

CAT Telecom Public Company Limited

Analysis of Business Performance for the Year 2015

Financial performance (extracted from the Company's financial statement)

In 2015, CAT Telecom Public Company Limited ("CAT Telecom") generated revenue totalling Baht 54,933 million and net profit totalling 3,141 million. The significant items for 2015 were as follows:

Revenues

The Company's total revenue for the year 2015 was Baht 54,933 million. It decreased by 0.56% from the prior year resulted from the following factors:

Service Income

Service income for the year 2015 was Baht 40,095 million. It increased by 7.68% from the prior year as a result of growth of a wireless communication business, which is mainly from providing 3G domestic roaming service.

Amortisation of deferred income from concession agreements

Amortisation of deferred income from concession agreements for the year 2015 was Baht 8,475 million. It increased by 16.21% from the prior year.

Revenue sharing from concession agreements

Revenue sharing from concession agreements for the year 2015 was Baht 4,414 million. It decreased by 47.24% from the prior year.

Other income

Other income was Baht 1,870 million. It decreased by 19.43% from the prior year.

Cost of services

Total cost of services was Baht 35,259 million. It increased by 0.42% from the prior year. This was mainly due to expenses relating to wholesale service on mobile network through HSPA network, roaming service and high-speed circuit usage.

Depreciation of assets under concession agreements

The depreciation of assets under concession agreements was Baht 6,962 million. It increased by 3.73% from the prior year.

Selling expenses

The selling expenses were Baht 2,021 million. It increased by 4.21% from the prior year.

Administrative Expenses

The administrative expenses were Baht 3,998 million. It increased by 18.66% from the prior year.

Loss on impairment of assets

Loss on impairment of assets was Baht 1,489 million. It increased by 154.77% from the prior year.

Remittance to NBTC under section 84 of the Act on organisation to assign radio frequency

Remittance to NBTC under section 84 was Baht 1,778 million. It decreased by 54.00% from the prior year.

Income Tax

Total income tax was Baht 193 million. It increased by 555.53% from the prior year.

Net profit

The company generated net profit for the year totalling Baht 3,141 million. It decreased by 11.96% from the prior year because of the decrease of revenues and expenses. As a result, profit before income tax decreased by Baht 263 million.

Statement of Financial Position and Highlight Financial Information

Assets

As at 31 December 2015, total assets was presented at Baht 151,973 million. They decreased by Baht 29,850 million or 16.42% from the end of 2014 due to the following factors:

- Cash and cash equivalents increased from Baht 1,420 million to Baht 3,450 million. This mainly resulted from the increase in fixed deposits.
- Short-term investments increased from Baht 50,923 million to Bath 52,619 million. This mainly resulted from the increase in available-for-sale investment - debt security.
- Trade and other receivables decreased from Bath 57,200 million to Baht 31,611 million. This was mainly caused by the decrease in domestic service receivables.
- Property, plant and equipment decreased from Baht 32,443 million to Baht 32,145 million. This mainly resulted from the depreciation expense for the year.
- Assets under concession agreements decreased from Baht 14,939 million to Baht 10,041 million. This mainly resulted from the depreciation for the year.

Sources of Funds

As at 31 December 2015, the Company presented total shareholder's equity at Baht 33,664 million. It increased by Baht 523 million or 1.58% from the end of 2014. For the year 2015, the Company generated a net profit of Baht 3,141 million and paid dividends totalling Baht 2,599 million.

As at 31 December 2015, the Company presented total liabilities at Baht 118,309 million. They decreased by Baht 30,373 million or 20.43% from the end of 2014 due to the following factors:

- Accrued expenses decreased due to expenses relating to wholesale service on mobile network through HSPA network.
- Dividend payable decreased by Baht 2,000 because the Company paid the fourth instalment of dividend for 2012 to the Ministry of Finance.