control Activity 4) Information and Communication 5) Monitoring and Evaluation.

The Audit Committee approved the internal control result for the year 2015 - 2016 No.5 of Crown Tech Advance Public Company Limited according to the auditing plan which was considered and approved comprising of

- A.) Monitor the efficiency of marketing expenses
  - 1.) Marketing budget and policy
    - 1.1) To determine appropriate marketing policy and evaluation criteria.
    - 1.2) Marketing Budgeting control
  - 2.) Actions on marketing policy and evaluation
    - 2.1) Contract selection with marketing supplier
    - 2.2) Monitor and control marketing supplier
    - 2.3) Evaluate feedback by standardized process i.e. asked from executives, director of sales and marketing, randomly checked, or audited related documents.
- B.) Follow up on the internal audit result, to ensure that the recommendations are effectively applied to the operation and the top management has been accepted the risk from not applying the recommendation. The follow up was made in accordance with the internal audit result report No. 2, No. 3 and No. 4 of year 2013-2014 and No.1 year 2014-2015.

**The audit result has been concluded as follows**

Efficiency and effectiveness of marketing department budgeting control

Related parties included of Marketing department and Finance and accounting department. The control is supervised closely under Director of Marketing started from marketing policy and budget approval, audit marketing expenses, follow up the result of marketing campaign or promote online sales.

Tools and systems to use for internal control included of

- 1.) Marketing budget and policy
  - 1.1) Determine appropriate marketing policy and evaluation criteria for 2015
  - 1.2) Marketing budget approval for AJ Expo and evaluation of all expenses after finished to the executives for acknowledgement.
- 2.) Actions on marketing policy and evaluation
  - 2.1) Selected/Completed contract document with marketing suppliers. Approved advertising contract and re-center contract/document defined market share randomly.
  - 2.2) Monitored and controlled marketing supplier with budget approval from Managing Director and audit all expense by marketing department.
  - 2.3) Evaluated feedback by measurement and KPI.

## Related Transactions

### 1.) Related Transactions Characteristics

In 2015, there were related transactions according to SET regulations concerning the Disclosure of Information and Other Acts of Listed Companies Concerning the Related Transactions, in which the details of the transaction can be summarized as follows:

As of 31 December 2015, the company and its subsidiaries' related transaction with related persons can be summarized below:

Parties with potential conflict	Relationship	Type of transaction	Value (million baht)		Reason and necessity of the related transactions
			2014	2015	
1. Mr. Amorn Meemano	Director of the company	Receiving financial assistance			The company borrowed from director to be the working capital with interest rate of 4.80% (the lowest rate in which the company pay to the financial institution at that period)
		*Principal and interest as of 31 December 2015			
		Beginning Balance	-	-	
		- drawdown	-	77.69	
		- repay	-	(5.00)	
		Ending Balance	-	72.69	Audit Committee have reviewed and considered this item benefit to the company by providing liquidity with the comparable rate to the financial institution.
		- Interest Expense	-	2.69	
					Audit Committee opines that the transaction is suitable and reasonable.

Parties with potential conflict	Relationship	Type of transaction	Value (million baht)		Reason and necessity of the related transactions
			2014	2015	
2. Mr. Pipat Patiwetphinyo	Director of the Company	Receiving financial assistance *Principal and interest as of 31 December 2015 Beginning Balance - drawdown - repay Ending Balance - Interest Expense	- 52.13 - 52.13 0.13	52.13 62.46 - 114.59 4.46	The company borrowed from director to be the working capital with interest rate of 4.80% (the lowest rate in which the company pay to the financial institution at that period)  Audit Committee have reviewed and considered this item benefit to the company by providing liquidity with the comparable rate to the financial institution.  Audit Committee opines that the transaction is suitable and reasonable.
3. Ms. Chinda Meemano	Shareholders and sister of 1.)	Receiving financial assistance *Principal and interest as of 31 December 2015 Beginning Balance - drawdown - repay Ending Balance - Interest Expense	- 37.63 - 37.63 0.03	37.63 40.72 (35.20) 43.15 1.76	The company borrowed from director to be the working capital with interest rate of 4.80% (the lowest rate in which the company pay to the financial institution at that period)  Audit Committee have reviewed and considered this item benefit to the company by providing liquidity with the comparable rate to the financial institution.  Audit Committee opines that the transaction is suitable and reasonable.

Parties with potential conflict	Relationship	Type of transaction	Value (million baht)		Reason and necessity of the related transactions
			2014	2015	
4. Mrs. Nasikar Meemanonuns	Shareholder and spouse of 1.)	Receiving financial assistance			The company borrowed from director to be the working capital with interest rate of 4.80% (the lowest rate in which the company pay to the financial institution at that period)  Audit Committee have reviewed and considered this item benefit to the company by providing liquidity with the comparable rate to the financial institution.  Audit Committee opines that the transaction is suitable and reasonable.
		*Principal and interest as of 31 December 2015	-	48.31	
		Beginning Balance	48.31	38.65	
		- drawdown	-	-	
		- repay	48.31	86.96	
5. Ms. Jintana Meemano	Shareholders and sister of 1.) and 3.)	Ending Balance	0.31	3.49	The company borrowed from director to be the working capital with interest rate of 4.80% (the lowest rate in which the company pay to the financial institution at that period)  Audit Committee have reviewed and considered this item benefit to the company by providing liquidity with the comparable rate to the financial institution.  Audit Committee opines that the transaction is suitable and reasonable.
		- Interest Expense			
		Receiving financial assistance			
		*Principal and interest as of 31 December 2015	-	16.01	
		Beginning Balance	16.01	19.90	
		- drawdown	-	(17.55)	The company borrowed from director to be the working capital with interest rate of 4.80% (the lowest rate in which the company pay to the financial institution at that period)  Audit Committee have reviewed and considered this item benefit to the company by providing liquidity with the comparable rate to the financial institution.  Audit Committee opines that the transaction is suitable and reasonable.
		- repay	16.01	18.36	
		Ending Balance	0.01	0.75	
		- Interest Expense			

Parties with potential conflict	Relationship	Type of transaction	Value (million baht)		Reason and necessity of the related transactions
			2014	2015	
6. Mrs. Yoon Panthasen	Shareholder	Receiving financial assistance *Principal and interest as of 31 December 2015 Beginning Balance - drawdown - repay Ending Balance - Interest Expense	- 49.46 - 49.46 0.06	49.46 27.10 (40.66) 35.90 1.47	The company borrowed from director to be the working capital with interest rate of 4.80% (the lowest rate in which the company pay to the financial institution at that period)  Audit Committee have reviewed and considered this item benefit to the company by providing liquidity with the comparable rate to the financial institution.  Audit Committee opines that the transaction is suitable and reasonable.
7. Mr. Pailin Saengpongpitaya	Shareholder and Brother of 4.)	Receiving financial assistance *Principal and interest as of 31 December 2015 Beginning Balance - drawdown - repay Ending Balance - Interest Expense	- 40.03 - 40.03 0.03	40.03 1.69 (20.85) 20.87 1.69	The company borrowed from director to be the working capital with interest rate of 4.80% (the lowest rate in which the company pay to the financial institution at that period)  Audit Committee have reviewed and considered this item benefit to the company by providing liquidity with the comparable rate to the financial institution.  Audit Committee opines that the transaction is suitable and reasonable.



Parties with potential conflict	Relationship	Type of transaction	Value (million baht)		Reason and necessity of the related transactions
			2014	2015	
8. Ms. Wanida Wasiphanphong	Shareholder and spouse of 2.)	Receiving financial assistance			The company borrowed from director to be the working capital with interest rate of 4.80% (the lowest rate in which the company pay to the financial institution at that period)  Audit Committee have reviewed and considered this item benefit to the company by providing liquidity with the comparable rate to the financial institution.  Audit Committee opines that the transaction is suitable and reasonable.
		*Principal and interest as of 31 December 2015	-	48.06	
		Beginning Balance	48.06	31.10	
		- drawdown	-	(22.31)	
		- repay	48.06	56.85	
9. Mrs. Somjai Wasiphanphong	Shareholder and mother to party No.8	Ending Balance	0.06	2.31	The company borrowed from director to be the working capital with interest rate of 4.80% (the lowest rate in which the company pay to the financial institution at that period)  Audit Committee have reviewed and considered this item benefit to the company by providing liquidity with the comparable rate to the financial institution.  Audit Committee opines that the transaction is suitable and reasonable.
		- Interest Expense			
		Receiving financial assistance			
		*Principal and interest as of 31 December 2015	-	40.39	
		Beginning Balance	40.39	10.31	
		- drawdown	-	(50.70)	The company borrowed from director to be the working capital with interest rate of 4.80% (the lowest rate in which the company pay to the financial institution at that period)  Audit Committee have reviewed and considered this item benefit to the company by providing liquidity with the comparable rate to the financial institution.  Audit Committee opines that the transaction is suitable and reasonable.
		- repay	40.39	-	
		Ending Balance	0.39	0.31	
		- Interest Expense			

# Financial Positions and Operating Results

## Significant Financial Information

### Summary of Auditing Report

Audit Company : KPMG Phoomchai Audit Ltd.

Auditors : 1. Mr. Nirand Lilamethwat, CPA License number 2316 or  
2. Ms. Bongkot Amsageam, CPA License number 3684 or  
3. Mr. Thanit Osathalert, CPA License number 5515

The auditor has opined that the consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2013, 31 December 2014, 31 December 2015, and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

## Summary of Financial Statements

(Unit : Thousand Baht)

Statement of financial position	Consolidated financial statements					
	31 December 2013		31 December 2014		31 December 2015	
<b>Assets</b>						
<b>Current assets</b>						
Cash and cash equivalents	9,323	0.76%	47,516	1.61%	163,899	6.86%
Trade accounts receivable	566,332	46.17%	961,206	32.47%	530,810	22.23%
Account receivable due within one year	-	-	-	-	22,203	0.93%
Other receivables	30,969	2.52%	733,968	24.79%	453,035	18.98%
Inventories	369,769	30.15%	870,053	29.39%	803,505	33.66%
Other current assets	5,492	0.45%	29,246	0.99%	43,354	1.82%
<b>Total current assets</b>	<b>981,885</b>	<b>80.05%</b>	<b>2,641,989</b>	<b>89.25%</b>	<b>2,016,806</b>	<b>84.48%</b>
<b>Non-current assets</b>						
Installment sales receivables	-	-	-	-	55,231	2.31%
Investment in associate	-	-	860	0.03%	396	0.02%
Other long-term investments	24,200	1.97%	38,810	1.31%	36,375	1.52%
Property, plant and equipment	201,783	16.45%	256,211	8.66%	259,374	10.87%
Intangible assets	11,857	0.97%	6,187	0.21%	4,127	0.17%
Deferred tax assets	6,322	0.52%	12,543	0.42%	13,402	0.56%
Other non-current assets	490	0.04%	3,583	0.12%	1,757	0.07%
<b>Total non-current assets</b>	<b>244,652</b>	<b>19.95%</b>	<b>318,194</b>	<b>10.75%</b>	<b>370,662</b>	<b>15.52%</b>
<b>Total assets</b>	<b>1,226,537</b>	<b>100.00%</b>	<b>2,960,183</b>	<b>100.00%</b>	<b>2,387,468</b>	<b>100.00%</b>
<b>Liabilities and equity</b>						
<b>Current liabilities</b>						
Bank overdrafts and short-term loans	527,637	43.02%	1,236,789	41.78%	241,758	10.13%
Trade accounts payable	87,609	7.14%	296,182	10.01%	169,879	7.12%
Other payables	110,345	9.00%	237,219	8.01%	187,146	7.84%
Short-term loans and accrued interest from related parties	-	0.00%	332,032	11.22%	452,367	18.95%
Current portion of long-term loans from financial institutions	25,008	2.04%	25,008	0.84%	25,008	1.05%
Current portion of finance lease liabilities payment due within one year	786	0.06%	736	0.02%	654	0.03%
Income tax payable	13,142	1.07%	36,934	1.25%	7,227	0.30%
Other current liabilities	10,103	0.82%	31,324	1.06%	23,151	0.97%
<b>Total current liabilities</b>	<b>774,630</b>	<b>63.15%</b>	<b>2,196,224</b>	<b>74.19%</b>	<b>1,107,190</b>	<b>46.39%</b>

(Unit : Thousand Baht)

Statement of financial position	Consolidated financial statements					
	31 December 2013		31 December 2014		31 December 2015	
<b>Non-Current liabilities</b>						
Long-term loans from financial institutions	80,584	6.57%	77,076	2.60%	52,068	2.18%
Finance lease liabilities	352	0.03%	1,039	0.04%	1,687	0.07%
Employee benefit obligations	2,235	0.18%	3,029	0.10%	3,574	0.15%
Total non-current liabilities	83,171	6.78%	81,144	2.74%	57,329	2.40%
<b>Total liabilities</b>	<b>857,801</b>	<b>69.93%</b>	<b>2,277,368</b>	<b>76.93%</b>	<b>1,164,519</b>	<b>48.79%</b>
<b>Equity</b>						
Share capital						
Authorised share capital	300,000		375,000		550,000	
Issued and paid-up share capital	250,000	20.38%	300,000	10.13%	387,817	16.24%
Premium on ordinary shares			192,300	6.50%	617,664	25.87%
Retained earnings (Deficit)						
Legal reserve	5,714	0.47%	11,800	0.40%	12,400	0.52%
Unappropriated	85,701	6.99%	141,772	4.79%	147,550	6.18%
Other component of equity	27,321	2.23%	27,321	0.92%	27,321	1.14%
Equity attributable to owners of the Company	368,736	30.07%	673,193	22.74%	1,192,752	49.95%
Non-controlling interests	-	0.00%	9,622	0.33%	30,197	1.26%
Total equity	368,736	30.07%	682,815	23.07%	1,222,949	51.21%
<b>Total liabilities and equity</b>	<b>1,226,537</b>	<b>100.00%</b>	<b>2,960,183</b>	<b>100.00%</b>	<b>2,387,468</b>	<b>100.00%</b>
Book value per share (Baht)	0.147		0.224		0.308	
Issued and paid-up share capital	2,500,000,000		3,000,000,000		3,878,167,640	
(Par adjust to 0.10 baht for comparison)						

(Unit : Thousand Baht)

Statement of comprehensive income	Consolidated financial statements					
	For the year ended					
	31 December 2013		31 December 2014		31 December 2015	
Revenue from sales of goods*	1,643,591	100.00%	1,863,113	100.00%	1,721,818	97.60%
Revenue from service	-	-	-	-	42,365	2.40%
<b>Total revenue</b>	<b>1,643,591</b>	<b>100.00%</b>	<b>1,863,113</b>	<b>100.00%</b>	<b>1,764,183</b>	<b>100.00%</b>
Cost of sales of goods	(1,055,666)	(64.23)%	(1,143,510)	(61.38)%	(1,039,879)	(60.39)%
Cost of service	-	-	-	-	(23,154)	(54.65)%
<b>Total cost of sales</b>	<b>(1,055,666)</b>	<b>(64.23)%</b>	<b>(1,143,510)</b>	<b>(61.38)%</b>	<b>(1,063,033)</b>	<b>(60.26)%</b>
Gross Profit	587,925	35.77%	719,603	38.62%	701,150	39.74%
Other income						
Net foreign exchange gains	-	0.00%	-	0.00%	-	0.00%
Other income	6,773	0.41%	6,808	0.37%	4,628	0.26%
<b>Total Other income</b>	<b>6,773</b>	<b>0.41%</b>	<b>6,808</b>	<b>0.37%</b>	<b>4,628</b>	<b>0.26%</b>
Expenses						
Selling expenses	(369,009)	(22.45)%	(429,236)	(23.04)%	(444,677)	(25.21)%
Servicing expenses	(107,418)	(6.54)%	(117,394)	(6.30)%	(155,717)	(8.83)%
Net foreign exchange losses	(8,874)	(0.54)%	(3,815)	(0.20)%	(10,968)	(0.62)%
<b>Total expenses</b>	<b>(485,301)</b>	<b>(29.53)%</b>	<b>(550,445)</b>	<b>(29.54)%</b>	<b>(611,362)</b>	<b>(34.66)%</b>
Profit before finance costs and income tax expense	109,397	6.66%	175,966	9.44%	94,416	5.34%
Finance costs	(23,279)	(1.42)%	(23,255)	(1.25)%	(54,004)	(3.06)%
Share of loss from subsidiary	-	-	-	-	(464)	(0.03)%
Profit before income tax expense	86,118	5.24%	152,711	8.20%	39,948	2.25%
Income tax expenses	(17,817)	(1.08)%	(30,744)	(1.65)%	(17,564)	(1.00)%
<b>Profit for the year</b>	<b>68,301</b>	<b>4.16%</b>	<b>121,967</b>	<b>6.55%</b>	<b>22,384</b>	<b>1.25%</b>
Other comprehensive income						
Defined benefit plan actuarial losses for employee benefit	(707)	(0.04)%	-	0.00%	-	0.00%
Income tax on other comprehensive income	141	0.01%	-	0.00%	-	0.00%
Other comprehensive income for the year, net of income tax	(565)	(0.03)%	-	0.00%	-	0.00%
<b>Total comprehensive income for the year</b>	<b>67,736</b>	<b>4.12%</b>	<b>121,967</b>	<b>6.55%</b>	<b>22,384</b>	<b>1.27%</b>
<b>Profit attributable to:</b>						
Owners of the Company	68,301	4.16%	122,145	6.56%	6,378	0.36%
Non-controlling interests	-	0.00%	(178)	(0.01)%	16,006	0.91%
<b>Total comprehensive income for the year</b>	<b>68,301</b>	<b>4.16%</b>	<b>121,967</b>	<b>6.55%</b>	<b>22,384</b>	<b>1.27%</b>
Total comprehensive income attributable to:						
Owners of the Company	67,736	4.12%	122,145	6.56%	6,378	0.36%
Non-controlling interests	-	0.00%	(178)	(0.01)%	16,006	0.91%
Total comprehensive income for the year	67,736	4.12%	121,967	6.55%	22,384	1.27%
Earnings per share (in Baht)	0.029		0.042		0.002	
Issued and paid-up share capital (weighted average)	2,358,904,000		2,921,918,000		3,878,167,640	



(Unit : Thousand Baht)

