

## Notification of the Allocation and Subscription Document

### Wave Entertainment Public Company Limited



Offering of new issue ordinary shares to the existing shareholders whose names appeared in the share register book on the record date of March 2, 2016, providing the collection of names under Section 225 of Securities and Stock Exchange of Thailand Act B.E. 2535 (as amended)

by closing the share register book on March 3, 2016

at the ratio of 3.333333 existing shares to 1 new shares (shareholders can subscribe in excess of rights)

### Subscription and Payment Period

March 21 - 25, 2016

*"The English translation has been prepared solely for the convenience of the foreign shareholders of Wave Entertainment Public Company Limited and should not be relied upon as a definitive and official document of the Company. The Thai version of this document is the definitive and official document and shall prevail in all respects in the event of any inconsistency with the English translation."*

## Important Note

*By receiving a Notification of the Allocation and Subscription Document of Wave Entertainment Public Company Limited (the "Company") herein (the "Notification of the Allocation"), shareholders accept and agree to the Terms and Conditions. Details are listed below.*

*The offering of new shares to existing shareholders in proportion to their shares on this offering of securities in accordance with section 33 of the Securities Exchange Act of 2535 (as amended). The Company has not registered and will not be registered the Company's ordinary shares in any other countries or under the law of any other jurisdictions.*

*Prohibit any shareholders to publish or distribute the Notification of the Allocation in whole or in part. This notification of the Allocation is neither the offering nor the prospectus of the Company's shares in other countries. The Company recommends shareholders who receive this Notification of the Allocation to check all restriction in your home countries related to investing in the securities. The Company will not be responsible for any case of violation of any restrictions.*

## Table of Content

<b>Section 1. The Information of New Ordinary Shares Allocation .....</b>	<b>1-1</b>
1. Name and Location of Listed Company .....	1-1
2. Meeting Date held by the Board of Directors and Shareholders approved for New Ordinary Share Allocation.....	1-1
3. Allocation Details.....	1-1
4. Record Date for the Shareholders Entitled to subscribe new shares .....	1-3
5. New Ordinary Share Subscription and Payment Schedule .....	1-3
6. Objectives of the capital increase .....	1-10
7. Benefits which the Company will receive from the capital increase/share allotment:.....	1-10
8. Benefits which the shareholders will receive from the capital increase/share allotment: .....	1-10
9. Dividend Policy .....	1-11
<b>Section 2. Preliminary Information of the Company .....</b>	<b>2-1</b>
1. Name and Location of the Company.....	2-1
2. Type of business and nature of operation of the present core business.....	2-1
3. List of Directors and executives and shareholders structure.....	2-22
4. History of the capital increase and the payment of dividend for the past three years.....	2-24
5. Details of Subsidiary Companies.....	2-24
<b>Section 3. Financial Information .....</b>	<b>3-1</b>
1. Table of Summary of Financial Information for Y2013 - 2015 .....	3-1

## Notification of the Allocation and Subscription Document

### WAVE ENTERTAINMENT PUBLIC COMPANY LIMITED

#### Section 1. The Information of New Ordinary Shares Allocation

##### 1. Name and Location of Listed Company

Name Wave Entertainment Public Company Limited (the “Company”)

Address MALEENONT TOWER 15<sup>th</sup> Floor No.3199, Rama IV Road, Kwaeng Klongton, Khet Klongteo, Bangkok

##### 2. Meeting Date held by the Board of Directors and Shareholders approved for New Ordinary Share Allocation

Share allocation to the existing shareholders was approved by the Annual General Meeting of Shareholders No. 22/2015 held on April 30, 2015 and the Board of Directors Meeting No. 1/2016 held on February 17, 2016.

##### 3. Allocation Details

The Annual General Meeting of Shareholders No. 22/2015 held on April 30, 2015 has approved for the capital increase under General Mandate to existing shareholder and the Board of Directors Meeting No. 1/2016 held on February 17, 2016 has approved the issuance and allotment shares under General Mandate in the amount no more than THB 97,200,000 through 97,200,000 newly issued ordinary shares of the Company, at par value of THB 1.00 per share. The newly issued shares are offered to existing shareholders at a ratio of 3.333333 existing ordinary shares to 1 new share. The offering price is THB 3.50 per shares. Details of the allocations are as follows;

###### 3.1 New Ordinary shares

Type of new share	:	New ordinary shares
Original registered share (as of March 31,2015)	:	THB 324,000,000 at a par value of THB 1.00 each, divided into 324,000,000 ordinary shares
Increase in registered capital	:	THB 97,200,000 from THB 324,000,000 to THB 421,200,000 at the par value of THB 1.00 per share
Paid-up capital	:	THB 421,200,000 at a par value of THB 1.00 each,
After the Capital Increase		divided into 421,200,000 ordinary shares
(In case the newly issued ordinary shares that issued and offer to the existing shareholders in proportion to their respective shareholdings (Right Offering) are fully subscribed)		

Allocation to existing shareholders : 97,200,000 shares (at the par value of 1.00 THB each)

The offering price per share : THB 3.50

Subscription ratio : 3.333333 existing ordinary share for 1 new ordinary share

The existing shareholders are entitled to subscribe the capital increase shares in proportion to their respective shareholding at the subscription ratio above. However, the shareholders can exercise the rights to subscribe more than their own.

Allocation Method : 1. The Company allocated newly issued common shares of 97,200,000 shares at par value of THB 1.00 to existing shareholders with the proportion of each rights offering at the ration of 3.333333 existing shares for 1 new share with the offering price of THB 3.50 (Any fraction of shares will be disregarded).

2. The shareholders may oversubscribe for shares in excess of their existing shareholding. The oversubscription shares will be allotted to such oversubscribing shareholders only after newly issued ordinary shares are allotted proportionately to all shareholders who subscribe in the first round.

3. In case where unsubscribe shares are less than the number of shares oversubscribed, the Company will allot oversubscription shares in proportion to shareholding of each shareholder. Such allotment process shall be repeated until no share is left.

4. The existing shareholder oversubscribing for newly issued shares must express his intention at the same time he makes his prorated entitlement subscription and must make a subscription payment in full.