Statement of cash flows	Consolidated financial statements		
	For the year ended		
	31 December 2013	31 December 2014	31 December 2015
<b>Cash flows from operating activities</b>			
Profit for the year	68,301	121,967	22,384
Adjustments for			
Interest Income	-	-	(969)
Depreciation	8,572	10,437	16,976
Amortization of intangible assets	5,057	8,339	2,548
Allowance for doubtful accounts	(2,977)	(1,443)	26,816
Allowance for decline in value of inventories (reversal)	(3,402)	6,764	2,575
Provision for sales return (reversal)	4,893	11,189	(11,038)
Provision for warranties (reversal)	2,982	1,784	(724)
Employee benefits	353	793	882
Gain on disposals of equipment	(441)	(51)	(1)
Loss from write-off equipment	-	-	-
Unrealized (gain) loss on exchange rate	9,293	(5,752)	3,024
Share of loss from investment in associate	-	-	464
Finance costs	23,278	23,255	54,004
Income tax expense	17,817	30,744	17,564
	133,726	208,026	134,505
<b>Changes in operating assets and liabilities</b>			
Trade accounts receivable	175,786	(393,430)	403,745
Installment receivables	-	-	(77,599)
Other receivables	(17,480)	(693,200)	285,488
Inventories	(27,364)	(507,049)	63,973
Other current assets	3,486	(23,246)	(14,109)
Other non-current assets	145	(3,093)	1,826
Trade accounts payable	(144,241)	209,121	(127,306)
Other payables	(90,319)	121,615	(51,793)
Other current liabilities	(19,698)	8,249	3,590
Employee benefit paid			(336)
Cash generated from (used in) operating activities	14,040	(1,073,007)	621,984
Income tax paid	(8,122)	(13,680)	(48,131)
Net cash from (used in) operating activities	5,918	(1,086,687)	573,853

Statement of cash flows	Consolidated financial statements		
	For the year ended		
	31 December 2013	31 December 2014	31 December 2015
<b>Cash flows from investing activities</b>			
Interest received			983
Decrease (increase) of short-term loan from related parties	-	-	-
Decrease (increase) of other loans	-	-	-
Net cash flows on acquisition of subsidiary	-	-	-
Decrease (increase) of other long-term investments	16,671	(14,610)	2,435
Proceeds from disposals of equipment	650	383	30
Purchases of property, plant and equipment	(13,871)	(58,670)	(17,100)
Purchases of Intangible assets	(13,178)	(2,652)	(488)
Net cash used investing activities	(9,727)	(75,549)	(14,140)
<b>Cash flows from financing activities</b>			
Finance costs paid	(23,278)	(23,255)	(54,004)
Dividends paid to owners of the Company	(45,000)	(59,988)	-
Increase in bank overdrafts and short-term loans from financial institutions (Decrease)	45,135	714,355	(997,052)
Increase in short-term loans and accrued interest from related parties	4,321	332,032	439,582
Repayment of short-term loans and accrued interest from related parties	(15,348)	-	(319,247)
Repayment of short-term loans and accrued interest from others	-	-	-
Proceeds from long-term loans from financial institutions	-	21,500	-
Repayment of long-term loans from financial institutions	(5,362)	(25,008)	(25,008)
Finance lease payments	(1,020)	(1,507)	(782)
Proceeds from issue of ordinary shares	25,000	242,300	513,181
Net cash from (used in) financing activities	(15,552)	1,200,429	(443,330)
Net increase (decrease) in cash and cash equivalents	(19,361)	38,193	116,383
Cash and cash equivalents at 1 January	28,685	9,323	47,516
Cash and cash equivalents at 31 December	9,323	47,516	163,899

Financial Ratio		Consolidated financial statements		
		For the year ended		
		31 December 2013	31 December 2014	31 December 2015
<b>LIQUIDITY RATIO</b>				
Current ratio	(Time)	1.27	1.20	1.82
Quick ratio	(Time)	0.78	0.79	1.06
Cash Flow current ratio	(Time)	0.01	(0.73)	0.35
Receivable current ratio	(Time)	2.50	2.43	2.14
Average debt collection period	(Day)	144.11	148.15	168.06
Inventory Turnover period	(Time)	2.84	1.79	1.24
Average selling period	(Day)	126.62	201.01	291.25
Payable current ratio	(Time)	6.63	5.96	4.56
Loan repayment period	(Day)	54.29	60.41	78.92
Cash Cycle	(Day)	216.44	288.75	380.39
<b>PROFITABILITY RATIO</b>				
Gross profit margin	(%)	35.77	38.62	39.74
Operating profit margin	(%)	6.66	9.44	5.35
Other profit margin	(%)	0.41	0.36	0.26
Cash to profit margin	(%)	5.41	(617.55)	607.79
Net profit margin	(%)	4.14	6.53	0.36
Return on equity	(%)	19.80	23.45	0.68
<b>EFFICIENCY RATIO</b>				
Return on assets	(%)	5.25	5.83	0.24
Return on fixed assets	(%)	38.74	57.90	9.06
Assets turnover	(Time)	1.27	0.89	0.66
<b>FINANCIAL POLICY RATIO</b>				
Debt to equity ratio	(Time)	2.33	3.38	0.98
Interest coverage ratio	(Time)	0.06	(46.14)	11.52
Commitment coverage ratio (cash basis)	(Time)	0.06	(7.35)	1.58
Dividend payout ratio	(%)	65.89	49.11	-

# Analysis of Financial Positions and Operating Results

## Analysis of Financial Positions and Operating Results

### Analysis of Operating Result

#### Total revenue:

In 2015, the company generated total revenue of 1,768.81 million Baht, decreased by 101.11 million Baht or 5.41 percent compared to 2014 sales of 1,869.92 million Baht. This was the result of economic slowdown and lower customer purchasing power.

#### Revenue from sales of electrical appliance of the company can be divided into 2 groups as follows:

(Unit : '000 Baht)

Revenue structure by product	2013		2014		2015	
1. Revenue from sales - AV	1,422,184	74.82%	1,762,825	83.41%	1,491,995	77.38%
2. Revenue from sales - AP	478,732	25.18%	350,573	16.59%	357,356	18.53%
3. Revenue from sales - vending machine	-	-	-	-	78,679	4.09%
<b>Revenue from sales before trade - discount and provision for sales return</b>	<b>1,900,916</b>	<b>100.00%</b>	<b>2,113,398</b>	<b>100.00%</b>	<b>1,928,030</b>	<b>100.00%</b>
Deduct - Trade discount	(258,806)	(13.61)%	(233,139)	(11.03)%	(221,339)	(11.48)%
Provision from Sales return	1,481	0.08%	(17,146)	(0.81)%	15,127	0.78%
<b>Revenue from sales (Net)</b>	<b>1,643,591</b>	<b>86.46%</b>	<b>1,863,113</b>	<b>88.16%</b>	<b>1,721,818</b>	<b>87.74%</b>

- Audio and Visual (AV products) are the main products which continuously generated main revenue to the Company. Sales amount during 2013-2015 was 1,422.18 million Baht, 1,762.83 million Baht and 1,492.00 million Baht or accounting for 74.82 percent, 83.41 percent and 77.38 percent of total sales of products before reduction of discount and allowance for returned product, respectively. Sales amount of AV product in 2015 decreased at the rate of 15.36 percent.
- The electrical appliances is Home Appliance (AP) products which supplied to respond to the needs of consumers in Thailand. Sales in 2013-2015 were 478.73 million Baht, 350.57 million Baht and 357.36 million Baht respectively or equaled to 25.18 percent, 16.59 percent and 18.53 percent of total sales before reduction of discount and allowance for returned product, respectively.
- Revenue from vending machine which was the new product of the Company under the name of "Vending Corporation Co., Ltd.". The Company invested into this business on 4<sup>th</sup> quarter of 2015 which was a service to provide top-up mobile operators mainly for One to call (AIS), DTAC, True Move (TRUE). Sales in 2015 was 78.68 million Baht or equaled to 4.09 percent of total sales before reduction of discount and allowance for returned product.
- Discount from sales incurred via modern trade distribution channels and dealers. Such sales contracts or agreements made with each business partner have different terms including discount and rebate conditions. Therefore, it caused the Company to reimburse or reconcile on discount and rebate and returned product at all time. Discount and rebate during 2013-2015 were 258.81 million Baht, 233.14 million Baht and 221.34 million Baht or equaled to 13.61 percent, 11.03 percent and 11.48 percent of total sales before reduction of discount and allowance for returned products respectively.

- Allowance of returned calculated by product returned statistics and compared with sales amount in the past, then adjusted to a new calculation formula and made it up-to-date in every quarter. The allowance of returned product decreased by 1.48 million Baht in 2013, increased by 17.15 million Baht in 2014, and the Company has set up a decrease of the allowance of returned product in the amount of 15.13 Baht.

### Revenue from service

The Company recognized revenue from investment in new business in 2015. Revenue from service was 42.37 million Baht or 2.40 percent of total revenue. Revenue from subsidiaries were 95.58 percent from TV program producer by 'Happy Vision Co., Ltd' and other from AIR TIME service by 'Vending Corporation Co., Ltd.'.

### Other revenue

Other revenues of the Company during 2013-2015 were 6.77 million Baht, 6.81 million Baht and 4.63 million Baht or accounted for 0.41 percent, 0.37 percent, and 0.26 percent of total revenue from sales and service, respectively. Main components of other revenues were interest received, revenue from repair, adjustment of account receivable, rental fee for ATMs and music adding service etc.

### Cost of Sales

Major components of the company's cost of sales are:

(Unit : '000 Baht)

Cost of goods sold	2013		2014		2015	
Purchase (Net)	1,036,202	98.30%	1,729,182	97.72%	1,222,909	96.34%
Import expenses & Related expenses	20,651	1.96%	39,521	2.23%	39,832	3.14%
Allowance for sales return (reversal)	704	0.07%	(5,957)	(0.34)%	4,089	0.32%
Allowance for decline in value on inventories	(3,402)	(0.32)%	6,764	0.38%	2,575	0.20%
<b>Total</b>	<b>1,054,155</b>	<b>100.00%</b>	<b>1,769,510</b>	<b>100.00%</b>	<b>1,269,405</b>	<b>100.00%</b>
Change in inventories (In period)	1,511	0.14%	(626,000)	(35.38)%	(229,526)	(18.08)%
<b>Cost of goods sold (Net)</b>	<b>1,055,666</b>	<b>100.14%</b>	<b>1,143,510</b>	<b>64.62%</b>	<b>1,039,879</b>	<b>81.92%</b>
<b>Percentage of Revenue from Sales</b>		<b>64.23%</b>		<b>61.38%</b>		<b>60.39%</b>

Cost of goods sold of the Company in 2013-2015 were 1,055.67 million Baht, 1,143.51 million Baht, and 1,039.88 million Baht or accounting for 64.23 percent, 61.38 percent and 60.39 percent of total cost of goods sold, respectively.

### Cost of service

In 2015, the Company incurred total cost of service equal to 23.15 million Baht or accounting for 54.64 percent of revenue from service. Major component of the company's cost of service was cost of production from Happy Vision Co., Ltd.



## Sales and Administrative Expenses

(Unit : '000 Baht)

Sales and Adminis. expenses	2013		2014		2015	
Selling expenses	369,009	22.45%	429,236	23.04%	444,677	25.21%
Administrative expenses	107,418	6.54%	117,394	6.30%	155,717	8.83%
<b>Total</b>	<b>476,427</b>	<b>28.99%</b>	<b>546,630</b>	<b>29.34%</b>	<b>600,394</b>	<b>34.03%</b>
Revenue from sales and service	1,643,591	100.00%	1,863,113	100.00%	1,764,183	100.00%

### Selling Expenses

The selling expenses in 2013-2015 were 369.01 million Baht, 429.24 million Baht, and 444.68 million Baht or 22.45 percent, 23.04 percent and 25.21 percent of revenue from sales and service of each period, respectively. In 2015, expenses from sales increased 15.44 million Baht compared to last year or accounting for 2.17 percent increased in the ratio of expenses to revenue from sales and service from the expansion of Vending corporation business.

### General and administrative expenses

General and administrative expenses in 2013-2015 were 107.42 million Baht, 117.39 million Baht, and 155.72 million Baht or 6.54 percent, 6.30 percent and 8.83 percent of revenue from sales and service of each period, respectively. In 2015, General and administrative expenses increased 38.33 million Baht compared to last year or accounting for 2.53 percent increase in the ratio of expenses to revenue from sales and service from the increase of doubtful expenses.

### Profit (loss) on exchange rate

(Unit : '000 Baht)

Profit (loss) on exchange rate	2013		2014		2015	
Profit (loss) on exchange rate	8,874	0.54%	3,815	0.20%	10,968	0.62%
Revenue from sales of goods and service	1,643,591	100.00%	1,863,113	100.00%	1,764,183	100.00%

Profit (loss) on exchange rate in 2013-2015 were 8.87 million Baht, 3.82 million Baht, and 10.97 million Baht or 0.54 percent, 0.20 percent and 0.62 percent of revenue from sales and service of each period, respectively. In 2015, loss on exchange rate increased 7.15 million Baht compared to last year or 0.42 percent increase on the ratio of loss on exchange rate to revenue from sales and service from the depreciation of USD comparing to the same period in last year.

## Cost of financing

(Unit : '000 Baht)

Cost of financing	2013		2014		2015	
Cost of financing	23,279	1.42%	23,255	1.25%	54,004	3.06%
Revenue from sales and service	1,643,591	100.00%	1,863,113	100.00%	1,764,183	100.00%

Cost of financing in 2013-2015 were 23.28 million Baht, 23.26 million Baht, and 54.00 million Baht or 1.42 percent, 1.25 percent and 3.06 percent of revenue from sales and service of each period, respectively. In 2015, cost in financing increased 30.74 million Baht compared to last year or 1.81 percent increase on the ratio of cost of financing to revenue from sales and service from higher interest rate due to more external sources of financing.

## Profitability

(Unit : '000 Baht)

Profitability	2013		2014		2015	
Gross profits	587,925	35.77%	719,603	38.62%	701,150	39.74%
Profits from operations (before financial costs and tax)	109,397	6.66%	175,966	9.44%	94,416	5.34%
<b>Profit attributable to:</b>						
Owners of the Company	68,301	4.16%	122,145	6.56%	6,378	0.36%
Non-controlling interests	-	-	(178)	(0.01)%	16,006	0.91%
Net profits	68,301	4.16%	121,967	6.55%	22,384	1.27%
Revenue from sales	1,643,591	100.00%	1,863,113	100.00%	1,764,183	100.00%

Net profit in 2013-2015 were 68.30 million Baht, 122.15 million Baht, and 6.38 million Baht or 4.16 percent, 6.56 percent and 0.36 percent of revenue from sales and service of each period, respectively. In 2015, net profit decreased 115.77 million Baht or 94.78 percent compared to last year.

## Analysis of Financial Positions

### Total asset

(Unit : '000 Baht)

Total assets	Consolidated financial statements					
	31 Dec 2013		31 Dec 2014		31 Dec 2015	
<b>Current assets</b>						
Cash and cash equivalents	9,323	0.76%	47,516	1.61%	163,899	6.86%
Trade accounts receivable	566,332	46.17%	961,206	32.47%	530,810	22.23%
Account receivable due within one year	-	-	-	-	22,203	0.93%
Other receivables	30,969	2.52%	733,968	24.79%	453,035	18.98%
Inventories	369,769	30.15%	870,053	29.39%	803,505	33.66%
Others current assets	5,492	0.45%	29,246	0.99%	43,354	1.82%
<b>Total current assets</b>	<b>981,885</b>	<b>80.05%</b>	<b>2,641,989</b>	<b>89.25%</b>	<b>2,016,806</b>	<b>84.48%</b>
<b>Non-current assets</b>						
Installment sales receivable	-	-	-	-	55,231	2.31%
Investments in associate	-	-	860	0.03%	396	0.02%
Other long-term investments	24,200	1.97%	38,810	1.31%	36,375	1.52%
Property, plant and equipment	201,783	16.45%	256,211	8.66%	259,374	10.86%
Intangible assets	11,857	0.97%	6,187	0.21%	4,127	0.17%
Deferred tax assets	6,322	0.52%	12,543	0.42%	13,402	0.56%
Other non-current assets	490	0.04%	3,583	0.12%	1,757	0.07%
<b>Total non-current assets</b>	<b>244,652</b>	<b>19.95%</b>	<b>318,194</b>	<b>10.75%</b>	<b>370,662</b>	<b>15.52%</b>
<b>Total assets</b>	<b>1,226,537</b>	<b>100.00%</b>	<b>2,960,183</b>	<b>100.00%</b>	<b>2,387,468</b>	<b>100.00%</b>

Total asset at the end of period in 2013-2015 were 1,226.54 million Baht, 2,960.18 million Baht, and 2,387.47 million Baht, respectively. Total asset in 2015 decreased by 19.35 percent compared to last year by having current asset of 2,016.81 decreased by 625.18 million Baht or accounting for 23.66 percent compared to last year.

Major components of the Company's total asset were account receivable accounted for 22.23-46.17 percent of total asset, other receivable accounted for 2.52-24.79 percent, and inventories accounted for 29.39-33.66 percent of total asset. The decrease in total asset in 2015 compared to last year was as follows

- Trade account receivable decreased by 430.40 million Baht or 44.78% compared to last year from sales of SET TOP BOX campaign in 2014 affected to abnormal high account receivable; however, those account receivable decreased in 2015 as the payment was received.
- Other receivable decreased by 280.93 million Baht or 38.28 percent compared to last year because of the coupon redemption from Office of the national broadcasting and telecommunications commission.
- Inventories decreased by 66.54 million Baht or 7.65 percent compared to last year from decrease in SET TOP BOX promotion.

In 2015, the Company incurred installment sales receivable of 55.23 million Baht from Vending Corporation Co., Ltd installment sales plan for customer of vending machine.



## Total Liabilities

(Unit : '000 Baht)

Total liabilities	Consolidated financial statements					
	31 Dec 2013		31 Dec 2014		31 Dec 2015	
<b>Current liabilities</b>						
Bank overdrafts and short-term loans	527,637	43.02%	1,236,789	41.78%	241,758	10.13%
Trade accounts payable	87,609	7.14%	296,182	10.01%	169,879	7.12%
Other payables	110,345	9.00%	237,219	8.01%	187,146	7.84%
Short-term loans and accrued interest from related parties	-	-	332,032	11.22%	452,367	18.95%
Current portion of long-term loans from financial institutions	25,008	2.04%	25,008	0.84%	25,008	1.05%
Current portion of finance lease liabilities payment due within one year	786	0.06%	736	0.02%	654	0.03%
Income tax payable	13,142	1.07%	36,934	1.25%	7,227	0.30%
Other current liabilities	10,103	0.82%	31,324	1.06%	23,151	0.97%
<b>Total current liabilities</b>	<b>774,630</b>	<b>63.15%</b>	<b>2,196,224</b>	<b>74.19%</b>	<b>1,107,190</b>	<b>46.39%</b>
<b>Non-current liabilities</b>						
Long-term loans from financial institutions	80,584	6.57%	77,076	2.60%	52,068	2.18%
Finance lease liabilities	352	0.03%	1,039	0.04%	1,687	0.07%
Employee benefit obligations	2,235	0.18%	3,029	0.10%	3,574	0.15%
<b>Total non-current liabilities</b>	<b>83,171</b>	<b>6.78%</b>	<b>81,144</b>	<b>2.74%</b>	<b>57,329</b>	<b>2.40%</b>
<b>Total liabilities</b>	<b>857,801</b>	<b>69.93%</b>	<b>2,277,368</b>	<b>76.93%</b>	<b>1,164,519</b>	<b>48.79%</b>

Total liabilities at the end of period in 2013-2015 were 857.80 million Baht, 2,277.37 million Baht, and 1,164.52 million Baht, which accounted for 69.93 percent, 76.93 percent, and 48.79 percent of total liabilities and shareholders' equity, respectively. Total liabilities in 2015 decreased by 1,112.85 million Baht or 48.87 percent.