5. Shall be added to the newly issued ordinary shares remaining after the subscription where certain shareholders have waived their rights to subscribe for newly issued ordinary shares or failed to pay for the subscription price or for any other reasons whatsoever. The remaining newly issued ordinary shared shall be allocated to every shareholder who has oversubscribed the shares, whereby each round of reallocation will made accordingly in proportion to shareholding of each oversubscribing shareholder.

#### 4. Record Date for the Shareholders Entitled to subscribe new shares

The Record Date is on March 2, 2016. The share registration closing book date for gathering shareholders' names under section 225 of the Securities and Exchange Act B.E. 2535 (and its amendments) is on March 3, 2016.

#### 5. New Ordinary Share Subscription and Payment Schedule

##### 5.1 Share Subscription and Payment date

March 21 - 25, 2016 (5 business days) from 9:00 am – 3:30 pm

##### 5.2 Share Subscription and Payment Location

Shareholders can subscribe ordinary shares at the share subscription agent (Please refer to the location map in Attachment 2)

I V Global Securities Public Company Limited 18th Fl. Mercury Tower, 540 Ploenchit, Lumpini, Pathumwan, Bangkok 10330. Tel. 02-658-5800 Ext. 405, 514 and 526 Fax. 02-254-7308, 02-658-5799
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The Company by the subscription agent shall not accept any subscription by postal mail and facsimile.

##### 5.3 The process of subscription and payment for newly issued ordinary shares

The shareholders who intend to subscribe to the newly issued ordinary shares must clearly and accurately complete and sign the Share Subscription Form, and make payment for such subscription in full for both the subscription amount pursuant to rights and the portion subscribed in excess of rights (if any) by following methods;

###### 5.3.1 In case of payment by Cheque, Cashier Cheque, or Draft

- Contact the Subscription Agent and make the payment by Cheque, Cashier Cheque, or Draft. The Cheque, Cashier Cheque, or Draft must be able to collect money with 1 business day via Bangkok clearing house, and shall be crossed Account Payee Only and made payable to "Share Subscription Account, Wave Entertainment Public Company Limited" and must be dated no later than March 23, 2016
- Made full payment by only one Cheque, Cashier Cheque, or Draft per one Subscription Form for both full subscription and excess subscription.

- Please specify shareholders' registration number (see in Subscription Certificate), full name, contact number on the back of Cheque, Cashier Cheque, or Draft.
- Subscription period for payment by Cheque, Cashier Cheque, or Draft is during March 21 - 23, 2016 from 9.00 am – 3.30 pm

5.3.2 In case of payment by money transfer/money deposit

- Deposit/transfer money into the Company's account as follow;  
Account name "Share Subscription Account, Wave Entertainment Public Company Limited"  
Bangkok Bank Public Company Limited. Branch MALEENONT TOWER  
Current Account No. 014-3-00582-5
- Deposit/transfer only once for full payment for one Subscription Form for both full subscription and excess subscription.
- Please specify shareholders' registration number (see in Subscription Certificate), full name, contact number on the back of pay-in slip or transfer slip.
- Subscription period for payment by deposit/money transfer;

Cash transfer March 21 - 25, 2016 from 9.00 am – 3.30 pm

Cheque transfer March 21- 23, 2016 from 9.00 am – 3.30 pm

In case of transfer by cheque, the money must be collected within 1 business day by Bangkok clearing house

The Company by the subscription agent shall not allow the subscription via postal mail and facsimile.

The payment received must be net from any fee; otherwise, the Company by the subscription agent shall consider the net payment received as the intended subscription.

5.4 Required Documents and Payment for New Ordinary Shares Subscription

The subscribers will be required to submit documents for new ordinary share subscription as follows;

- 1) Subscription Form (Attachment 3) for the newly issued ordinary shares that has been correctly, completely and clearly filled in, and signed with the name of subscriber. If subscriber is a juristic person the authorized person must certified and affixed with the seal of such juristic person (if any).
- 2) Subscription Certificate for the newly issued ordinary shares (Attachment 5), which is issued by Thailand Securities Depository Company Limited

3) Identification documents

- Thai Individuals

A valid certified true copy of personal identification card or house registration with ID Card number or the other government documents with ID card number (in the case the subscribers are minor, a certified ID card of his guardian (parents) and house registration are required). The signature must be the same as the signature signed in every subscription documents. In the case of change of first name/last name, which causes the name of shareholders to be different from the share register book as of March 3, 2016 or in the Subscription Certificate for the newly issued ordinary shares, a certified true copy of the official document evidencing the change of first name/last name shall be enclosed.

- Alien Individuals

A certified true copy of alien certificate or valid passport.

- Juristic person incorporated in Thailand

A copy of an affidavit issued by the Ministry of Commerce is not more than 6 months before the subscription date and certified by the authorized director(s) and affixed with the seal of such juristic person (if any) together with a certified true copy of identification card, alien certificate or valid passport (as the case may be) of such authorized director(s) of the juristic person.

- Juristic person incorporated outside of Thailand

A copy of the certificate of incorporation and corporate affidavit issued not more than 6 months before the subscription date by the relevant agency of the country where such juristic person is domiciled, enclosed with a certified true copy of identification card, alien certificate or valid passport (as the case may be) of the authorized director(s) of such juristic person. Each of above documents must be notarized by a Notary Public or authenticated by the Thai Embassy or the Thai Consulate in the country where the documents were prepared or certified.

In case that the subscribers wish to deposit the allotted shares with Thailand Securities Depository Company Limited under the issuer account number 600 the subscribers must submit additional document (Attachment 4) according to Foreign Account Tax Compliance Act : FATCA)

4) Evidence of New Ordinary Shares Subscription Payment

Shareholders can select payment option for new ordinary shares and attach payment evidence by the followings;



- Payment via Cheque, Cashier Cheque, or Draft

The Cheque or Cashier Cheque or Draft that are account payable only to “Share Subscription Account, Wave Entertainment Public Company Limited” which is able to collect money with 1 business day via Bangkok clearing house, and shall be crossed Account Payee Only and made payable to “Account Name” and must be dated no later than March 23, 2016. Please specify shareholders’ registration number (see in Subscription Certificate), full name, contact number on the back of Cheque, Cashier cheque or Draft.

- Payment by money transfer

Transfer money to

“Share Subscription Account, Wave Entertainment Public Company Limited”

Bangkok Bank Public Company Limited. Branch MALEENONT TOWER

Current Account No. 014-3-00582-5

and attach a copy of deposit/transfer slip sending to the Company. Write contact number of a subscriber on the back of the transfer slip copy and send along with subscription documentation and submit the money transfer slip of the bank along with other required subscription documents. Please specify shareholders’ registration number (see in Subscription Certificate), full name, contact number on the money transfer slip.

- 5) Power of Attorney to act for and on behalf of the subscriber along with 30 THB stamp (for power of attorney appointment) and valid national I.D. of the representative and attorney, signed to verify that it is a true copy.

#### 5.5 Delivery of required documents

Confirm the subscription and payment by deliver the required subscription documents including the Subscription Form, Subscription Certificate, Identification documents, and payment documents to the subscription agent (Please see map in Attachment 2).

I V Global Securities Public Company Limited

18th Fl. Mercury Tower, 540 Ploenchit,

Lumpini, Pathumwan, Bangkok 10330.

Tel. 02-658-5800 Ext. 405, 514 and 526

Fax. 02-254-7308, 02-658-5799

The Company by the subscription agent shall not allow the subscription via postal mail and facsimile.

The Company by the subscription agent reserves the rights to consider that shareholders who do not deliver the required documents within the allotted time do not wish to exercise their subscription rights.

#### **5.6 Condition to subscribe new shares**

- 1) A completion of the subscription will be valid when the Company has collected the fund of the Cheque, Cashier Cheque, or Draft for payment of share subscription.
- 2) Shareholders who subscribed and made payment for the purchase of shares will have no rights to cancel the subscription.
- 3) If shareholders cannot comply with payment for the share subscription, or the Company cannot collect payment under any circumstances, not by the fault of the Company, within the period of the subscription and payment terms specified, and/or the incomplete of subscription application, the subscription will be waived. The Company reserves the rights to not allocate new shares to such shareholder.
- 4) Shareholders who do not subscribe, or comply within the specified period will be considered and waived the rights to subscribe at this time.

#### **5.7 Refund of the subscription amount (if any)**

In case that the shareholders, who subscribe in excess of their entitled rights, receive allotted shares less than their intention and they fully pay the subscription payment, the Company shall return the money (without any interest) to the shareholders via Cheque issuance and deliver to the shareholders at the address that appeared in the list of shareholders as at the closing date of March 3, 2016. The cheque shall be returned to shareholders within 7 days after the end of subscription period (which falls on April 5, 2016). It shall be deemed that the subscriber has duly received the returned money in the proportion of shares that have not been allocated or that have not been fully allocated. The subscriber shall no longer be able to claim an interest or damages from the Company or from the Subscription Agent.

#### **5.8 Securities delivery methods**

The subscribers may ask the Company to implement either way of securities delivery as follow;

- 5.8.1 In the case that the subscribers wish to receive the securities certificate (Script) in the name of that subscriber, Thailand Securities Depository Company Limited ("TSD"), a registrar of the Company will deliver the securities certificate in the number of allotted securities to the subscriber by registered postal mail at the address as appeared in the register book within 15 business days starting from the last date of the subscription period. In such case, the subscriber cannot sell the allotted securities on the Stock Exchange of Thailand ("SET") until the subscribers have received the securities certificate which might be after securities of the Company can be traded on the SET.
- 5.8.2 In the case that the subscribers do not wish to receive the securities certificate, but wish to employ TSD service although no account has been opened with TSD (i.e. subscribers would

like to deposit the allotted securities with TSD under Wave Entertainment Public Company Limited's account - account membership number 600), the Company shall deposit the allotted securities with TSD which shall record those shares under Wave Entertainment Public Company Limited's account - account membership number 600 and issue confirmation of share deposit to the subscriber within 7 business days starting from the last date of the subscription period. When subscribers who have securities allotted to them would like to sell, they must withdraw those shares from the account membership number 600 by requesting the securities companies to process the withdrawal of securities. This withdrawal process may incur handling fees to be determined by the TSD and/or such securities companies. The subscribers who have securities allotted to them and who have already withdrawn securities from account number 600 may immediately start trading the allotted securities once securities of the Company can be traded on the SET.

- 5.8.3 In the case that the subscribers do not wish to receive the securities certificate (Scripless), but wish to employ TSD service given that an account has already been opened with TSD (i.e., the subscribers would like to deposit the allotted securities in their trading account), the Company shall deposit allotted securities under the name of "Thailand Securities Depository Company Limited for Depositor". TSD shall record the ordinary shares deposited with TSD and shall issue a confirmation of securities deposit to the relevant subscribers within 7 business days from the last date of the subscription period. At the same time, the securities companies shall record the allotted shares that are deposited for the subscribers. Subscribers who have securities allotted to them may immediately start trading the allotted securities once securities of the Company can be traded on the SET.

In this case the name of subscriber and the name of trading account owner must be the same; otherwise, shares cannot be properly transferred. In such case, the Company reserves the rights to issue and deliver the shares under the name of "Thailand Securities Depository Company Limited for the Depositor" and deposit them with the Thailand Securities Depository Company Limited into the account of Securities Issuer Member No. 600. The shareholders will then be unable to sell the shares on the first date of trading.

Please ensure that the Broker ID provided is accurate; otherwise, shares cannot be properly transferred, and the Company by the subscription agent will not take responsibility for any delay or loss of shares. If the shareholder provides incomplete details, the Company by the subscription agent reserves the rights to issue and deliver the shares under the name of "Thailand Securities Depository Company Limited for the Depositor" and deposit them with the Thailand Securities Depository Company Limited into the account of Securities Issuer Member No. 600. The shareholders will then be unable to sell the shares on the first date of trading.

In order that the subscribers do not specify any method, the Company by the subscription agent reserves the rights to issue and deliver the shares under the name of “Thailand Securities Depository Company Limited for the Depositor” and deposit them with the Thailand Securities Depository Company Limited into the account of Securities Issuer Member No. 600.