Major component of total liabilities were Bank overdrafts and short-term loans accounted for 10.13-43.02 percent of total liabilities and shareholders' equity, trade account payable accounted for 7.12-10.01 percent, other payable accounted for 7.84-9.00 percent and Short-term loans and accrued interest from related parties accounted 0.00-18.95 percent of total liabilities and shareholders' equity. The decrease in total liabilities in 2015 are as follows

- Bank overdrafts and short-term loans decreased by 995.03 million Baht or 80.45 percent compared to last year.
- Trade accounts payable decreased by 126.30 million Baht or 42.64 percent compared to last year.
- Other payables decreased by 50.07 million Baht or 2.11 percent compared to last year.
- Income tax payable decreased by 29.70 million Baht or 80.42 percent compared to last year.
- Current portion of long-term loans from financial institutions decreased by 25.01 million Baht or 32.45 percent compared to last year.

In 2015, the Company incurred higher liabilities from Short-term loans and accrued interest from related parties of 120.34 million Baht or 36.24 percent compared to last year due to more external funding.

### Shareholders' Equity

Total shareholders' equity at the end of period in 2013-2015 were 368.74 million Baht, 673.19 million Baht, and 1,192.75 million Baht, respectively.

In 2015, Total shareholders' equity increased 519.56 million Baht or 77.18 percent compared to last year. Major component were paid up capital increased by 87.82 million Baht or 29.27 percent compared to last year and premium on ordinary shares increased by 425.36 million Baht, or 221.20 percent compared to last year as there are issued shares for private placement.

### Liquidity

Statement of cash flow of the Company during 2013-2015 can be summarized as follows:

(Unit : '000 Baht)

	2013	2014	2015
Cash flows from operating activities before changes in operating assets and liabilities	133,726	208,026	134,505
Net cash flows (Used in) operating activities	5,918	(1,086,687)	573,853
Net cash used in investing activities	(9,727)	(75,549)	(14,140)
Net cash flows (Used in) financing activities	(15,552)	1,200,429	(443,330)
Net increase (decrease) in cash & cash equivalents	(19,361)	38,193	116,383
Cash & cash equivalents at 31 December	9,323	47,516	163,899

Most of cash flow sources of the Company came from operating activities. During 2013-2015, cash from operating activating before changes of assets and operating liabilities were 133.73 million Baht, 208.03 million Baht and 134.51 million Baht respectively.



In 2014, net cash from operating activities was 573.85 million Baht. The main reason for increase of cash flow were account receivables amounted 403.75 million Baht, other receivables amounted 285.49 million Baht inventory amounted 63.97 million Baht. The decrease of cash flow in were mainly from installment receivable 77.60 million Baht, trade account receivable of 127.31 million Baht, and other receivable of 51.79 million Baht.

During 2013-2015, liquidity ratio of the Company was as follows:

(Unit : '000 Baht)

Ratio analysis	2013	2014	2015
Current ratio (time)	1.27	1.20	1.82
Quick ratio (time)	0.78	0.79	1.06
Cash flow current ratio (time)	0.01	(0.73)	0.35
Average debt collection period (day)	144.11	148.15	168.06
Average selling period (day)	126.62	201.01	291.25
Average A/P repayment period (day)	54.29	60.41	78.92
Cash Cycle (day)	216.44	288.75	380.39

In 2013-2015, Liquidity ratio of the Company were between 1.20 - 1.82 times. In 2015, quick ratio was 1.06 which was better than previous two years (less than 1.0) from the result of increase in capital. However, cash cycle was still high between 216-380 days (Days inventory outstanding + Days sales outstanding - Days payable outstanding) which considered to be continuously increasing. The Company is in the process to adjust its strategy in term of sales and marketing to boost up sales, to lower stock inventory, to have more efficient receivable collection, and to find more available sources of funding for operating liquidity.

### Investment expenses

In 2015, the Company's major investments were 1.) Office and real estate renovation for 16.87 million Baht and 2.) the reduction of long term investment for 2.44 million Baht which was the deposit from the bank as a collateral, this resulted as increased in total cash flow for operating activities for 14.14 million Baht.

### Source of fund

In 2015, the Company's total cash flow from financing was 443.33 million Baht. Major transactions were finance cost paid for 54.00 million Baht, payment in bank overdrafts and short-term loans from financial institutions for 997.05 million Baht, Repayment of long-term loans from financial institutions for 25.01 million Baht. The Company incurred an increase in short-term loans and accrued interest from related parties of 120.33 million Baht and proceeds from issue of ordinary shares for 513.18 million Baht.





### Auditor's Remuneration

In 2015, the Company and its subsidiaries paid annual remuneration to the auditor of 3.25 million Baht, divided into auditing fee for annual financial statement of 2015 at 1.65 million Baht, auditing fee for quarter financial statement of 0.75 million Baht and auditing fee for financial statements of the subsidiaries of 0.85 million Baht.

### Factors affected to financial result and operating result in the future

From the Company's financial result at December 31<sup>st</sup>, 2015, the Company still incurred high inventory which was not correspond with the sales volume. If there was product deterioration or any other factors which may affect to the sales, it will directly affect business operation.

The increase in current liability was from high in short-term loans from related parties which normally was a borrowing from financial institution. The Company incurred a risk of repayment ability to the lender.

Nevertheless, the Company realized those problems and in the planning stage to deal with the high level inventory problem. Furthermore, the Company would adjust capital structure to the standard practice of industry.

In addition, investment in subsidiaries and financial support will increase accordingly. The Company's objective was to diversify investment especially in Vending Corporation Co, Ltd. and other potential businesses in the future. Investment in new business will make a better operating result as a whole, but can incur a risk of misleading from the business projection at the same time. The Company will limit those risks by constantly evaluating and adjusting the business strategy from time to time.



# Independent Auditor's Report

## To the shareholders of Crown Tech Advance Public Company Limited

I have audited the accompanying consolidated and separate financial statements of Crown Tech Advance Public Company Limited and its subsidiaries (the “Group”), and of Crown Tech Advance Public Company Limited (the “Company”), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2015, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Consolidated and Separate Financial Statements*

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

### *Auditor's Responsibility*

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

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

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

*Opinion*

In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2015 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

(Bongkot Amsageam)  
Certified Public Accountant  
Registration No. 3684

KPMG Phoomchai Audit Ltd.  
Bangkok  
25 February 2016

# Statement of financial position

## Crown Tech Advance Public Company Limited and its subsidiaries

Assets	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2015	2014	2015	2014
<i>(in Baht)</i>					
<b>Current assets</b>					
Cash and cash equivalents	6	163,898,526	47,515,881	154,745,135	43,136,770
Trade accounts receivable	7	530,810,033	961,205,852	622,272,716	961,083,922
Current portion of installment sales receivables	8	22,203,281	-	-	-
Other receivables	9	453,035,115	733,968,277	442,964,637	717,122,405
Inventories	10	803,505,120	870,053,273	749,009,123	856,074,272
Short-term loans to related party	5	-	-	-	3,231,074
Other current assets		43,354,207	29,245,672	36,613,961	29,030,837
<b>Total current assets</b>		<b>2,016,806,282</b>	<b>2,641,988,955</b>	<b>2,005,605,572</b>	<b>2,609,679,280</b>
<b>Non-current assets</b>					
Installment sales receivables	8	55,230,904	-	-	-
Investment in associate	11	396,420	860,414	860,714	860,714
Investments in subsidiaries	12	-	-	27,570,000	20,060,000
Other long-term investments	14	36,375,000	38,810,000	36,375,000	38,810,000
Property, plant and equipment	15	259,374,427	256,211,174	259,888,709	257,901,686
Intangible assets	16	4,126,573	6,186,769	3,939,279	6,186,769
Deferred tax assets	17	13,401,824	12,542,760	13,195,836	12,333,364
Other non-current assets		1,756,869	3,582,898	602,735	3,582,898
<b>Total non-current assets</b>		<b>370,662,017</b>	<b>318,194,015</b>	<b>342,432,273</b>	<b>339,735,431</b>
<b>Total assets</b>		<b>2,387,468,299</b>	<b>2,960,182,970</b>	<b>2,348,037,845</b>	<b>2,949,414,711</b>



# Statement of financial position

## Crown Tech Advance Public Company Limited and its subsidiaries

Liabilities and equity	Note	Consolidated		Separate	
		financial statements		financial statements	
		2015	2014	2015	2014
		(in Baht)			
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions	18	241,758,314	1,236,788,643	241,758,314	1,236,788,643
Trade accounts payable	19	169,878,473	296,182,142	217,035,930	346,871,066
Other payables	20	187,146,095	237,219,599	175,768,332	228,180,180
Short-term loans from related parties	5, 18	452,366,748	332,031,878	464,618,043	334,924,601
Current portion of long-term loans					
from financial institutions	18	25,008,000	25,008,000	25,008,000	25,008,000
Current portion of					
finance lease liabilities	18	654,030	736,322	654,030	736,322
Income tax payable		7,226,733	36,934,239	378,777	36,934,239
Other current liabilities	21	23,151,264	31,323,670	14,571,424	31,141,185
Total current liabilities		1,107,189,657	2,196,224,493	1,139,792,850	2,240,584,236
Non-current liabilities					
Long-term loans from					
financial institutions	18	52,068,000	77,076,000	52,068,000	77,076,000
Finance lease liabilities	18	1,686,758	1,038,589	1,686,758	1,038,589
Employee benefit obligations	22	3,574,309	3,028,589	3,574,309	3,028,589
Total non-current liabilities		57,329,067	81,143,178	57,329,067	81,143,178
Total liabilities		1,164,518,724	2,277,367,671	1,197,121,917	2,321,727,414

# Statement of financial position

## Crown Tech Advance Public Company Limited and its subsidiaries

### Crown Tech Advance Public Company Limited and its subsidiaries

#### Statement of financial position

		Consolidated financial statements		Separate financial statements	
		31 December		31 December	
Liabilities and equity	Note	2015	2014	2015	2014
<i>(in Baht)</i>					
<b>Equity</b>					
Share capital	23				
Authorised share capital		<u>550,000,000</u>	<u>375,000,000</u>	<u>550,000,000</u>	<u>375,000,000</u>
Issued and paid-up share capital		387,816,764	300,000,000	387,816,764	300,000,000
Premium on ordinary shares	23	617,664,432	192,300,000	617,664,432	192,300,000
Retained earnings					
Appropriated					
Legal reserve	24	12,400,000	11,800,000	12,400,000	11,800,000
Unappropriated		147,550,044	141,772,051	133,034,732	123,587,297
Other component of equity	24	<u>27,321,019</u>	<u>27,321,019</u>	<u>-</u>	<u>-</u>
<b>Equity attributable to owners of     the Company</b>		<b>1,192,752,259</b>	<b>673,193,070</b>	<b>1,150,915,928</b>	<b>627,687,297</b>
Non-controlling interests	13	<u>30,197,316</u>	<u>9,622,229</u>	<u>-</u>	<u>-</u>
<b>Total equity</b>		<b><u>1,222,949,575</u></b>	<b><u>682,815,299</u></b>	<b><u>1,150,915,928</u></b>	<b><u>627,687,297</u></b>
<b>Total liabilities and equity</b>		<b><u>2,387,468,299</u></b>	<b><u>2,960,182,970</u></b>	<b><u>2,348,037,845</u></b>	<b><u>2,949,414,711</u></b>

# Statement of comprehensive income

Crown Tech Advance Public Company Limited and its subsidiaries

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended		For the year ended	
		31 December		31 December	
		2015	2014	2015	2014
		(in Baht)			
<b>Income</b>	<b>5</b>				
Revenue from sales of goods		1,721,817,171	1,863,113,152	1,738,251,621	1,863,263,107
Revenue from rendering of services		42,365,358	-	-	-
Other income		4,628,081	6,808,197	6,641,650	6,796,339
<b>Total income</b>		<b>1,768,810,610</b>	<b>1,869,921,349</b>	<b>1,744,893,271</b>	<b>1,870,059,446</b>
<b>Expenses</b>	<b>5</b>				
Cost of sales of goods		1,039,878,923	1,143,509,539	1,077,699,785	1,144,650,010
Cost of rendering of services		23,153,814	-	-	-
Selling expenses	26	444,677,240	429,235,585	434,037,004	429,222,385
Administrative expenses	27	155,716,681	117,394,501	149,638,260	117,996,936
Net foreign exchange losses		10,967,579	3,814,607	10,941,670	3,814,607
Finance costs	30	54,004,072	23,255,120	54,312,685	23,366,190
<b>Total expenses</b>		<b>1,728,398,309</b>	<b>1,717,209,352</b>	<b>1,726,629,404</b>	<b>1,719,050,128</b>
Share of loss of associate	11	(463,994)	(300)	-	-
<b>Profit before income tax expense</b>		<b>39,948,307</b>	<b>152,711,697</b>	<b>18,263,867</b>	<b>151,009,318</b>
Income tax expense	31	(17,564,355)	(30,744,469)	(8,216,432)	(30,630,637)
<b>Profit for the year</b>		<b>22,383,952</b>	<b>121,967,228</b>	<b>10,047,435</b>	<b>120,378,681</b>
<b>Other comprehensive income</b>					
<b>for the year, net of income tax</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income</b>					
<b>for the year</b>		<b>22,383,952</b>	<b>121,967,228</b>	<b>10,047,435</b>	<b>120,378,681</b>

# Statement of comprehensive income

## Crown Tech Advance Public Company Limited and its subsidiaries

		Consolidated financial statements		Separate financial statements	
		For the year ended 31 December		For the year ended 31 December	
	Note	2015	2014	2015	2014
		(in Baht)			
<b>Profit (loss) attributable to:</b>					
Owners of the Company		6,377,993	122,144,999	10,047,435	120,378,681
Non-controlling interests	13	<u>16,005,959</u>	<u>(177,771)</u>	<u>-</u>	<u>-</u>
<b>Profit for the year</b>		<u><b>22,383,952</b></u>	<u><b>121,967,228</b></u>	<u><b>10,047,435</b></u>	<u><b>120,378,681</b></u>
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		6,377,993	122,144,999	10,047,435	120,378,681
Non-controlling interests	13	<u>16,005,959</u>	<u>(177,771)</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<u><b>22,383,952</b></u>	<u><b>121,967,228</b></u>	<u><b>10,047,435</b></u>	<u><b>120,378,681</b></u>
<b>Earnings per share (in Baht)</b>	32				
Basic earnings per share		<u>0.002</u>	<u>0.042</u>	<u>0.003</u>	<u>0.041</u>
Diluted earning per share		<u>0.001</u>	<u>0.041</u>	<u>0.002</u>	<u>0.041</u>



# Statement of changes in equity

## Crown Tech Advance Public Company Limited and its subsidiaries

Year ended 31 December 2015  
Balance at 1 January 2015

### Transaction with owners, recorded directly in equity

#### Contribution by owners of the Company

Issue of ordinary shares

Total contributions by owners of the Company

#### Changes in ownership interests in subsidiaries

Acquisition of non-controlling interests with a change in control

Total changes in ownership interests in subsidiaries

Total transaction with owners, recorded directly in equity

#### Comprehensive income for the year

Profit

Other comprehensive income

Total comprehensive income for the year

Transfer to legal reserve

Balance at 31 December 2015

Consolidated financial statements										
Note	Issued and paid-up share capital	Share premium	Retained earnings		Other component of equity			Equity attributable to owners of the Company	Non-controlling interests	Total equity
			Legal reserve	Unappropriated	Surplus from business combination under common control	(in Baht)				
Year ended 31 December 2015										
Balance at 1 January 2015										
Transaction with owners, recorded directly in equity										
Contribution by owners of the Company										
23	87,816,764	425,364,432	-	-	-	-	-	513,181,196	-	513,181,196
Total contributions by owners of the Company										
	87,816,764	425,364,432	-	-	-	-	-	513,181,196	-	513,181,196
Changes in ownership interests in subsidiaries										
4	-	-	-	-	-	-	-	-	4,569,128	4,569,128
Acquisition of non-controlling interests with a change in control										
Total changes in ownership interests in subsidiaries										
	-	-	-	-	-	-	-	-	4,569,128	4,569,128
Total transaction with owners, recorded directly in equity										
	87,816,764	425,364,432	-	-	-	-	-	513,181,196	4,569,128	517,750,324
Comprehensive income for the year										
	-	-	-	6,377,993	-	-	-	6,377,993	16,005,959	22,383,952
Profit										
	-	-	-	-	-	-	-	-	-	-
Other comprehensive income										
Total comprehensive income for the year										
	-	-	-	6,377,993	-	-	-	6,377,993	16,005,959	22,383,952
Transfer to legal reserve										
24	-	-	600,000	(600,000)	-	-	-	-	-	-
Balance at 31 December 2015										
	387,816,764	617,664,432	12,400,000	147,550,044	27,321,019	-	-	1,192,752,259	30,197,316	1,222,949,575



# Statement of changes in equity

Crown Tech Advance Public Company Limited and its subsidiaries

	Note	Separate financial statements				
		Issued and paid-up share capital	Share premium	Legal reserve (in Baht)	Unappropriated	Total equity
<b>Year ended 31 December 2014</b>						
<b>Balance at 1 January 2014</b>		<b>250,000,000</b>	<b>-</b>	<b>5,714,465</b>	<b>69,282,101</b>	<b>324,996,566</b>
Transactions with owners, recorded directly in equity						
<i>Contributions by and distributions to owners of the Company</i>						
Issue of ordinary shares	23	50,000,000	192,300,000	-	-	242,300,000
Dividends to owners of the Company	33	-	-	-	(59,987,950)	(59,987,950)
<b>Total contributions by and distributions to owner of the Company</b>		<b>50,000,000</b>	<b>192,300,000</b>	<b>-</b>	<b>(59,987,950)</b>	<b>182,312,050</b>
<b>Total transactions with owners, recorded directly in equity</b>		<b>50,000,000</b>	<b>192,300,000</b>	<b>-</b>	<b>(59,987,950)</b>	<b>182,312,050</b>
Comprehensive income for the year						
Profit		-	-	-	120,378,681	120,378,681
Other comprehensive income		-	-	-	-	-
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>120,378,681</b>	<b>120,378,681</b>
Transfer to legal reserve	24	-	-	6,085,535	(6,085,535)	-
<b>Balance at 31 December 2014</b>		<b>300,000,000</b>	<b>192,300,000</b>	<b>11,800,000</b>	<b>123,587,297</b>	<b>627,687,297</b>