#### **5.9 Cancellation of Subscription Rights**

Shareholders who do not exercise their rights or make a payment within the allotted time, or the Cheque, Cashier Cheque or Draft is not honored, or incompletely or unclearly fill in the details in the share subscription form within the specified period it shall be deemed that such shareholders do not wish to exercise their subscription rights.

#### **5.10 Other Related Information**

- 1) Each shareholder subscribing for the newly issued ordinary shares will receive a receipt issued by the Subscription Agent as evidence for the subscription.
- 2) Shareholders who have subscribed and paid for the shares are unable to revoke their subscription.
- 3) Name of the subscriber and the account owner must be the same. If the trading account belongs to other, the new ordinary shares will not be transferred. In this case, the Company by the subscription agent reserves the rights to issue and deliver the shares under the name of “Thailand Securities Depository Company Limited for the Depositor” and deposit them with the Thailand Securities Depository Company Limited into the account of Securities Issuer Member No. 600. The shareholders will then be unable to sell the shares on the first date of trading.
- 4) Please specify the correct broker's code number and trading account number which subscribers would like to deposit the allotted securities; otherwise, shares cannot be properly transferred, and the Company by the subscription agent will not take responsibility for any delay in tracking shares or loss. In case that shareholders do not fill in details completely, the Company by the subscription agent reserves the rights to issue and deliver the shares under the name of “Thailand Securities Depository Company Limited for the Depositor” and deposit them with the Thailand Securities Depository Company Limited into the account of Securities Issuer Member No. 600. The shareholders will then be unable to sell the shares on the first date of trading.
- 5) If a shareholder fails to make payment for the subscribed shares within the period specified by the Company or the Company could not collect the payment in whatsoever case that is not the Company's fault, either in whole or in part, within the subscription and payment period or the subscriber has incompletely or unclearly filled the Share Subscription Form or incompletely submitted the required subscription documents, the Company shall be entitled to deem that the said shareholder has waived his/her subscription rights.

- 6) In case the Thai shareholders waiving or not fully exercising their rights have led the foreign shareholding to exceed 40% of the total number of paid-up shares, the Company reserves the rights not to allocate the shares to foreign shareholders, whereby the said foreign shareholders might not be allocated or might be partially allocated the said shares in proportion to the remaining foreign shareholding percentage. Nonetheless, the Company reserves the rights to further allot the shares remaining from such allocation.
- 7) In the case that if the number of shares specified in the Subscription Form is greater than the payment received, the Company by the subscription agent reserves the rights to consider the payment received as the intended subscription.
- 8) In the case that the number of shares specified in the Subscription Form is less than the payment received, the Company by the subscription agent reserves the rights to consider the allocation for each subscriber.
- 9) The Company by the subscription agent hereby reserves the rights to make adjustment to the subscription method, the terms and conditions of the subscription or any information regarding the subscription of the newly issued ordinary shares as deemed necessary in case of problematic events, obstacles, or limitation in execution of the subscription for the benefit of the subscription process of the Company's newly issued ordinary shares.

**6. Objectives of the capital increase**

- 6.1 To pay out some maturity debts.
- 6.2 To use as working capital to support the Company's operations

**7. Benefits which the Company will receive from the capital increase/share allotment:**

- 7.1 To strengthen the Company's Capital Structure which enhance the capability of fund raising in order to expand business and increase working capital.
- 7.2 To reduce financial costs which help increase the Company's net profit.
- 7.3 To prepare sufficient fund available for the Company to use in its current operations and future projects.

**8. Benefits which the shareholders will receive from the capital increase/share allotment:**

**8.1 Dividend Policy**

The Company has a dividend policy of distributing not less than 50 percent of net profit from the financial statement after deduction of legal reserves and others as deemed appropriate such as the Company's performance and the Company's financial status.

- 8.2 The newly ordinary shares will have the same rights as those of the existing shares, and holders whose names appear in the registered book on the closing date will be entitled to receive dividends.

**9. Dividend Policy**

The Company and the subsidiary's dividend policy are to pay no less than 50% of its net income to its shareholders each year.

The shareholders who will be allotted the shares from the rights offering shares are entitled to receive dividend in the future and have the same rights as the existing shareholders.

## Section 2. Preliminary Information of the Company

### 1. Name and Location of the Company

Company name: WAVE Entertainment Public Company Limited (the “Company”)

Symbol: WAVE

Registration number: 0107536000978

Head office Maleenont Tower 15th floor No.3199, Rama IV Road, Klongton Sub-district, Klongteoy District, Bangkok 10110

Telephone: 0-2665-6705

Facsimile: 0-2556-6750

Website: [www.wave-groups.com](http://www.wave-groups.com)

### 2. Type of business and nature of operation of the present core business

#### 2.1 Business Operation of the Company and Subsidiaries

##### 2.1.1 Business Overview

Wave Entertainment Public Company Limited (“WAVE” or the “Company”) was incorporated on 2 September 1993 with the current registered and paid-up capital of Baht 324,000,000 (Three - hundred twenty four million Baht).

WAVE's company name had been changed from its former name “CVD Entertainment Public Company Limited” to its current name since 30 April 2009. The initial objective of WAVE was to manufacture blank video tape cassettes (V-O) and video tape cassettes with magnetic tapes (V-cassettes). At present, WAVE Group conducts the following businesses.