# Statement of changes in equity

Crown Tech Advance Public Company Limited and its subsidiaries

	Note	Separate financial statements				
		Issued and paid-up share capital	Share premium	Legal reserve (in Baht)	Retained earnings	Total equity
Year ended 31 December 2015						
Balance at 1 January 2015		300,000,000	192,300,000	11,800,000	123,587,297	627,687,297
Transactions with owners, recorded directly in equity						
Contributions by owners of the Company						
Issue of ordinary shares	23	87,816,764	425,364,432	-	-	513,181,196
Total contributions by owner of the Company		87,816,764	425,364,432	-	-	513,181,196
Total transactions with owners, recorded directly in equity		87,816,764	425,364,432	-	-	513,181,196
Comprehensive income for the year						
Profit		-	-	-	10,047,435	10,047,435
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the year		-	-	-	10,047,435	10,047,435
Transfer to legal reserve	24	-	-	600,000	(600,000)	-
Balance at 31 December 2015		387,816,764	617,664,432	12,400,000	133,034,732	1,150,915,928

# Statement of cash flows

## Crown Tech Advance Public Company Limited and its subsidiaries

	Consolidated financial statements		Separate financial statements	
	For the year ended 31 December		For the year ended 31 December	
	2015	2014	2015	2014
	(in Baht)			
<b><i>Cash flows from operating activities</i></b>				
Profit for the year	22,383,952	121,967,228	10,047,435	120,378,681
<b><i>Adjustments for</i></b>				
Interest income	(969,149)	-	(1,222,848)	-
Depreciation	16,975,864	10,436,884	17,337,967	10,889,131
Amortisation of intangible assets	2,547,695	8,339,421	2,547,490	8,339,421
Allowance for doubtful accounts				
doubtful debts expenses (reversal)	26,815,784	(1,443,364)	25,739,449	(874,208)
Allowance for decline in value of inventories	2,575,224	6,764,104	2,575,224	6,764,104
Provision for sales return (reversal)	(11,037,646)	11,188,562	(11,037,646)	11,188,562
Provision for warranties (reversal)	(724,492)	1,783,660	(724,492)	1,783,660
Employee benefits	881,720	793,573	881,720	793,573
Gain on disposals of equipment	(529)	(51,455)	(529)	(51,455)
Unrealised loss (gain) on exchange rate	3,023,861	(5,752,116)	3,023,861	(5,752,116)
Share of loss from investment in associate,				
net of income tax	463,994	300	-	-
Finance costs	54,004,072	23,255,120	54,312,685	23,366,190
Income tax expense	17,564,355	30,744,469	8,216,432	30,630,637
	134,504,705	208,026,386	111,696,748	207,456,180
<b><i>Changes in operating assets and liabilities</i></b>				
Trade accounts receivable	403,744,764	(393,430,148)	313,071,757	(393,877,374)
Installment sales receivables	(77,598,914)	-	-	-
Other receivables	285,488,235	(693,199,567)	274,331,213	(689,356,070)
Inventories	63,972,928	(507,048,477)	104,489,925	(490,973,202)
Other current assets	(14,108,530)	(23,246,326)	(773,538)	(23,508,987)
Other non-current assets	1,826,029	(3,093,363)	2,980,163	(3,093,363)
Trade accounts payable	(127,306,296)	209,121,143	(130,837,763)	205,888,709
Other payables	(51,792,818)	121,614,715	(54,131,162)	115,110,603
Other current liabilities	3,589,731	8,248,517	(4,807,624)	8,107,032
Employee benefit obligations paid	(336,000)	-	(336,000)	-
Cash generated from (used in) operating activities	621,983,834	(1,073,007,120)	615,683,719	(1,064,246,472)
Income tax paid	(48,130,928)	(13,680,159)	(52,443,952)	(13,032,518)
<b>Net cash from (used in) operating activities</b>	<b>573,852,906</b>	<b>(1,086,687,279)</b>	<b>563,239,767</b>	<b>(1,077,278,990)</b>

# Statement of cash flows

## Crown Tech Advance Public Company Limited and its subsidiaries

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	For the year ended		For the year ended	
	31 December		31 December	
	2015	2014	2015	2014
	<i>(in Baht)</i>			
<b><i>Cash flows from investing activities</i></b>				
Interest received	983,204	-	1,236,903	-
Net cash flows on acquisition of subsidiary	-	-	(7,510,000)	(6,200,000)
Purchases of property, plant and equipment	(17,101,134)	(58,670,495)	(16,287,008)	(58,670,495)
Proceeds from disposals of equipment	30,061	383,178	30,061	383,178
Purchases of Intangible assets	(487,500)	(2,651,954)	(487,500)	(2,651,954)
Proceeds from short term loans to related party	-	-	21,893,822	11,046
Short term loans to related party	-	-	(18,662,748)	(3,242,120)
Increase (decrease) of other long-term investments	2,435,000	(14,610,000)	2,435,000	(14,610,000)
<b>Net cash used in investing activities</b>	<b>(14,140,369)</b>	<b>(75,549,271)</b>	<b>(17,351,470)</b>	<b>(84,980,345)</b>
<b><i>Cash flows from financing activities</i></b>				
Finance costs paid	(54,004,072)	(23,255,120)	(54,312,685)	(23,366,190)
Dividends paid to owners of the Company	-	(59,987,950)	-	(59,987,950)
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	(997,051,563)	714,355,462	(997,051,563)	714,355,462
Proceed from short-term loans from related parties	439,581,600	332,031,878	447,508,693	334,145,269
Repayment of short-term loans from related parties	(319,246,730)	-	(317,815,250)	(268,415)
Proceeds from long-term loans from financial institutions	-	21,500,000	-	21,500,000
Repayment of long-term loans from financial institutions	(25,008,000)	(25,008,000)	(25,008,000)	(25,008,000)
Finance lease payments	(782,323)	(1,507,029)	(782,323)	(1,507,029)
Proceeds from issue of ordinary shares	513,181,196	242,300,000	513,181,196	242,300,000
<b>Net cash from (used in) financing activities</b>	<b>(443,329,892)</b>	<b>1,200,429,241</b>	<b>(434,279,932)</b>	<b>1,202,163,147</b>
<b>Net increase in cash and cash equivalents</b>	<b>116,382,645</b>	<b>38,192,691</b>	<b>111,608,365</b>	<b>39,903,812</b>
Cash and cash equivalents at 1 January	47,515,881	9,323,190	43,136,770	3,232,958
<b>Cash and cash equivalents at 31 December</b>	<b>163,898,526</b>	<b>47,515,881</b>	<b>154,745,135</b>	<b>43,136,770</b>
<b><i>Non-cash transactions</i></b>				

During the year 2015, the Group acquired property, plant and equipment at total cost of Baht 20.2 million (2014: Baht 65.6 million) of which Baht 17.1 million was made by cash payment (2014: Baht 58.7 million), Baht 1.3 million (2014: Baht 1.0 million) was acquired by means of financial lease, and Baht 1.8 million was outstanding as payable for purchases of property, plant and equipment as at 31 December 2015 (2014: Baht 5.9 million).

During the year 2015, the Company acquired property, plant and equipment at total cost of Baht 19.4 million (2014: Baht 65.6 million) of which Baht 16.3 million was made by cash payment (2014: Baht 58.7 million), Baht 1.3 million (2014: Baht 1.0 million) was acquired by means of financial lease, and Baht 1.8 million was outstanding as payable for purchases of property, plant and equipment as at 31 December 2015 (2014: Baht 5.9 million).

# Notes to the financial statements

**Crown Tech Advance Public Company Limited and its subsidiaries**

<b>Note</b>	<b>Contents</b>
1	General information
2	Basis of preparation of the financial statements
3	Significant accounting policies
4	Acquisitions of subsidiary
5	Related parties
6	Cash and cash equivalents
7	Trade accounts receivable
8	Installment sales receivables
9	Other receivables
10	Inventories
11	Investments in associate
12	Investments in subsidiaries
13	Non-controlling interests
14	Other long-term investments
15	Property, plant and equipment
16	Intangible assets
17	Deferred tax
18	Interest-bearing liabilities
19	Trade accounts payable
20	Other payables
21	Other current liabilities
22	Employee benefit obligations
23	Share capital
24	Reserves
25	Segment information
26	Selling expenses
27	Administrative expenses
28	Employee benefit expenses
29	Expenses by nature
30	Finance costs
31	Income tax expense
32	Earnings per share
33	Dividends
34	Financial instruments
35	Commitments with non – related parties
36	Contingent liabilities
37	Events after the reporting period
38	Thai Financial Reporting Standards (TFRS) not yet adopted

# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of directors on 25 February 2016.

### 1 General information

Crown Tech Advance Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at No. 427/2 Rama 2 Road, Kwaeng Samaedum, Khet Bangkuntien, Bangkok,

The Company was listed on the Stock Exchange of Thailand in January 2014.

The Company’s major shareholders during the financial year were Meemano and Pativetpinyo family who held 34.66% shareholding.

The principal activities of the Company and its subsidiaries are wholesaling and retailing of electric appliances including parts, retailing top-up machine, top-up service for prepaid phone and receipt online services including business of TV drama programs and other entertainment media. Details of the Company’s associate and subsidiaries as at 31 December 2015 and 2014 are given in notes 11 and 12.

### 2 Basis of preparation of the financial statements

#### (a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRS); guidelines promulgated by the Federation of Accounting Professions (“FAP”); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The FAP has issued new and revised TFRS effective for annual accounting periods beginning on or after 1 January 2015. The initial application of these new and revised TFRS has resulted in changes in certain of the Group’s accounting policies. These changes have no material effect on the financial statements.

In addition to the above new and revised TFRS, the FAP has issued a number of other new and revised TFRS which are effective for annual financial periods beginning on or after 1 January 2016 and have not been adopted in the preparation of these financial statements. Those new and revised TFRS that are relevant to the Group’s operations are disclosed in note 38.

#### (b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items, which are measured on an alternative basis on each reporting date.

<i>Items</i>	<i>Measurement bases</i>
Contingent consideration assumed in a business combination	Fair value
Net defined benefit liability	Present value of the defined benefit obligation, limited as explained in Note 3 (n)



# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

### (c) *Functional and presentation currency*

The financial statements are presented in Thai Baht, which is the Company's functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest thousand unless otherwise stated.

### (d) *Use of estimates and judgments*

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

#### *Assumption and estimation uncertainties*

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is included in the following notes:

Note 3(s)	Current and deferred taxation
Note 4	Acquisitions of subsidiary
Note 22	Measurement of defined employee benefit obligations
Note 34	Valuation of financial instruments

#### *Measurement of fair values*

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the CFO.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which such valuations should be classified.

Significant valuation issues are reported to the Group Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in note 34 Financial Instruments.

### 3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements

#### (a) *Basis of consolidation*

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in associates.

##### *Business combinations*

The Group applies the acquisition method for all business combinations when control is transferred to the Group.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration and share-based payment awards of the acquiree that are replaced mandatorily in the business combination. If a business combination results in the termination of pre-existing relationships between the Group and the acquiree, then the lower of the termination amount, as contained in the agreement, and the value of the off-market element is deducted from the consideration transferred and recognised in other expenses.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

The Group measures any non-controlling interest (NCI) at its proportionate interest in the identifiable net assets of the acquiree.

Transaction costs that the Group incurs in connection with a business combination, such as legal fees, and other professional and consulting fees are expensed as incurred.

##### *Subsidiaries*

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

### *Loss of control*

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

### *Interests in equity-accounted investees*

The Group's interests in equity-accounted investees comprise interests in associates.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence ceases.

### *Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

## **(b) Foreign currencies**

### *Foreign currency transactions*

Transactions in foreign currencies are translated to the respective functional currency of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign are translated to the functional currency at the exchange rates at the report date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

Foreign currency differences are generally recognized in profit or loss.

## **(c) Cash and cash equivalents**

Cash and cash equivalents in the statements of cash flows comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

Restricted deposits at financial institutions are separately presented as "Restricted deposits at financial institutions" under "Other non-current assets" in the statement of financial position.

# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

### **(d) Trade and other accounts receivable**

Trade and other accounts receivable are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

### **(e) Installment sales receivables**

Installment sales receivables are stated at net of unearned interest income and allowance for doubtful accounts.

The Group provides allowance for doubtful accounts by primarily assessment on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

The allowance for doubtful accounts has been estimated from outstanding receivables (net of unearned interest income).

### **(f) Inventories**

Inventories are measured at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost principle, and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

### **(g) Investments**

#### *Investments in associates and subsidiaries*

Investments in subsidiaries and associates in the separate financial statements of the Company are accounted for using the cost method. Investments in associates in the consolidated financial statements are accounted for using the equity method.

#### *Investments in debt securities*

Debt securities that the Group has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are stated at amortised cost, less any impairment losses. The difference between the acquisition cost and redemption value of such debt securities is amortised using the effective interest rate method over the period to maturity.

# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

### *Disposal of investments*

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

### **(h) Property, plant and equipment**

#### *Recognition and measurement*

##### *Owned assets*

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net profit or loss.

##### *Leased assets*

Leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Plant and equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss.

##### *Subsequent costs*

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

##### *Depreciation*

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Land improvement	5 years
Buildings and improvement	5 and 20 years
Office equipment	5 years
Tools	5 years
Vehicles	5 years

No depreciation is provided on freehold land or assets under construction.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

### (i) *Intangible assets*

Intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

#### *Subsequent expenditure*

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

#### *Amortisation*

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives for the current and comparative periods are as follows: □

Computer software	5 years
Music license	2-5 years

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

### (j) *Goodwill*

Goodwill that arises upon the acquisition of subsidiaries is included in non-current assets. The measurement of goodwill at initial recognition is described in note 3(a). Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted investee.



# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

### **(k) Impairment**

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an assets or its cash generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss.

#### *Calculation of recoverable amount*

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

#### *Reversals of impairment*

Impairment losses recognised in prior periods in respect of non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### **(l) Interest-bearing liabilities**

Interest-bearing liabilities are recognised initially at fair value less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings on an effective interest basis.

### **(m) Trade and other accounts payable**

Trade and other accounts payable are stated at cost.

### **(n) Employee benefits**

#### *Defined contribution plans*

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

#### *Defined benefit plans*

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any application minimum funding requirements.

# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognized immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

### *Short-term employee benefits*

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### **(o) Provisions**

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

### *Provision for sales return*

A provision for sales return is recognised when the underlying products are sold. The provision is based on weighting of all possible outcomes against their associated sales return.

### *Provision for warranties*

A provision for warranties of product quality is recognised when the underlying products or services are sold. The provision is based on historical warranty data and a weighting of all possible outcomes against their associated loss.

### **(p) Revenue**

Revenue excludes value added taxes and is arrived at after deduction of trade discounts and volume rebates.

### *Sale of goods and services rendered*

Revenue is recognised in profit or loss when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods. Service income is recognised as services are provided.

Revenue from installment sales comprises revenue from the cash selling price and interest. Revenue from the sales of product is recognised when a memorandum is signed and the first payment is received. Interest is recorded as unearned interest income and is recognised in income using the effective rate method.

# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

### *Investments*

Revenue from investments comprises rental income and interest income from investments and bank deposits.

### *Interest income*

Interest income is recognised in profit or loss as it accrues.

### **(q) Finance costs**

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and contingent consideration.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

### **(r) Lease payments**

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

### *Determining whether an arrangement contains a lease*

At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfillment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group the right to control the use of the underlying asset.

At inception or upon reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Group's incremental borrowing rate.

### **(s) Income tax**

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. The measurement of deferred tax reflects the tax consequences that would follow the manner in

# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

### (t) *Earnings per share*

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares.

### (u) *Segment reporting*

Segment results that are reported to the Group's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

## 4 Acquisition of subsidiary

On 16 October 2015, the Group obtained a controlling interest in Vending Corporation Co., Ltd. ("Vending"), which is engaged in the business of top-up service for prepaid phones, receipt of other online services, by acquiring additional ordinary shares in the proportion of 59.88%, for Baht 7.5 million, resulting in the Group's total shareholding of 60.08% of the total issued and fully paid up shares in Vending. The Group determined the fair value of the previously-held equity interest in Vending prior to the change of status from general investment to subsidiary as follows:

	<i>(in thousand Baht)</i>
Fair value of previously-held equity interest prior to the change of status to subsidiary	23
Less carrying amount of investment at equity method	(10)
<b>Gain on previously-held equity interest prior to business combination</b>	<b>13</b>

# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

For the period from 16 October 2015 to 31 December 2015, Vending contributed total revenue of Baht 81 million and net profit of Baht 23 million to the Group's results. If the acquisition had occurred on 1 January 2015, management estimates that consolidated revenue would have been Baht 93 million and net profit of Baht 22 million for the year ended 31 December 2015. In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2015.

The following summarises the major classes of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed at the acquisition date:

### Consideration transferred

	Fair value (in thousand Baht)
Consideration transferred for the acquisition of ordinary shares of Vending	7,500
Cash and cash equivalents received from business combination	(4,960)
Net	2,540
Fair value of previously-held equity interest prior to the change of status to subsidiary	23
<b>Total</b>	<b>2,563</b>

### Identifiable assets acquired, liabilities assumed and goodwill

	Carrying amounts	Fair value adjustments (in thousand Baht)	Recognised values
Cash and cash equivalents	8,255	-	8,255
Trade and other receivables	8,375	-	8,375
Inventories	841	-	841
Equipment	243	-	243
Other assets	243	-	243
Trade and other payables	(5,405)	-	(5,405)
Other liabilities	(1,107)	-	(1,107)
<b>Total identifiable net assets</b>	<b>11,445</b>	<b>-</b>	<b>11,445</b>
Total identifiable net assets			11,445
Non-controlling interests, based on their proportionate interest in the recognised amounts of the assets and liabilities of the acquiree			(4,569)
Goodwill arising from acquisition			647
<b>Purchase consideration transferred</b>			<b>7,523</b>
Net cash acquired with the subsidiary			4,960
Cash paid			(7,500)
<b>Net cash outflows</b>			<b>(2,540)</b>

The goodwill is attributable mainly to the technical talent of Vending's work force, and the synergies expected to be achieved from integrating Vending into the Group's business. None of the goodwill recognised is expected to be deductible for income tax purposes.