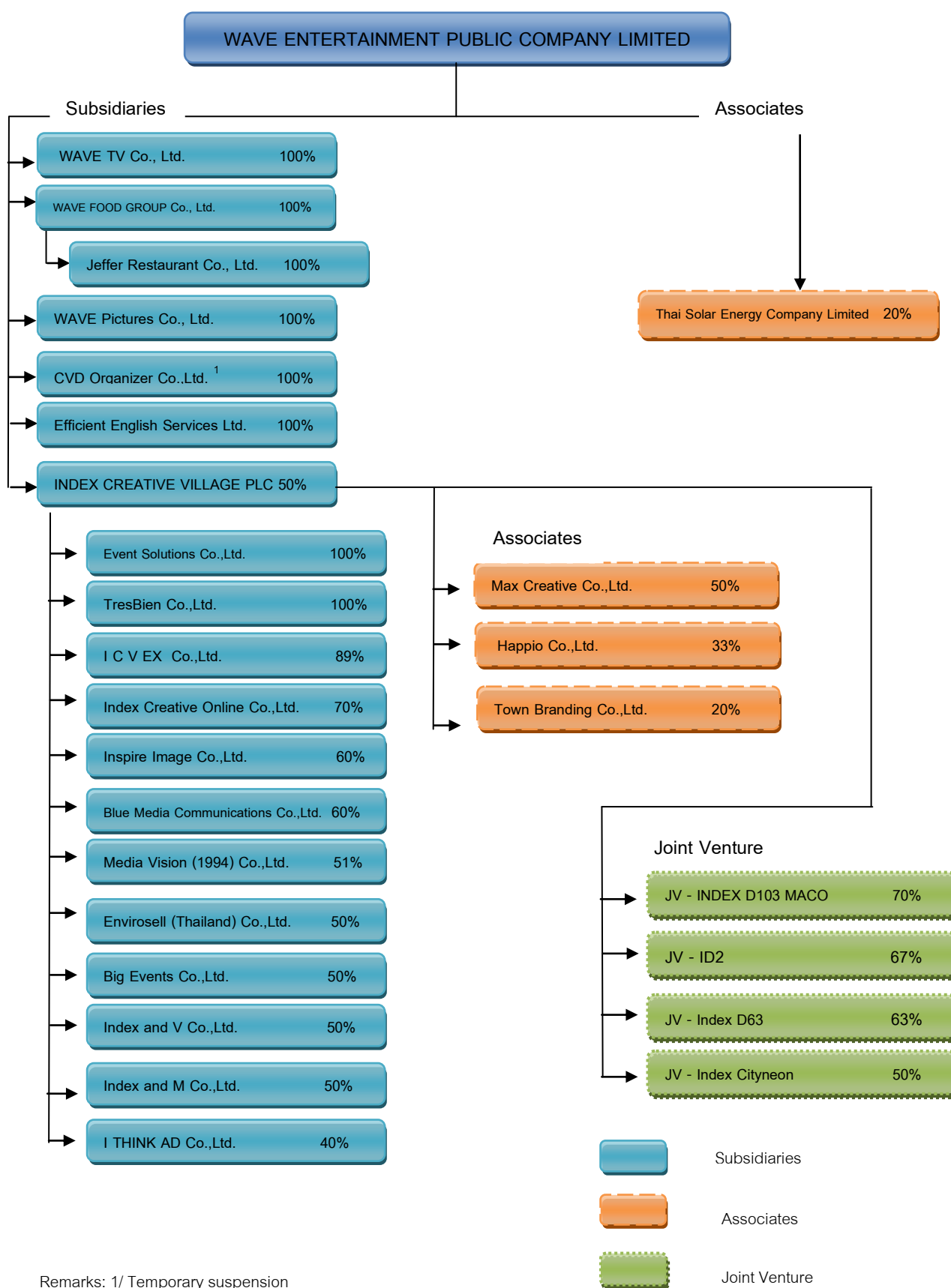
1. Television programs producer and distributor
2. Concert and events organizing services
3. Copyright owner and distributor Thai dramas of Channel 3
4. English language school business under the trade name of “Wall Street English” (“WSE”)
5. Restaurant business under the trade name of “Jeffer Steak”

Key milestones and development of the Company

2002	:	The Company ceased the manufacturing of video tape cassettes.
2007	:	The Company terminated the procurement and distribution of copyright movies.
2010	:	The Company expanded its entertainment business by being a television programs producer and distributor.
2011	:	1. The Extraordinary General Meeting of Shareholders No. 1/2011 approved the Company to additionally invest in Thai Solar Energy Co., Ltd ("TSE"), doing business on electricity producing from solar energy for sale to public and private sectors, from 10% to not exceeding 35% of the registered capital of TSE.
	:	2. TSE's shareholders' meeting approved the Company to invest in TSE at 25% of the registered capital of TSE.
	:	3. The Company made an additional payment for newly issued shares in TSE in an amount of Baht 117.5 million, the total investment was Baht 149.5 million of which is deemed as investment in TSE at 10.9% of the registered and paid-up of TSE.
2012	:	The Company expanded its entertainment business by being an organizer of concerts and other events.
2013	:	1. The Company expanded its entertainment business by being a movie producer and distributor.
	:	2. On 10 September 2013, Mr. Pracha Maleenont resigned from the position of director and management of the Company and Mr. Matthew Kichodhan was appointed as replacement on 7 October 2013.
	:	3. The Company made an additional payment for newly issued shares in TSE in an amount of Baht 104.7 million, the total investment was Baht 341.2 million of which is deemed as investment in TSE at 25% of the registered and paid-up capital of TSE.
2014	:	1. On 30 April 2014, the Company expanded its business to lifestyle business, i.e. an English language school under the name of "Wall Street English", by acquiring all shares in Efficient English Services Ltd. ("EES") in accordance with the resolution of the Annual General Meeting of Shareholders No. 21/2014 held on 25 April 2014.
	:	2. The Company purchased 22 million shares in TSE, which were offered through initial public offering (IPO) at Baht 3.90 per share, the total investment was Baht 85.80 million of which is deemed as investment in TSE at 20% of the registered and paid-up capital of TSE.
	:	3. On 4 December 2014, the Company expanded its lifestyle business by acquiring restaurant business under the name of "Jeffer Steak" through WAVE Food Group Co., Ltd., the Company's subsidiary, of all shares in Jeffer Restaurant Co., Ltd. in accordance with the resolution of the Board of Directors' Meeting No. 7/2014 held on 11 November.
2015	:	On 30 June 2015, the Company expanded its entertainment business by acquiring 86 million shares, representing 50% of the issued and paid-up shares of Index Creative Village PLC, which provide services to create and manage of marketing communications under the name "Index", as approved by the Board of Directors No. 3/2015 held on 24 June 2015



## 2.1.2 Business Structure



## 2.1.3 Revenue Structure for 3 Years 2013-2015

(Unit: THB Million)