The Group is continuing its review of these matters during the measurement period. If new information obtained within one year from the acquisition date about facts and circumstances that existed at the acquisition date identifies adjustments to the above determined fair values, or any additional assets or liabilities that existed at the acquisition date, then the acquisition accounting will be revised.

# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

### *Acquisition-related costs*

The Group incurred acquisition-related costs which related to external legal fees and due diligence costs. The legal fees and due diligence costs have been included in administrative expenses in the Group's consolidated statement of comprehensive income.

## 5 Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with subsidiaries and associate are described in notes 11 and 12. Relationships with key management and other related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Key management personnel	Thai	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.
Cap Advance Co., Ltd.	Thai	Common shareholder and director

The pricing policies for transactions with related parties are explained further below:

Transactions	Pricing policies
Sales/purchases of goods	Cost plus margin
Management service income	Agreed prices
Office rental income	Agreed prices
Interest income	Agreed rate
Interest expense	Agreed rate
Key management personnel compensation	As defined by the nomination and remuneration committee
Right of using the advertisement presenter	Agreed prices

Significant transactions for the years ended 31 December with related parties were as follows:

Year ended 31 December	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<b>Subsidiaries</b>				
Sales of goods	-	-	97,681	13
Management service income	-	-	1,783	-
Office rental income	-	-	81	-
Interest income	-	-	263	16
Purchases of goods	-	-	-	65
Interest expense	-	-	359	113

# Notes to the financial statements

Crown Tech Advance Public Company Limited and its subsidiaries

<i>Year ended 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<b>Key management personnel</b>				
Interest expense	10,402	159	10,400	159
Key management personnel compensation				
Short-term employee benefit	24,008	23,881	22,646	23,881
Post-employment benefits	333	307	333	307
<b>Total key management personnel compensation</b>	<b>24,341</b>	<b>24,188</b>	<b>22,979</b>	<b>24,188</b>
<b>Other related parties</b>				
<b>Shareholders</b>				
Interest expense	9,468	873	9,468	873
<b>Other related party</b>				
Right of using the advertisement presenter	4,378	8,938	4,378	8,938

Balances as at 31 December with related parties were as follows:

<i>Trade accounts receivable - related party</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<b>Subsidiary</b>				
Vending Corporation Co., Ltd.	-	-	105,470	-
<b>Other receivables - related parties</b>				
	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<b>Subsidiaries</b>				
Happy Vision Co., Ltd. (Formerly Happy Import Export Co., Ltd.)	-	-	1,410	-
Vending Corporation Co., Ltd.	-	-	686	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,096</b>	<b>-</b>
<b>Short term loan to related party</b>				
	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<b>Subsidiary</b>				
Happy Vision Co., Ltd. (Formerly Happy Import Export Co., Ltd.)	-	-	-	3,231



# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

Movements during the years ended 31 December of short-term loans from related party was as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<b>Subsidiary</b>				
At 1 January	-	-	3,231	-
Increase	-	-	18,663	3,242
Decrease	-	-	(21,894)	(11)
<b>At 31 December</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,231</b>

As at 31 December 2014, the short-term loan to the Company's subsidiary amounted to Baht 3.2 million was at call. Such loans bear interest rate at 3.96% per annum.

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<b>Trade accounts payable - related parties</b>				
<b>Subsidiaries</b>				
Siam Advance Electronic Co., Ltd.	-	-	11	11
T&C Advance Electronic Co., Ltd.	-	-	50,678	50,678
Vending Corporation Co., Ltd.	-	-	173	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>50,862</b>	<b>50,689</b>

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<b>Other payables - related parties</b>				
<b>Subsidiaries</b>				
Siam Advance Electronic Co., Ltd.	-	-	2,676	-
T&C Advance Electronic Co., Ltd.	-	-	150	150
Happy Vision Co., Ltd. (Formerly Happy Import Export Co., Ltd.)	-	-	1	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,827</b>	<b>150</b>

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<b>Short-term loans - related parties</b>				
<b>Subsidiaries</b>				
Siam Advance Electronic Co., Ltd.	-	-	850	817
T&C Advance Electronic Co., Ltd.	-	-	2,164	2,076
Happy Vision Co., Ltd. (Formerly Happy Import Export Co., Ltd.)	-	-	12,238	-
<b>Key management personnel</b>	<b>277,236</b>	<b>89,759</b>	<b>274,235</b>	<b>89,759</b>
<b>Other related parties</b>	<b>175,131</b>	<b>242,273</b>	<b>175,131</b>	<b>242,273</b>
<b>Total</b>	<b>452,367</b>	<b>332,032</b>	<b>464,618</b>	<b>334,925</b>

# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

Movements during the years ended 31 December of short-term loans from related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht)			
<b>Subsidiaries</b>				
At 1 January	-	-	2,893	1,048
Increase	-	-	12,359	2,113
Decrease	-	-	-	(268)
<b>At 31 December</b>	<b>-</b>	<b>-</b>	<b>15,252</b>	<b>2,893</b>
<b>Key management personnel</b>				
At 1 January	89,759	-	89,759	-
Increase	235,557	89,759	231,125	89,759
Decrease	(48,080)	-	(46,649)	-
<b>At 31 December</b>	<b>277,236</b>	<b>89,759</b>	<b>274,235</b>	<b>89,759</b>
<b>Other related parties</b>				
At 1 January	242,273	-	242,273	-
Increase	204,024	242,273	204,024	242,273
Decrease	(271,166)	-	(271,166)	-
<b>At 31 December</b>	<b>175,131</b>	<b>242,273</b>	<b>175,131</b>	<b>242,273</b>
<b>Total short-term loans from related parties</b>				
At 1 January	332,032	-	334,925	1,048
Increase	439,581	332,032	447,508	334,145
Decrease	(319,246)	-	(317,815)	(268)
<b>At 31 December</b>	<b>452,367</b>	<b>332,032</b>	<b>464,618</b>	<b>334,925</b>

As at 31 December 2015, the Group's short-term loans from related parties amounting to Baht 452.4 million (2014: Baht 332.0 million) were at call. The interest rates were ranging from 2.75% to 4.80 % per annum (2014: 3.96% per annum).

As at 31 December 2015, the Company's short-term loans from related parties amounting to Baht 464.6 million (2014: Baht 334.9 million) were at call. The interest rates were ranging from 2.65% per annum to 4.80% per annum (2014: 3.96% to 4.15% per annum).

### Significant agreements with related parties

#### Agreement for transferring rights for using an advertisement presenter

In April 2014, the Company entered into an agreement for transferring rights of using an advertisement presenter from Cap Advance Co., Ltd. The Company has paid compensation amounting to Baht 13.3 million. The Company has the right to use the advertisement presenter for a period of 1 year from completion of advertisement production.

### Guarantee obligations

The Company and its subsidiaries had outstanding guarantee obligations with related parties as described in Note 36.

# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

### 6 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Cash on hand	263	170	153	160
Cash at banks - current accounts	10,830	3,606	7,524	2,243
Cash at banks - savings accounts	152,073	7,290	146,334	4,284
Highly liquid short-term investments	733	36,450	734	36,450
<b>Total</b>	<b>163,899</b>	<b>47,516</b>	<b>154,745</b>	<b>43,137</b>

Cash and cash equivalents of the Group and the Company as at 31 December 2015 and 2014 were denominated entirely in Thai Baht.

### 7 Trade accounts receivables

		Consolidated financial statements		Separate financial statements	
	Note	2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
Related parties	5	-	-	105,470	-
Other parties		559,714	963,459	543,749	962,290
<b>Total</b>		<b>559,714</b>	<b>963,459</b>	<b>649,219</b>	<b>962,290</b>
Less allowance for doubtful accounts		(28,904)	(2,253)	(26,946)	(1,206)
<b>Net</b>		<b>530,810</b>	<b>961,206</b>	<b>622,273</b>	<b>961,084</b>
Bad and doubtful debts expense for the year (reversal)		26,651	(1,443)	25,740	(874)

# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

Aging analysis for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<b>Related parties</b>				
Within credit terms	-	-	96,191	-
Overdue:				
Less than 3 months	-	-	9,279	-
	<u>-</u>	<u>-</u>	<u>105,470</u>	<u>-</u>
<b>Other parties</b>				
Within credit terms	364,469	597,424	362,263	597,423
Overdue:				
Less than 3 months	172,777	362,835	162,620	362,857
3 - 6 months	13,815	914	12,499	844
6 - 12 months	6,318	350	5,240	342
Over 12 months	2,335	1,936	1,127	824
	<u>559,714</u>	<u>963,459</u>	<u>543,749</u>	<u>962,290</u>
Less allowance for doubtful accounts	<u>(28,904)</u>	<u>(2,253)</u>	<u>(26,946)</u>	<u>(1,206)</u>
	<u>530,810</u>	<u>961,206</u>	<u>516,803</u>	<u>961,084</u>
<b>Net</b>	<u>530,810</u>	<u>961,206</u>	<u>622,273</u>	<u>961,084</u>

The normal credit terms granted by the Group ranges from 30 days to 120 days.

Trade accounts receivable of the Group and the Company as at 31 December 2015 and 2014 were denominated entirely in Thai Baht.

## 8 Installment sales receivables

	Portion due within one year		Consolidated financial statements Portion due after one year		Total	
	2015	2014	2015	2014	2015	2014
	<i>(in thousand Baht)</i>					
Installment sales receivables	42,408	-	81,549	-	123,957	-
Less unearned interest income	<u>(20,040)</u>	<u>-</u>	<u>(26,318)</u>	<u>-</u>	<u>(46,358)</u>	<u>-</u>
	<u>22,368</u>	<u>-</u>	<u>55,231</u>	<u>-</u>	<u>77,599</u>	<u>-</u>
Less allowance for doubtful accounts	<u>(165)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(165)</u>	<u>-</u>
<b>Net</b>	<u>22,203</u>	<u>-</u>	<u>55,231</u>	<u>-</u>	<u>77,434</u>	<u>-</u>
Bad and doubtful debts expense for the year					<u>165</u>	<u>-</u>

# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

Aging analyses for installment sales receivables were as follows:

	<b>Consolidated financial statements</b>	
	2015	2014
	<i>(in thousand Baht)</i>	
Installment sales receivables		
Within credit terms	70,444	-
Overdue:		
Less than 3 months	52,864	-
3-6 months	638	-
6-12 months	11	-
	<b>123,957</b>	-
Less unearned interest income	(46,358)	-
	<b>77,599</b>	-
Less allowance for doubtful accounts	(165)	-
<b>Net</b>	<b>77,434</b>	-

Installment sales receivables of the group as at 31 December 2015 and 2014 were dominated entirely in Thai Baht.

## 9 Other receivables

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<b>Related parties</b>	5	-	2,096	-
<b>Other parties</b>				
Deposit for purchase of goods	299,856	302,271	299,856	302,271
Rebate receivable	7,019	244,673	7,019	244,673
Coupon receivable	125,329	144,205	125,329	144,205
Advance payment	918	11,366	610	11,366
Prepaid expenses	9,329	14,511	5,625	11,292
Others	10,584	16,942	2,430	3,315
<b>Total</b>	<b>453,035</b>	<b>733,968</b>	<b>442,965</b>	<b>717,122</b>

The currency denomination of trade accounts payable as at 31 December was as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
United States Dollars (USD)	261,621	531,585	261,621	531,585
Thai Baht (THB)	191,414	202,383	181,344	185,537
<b>Total</b>	<b>453,035</b>	<b>733,968</b>	<b>442,965</b>	<b>712,122</b>

# Notes to the financial statements

Crown Tech Advance Public Company Limited and its subsidiaries

## 10 Inventories

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Merchandised goods	752,397	628,317	697,901	614,338
Spare parts	36,676	39,831	36,676	39,831
Goods in transit	38,974	223,872	38,974	223,872
	<u>828,047</u>	<u>892,020</u>	<u>773,551</u>	<u>878,041</u>
Less allowance for decline in value	(24,542)	(21,967)	(24,542)	(21,967)
<b>Net</b>	<b><u>803,505</u></b>	<b><u>870,053</u></b>	<b><u>749,009</u></b>	<b><u>856,074</u></b>

## 11 Investments in associate

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>		<i>(in thousand Baht)</i>	
At 1 January	860	-	861	-
Acquisitions	-	861	-	861
Share of net losses of equity accounted associate	(464)	(1)	-	-
<b>At 31 December</b>	<b><u>396</u></b>	<b><u>860</u></b>	<b><u>861</u></b>	<b><u>861</u></b>

### *Acquisitions*

On 15 October 2014, the Company invested in Muangthai Digital Company Ltd., an associate, incorporated in Thailand, amounting to Baht 0.9 million representing 30% of registered share capital.

**Crown Tech Advance Public Company Limited and its subsidiaries**

## Consolidated financial statements

## Separate financial statements

None of the Group's equity-accounted investees are publicly listed and consequently do not have published price quotations.



# Notes to the financial statements

Crown Tech Advance Public Company Limited and its subsidiaries

## 12 Investments in subsidiaries

	Separate financial statements	
	2015	2014
	<i>(in thousand Baht)</i>	
At 1 January	20,060	13,860
Acquisitions	7,510	6,200
<b>At 31 December</b>	<b>27,570</b>	<b>20,060</b>

### *Purchase of investments*

#### 2015

On 20 August 2015, the Company acquired 100 ordinary shares of Vending Corporation Co., Ltd., (“Vending”) equivalent to 0.02% of registered share capital of Vending for Baht 10,000.

On 16 October 2015, the Group obtained a controlling interest in Vending Corporation Co., Ltd. (“Vending”), which is engaged in the business of top-up service for prepaid phones, receipt of other online services, by acquiring additional ordinary shares at the proportion of 59.88%, for Baht 7.5 million, resulting in the Group’s total shareholding of 60.08% of the total issued and fully paid up shares of Vending. Vending become subsidiary of the Company as it has been controlled by the Company.

#### 2014

At the annual general meeting of the shareholders on October 27, 2014, the shareholders of Happy Vision Co., Ltd. (Formerly Happy Import Export Co., Ltd.), a subsidiary, approved the increase in the registered share capital from Baht 4 million to Baht 20 million by issuing new 1,600,000 ordinary shares with par value of Baht 10 per share.

The Company purchased the increased share capital in such subsidiary for 620,000 shares amounting to Baht 6.2 million. Pasang Yasorn Co., Ltd. purchased the increased share capital 980,000 shares amounting to Baht 9.8 million. Such increase in share capital resulted in the reduction of the Company’s ownership interest from 100% to 50.80% without a change in control over the subsidiary.

The carrying value of Happy Vision Co., Ltd., as presented in the consolidated financial statements as at increasing in share capital date amounted to Baht 3.9 million. The Group recognised the increase in non-controlling interest of Baht 9.8 million and the decrease in retained earnings of Baht 9.5 million.

The following summarises the effect of the change in the Group’s ownership interest in Happy Vision Co., Ltd.:

	2014 <i>(in thousand Baht)</i>
Group’s ownership interest at 1 January	3,483
Increase in share capital	6,200
Effect of decrease in Group’s ownership interest	(61)
<b>Group’s ownership interest at 31 December</b>	<b>9,622</b>

On 21 January 2015, the Company received the issued and paid up capital of Happy Vision Co., Ltd., transfer from management of the Company for 4,000 shares with par value of Baht 10 per share. Such transfer in share capital resulted in the increasing of the Company’s ownership interest in Happy Vision Co., Ltd. to 51%.

## Notes to the financial statements

### Crown Tech Advance Public Company Limited and its subsidiaries

Investments in subsidiaries as at 31 December 2015 and 2014 were as follows:

	Type of business	Separate financial statements			
		Ownership interest		Paid-up capital	
		2015	2014	2015	2014
		(%)		(in thousand Baht)	
Siam Advance Electronic Co., Ltd.	(1)	100	100	5,000	5,000
T&C Advance Electronic Co., Ltd.	(1)	100	100	5,000	5,000
Happy Import Export Co., Ltd.	(2)	51	50.8	20,000	20,000
(Formerly Happy Import Export Co., Ltd)					
Vending Corporation Co., Ltd.	(3)	60.08	-	12,500	-
<b>Total</b>				<b>27,570</b>	<b>20,060</b>

(1) Subsidiaries operate the businesses in Thailand of retailing and wholesaling of electric appliance, including parts.

(2) Subsidiary operates the business in Thailand of TV's drama programs, and other entertainment media.

(3) Subsidiary operates the business in Thailand of retailing top-up machine, top-up service for prepaid phone and receipt online services.

# Notes to the financial statements

Crown Tech Advance Public Company Limited and its subsidiaries

## 13 Non-controlling interests

The following table summaries the information relating each of the Group's subsidiaries that has a material non-controlling interest, before any intra-group eliminations:

	31 December 2015			
	Happy Vision Co., Ltd.	Vending Corporation Co., Ltd.	Intra-group eliminations	Total
		<i>(in thousand Baht)</i>		
Non-controlling interest percentage	49	39.92		
Current assets	38,190	215,886		
Non-current assets	-	1,780		
Non-current liabilities	(4,289)	(183,634)		
<b>Net assets</b>	<b>33,901</b>	<b>34,032</b>		
Carrying amount of non-controlling interest	16,611	13,586	-	30,197
Revenue	43,298	80,560		
<b>Profit</b>	<b>14,264</b>	<b>22,587</b>		
Profit allocated to non-controlling interest	6,990	9,016	-	16,006
Cash flows from operating activities	8,018	(2,248)		
Cash flows from investing activities	(5,879)	219		
Cash flows from financing activities (dividends to non-controlling interest: nil)	(1,713)	779		
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>426</b>	<b>(1,250)</b>		

	31 December 2014			
	Happy Vision Co., Ltd.	Vending Corporation Co., Ltd.	Intra-group eliminations	Total
		<i>(in thousand Baht)</i>		
Non-controlling interest percentage	49.2	-		
Current assets	29,882	-		
Non-current assets	-	-		
Non-current liabilities	(10,245)	-		
<b>Net assets</b>	<b>19,637</b>	<b>-</b>		
Carrying amount of non-controlling interest	9,622	-	-	9,622
Revenue	125	-		
<b>Loss</b>	<b>(156)</b>	<b>-</b>		
Loss allocated to non-controlling interest	(178)	-	-	(178)

# Notes to the financial statements

Crown Tech Advance Public Company Limited and its subsidiaries

	31 December 2014			
	Happy Vision Co., Ltd.	Vending Corporation Co., Ltd.	Intra-group eliminations	Total
		(in thousand Baht)		
Cash flows from operating activities	(10,834)	-		
Cash flows from investing activities	9,309	-		
Cash flows from financing activities (dividends to non-controlling interest: nil)	1,575	-		
<b>Net increase in cash and cash equivalents</b>	<b>50</b>	<b>-</b>		

## 14 Other long-term investments

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
		(in thousand Baht)		
<b>Restricted investments</b>				
Deposits at financial institutions	36,375	35,810	36,375	35,810
Investment in debt securities	-	3,000	-	3,000
<b>Total</b>	<b>36,375</b>	<b>38,810</b>	<b>36,375</b>	<b>38,810</b>

### *Deposits at financial institutions*

As at 31 December 2015, the Group and the Company had restricted fixed deposits at financial institutions of Baht 36.4 million which were used as collateral for electricity usage and discounted receivable sold to financial institutions (2014: Baht 35.8 million).