Product/Services	Operated by	% Shareholding by WAVE or its subsidiary	2013		2014		2015	
			Revenues	%	Revenues	%	Revenues	%
Total Revenues								
1. Restaurant	JEFFER	100	-	-	57	9	723	33
2. English language school	EES	100	-	-	464	70	716	33
3. Marketing Activity <sup>1/</sup>	Index Group	50	-	-	-	-	546	25
4. Television programs producer and distributor	WAVE TV	100	179	62	65	10	98	4
5. Concert organizing services, music business and artist management	WAVE		57	20	42	6	84	4
6. Movies producer and distributor	WAVE Pictures	100	40	14	-	-	-	-
7. Other income	All Companies		13	4	38	6	16	1
Total revenues			289	100	666	100	2,183	100

**Remarks:** 1/ The Company has acquired 86 million shares, representing 50% of the issued and paid-up shares of Index Creative Village PLC (Index) on 30 June 2015 and because the Company has control of Index. Then the Company has to fully recognize revenues, costs and expenses from marketing activities while sharing of the profits in proportion to their investment at only 50% since 1 July 2015

## 2.2 Business Operation of each Company

2.2.1 Television programs production and distribution business

(Operated by WAVE TV Co., Ltd. ("WAVE TV" and the "Company")

## A. Television program production and distribution business

1) Nature of products or services

Produces and sales of TV programs and adverts in designated airtime. Revenues are generated from sales of commercials time, promotion of goods and services in TV shows. At present, there is one show being broadcasted on television. Air time is on every Saturday at 23.30 PM. – 24.15 AM on Channel 3 during mid of March 2012 until October 2015



2) Market and competition

● **Competitive strategy**

WAVE TV's objective is to conduct entertainment business by producing quality programs to television channels. As the target customer is audience, WAVE TV must compete on quality with other television programs aired on other channels during the same air time.

Since revenues are generated from sales of commercials time, WAVE TV must compete with existing and new competitors to acquire market share in the same air time. WAVE TV's strategy is to determine a target group of customers, control quality of and create variety in its programs. WAVE TV also puts emphasis on selecting producer who is suitable for the program type or the subject as each producer specializes in different areas. In addition, WAVE TV always sets policies for creating and producing its television programs and focuses on continuous development of its existing programs, in respect of format, content and entertainment, in order to maintain popularity of its programs with the public.

Policy and pricing

WAVE TV's policy is to set the pricing for advertisement and promotion which is fair and value-for-money in order to maintain long-term relationship with the customers. The pricing of each program will be determined based on its popularity, channel, and airtime and the pricing must be competitive within the industry. The distribution strategy by selling in packages also helps create flexible pricing and accommodate requirements of customers - customers can choose to advertise and promote their products or services with WAVE TV in various formats and programs. The customers may choose to advertise and promote their products or services through sponsorship in either a single show or multiple shows.

● **Characteristics of target customers**

There are two types of customers who purchase commercial airtime and promote their products or services with WAVE TV.

1. Advertising agency – service based companies which plan advertisements and allocate commercial airtime for their customers who are owners of products or services. Such type of customers purchase commercial airtime and promote products or services with WAVE TV in package by choosing to advertise and promote in various formats and programs. Advertising agency purchase the package in advance for certain period of time including 1 month, 3 month, 6 month and 1 year to allocate the services in accordance with advertisement plans designated to their customers. Customers of advertising agency are those entities who hire advertising agency to plan

their advertisements, including corporate, government agencies, and state enterprises, with a concrete marketing plan, marketing budget, and constant demand for advertising.

2. Direct customer – include corporate who plan their own advertisements and public relations, and therefore directly purchase commercial airtime from WAVE TV. This type of customers makes up a smaller number than the end customers who purchase the services through advertising agency and has lower advertising budget.

The substantial portions of WAVE TV's customers are advertising agency and the customers are from various industries. In addition, none of the customers purchases commercial airtime from WAVE TV, which accounts for more than 30% of the total revenues, within the past three years.

- **Sales and distribution channels**

WAVE TV employs sales and marketing staffs on sales of commercials and services whereby the staffs approach prospects directly with proposals on format and packages that is suitable to each customer's need. Product variation includes adverts in minutes, sponsorship to programs and shows to promote customers' products and services, single or multiple-show package sales. Types of sales are as follows:

1. Air time purchase is a time-sharing agreement with the television channel whereby the ratio of advertising to show time minutes is regulated by the Department of Public Relations. There can be a maximum of 10 to 12 minutes of commercials in each broadcasted hour according to present regulation.

2. In-program promotion of goods and services. Examples are promotion on prize board in game shows, signage on host and celebrity podiums and surrounding sets, etc. Programs that generate these types of revenues are game shows whereby sponsorship contracts are made in monthly or annually basis. This type of revenues is realized to the Company in full with no sharing to the television station.

- **Competition**

During the past year, Thailand's economic slowdown and the growth of digital TV caused an impact on advertising industry. However, according to statistics, television accounted for the largest market share in the industry as it reached substantial number of consumers through broadcasting of pictures and sounds concurrently. Moreover, the advent of digital TV tends to make televisions gain more market shares on advertising business.

In respect of competition, there is a higher level of competition in the production of television drama series due to the increase in number of producers and shows. Due to

constant changes to consumers' tastes and the increased competitiveness among television channels, producers are required to continuously improve or adjust their shows. Each television channel has adjusted its program format and introduced new shows to increase popularity among its audience.

### 3) Procurement of products or services

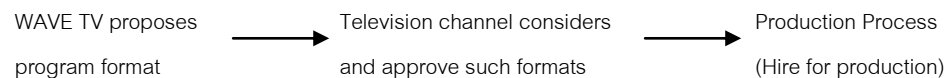
WAVE TV produces its own television programs and therefore it is the copyright owner of such programs. In addition, WAVE TV also manages the sales of air time by itself and the ratio of advertising to show time minutes is in accordance with a time-sharing agreement with the television channel.

The major costs of production of television programs include production wages and expenses, reward, script fees, and fees for television presenters. Set out below is WAVE TV's procurement process.

#### 3.1) Search for television channel and air time

##### - *Method of procurement for television channel and air time*

WAVE TV will submit program format to the television channel for consideration and approval. The approval process is as follows



##### - *Proposal submission to television channel*

The contractor through a team of creative will brainstorm ideas to create concept and format of the program, including proposal format whereby the team may consult with television channel or customers of advertisements during such process to obtain guidelines for production. Thereafter, the television channel and the air time suitable for the program will be selected and a proposal shall be prepared for submission to television channel.