### *Investment in debt securities*

As at 31 December 2014, the Company had an investment in debenture with a financial institution of Baht 3 million for a period of three years. The debenture had redemption date on 24 February 2015 and bore interest rates ranging from 3.3% per annum to 4.5% per annum. The debenture was used as collateral for debt repayment and commitment of a subsidiary.



# Notes to the financial statements

Crown Tech Advance Public Company Limited and its subsidiaries

	Consolidated financial statements					
	Land and improvement	Buildings and improvement	Office equipment	Tools (in thousand Baht)	Vehicles	Assets under construction and installation
<i>Net book value</i>						
<b>At 1 January 2014</b>						
Owned assets	160,180	20,156	4,298	9,183	4,103	1,631
Assets under finance leases	-	-	-	-	2,232	-
	<b>160,180</b>	<b>20,156</b>	<b>4,298</b>	<b>9,183</b>	<b>6,335</b>	<b>1,631</b>
						<b>201,783</b>
<b>At 31 December 2014 and 1 January 2015</b>						
Owned assets	159,944	65,065	4,599	12,716	3,994	7,449
Assets under finance leases	-	-	-	-	2,444	-
	<b>159,944</b>	<b>65,065</b>	<b>4,599</b>	<b>12,716</b>	<b>6,438</b>	<b>7,449</b>
						<b>253,767</b>
<b>At 31 December 2015</b>						
Owned assets	174,290	62,771	5,135	11,567	2,531	-
Assets under finance leases	-	-	-	-	3,080	-
	<b>174,290</b>	<b>62,771</b>	<b>5,135</b>	<b>11,567</b>	<b>5,611</b>	<b>-</b>
						<b>256,294</b>
						<b>3,080</b>
						<b>259,374</b>

# Notes to the financial statements

Crown Tech Advance Public Company Limited and its subsidiaries

## Separate financial statements

	Land and improvement	Buildings and improvement	Office equipment	Tools (in thousand Baht)	Vehicles	Assets under construction and installation	Total
<b>Cost</b>							
At 1 January 2014	160,180	39,689	9,156	12,138	13,748	1,631	236,542
Additions	150	128	1,923	6,592	-	56,808	65,601
Transfers	-	48,325	-	49	2,599	(50,973)	-
Disposals	(386)	-	-	-	(480)	(17)	(883)
<b>At 31 December 2014 and 1 January 2015</b>	<b>159,944</b>	<b>88,142</b>	<b>11,079</b>	<b>18,779</b>	<b>15,867</b>	<b>7,449</b>	<b>301,260</b>
Additions	-	186	1,784	2,827	1,214	13,343	19,354
Transfers	16,872	3,920	-	-	-	(20,792)	-
Disposals	-	(22)	(9)	-	-	-	(31)
<b>At 31 December 2015</b>	<b>176,816</b>	<b>92,226</b>	<b>12,854</b>	<b>21,606</b>	<b>17,081</b>	<b>-</b>	<b>320,583</b>
<b>Accumulated Depreciation</b>							
At 1 January 2014	-	(19,533)	(4,858)	(2,955)	(5,271)	-	(32,617)
Depreciation charge for the year	-	(3,554)	(1,622)	(3,098)	(2,615)	-	(10,889)
Transfers	-	10	-	(10)	-	-	-
Disposals	-	-	-	-	148	-	148
<b>At 31 December 2014 and 1 January 2015</b>	<b>-</b>	<b>(23,077)</b>	<b>(6,480)</b>	<b>(6,063)</b>	<b>(7,738)</b>	<b>-</b>	<b>(43,358)</b>
Depreciation charge for the year	(2,526)	(6,421)	(1,892)	(4,059)	(2,440)	-	(17,338)
Disposals	-	1	1	-	-	-	2
<b>At 31 December 2015</b>	<b>(2,526)</b>	<b>(29,497)</b>	<b>(8,371)</b>	<b>(10,122)</b>	<b>(10,178)</b>	<b>-</b>	<b>(60,694)</b>



# Notes to the financial statements

Crown Tech Advance Public Company Limited and its subsidiaries

## Net book value

### At 1 January 2014

Owned assets

Assets under finance leases

### At 31 December 2014 and 1 January 2015

Owned assets

Assets under finance leases

### At 31 December 2015

Owned assets

Assets under finance leases

Separate financial statements						
	Land and improvement	Buildings and improvement	Office equipment	Tools (in thousand Baht)	Vehicles	Assets under construction and installation
						Total
At 1 January 2014						
Owned assets	160,180	20,156	4,298	9,183	6,245	201,693
Assets under finance leases	-	-	-	-	2,232	2,232
	<b>160,180</b>	<b>20,156</b>	<b>4,298</b>	<b>9,183</b>	<b>8,477</b>	<b>203,925</b>
At 31 December 2014 and 1 January 2015						
Owned assets	159,944	65,065	4,599	12,716	5,684	255,457
Assets under finance leases	-	-	-	-	2,445	2,445
	<b>159,944</b>	<b>65,065</b>	<b>4,599</b>	<b>12,716</b>	<b>8,129</b>	<b>257,902</b>
At 31 December 2015						
Owned assets	174,290	62,729	4,483	11,484	3,823	256,809
Assets under finance leases	-	-	-	-	3,080	3,080
	<b>174,290</b>	<b>62,729</b>	<b>4,483</b>	<b>11,484</b>	<b>6,903</b>	<b>259,889</b>

# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

The gross amount of the Group's and the Company's fully depreciated property, plant and equipment that was still in use as at 31 December 2015 amounted to Baht 15.4 million (2014: Baht 12.2 million).

### Guarantee

As at 31 December 2015, the Group's and the Company's asset book value amounted to Baht 237.0 million (2014: Baht 225.0 million) were used as collateral for credit facilities from financial institutions (see note 18).

## 16 Intangible assets

	Consolidated financial statements		
	Computer Software and Music licenses	Computer software under installation (in thousand Baht)	Total
<b>Cost</b>			
At 1 January 2014	22,563	824	23,387
Additions	2,669	-	2,669
Transfers	183	(183)	-
Disposals	(2,833)	(468)	(3,301)
<b>At 31 December 2014 and 1 January 2015</b>	<b>22,582</b>	<b>173</b>	<b>22,755</b>
Additions	487	-	487
Transfers	173	(173)	-
<b>At 31 December 2015</b>	<b>23,242</b>	<b>-</b>	<b>23,242</b>
<b>Accumulated Amortisation</b>			
At 1 January 2014	11,530	-	11,530
Amortisation for the year	6,197	-	6,197
Disposals	(1,159)	-	(1,159)
<b>At 31 December 2014 and 1 January 2015</b>	<b>16,568</b>	<b>-</b>	<b>16,568</b>
Amortisation for the year	2,548	-	2,548
<b>At 31 December 2015</b>	<b>19,116</b>	<b>-</b>	<b>19,116</b>
<b>Net book value</b>			
At 1 January 2014	11,033	824	11,857
At 31 December 2014 and 1 January 2015	6,014	173	6,187
At 31 December 2015	4,126	-	4,126

# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

	Separate financial statements		
	Computer Software and Music licenses	Computer software under installation <i>(in thousand Baht)</i>	Total
<b>Cost</b>			
At 1 January 2014	22,073	824	22,897
Additions	2,669	-	2,669
Transfers	183	(183)	-
Disposals	(2,833)	(468)	(3,301)
<b>At 31 December 2014 and 1 January 2015</b>	<b>22,092</b>	<b>173</b>	<b>22,265</b>
Additions	300	187	487
Transfers	360	(360)	-
Disposals	(187)	-	(187)
<b>At 31 December 2015</b>	<b>22,565</b>	<b>-</b>	<b>22,565</b>
<b>Accumulated Amortisation</b>			
At 1 January 2014	11,040	-	11,040
Amortisation for the year	6,197	-	6,197
Disposals	(1,159)	-	(1,159)
<b>At 31 December 2014 and 1 January 2015</b>	<b>16,078</b>	<b>-</b>	<b>16,078</b>
Amortisation for the year	2,548	-	2,548
<b>At 31 December 2015</b>	<b>18,626</b>	<b>-</b>	<b>18,626</b>
<b>Net book value</b>			
At 1 January 2014	11,033	824	11,857
At 31 December 2014 and 1 January 2015	6,014	173	6,187
At 31 December 2015	3,939	-	3,939

## 17 Deferred tax

Deferred tax assets and liabilities as at 31 December were as follows:

	Consolidated financial statements			
	Assets		Liabilities	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Total	13,402	12,543	-	-
Set off of tax	-	-	-	-
<b>Net deferred tax assets (liabilities)</b>	<b>13,402</b>	<b>12,543</b>	<b>-</b>	<b>-</b>

	Separate financial statements			
	Assets		Liabilities	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Total	13,196	12,333	-	-
Set off of tax	-	-	-	-
<b>Net deferred tax assets (liabilities)</b>	<b>13,196</b>	<b>12,333</b>	<b>-</b>	<b>-</b>

# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

Movements in total deferred tax assets and liabilities during the year ended 31 December 2015 and 2014 were as follows:

	At 1 January 2015	Consolidated financial statements (Charged) / Credited to		At 31 December 2015
		Profit or loss (in thousand Baht)	Other comprehensive income	
<b>Deferred tax assets</b>				
Trade accounts receivable ( <i>doubtful accounts</i> )	451	5,144	-	5,595
Inventories ( <i>allowance for decline in value</i> )	4,393	515	-	4,908
Intangible assets ( <i>amortisation gap</i> )	630	(309)	-	321
Other current liabilities ( <i>provisions</i> )	4,016	(2,352)	-	1,664
Employee benefit obligation	606	109	-	715
Difference from recognition revenue and cost of sales	2,447	(2,248)	-	199
<b>Total</b>	<b>12,543</b>	<b>859</b>	<b>-</b>	<b>13,402</b>

	At 1 January 2014	Consolidated financial statements (Charged) / Credited to		At 31 December 2014
		Profit or loss (in thousand Baht)	Other comprehensive income	
<b>Deferred tax assets</b>				
Trade accounts receivable ( <i>doubtful accounts</i> )	738	(287)	-	451
Inventories ( <i>allowance for decline in value</i> )	3,041	1,352	-	4,393
Intangible assets ( <i>amortisation gap</i> )	510	120	-	630
Other current liabilities ( <i>provisions</i> )	1,606	2,410	-	4,016
Employee benefit obligation	447	159	-	606
Difference from recognition revenue and cost of sales	-	2,447	-	2,447
<b>Total</b>	<b>6,342</b>	<b>6,201</b>	<b>-</b>	<b>12,543</b>
<b>Deferred tax liabilities</b>				
Difference from recognition revenue and cost of sales	(21)	21	-	-
<b>Total</b>	<b>(21)</b>	<b>21</b>	<b>-</b>	<b>-</b>
<b>Net</b>	<b>6,321</b>	<b>6,222</b>	<b>-</b>	<b>12,543</b>

# Notes to the financial statements

Crown Tech Advance Public Company Limited and its subsidiaries

	At 1 January 2015	Separate financial statements (Charged) / Credited to		At 31 December 2015
		Profit or loss (in thousand Baht)	Other comprehensive income	
<b>Deferred tax assets</b>				
Trade accounts receivable ( <i>doubtful accounts</i> )	241	5,148	-	5,389
Inventories ( <i>allowance for decline in value</i> )	4,393	515	-	4,908
Intangible assets ( <i>amortisation gap</i> )	630	(309)	-	321
Other current liabilities ( <i>provisions</i> )	4,016	(2,352)	-	1,664
Employee benefit obligation	606	109	-	715
Difference from recognition revenue and cost of sales	2,447	(2,248)	-	199
<b>Total</b>	<b>12,333</b>	<b>863</b>	<b>-</b>	<b>13,196</b>

	At 1 January 2014	Separate financial statements (Charged) / Credited to		At 31 December 2014
		Profit or loss (in thousand Baht)	Other comprehensive income	
<b>Deferred tax assets</b>				
Trade accounts receivable ( <i>doubtful accounts</i> )	416	(175)	-	241
Inventories ( <i>allowance for decline in value</i> )	3,041	1,352	-	4,393
Intangible assets ( <i>amortisation gap</i> )	510	120	-	630
Other current liabilities ( <i>provisions</i> )	1,606	2,410	-	4,016
Employee benefit obligation	447	159	-	606
Difference from recognition revenue and cost of sales	-	2,447	-	2,447
<b>Total</b>	<b>6,020</b>	<b>6,313</b>	<b>-</b>	<b>12,333</b>

<b>Deferred tax liabilities</b>				
Difference from recognition revenue and cost of sales	(21)	21	-	-
<b>Total</b>	<b>21</b>	<b>21</b>	<b>-</b>	<b>-</b>
<b>Net</b>	<b>5,999</b>	<b>6,334</b>	<b>-</b>	<b>12,333</b>

# Notes to the financial statements

Crown Tech Advance Public Company Limited and its subsidiaries

## 18 Interest-bearing liabilities

		Consolidated financial statements		Separate financial statements	
	Note	2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
<b>Current</b>					
Bank overdrafts					
Secured		-	7,713	-	7,713
Short-term loans from financial institutions					
Secured		130,090	389,252	130,090	389,252
Trust receipts					
Secured		111,668	839,824	111,668	839,824
<b>Total Bank overdrafts and short-term loans from financial institutions</b>		<b>241,758</b>	<b>1,236,789</b>	<b>241,758</b>	<b>1,236,789</b>
Short-term loans from related parties					
Unsecured	5	452,367	332,032	464,618	334,925
Current portion of long-term loans from financial institutions					
Secured		25,008	25,008	25,008	25,008
Current portion of finance lease liabilities		654	736	654	736
<b>Total current interest-bearing liabilities</b>		<b>719,787</b>	<b>1,594,565</b>	<b>732,038</b>	<b>1,597,458</b>
<b>Non-current</b>					
Long-term loans from financial institutions					
Secured		52,068	77,076	52,068	77,076
Finance lease liabilities		1,687	1,039	1,687	1,039
<b>Total non-current interest-bearing liabilities</b>		<b>53,755</b>	<b>78,115</b>	<b>53,755</b>	<b>78,115</b>
<b>Total</b>		<b>773,542</b>	<b>1,672,680</b>	<b>785,793</b>	<b>1,675,573</b>

The periods to maturity of interest-bearing liabilities, excluding finance lease liabilities, as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Within one year	719,133	1,593,829	731,384	1,596,722
After one year but within five years	52,068	77,076	52,068	77,076
<b>Total</b>	<b>771,201</b>	<b>1,670,905</b>	<b>783,452</b>	<b>1,673,798</b>

### Short-term loans

As of 31 December 2015, the Group and the Company had bank overdrafts and short-term loans from financial institutions which bear interest at rates ranging from 2.31 % to 4.48 % per annum (2014: 1.85% per annum to 7.75% per annum).

# Notes to the financial statements

Crown Tech Advance Public Company Limited and its subsidiaries

## Long – term loan

Details of long-term loans from financial institutions as at 31 December 2015 and 2014 are as follows:

Consolidated/Separate financial statements							
No.	Long-term loan agreement date	Loan facility (in million Baht)	Long-term loan amount		Loan period	Interest rate (per annum)	Repayment Monthly principal (in thousand Baht)
			2015	2014			
			(in thousand Baht)				
1.	22 July 2010	25	6,226	9,802	7 years	MLR - 1%	298
2.	14 November 2012	150	70,850	92,282	8 years	Year 1 <sup>st</sup> - 4 <sup>th</sup> , MLR - 2.5% Year 5 <sup>th</sup> - 8 <sup>th</sup> , MLR - 1.75%	1,786
			77,076	102,084			
			(25,008)	(25,008)			
			52,068	77,076			
	Less current portion						
	Net						



# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

The Company has to comply with certain terms and conditions as prescribed in the agreement, e.g. maintaining collateral as mortgaged land including existing buildings and future buildings to be constructed on such land, etc.

In addition, The Company is committed to comply with conditions and covenants stipulated in the loan agreements such as maintaining the debt service coverage ratio and the debt to equity.

As of 31 December 2015 and 2014, secured interest-bearing liabilities and credit facilities with financial institutions were collateralised by fixed deposits at financial institutions, investment in debt securities, land and buildings of the Company, directors and related parties of which the details of collateralized assets were as follows:

		Consolidated financial statements		Separate financial statements	
	Note	2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
Fixed deposits at financial institutions	14	36,375	35,810	36,375	35,810
Investment in debt securities	14	-	3,000	-	3,000
Land and buildings	15	237,035	225,016	237,035	225,016
<b>Total</b>		<b>273,410</b>	<b>263,826</b>	<b>273,410</b>	<b>263,826</b>

As at 31 December 2015, the Group and the Company had unutilised credit facilities totaling Baht 3,027.2 million (2014: Baht 2,016.2 million).

### Finance lease liabilities

Finance lease liabilities as at 31 December were payable as follows:

Consolidated financial statements						
	2015			2014		
	Future minimum lease payments	Interest	Present value of minimum lease payments <i>(in thousand Baht)</i>	Future minimum lease payments	Interest	Present value of minimum lease payments
Within one year	709	55	654	801	65	736
After one year but within five years	1,740	53	1,687	1,101	62	1,039
<b>Total</b>	<b>2,449</b>	<b>108</b>	<b>2,341</b>	<b>1,902</b>	<b>127</b>	<b>1,775</b>

Separate financial statements						
	2015			2014		
	Future minimum lease payments	Interest	Present value of minimum lease payments <i>(in thousand Baht)</i>	Future minimum lease payments	Interest	Present value of minimum lease payments
Within one year	709	55	654	801	65	736
After one year but within five years	1,740	53	1,687	1,101	62	1,039
<b>Total</b>	<b>2,449</b>	<b>108</b>	<b>2,341</b>	<b>1,902</b>	<b>127</b>	<b>1,775</b>

# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

As at 31 December 2015, the Group entered into finance lease agreements with a local company for vehicles acquired for business operations. The agreements are for the period of 5 years, expiring in January 2021 bearing interest rates ranging from 1.47% to 4.87% per annum in 2015 (2014 : ranging from 3.65 % to 4.64 % per annum).