##### - *Program approval by television channel*

Criteria for approval of television program of each channel are different. However the main considerations are program format and the ability to pay for air time. In respect of program format, the television channel will consider the suitability of program type with the air time and experience of the producer. For those programs which were previously aired, the major considerations by television channel will be popularity and how well the media and the public respond to the program.

- *Agreement with television channel*

Television channel will determine the conditions of airtime of which the current condition agreed with WAVE TV is in the form of time sharing. For time sharing, WAVE TV does not have to pay television channel for lease of air time and therefore there is no cost for such lease.

However, WAVE TV shall allocate to the television channel a portion of commercial air time, as agreed with the television channel, for sales to customers by the channel itself. In such case, advertisement fees and discount to customers will be jointly determined by WAVE TV and the television channel.

3.2) Production process of television programs (This process will not be required in case WAVE TV hires other independent producer to produce the program)

The existing show which is produced by WAVE TV is a sitcom called “Jud Nat Phop”.

3.2.1) Pre-production Process

The production process starts from the production department creates a plan for producing each episode to be aired by holding a meeting which gives team members the opportunity to present and gather ideas for program concept, select informative and entertaining content to be used in scripts, prepare action plan, including shooting dates and appointment of actors and/or actresses, for submission to production team, and assign works to other departments for necessary preparation before shooting.

In addition to production of each episode, production team of each show must prepare both short-term and long-term plans to determine format or direction of the show to maintain popularity and present new ideas which are in line with the audience preferences. This process involves actions such as conducting research on development of the show and auditioning for actors/actresses.

3.2.2) Production Process

The shooting of a television show is undertaken approximately 2 – 4 weeks in advance to provide time to production team and control quality of the show prior to being broadcasted. Following the completion of pre-production process, the production team shall make appointments for shooting at various locations as designated in the production plan and mostly those locations are outside the studio.

### 3.2.3) Post- production Process

The post-production processes include video editing, scene selection, sound design or adding special effects for which a team at WAVE TV shall examine quality and suitability of the program within approximately 2-3 days before broadcasting and submission of the tape to the television channel. Therefore, in case the television channel views that the program's content is not suitable for broadcasting, the channel will return the tape to WAVE TV and WAVE TV can edit it in time. Nevertheless, WAVE TV has never encountered the issue of unsuitability of its programs as it does not have policy to produce prohibited programs and, after the completion of the whole production process, WAVE TV will send the complete tape to television channels for broadcasting.

## B. Television drama series production business

### 1) Nature of Product and Services

There is an only one drama series which broadcasted on February 2015 name “Kaew Ta Warn Jai” which has air date on every Friday to Sunday and air time at 8.15 p.m. – 10.30 p.m. this story is about a girl, the beloved one of Uncle Chang and Kai Wan, being taken away which begins the story about love and having each other.

Since 2015 the company has been producing two TV series which name “บ่วงอธิฐาน” and “บัลลังก์ดอกไม้” which expected to be broadcasted in 2016.



2) Market and competition

- **Competitive strategy**

WAVE TV's objective is to conduct entertainment business by producing quality television drama series to television channels. However, as the target customer is audience, WAVE TV must compete on quality with other television programs producers.

- **Target audience**

WAVE TV intends to produce television drama series which are educational and entertaining and suitable for all audience. The target audience of a show depends on characteristics of the show.

- **Competition**

During the past year, Thailand faced economic slowdown which caused direct impact on advertising industry. However, according to statistics, television accounted for the largest market share in the industry as it reached substantial number of consumers through broadcasting of pictures and sounds concurrently.

In respect of competition, there is a higher level of competition in the production of television drama series due to the increase in number of producers and shows. Due to constant changes to consumers' tastes, television operators are required to continuously improve their quality and make necessary adjustment to increase their competitiveness among television channels. In the past, each television channel has adjusted its program format and introduced new shows to increase popularity among its audience.

3) Procurement of products or services

Production of television drama series business is carried out by WAVE TV. WAVE TV's policy is to produce quality television drama series. The genre of each television series depend on the market environment, script and consideration of the television channel as employer.

A series production contract will be drawn for each show and the tape must be submitted by WAVE TV to the television channel for broadcasting after completion of the production process.

The production process of television drama series is similar to television show of which can be summarized as follows:

1. Pre-production process
2. Production process
3. Post- production process



## 2.2.2 Concert and event organizing business

Operated by WAVE (i-WAVE as business unit)



### 1) Nature of products and services

Concert and event organizer

This business includes being organizer for special events, public relations, live music shows, and concerts. The service process starts with planning and aligning ideas with target group, recruitment and selection of Thai or foreign artists, content selection for the show, and preparation of event, public relations, rehearsal, design and decoration of venue, and distribution of tickets.

In 2015, the Company held 3 concerts with 4 shows including “The Palace and Friend (Restage)” for 1 show, “Nuvo Love Story” for 2 shows and “Yesterday Once More” for 1 show

### 2) Market and competition

The Company’s objective is to conduct entertainment business by providing entertainment to the consumers. During the past year, there is a high level of competition in respect of concert organizer, recruitment of artists, networking with artists and reservation of venue, which are critical parts to concerts and such increased competition has a direct impact on production costs and general and administrative expenses.

However, the Company realizes such competitive environment and therefore sets its goal to increase the market share in such business by organizing more quality concerts for the target customers.

#### ● Competitive strategy

- Production of quality shows with variety and suitable for all audience

The Company focuses on producing quality concerts suitable for all audience or men and women of working age of 20 years old and above with purchasing power. With

quality team and artists, the Company's shows have been well received and are highly demanded by consumers.

- Production of unique and quality shows

As the current market situation is highly competitive, customers' main criteria in purchasing advertisement is having popular and quality artist. The Company realizes this factor and emphasizes quality by providing entertaining shows with quality, value-for-money, and impressive for all audience.

- Efficient teamwork and personnel

Team, personnel, and production team of the Company are professionals with long-term experience in the industry. The shows produced by the team are of quality and with good image. The efficient team and personnel is a critical factor in producing quality works and building success that had earned trust and confidence from followers of the Company's works.