The currency denomination of interest-bearing liabilities as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht)			
Thai Baht (THB)	661,874	1,287,054	674,125	1,289,947
United States Dollars (USD)	111,668	385,626	111,668	385,626
<b>Total</b>	<b>773,542</b>	<b>1,672,680</b>	<b>785,793</b>	<b>1,675,573</b>

### 19 Trade accounts payable

		Consolidated financial statements		Separate financial statements	
	Note	2015	2014	2015	2014
		(in thousand Baht)			
Related parties	5	-	-	50,862	50,689
Other parties		169,878	296,182	166,174	296,182
<b>Total</b>		<b>169,878</b>	<b>296,182</b>	<b>217,036</b>	<b>346,871</b>

The currency denomination of trade accounts payable as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht)			
Thai Baht (THB)	71,905	87,221	119,063	137,910
United States Dollars (USD)	97,973	208,961	97,973	208,961
<b>Total</b>	<b>169,878</b>	<b>296,182</b>	<b>217,036</b>	<b>346,871</b>

### 20 Other payables

		Consolidated financial statements		Separate financial statements	
	Note	2015	2014	2015	2014
		(in thousand Baht)			
<b>Related parties</b>	5	-	-	<b>2,827</b>	<b>150</b>
<b>Others</b>					
Accrued operating expenses		98,431	117,650	88,919	111,151
Other payables		80,111	111,155	78,582	115,245
Others		8,604	8,415	5,440	1,634
<b>Total</b>		<b>187,146</b>	<b>237,220</b>	<b>175,768</b>	<b>228,180</b>

Other payables of the Group and the Company as at 31 December 2015 and 2014 were denominated entirely in Thai Baht.

# Notes to the financial statements

Crown Tech Advance Public Company Limited and its subsidiaries

## 21 Other current liabilities

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Provision for sales returns	6,366	17,404	6,366	17,404
Provision for warranties	1,953	2,677	1,953	2,677
Guarantee deposits	4,894	8,258	4,894	8,258
Others	9,938	2,985	1,358	2,802
<b>Total</b>	<b>23,151</b>	<b>31,324</b>	<b>14,571</b>	<b>31,141</b>

	Consolidated financial statements			Separate financial statements		
	Provision for sales returns	Provision for warranties	Total	Provision for sales returns	Provision for warranties	Total
	<i>(in thousand Baht)</i>					
At 1 January 2014	6,216	1,813	8,029	6,216	1,813	8,029
Provisions made	13,722	978	14,700	13,722	978	14,700
Provisions used	(2,534)	(114)	(2,648)	(2,534)	(114)	(2,648)
<b>At 31 December 2014 and 1 January 2015</b>	<b>17,404</b>	<b>2,677</b>	<b>20,081</b>	<b>17,404</b>	<b>2,677</b>	<b>20,081</b>
Provisions made	2,352	201	2,553	2,352	201	2,553
Provisions used	(13,390)	(925)	(14,315)	(13,390)	(925)	(14,315)
<b>At 31 December 2015</b>	<b>6,366</b>	<b>1,953</b>	<b>8,319</b>	<b>6,366</b>	<b>1,953</b>	<b>8,319</b>
<b>At 31 December 2014 and 1 January 2015</b>						
Current	17,404	2,677	20,081	17,404	2,677	20,081
Non-current	-	-	-	-	-	-
<b>Total</b>	<b>17,404</b>	<b>2,677</b>	<b>20,081</b>	<b>17,404</b>	<b>2,677</b>	<b>20,081</b>
<b>At 31 December 2015</b>						
Current	6,366	1,953	8,319	6,366	1,953	8,319
Non-current	-	-	-	-	-	-
<b>Total</b>	<b>6,366</b>	<b>1,953</b>	<b>8,319</b>	<b>6,366</b>	<b>1,953</b>	<b>8,319</b>

# Notes to the financial statements

Crown Tech Advance Public Company Limited and its subsidiaries

## 22 Employee benefit obligations

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in Baht)</i>			
<b>Statement of financial position</b>				
<b>obligations for:</b>				
Post-employment benefits	<u>3,574</u>	<u>3,029</u>	<u>3,574</u>	<u>3,029</u>
 <b>Year ended 31 December</b>				
	2015	2014	2015	2014
	<i>(in Baht)</i>			
<b>Statement of comprehensive income:</b>				
<b>Recognised in profit or loss:</b>				
Post-employment benefits	<u>881</u>	<u>794</u>	<u>881</u>	<u>794</u>
 <b>Recognised in other comprehensive income:</b>				
Actuarial losses recognised in the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The Group and the Company operate a defined benefit pension plan based on the requirement of Thai Labour Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service.

Movement in the present value of the defined benefit obligations:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Defined benefit obligations at 1 January	3,029	2,235	3,029	2,235
 <b>Include in profit or loss:</b>				
Current service costs	749	695	749	695
Interest on obligation	<u>132</u>	<u>99</u>	<u>132</u>	<u>99</u>
	<b>881</b>	<b>794</b>	<b>881</b>	<b>794</b>
 <b>Other</b>				
Benefit paid	<u>(336)</u>	<u>-</u>	<u>(336)</u>	<u>-</u>
 <b>Defined benefit obligations at 31 December</b>	<u><b>3,574</b></u>	<u><b>3,029</b></u>	<u><b>3,574</b></u>	<u><b>3,029</b></u>

# Notes to the financial statements

Crown Tech Advance Public Company Limited and its subsidiaries

## Principal actuarial assumptions

Principal actuarial assumptions at the reporting date:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
				(%)
Discount rate (1% movement)	4.4	4.4	4.4	4.4
Future salary increases (1% movement)	4.0 - 6.0	4.0 - 6.0	4.0 - 6.0	4.0 - 6.0

Assumptions regarding future mortality are based on published statistics and mortality tables 2008.

## Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<i>(in thousand Baht)</i>			
<b>Defined benefit obligation 31 December 2015</b>	<b>Increase</b>	<b>Decrease</b>	<b>Increase</b>	<b>Decrease</b>
Discount rate (1% movement)	(382)	451	(382)	451
Future salary increases (1% movement)	513	(437)	513	(437)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

### 23 Share capital

	Par value per share (in Baht)	2015		2014	
		Number	Baht	Number	Baht
(thousand shares / thousand Baht)					
<i>Authorised</i>					
At 1 January					
- ordinary shares	0.50	-	-	600,000	300,000
- ordinary shares	0.10	3,750,000	375,000	-	-
Split shares					
- from Baht 0.50 to Baht 0.10	0.10	-	-	3,000,000	300,000
Increase of registered share capital	0.10	1,750,000	175,000	750,000	75,000
<b>At 31 December</b>					
<b>- ordinary shares</b>	0.10	<b>5,500,000</b>	<b>550,000</b>	<b>3,750,000</b>	<b>375,000</b>
<i>Issued and paid-up</i>					
At 1 January					
- ordinary shares	0.50	-	-	500,000	250,000
- ordinary shares	0.10	3,000,000	300,000	-	-
Issue of new shares	0.50	-	-	100,000	50,000
Issue of new shares	0.10	878,168	87,817	-	-
		3,878,168	387,817	600,000	300,000
Split shares					
- from Baht 0.50 to Baht 0.10	0.10	-	-	3,000,000	300,000
<b>At 31 December</b>					
<b>- ordinary shares</b>	0.10	<b>3,878,168</b>	<b>387,817</b>	<b>3,000,000</b>	<b>300,000</b>

The holders of the ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

#### *Initial public offering*

In February 2014, the Company made an initial public offering of 100,000,000 common shares. The new shares were sold to the subscribers at Baht 2.50 per Share (Baht 0.50 paid in capital and Baht 2 share premium) totaling Baht 250 million. The Company registered the increase in paid-up share capital with the Ministry of Commerce on 25 February 2014 and the shares of the Company began trading in Stock Exchange of Thailand on 27 February 2014. Directly attributable expenses of the initial public offering amounting to Baht 7.7 million were deducted from the premium on share capital received from new investors.

On October 27, 2014, the extraordinary shareholders' meeting approved the following resolutions;

- 23.1 Change in par value from Baht 0.50 per share to Baht 0.10 per share by increasing the number of shares from 600 million shares to 3,000 million shares.
- 23.2 Approval of the issuance and offering of the first series of warrants ("AJD-W1") to purchase the Company's new ordinary shares issued by allocating to existing shareholders in the total of 750 million units free of charge and pro rata at the ratio of 4 ordinary shares per 1 unit of warrant. The term of warrant is 5 years from the issuance and offering date and has the exercise ratio at 1 unit of warrant per 1 ordinary share at an exercise price of Baht 2 per share.

# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

23.3 The increase in registered capital by Baht 75 million from Baht 300 million (600 million ordinary shares with par value of Baht 0.50 each) to Baht 375 million (3,750 million ordinary shares with par value of Baht 0.10 each) and approval of the allotment of the increased share capital of 750 million shares with par value of Baht 0.10 each to accommodate the exercise of AJD-W1 warrants.

23.4 The Company registered the change in par value and the increase in registered share capital with The Ministry of Commerce on October 29, 2014.

On 8 January 2015, the extraordinary shareholders' meeting approved the following resolutions;

23.5 Approval of the issuance and offering of the second series of warrants (AJD-W2) to purchase the Company's new ordinary shares to existing shareholders at the rights offering in the total of 750 million units free of charge at the ratio of 1 unit of warrant for every 4 ordinary shares held. The warrants will mature in 2 years after the issuance and offering date and have exercise ratio of 1 unit of warrant per 1 new ordinary share at the exercise price of Baht 0.20 per share.

23.6 Approval of the increase in registered capital by Baht 95 million from Baht 375 million (3,750 million ordinary shares with par value of Baht 0.10 per share) to Baht 470 million (4,700 million ordinary shares with par value of Baht 0.10 per share) and the allotment of the increased share capital of 950 million shares with par value of Baht 0.10 each to accommodate the exercise of 750 million units of the second series warrants (AJD-W2) and the exercise right adjustment of the Company's first series warrants (AJD-W1) to purchase 200 million units of new ordinary shares.

23.7 The Company registered the increase in share capital with The Ministry of Commerce on 26 January 2015.

On 19 October 2015, the extraordinary shareholders' meeting approved the following resolutions;

23.8 The increase in registered capital by Baht 80 million from Baht 470 million (4,700 million ordinary shares with par value of Baht 0.10 each) to Baht 550 million (5,500 million ordinary shares with par value of Baht 0.10 each).

23.9 The Company registered the increase in share capital with The Ministry of Commerce on 22 October 2015.

23.10 Approval of allotment of the increased share capital of 800 million shares with par value of Baht 0.10 each as follows;

1. 164,674,389 shares to be allotted to existing shareholders of the Company in proportion to their shareholding at the ratio of 1 new ordinary shares to 20 existing shares (fractions will be disregarded) at offering price of Baht 0.80 per share. On 5 November 2015, the Company received total proceeds from increasing in share capital. The Company registered the increase in its paid-up capital with the Ministry of Commerce on 8 December 2015.
2. 79,000,000 shares to reserve for the ratio adjustment of the first series of warrants (AJD-W1).
3. 47,131,252 shares to reserve for the ratio adjustment of the second series of warrants (AJD-W2).
4. 300,000,000 shares to reserve for the issuance and offering of increased share capital to specific investors through private placement at the offering price of Baht 1 per share. On 26 October 2015, the Company received total proceeds from increasing in share capital. The Company registered the increase in its paid-up capital with the Ministry of Commerce on 29 October 2015.



# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

5. 209,194,359 shares to be allotted to specific investors through private placement and/or institutional investors and/or specific investors categorised within 12 months after the approval by shareholders' meeting. The offering price will be not less than 90% of the weighted average stock price in The Stock Exchange of Thailand totaling 7-15 trading days before issuance and offering date.

### Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

	2015 (in Thousand Baht)	2014
At 1 January	192,300	-
Increase	425,364	192,300
<b>At 31 December</b>	<b>617,664</b>	<b>192,300</b>

### Warrants

#### 1. Warrants AJD-W1

On 26 December 2014, the first series of the Company's warrants (AJD-W1) to purchase the Company's ordinary share as approved in the extraordinary meeting of the shareholder no.1/2014 to allot to existing shareholders in the total of 749,999,976 units was listed and begun trading in The Stock Exchange of Thailand. The aforesaid warrants which are specified warrant holders and transferable are for a period of 5 years from the issued date (20 November 2014). The exercise price is Baht 2 per share at a ratio of 1 share warrant to 1 new ordinary share.

On 19 October 2015, the extraordinary shareholders' meeting approved the amendment of the terms and conditions governing rights and obligations of the warrant issuer and holders of the first series of warrants (AJD-W1) by adding alternative periods to exercise the first series of warrants (AJD-W1) from 2 times a year to 4 times a year. The warrant holders can exercise the right of warrants on every last business day of March, June, September and December each year.

On 14 January 2015, the Company notified the adjustment of exercise price and exercise ratio of the first series of warrants (AJD-W1) to The Stock Exchange of Thailand as follows;

	Before right adjustment	After right adjustment
Exercise Price	Baht 2 per 1share	Baht 1.6174 per 1 share
Exercise Ratio	1 unit per 1 share	1unit per 1.2365 share

On 22 October 2015, the Company notified the adjustment of exercise price and exercise ratio of the first series of warrant (AJD-W1) to The Stock Exchange of Thailand as follows;

	Before right adjustment	After right adjustment
Exercise Price	Baht 1.6174 per share	Baht 1.565 per share
Exercise Ratio	1 Unit per 1.2365 share	1 Unit per 1.27802 share

On 27 October 2015, the Company notified the adjustment of exercise price and exercise ratio of the first series of warrant (AJD-W1) to The Stock Exchange of Thailand as follows;

	Before right adjustment	After right adjustment
Exercise Price	Baht 1.565 per share	Baht 1.527 per share
Exercise Ratio	1 Unit per 1.27802 share	1 Unit per 1.30972 share

# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

Movements of share warrants AJD-W1 during the years ended 31 December 2015 and 2014 are summarised below:

	2015	2014
	Number (unit)	
Warrants issued at 1 January	749,999,976	-
Add: Warrants issued during the year	-	749,999,976
Less: Exercised during the year	(44,514)	-
<b>Warrants issued at 31 December</b>	<b>749,955,462</b>	<b>749,999,976</b>

In September 2015, the Company received proceeds from the increasing in share capital from the exercise of warrants AJD-W1 for 44,514 additional ordinary shares of Baht 1.6174 each, totaling of Baht 71,997. The Company registered the increase in share capital from the exercise of the warrants with the Ministry of Commerce on 7 October 2015.

### 2. Warrants AJD-W2

On 10 December 2015, the second series of the Company's warrants (AJD-W2) to purchase the Company's ordinary share as approved in the extraordinary meeting of the shareholder no.1/2015 to allot to existing shareholders in the total of 749,999,968 units was listed and begun trading in The Stock Exchange of Thailand. The aforesaid warrants which are specified warrant holders and transferable are for a period of 5 years from the issued date (20 January 2015). The exercise price is Baht 0.2 per share at a ratio of 1 share warrant to 1 new ordinary share.

On 22 October 2015, the Company notified the adjustment of exercise price and exercise ratio of the second series of warrant (AJD-W2) to The Stock Exchange of Thailand as follows;

	Before right adjustment	After right adjustment
Exercise Price	Baht 0.2 per share	Baht 0.194 per 1 share
Exercise Ratio	1 Unit per 1 share	1 Unit per 1.03358 share

On 27 October 2015, the Company notified the adjustment of exercise price and exercise ratio of the second series of warrant (AJD-W2) to The Stock Exchange of Thailand as follows;

	Before right adjustment	After right adjustment
Exercise Price	Baht 0.194 per 1 share	Baht 0.189 per 1 share
Exercise Ratio	1 Unit per 1.03358 share	1 Unit per 1.05921 share

Movements of share warrants AJD-W2 during the years ended 31 December 2015 and 2014 are summarised below:

	2015	2014
	Number (unit)	
Warrants issued at 1 January	749,999,968	-
Add: Warrants issued during the year	-	749,999,968
Less: Exercised during the year	(413,448,740)	-
<b>Warrants issued at 31 December</b>	<b>336,551,228</b>	<b>749,999,968</b>

# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

In 2015, the Company received proceeds from the increasing in share capital from the exercise of warrants AJD-W2 as follows;

	Shares (thousand shares)	Per Share (Baht)	Total (million Baht)
March	92,553	0.20	18.51
June	117,493	0.20	23.50
September	83,397	0.20	16.68
December	120,006	0.189	22.68
<b>Total</b>	<b>413,449</b>		<b>81.37</b>

The Company already registered the increase in share capital from the exercise of the warrants with the Ministry of Commerce during 2015.

## 24 Reserves

Reserves comprise:

### *Appropriations of profit and/or retained earnings*

#### *Legal reserve*

Section 116 of the Public Companies Act B.E. 2535 Section 116 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

#### *Other Component of equity*

### **Surplus from business combination under common control**

Surplus from business combination under common control represents the excess of the book value of businesses under common control over cost as of the acquisition date and have been recorded as a surplus. It is non-distributable and will be retained until the respective subsidiaries are sold or otherwise disposed of.

# Notes to the financial statements

Crown Tech Advance Public Company Limited and its subsidiaries

## 25 Segment information

The Group has three reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic divisions, the chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments.

- Segment 1     Retailing and wholesaling of electric appliance, including parts.
- Segment 2     Business of TV's drama programs, and other entertainment media.
- Segment 3     Retailing top-up machine, top-up service for prepaid phone and receipt online services

None of other segments meets the quantitative thresholds for determining reportable segments in 2015 or 2014.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment operating profit, as included in the internal management reports that are reviewed by the Group's CODM. Segment operating profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries

# Notes to the financial statements

Crown Tech Advance Public Company Limited and its subsidiaries

	Consolidated financial statements						
	For the years ended 31 December						
	Retailing and wholesaling of electric appliance, including parts.		Business of TV's drama programs, and other entertainment media		Retailing top-up machine, top-up service for prepaid phone and receipt online services		Total
	2015	2014	2015	2014	2015	2014	
Revenues from external customers	1,645,191	1,869,921	43,060	-	-	-	1,768,811
Inter-segment revenues	99,928	329	238	-	(100,166)	(329)	1,869,921
<b>Total revenues</b>	<b>1,745,119</b>	<b>1,870,250</b>	<b>43,298</b>	<b>-</b>	<b>(100,166)</b>	<b>(329)</b>	<b>1,768,811</b>
Segment operating profit	664,985	718,528	20,454	-	(24,188)	7,884	705,777
Selling expenses							(444,677)
Administrative expenses							(155,717)
Net foreign exchange losses							(10,967)
Finance costs							(54,004)
Share of loss of associate							(464)
Income tax expense							(17,564)
<b>Profit for the year</b>							<b>22,384</b>
							<b>121,967</b>

(in thousand Baht)

# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

Financial information by business segment for the consolidated statements of financial position as at 31 December 2015 and 2014 are as follows:

	Retailing and wholesaling of electric appliance, including parts.		Business of TV's drama programs, and other entertainment media		Retailing top-up machine, top-up service for prepaid phone and receipt online services			Eliminating entries		Total
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
	<i>(in thousand Baht)</i>									
Total assets for reportable segments	2,432,483	3,064,090	38,190	-	171,309	-	(254,514)	(103,907)	2,387,468	2,960,183
Total liabilities for reportable segments	1,223,632	2,358,503	4,289	-	137,276	-	(200,679)	(81,135)	1,164,518	2,277,368

Transfer prices between business segments are as set out in Note 5 to the financial statements

### Geographical segments

The Group is managed and operates principally in Thailand. There are no material revenues derived from, or assets located in, foreign countries

# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

### 26 Selling expenses

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Sales promotion expenses	150,981	162,275	150,616	162,261
Commission expenses	148,554	123,114	138,724	123,114
Employee benefit expenses	98,006	96,000	97,607	96,000
Freight charges	45,648	46,849	45,604	46,849
Amortization of licenses	976	998	976	998
Others	512	-	510	-
<b>Total</b>	<b>444,677</b>	<b>429,236</b>	<b>434,037</b>	<b>429,222</b>

### 27 Administrative expenses

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Employee benefit expenses	72,011	72,560	70,015	72,560
Doubtful debts expense	26,816	-	25,740	-
Depreciation of plant and equipment	16,959	10,437	17,338	10,889
Professional fees	6,824	6,895	5,564	6,637
Amortization of licenses	1,422	1,241	1,422	1,241
Travelling expenses	1,838	1,198	1,803	1,198
Others	29,846	25,064	27,756	25,471
<b>Total</b>	<b>155,716</b>	<b>117,395</b>	<b>149,638</b>	<b>117,996</b>

### 28 Employee benefit expenses

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Wages and salaries	288,630	262,193	277,165	262,193
Post-employment benefits	882	793	882	793
Others	30,080	29,243	29,169	29,243
<b>Total</b>	<b>319,592</b>	<b>292,229</b>	<b>307,216</b>	<b>292,229</b>

#### *Defined contribution plan*

The defined contribution plan comprises provident funds established by the Group for its employees. Membership to the fund is on a voluntary basis. Contributions are made monthly by the employees at rate 2% of their basic salaries and by the Group at rate 2% of the employees' basic salaries. The provident fund is registered with the Ministry of Finance as juristic entity and is managed by a licensed Fund Manager.



# Notes to the financial statements

Crown Tech Advance Public Company Limited and its subsidiaries

## 29 Expenses by nature

The statement of income include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various TFRS were as follows:

		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<i>Note</i>	2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
Changes in inventories of merchandised goods		(143,577)	(855,829)	(127,444)	(854,754)
Purchases of merchandised goods and consumables used		1,164,206	1,953,059	1,164,298	1,953,124
Employee benefit expenses	28	319,592	292,229	307,216	292,229
Depreciation and amortization	26,27	19,524	18,776	19,885	19,229
Sales promotional expenses	26	150,981	162,275	150,616	162,261
Delivery expenses	26	45,648	46,849	45,604	46,849
Others		107,053	72,781	101,200	72,931
<b>Total cost of sales of goods, cost of rendering of services and selling and administrative expenses</b>		<b>1,663,427</b>	<b>1,690,140</b>	<b>1,661,375</b>	<b>1,691,869</b>

## 30 Finance costs

		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<i>Note</i>	2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
<b>Interest expense</b>					
Bank loans and overdrafts		34,134	22,223	34,086	22,221
Related parties	5	19,870	1,032	20,227	1,145
<b>Total</b>		<b>54,004</b>	<b>23,255</b>	<b>54,313</b>	<b>23,366</b>

## 31 Income tax expense

*Income tax recognised in profit or loss*

		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<i>Note</i>	2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
<b>Current tax expense</b>					
Current year		18,423	36,966	9,079	36,965
<b>Deferred tax expense</b>					
Movements in temporary differences	17	(859)	(6,222)	(863)	(6,334)
<b>Total</b>		<b>17,564</b>	<b>30,744</b>	<b>8,216</b>	<b>30,631</b>

# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

### Reconciliation of effective tax rate

	Consolidated financial statements			
	2015		2014	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit before income tax expense		39,948		152,712
Income tax using the Thai corporation tax rate	20	7,990	20	30,542
Expenses not deductible for tax purposes		9,574		202
<b>Total</b>	<b>44</b>	<b>17,564</b>	<b>20</b>	<b>30,744</b>

	Separate financial statements			
	2015		2014	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit before income tax expense	20	18,264	20	151,009
Income tax using the Thai corporation tax rate		3,653		30,202
Expenses not deductible for tax purposes		4,563		429
<b>Total</b>	<b>45</b>	<b>8,216</b>	<b>20</b>	<b>30,631</b>

### Income tax reduction

Royal Decree No. 577 B.E. 2557 dated 10 November 2014 grants the reduction of the corporate income tax rate to 20% of net taxable profit for the accounting period 2015 which begins on or after 1 January 2015.

On 22 January 2016, The National Legislative Assembly has approved a reduction of the statutory corporate income tax rate from 30% to 20% of net taxable profit for the accounting period begins on or after 1 January 2016.

The Group has applied the tax rate of 20% in measuring deferred tax assets and liabilities as at 31 December 2015 and 2014 in accordance with the clarification issued by the FAP in 2012.

# Notes to the financial statements

Crown Tech Advance Public Company Limited and its subsidiaries

## 32 Earnings per share

### *Basic earnings per share*

The calculations of basic earnings per share for the years ended 31 December 2015 and 2014 were based on the profit for the years attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the year. The prior year's basic earnings per share have been recalculated as if the reduction of par value had occurred at the beginning of 2014.

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(thousand Baht/ thousand shares)</i>			
<b>Profit attributable to ordinary shareholders of the Company (basic)</b>	<b>6,378</b>	<b>122,145</b>	<b>10,047</b>	<b>120,379</b>
Number of ordinary shares outstanding at 1 January	3,000,000	2,500,000	3,000,000	2,500,000
Effect of shares issued during the year	232,273	421,918	232,273	421,918
<b>Weighted average number of ordinary shares outstanding (basic)</b>	<b>3,232,273</b>	<b>2,921,918</b>	<b>3,232,273</b>	<b>2,921,918</b>
<b>Earnings per share (basic) (in Baht)</b>	<b>0.002</b>	<b>0.042</b>	<b>0.003</b>	<b>0.041</b>

### *Diluted earnings per share*

The calculations of diluted earnings per share for the years ended 31 December 2015 and 2014 were based on the profit for the years attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the years after adjusting for the effects of all dilutive potential ordinary shares as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(thousand Baht/ thousand shares)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	6,378	122,145	10,047	120,379
<b>Profit attributable to ordinary shareholders of the Company (diluted)</b>	<b>6,378</b>	<b>122,145</b>	<b>10,047</b>	<b>120,379</b>
Weighted average number of ordinary shares outstanding (basic)	3,232,273	2,921,918	3,232,273	2,921,918
Effect of exercise of share options	1,597,816	33,362	1,597,816	33,362
<b>Weighted average number of ordinary shares outstanding (diluted)</b>	<b>4,830,089</b>	<b>2,955,280</b>	<b>4,830,089</b>	<b>2,955,280</b>
<b>Earnings per share (diluted) (in Baht)</b>	<b>0.001</b>	<b>0.041</b>	<b>0.002</b>	<b>0.041</b>

## 33 Dividends

At the annual general meeting of the shareholders of the Company held on 30 April 2014, the shareholders approved the appropriation of dividend of Baht 0.10 per share, amounting to Baht 60 million. This dividend was paid to shareholders during 2014.

# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

### 34 Financial instruments

#### *Financial risk management policies*

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

#### *Capital management*

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

#### *Interest rate risk*

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because financial assets and liabilities interest rates are mainly adjusted in accordance to market rate or are fixed which is close to current market rate.

The effective interest rates of financial assets as at 31 December and the periods in which those assets mature were as follows:

	Effective interest rate (% per annum)	Consolidated financial statements			
		Within 1 year	After 1 year but within 5 years	After 5 years	Total
		(in thousand Baht)			
<b>2015</b>					
<b>Current</b>					
Cash and cash equivalents	0.1-1.35	152,806	-	-	152,806
<b>Non-Current</b>					
Other long-term investments	0.75-1.5	-	36,375	-	36,375
<b>Total</b>		<u>152,806</u>	<u>36,375</u>	<u>-</u>	<u>189,181</u>
<b>2014</b>					
<b>Current</b>					
Cash and cash equivalents	0.12-1.25	43,740	-	-	43,740
<b>Non-Current</b>					
Other long-term investments	1.25-4.5	3,000	35,810	-	38,810
<b>Total</b>		<u>46,740</u>	<u>35,810</u>	<u>-</u>	<u>82,550</u>

# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

	Effective interest rate (% per annum)	Separate financial statements			
Within 1 year		After 1 year but within 5 years	After 5 years	Total	
(in thousand Baht)					
<b>2015</b>					
<b>Current</b>					
Cash and cash equivalents	0.1-1.35	147,068	-	-	147,068
<b>Non-Current</b>					
Other long-term investments	0.75-1.5	-	36,375	-	36,375
<b>Total</b>		<b>147,068</b>	<b>36,375</b>	<b>-</b>	<b>183,443</b>
<b>2014</b>					
<b>Current</b>					
Cash and cash equivalents	0.12-1.25	40,734	-	-	40,734
<b>Non-Current</b>					
Other long-term investments	1.25-4.5	3,000	35,810	-	38,810
<b>Total</b>		<b>43,734</b>	<b>35,810</b>	<b>-</b>	<b>79,544</b>

The effective interest rates of interest-bearing financial liabilities as at 31 December and the periods in which those liabilities mature or re-price were as follows:

		Consolidated financial statements				
	Effective interest rate (% per annum)	Within 1 year	After 1 year but within 5 years	After 5 years		Total
		(in thousand Baht)				
2015						
Bank overdrafts and short-term loans from financial institutions	2.31-4.48	241,758	-	-		241,758
Short-term loans from related parties	2.75-4.80	452,367	-	-		452,367
Finance lease liabilities	1.47-2.45	654	1,687	-		2,341
Long-term loans from financial institutions	4.316-5.661	25,008	52,068	-		77,076
Total		719,787	53,755	-		773,542
2014						
Bank overdrafts and short-term loans from financial institutions	1.85-7.75	1,236,789	-	-		1,236,789
Short-term loans from related parties	3.96	332,032	-	-		332,032
Finance lease liabilities	2.45-4.64	736	1,039	-		1,775
Long-term loans from financial institutions	4.867-6.323	25,008	77,076	-		102,084
Total		1,594,565	78,115	-		1,672,680

# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

	Effective interest rate (% per annum)	Within 1 year	Separate financial statements After 1 year but within 5 years      After 5 years		Total
			(in thousand Baht)		
<b>2015</b>					
Bank overdrafts and short-term loans from financial institutions	2.31-4.48	241,758	-	-	241,758
Short-term loans from related parties	2.65-4.80	464,618	-	-	464,618
Finance lease liabilities	1.47-2.45	654	1,687	-	2,341
Long-term loans from financial institutions	4.316-5.661	25,008	52,068	-	77,076
<b>Total</b>		<b>732,038</b>	<b>53,755</b>	<b>-</b>	<b>785,793</b>
<b>2014</b>					
Bank overdrafts and short-term loans from financial institutions	1.85-7.75	1,236,789	-	-	1,236,789
Short-term loans from related parties	3.96-4.15	334,925	-	-	334,925
Finance lease liabilities	2.45-4.64	736	1,039	-	1,775
Long-term loans from financial institutions	4.867-6.323	25,008	77,076	-	102,084
<b>Total</b>		<b>1,597,458</b>	<b>78,115</b>	<b>-</b>	<b>1,675,573</b>

### Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases which are denominated in foreign currencies.

At 31 December, the Group was exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
<b>United States Dollars</b>					
Interest-bearing liabilities	18	112	386	112	386
Trade accounts payable	19	98	209	98	209
<b>Total exposure</b>		<b>210</b>	<b>595</b>	<b>210</b>	<b>595</b>

### Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group as and when the fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. However, due to the large number of parties comprising the Group's customer base, Management does not anticipate material losses from its debt collection.

# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

### Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

### Fair values of financial assets and liabilities

Fair values of financial assets and liabilities, together with the carrying values shown in the consolidated and separate statement of financial position at 31 December were as follows:

Consolidated financial statements					
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
		(in million Baht)			
31 December 2015					
Current					
Loans from financial institutions	266,766	-	-	266,766	266,766
Loans from related parties	452,367	-	-	452,367	452,367
Finance lease liabilities	654	-	-	654	654
Non-current					
Loans from financial institutions	52,068	-	-	52,068	52,068
Finance lease liabilities	1,687	-	-	1,687	1,687

Consolidated financial statements					
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
		(in million Baht)			
31 December 2015					
Current					
Loans from financial institutions	266,766	-	-	266,766	266,766
Loans from related parties	464,618	-	-	464,618	464,618
Finance lease liabilities	654	-	-	654	654
Non-current					
Loans from financial institutions	52,068	-	-	52,068	52,068
Finance lease liabilities	1,687	-	-	1,687	1,687

### Financial instruments carried at fair value

#### Fair value hierarchy

The table above analyses recurring fair value measurements for financial assets. These fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to valuation techniques used. The different levels are defined as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.



# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair value, then the valuation team assesses and documents the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of TFRS, including the level in the fair value hierarchy the resulting fair value estimate should be classified.

Fair values of short-term loans approximate to the carrying values due to interest rates referencing to market interest rates and these financial instruments have short-term maturity.

Fair values of long-term loans approximate to the carrying values due to interest rates referencing to market interest rates.

Fair values of finance lease approximate to the carrying values due to interest rates approximate to market rates.

Significant valuation issues are reported to the Group Audit Committee.

### 35 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht)			
<b>Commitments</b>				
Purchase orders for goods	805,783	712,660	805,783	712,660
<b>Total</b>	<b>805,783</b>	<b>712,660</b>	<b>805,783</b>	<b>712,660</b>

#### *Sale and purchase agreements*

The Group entered into sale and purchase agreements with modern trade for distribution of products under brand “AJ”. The Company is committed to pay sales promotion and other sales related expenses at amounts specified in the agreements. The agreements are for the periods within one year, which are automatically renewable unless either party notifies for termination.

#### *Service agreements*

The Group entered into several service agreements with other parties covering services of warehouse rental, security, sales promotional advertising and other services. The Company is committed to pay service charges at amounts specified in the agreements. The agreements are for the periods of 6 to 12 months.

# Notes to the financial statements

Crown Tech Advance Public Company Limited and its subsidiaries

## 36 Contingent liabilities

### Guarantees

As at 31 December 2015 and 2014, the Company and its subsidiaries had contingent liabilities in respect of guarantees of loans and other credit facilities as follows:

Guarantee companies	Guarantor					
	Crown Tech Advance Public Company Limited		Siam Advance Electronic Co., Ltd.		T&C Advance Electronic Co., Ltd.	
	2015	2014	2015	2014	2015	2014
Crown Tech Advance Public Company Limited	-	-	262,581	587,054	111,669	11,911
- Baht	-	-	-	50,000	-	-
- US dollars	-	-	262,581	637,054	111,669	11,911
<b>Total</b>				<b>637,054</b>	<b>272,895</b>	<b>107,982</b>

(in thousand Baht)

# Notes to the financial statements

## Crown Tech Advance Public Company Limited and its subsidiaries

### 37 Events after the reporting period

On January 22, 2016, the shareholders of subsidiary (Vending Corporation Co., Ltd.) approved the increase in shares capital from Baht 12.5 million to Baht 22.5 million by issuing the ordinary shares of 100,000 shares.

### 38 Thai Financial Reporting Standards (TFRS) not yet adopted

A number of new and revised TFRS have been issued but are not yet effective and have not been applied in preparing these financial statements. Those new and revised TFRS that may be relevant to the Group's operations, which become effective for annual financial periods beginning on or after 1 January 2016 in the year indicated, are set out below. The Group does not plan to adopt these TFRS early.

TFRS	Topic
TAS 1 (revised 2015)	Presentation of Financial Statements
TAS 2 (revised 2015)	Inventories
TAS 7 (revised 2015)	Statement of Cash Flows
TAS 8 (revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2015)	Events after the Reporting Period
TAS 12 (revised 2015)	Income Taxes
TAS 16 (revised 2015)	Property, Plant and Equipment
TAS 17 (revised 2015)	Leases
TAS 18 (revised 2015)	Revenue
TAS 19 (revised 2015)	Employee Benefits
TAS 21 (revised 2015)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2015)	Borrowing Costs
TAS 24 (revised 2015)	Related Party Disclosures
TAS 26 (revised 2015)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2015)	Separate Financial Statements
TAS 28 (revised 2015)	Investments in Associates and Joint Ventures
TAS 33 (revised 2015)	Earnings per Share
TAS 34 (revised 2015)	Interim Financial Reporting
TAS 36 (revised 2015)	Impairment of Assets
TAS 37 (revised 2015)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2015)	Intangible Assets
TFRS 2 (revised 2015)	Share-based Payment
TFRS 3 (revised 2015)	Business Combinations
TFRS 5 (revised 2015)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8(revised 2015)	Operating Segments
TFRS 10 (revised 2015)	Consolidated Financial Statements
TFRS 12 (revised 2015)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2015)	Fair Value Measurement
TSIC 15 (revised 2015)	Operating Leases – Incentives
TSIC 25 (revised 2015)	Income Taxes – Changes in the Tax Status of an Enterprise or its shareholders
TSIC 27 (revised 2015)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSIC 31 (revised 2015)	Revenue - Barter Transactions Involving Advertising Services
TSIC 32 (revised 2015)	Intangible Assets – Web Site Costs
TFRIC 10 (revised 2015)	Interim Financial Reporting and Impairment
TFRIC 14 (revised 2015)	TAS 19 (revised 2015) —The Limit on a Defined Benefit Asset Minimum Funding Requirements and their Interaction

The Group has made a preliminary assessment of the potential initial impact on the consolidated and separate financial statements of these new and revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.



**Crown Tech Advance Public Company Limited**

427/2 Rama 2 Rd, Samaedam Sub-district, Bangkhunthian District, Bangkok 10150  
Tel. +66 2451 6888 Fax. +66 2451 5490 Website : [www.ajthai.com](http://www.ajthai.com)