- Creative and flexible marketing policy

The pricing strategy is by offering customers with value-for-money packages, which are in line with the customers' budget. In addition, discount is offered to customers who sign up for long-term contracts, which assists customers in managing their budget over a long period.

- Partnership

The business unit provides an opportunity for partners to co-organize events, including participating in management of revenues arising from the events. The partnership also gives the business unit the opportunity to utilize unique characteristics of the partners' brands.

- **Target customers**

The Company's focus is on organizing concerts and events. Its main target customers can be categorized into the following groups:

- Sponsors, such as companies, shops, and governmental agencies
- Audience: Suitable for all or men and women of working age from 20 years old and above

### 3) Procurement of products or services

#### **Procurement of products for distribution**

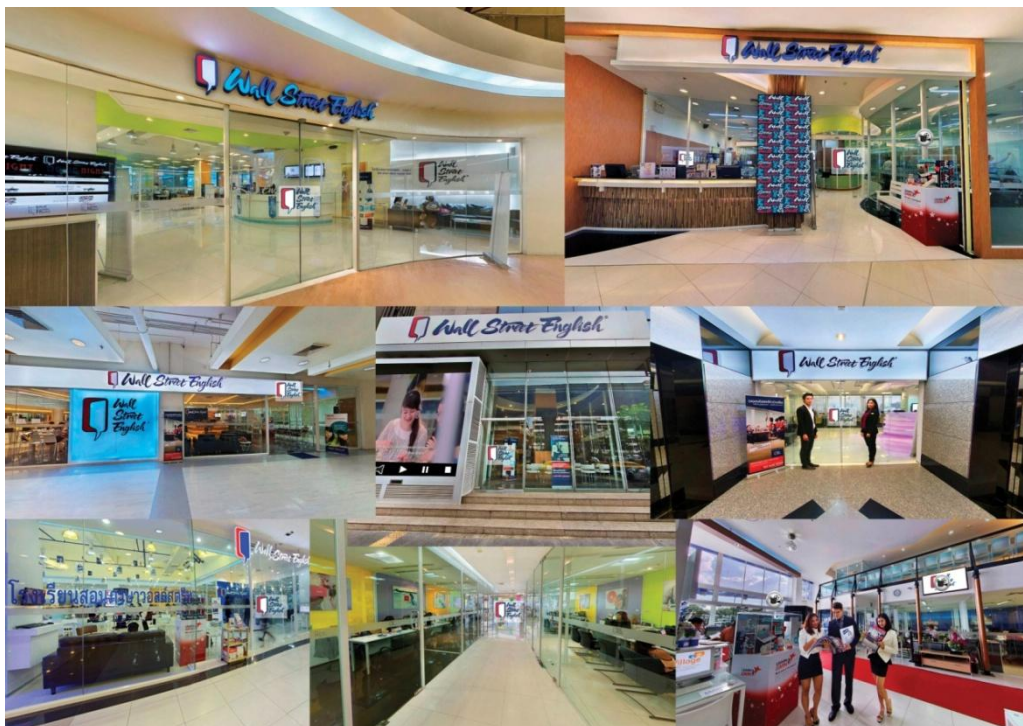
Main factors involved in production of concerts are:

- Artists and personnel
- Production costs

For production costs, the major expenses are venue rental, wages, and artists' wages.

### 2.2.3 English language school business under the name of “Wall Street English” (“WSE”)

(Operated by Efficient English Services Ltd. (“EES”, and the “Company”))



#### 1) Nature of products and services

EES is a language institute which operates and provides English language courses for adult learners of 17 years old and above under the name “Wall Street English”. In addition, EES or WSE is a licensed operator in Thailand under the Private School Act B.E. 2550 (2007). Its products and services are operated under copyright of Pearson Education Limited, an operator incorporated in the United Kingdom and a leading educational service provider in the world.

At the international level, WSE has been an English language institute with over 43 years of experience, 450 centers in 28 countries worldwide and over 4 million alumni students. In Thailand, EES is the only company with the copyright from Pearson Education Limited to operate the institute in the country. EES has been operating for more than 10 years in Thailand since 2003 with over 45,000 graduates, and in 2015, EES has 11,000 current students. Currently, EES has 8 centers in Bangkok and its perimeters and one branch in Chiangmai at the Central Festival Mall in. Consequently, EES currently has 9 centers spread across the country.

WSE course is a standardized course which is taught to students in every WSE center around the world. The course was designed for those who use English as their second language or as a medium for international communication. The course content is divided into levels, with a total of 20 levels, so that each learner can learn and develop English based on

their actual English skills. With the unique blended learning method of WSE, a learner can naturally acquire English language skills quickly and speak English with confidence.

In addition, to fulfill extra needs for exclusive groups of students, WSE also provides a special one-on-one course (VIP Course) with native teachers to ensure quickest success of learners.

## 2) Industry outlook and competition

- **Competitive strategy**

English language institute is considered a competitive business due to the low barrier to entry. However, EES's goal is to become a leading private English language school by employing experienced personnel with suitable qualifications, locating its centers in good location, building up strong and quality sales team, organizing campaigns which are suitable to target customers, and adjusting itself to the ever-changing environment. In addition, EES will use innovative marketing to publicize its brand and stimulate sales.

- **Target customers**

The target customers of WSE are high school students, undergraduates, and other people who are interested in developing their English language skills.

- **Sales and distribution channels**

With over 10 years of reputation and continued business growth in Thailand, WSE expanded its distribution by opening the first upcountry center in the economic provincial region of Chiangmai in 2014. Within Bangkok and its perimeters, WSE consistently expands its business to accommodate expansion of city boundary and, consequently, there are 9 WSE centers in Bangkok and its perimeters. WSE centers are located in accessible area which accommodates expansion of the population.

- **Competition**

Since English has become an international language used worldwide for communication and connection, the English language school market is constantly expanding. With university entrance examination in Thailand consisting of test on English language as one of the subjects and the Asean Economic Community (AEC) coming in 2015, the English language school market will be expanding even more widely. Therefore, it is necessary for English language school operators to adjust their market strategy to accommodate for a higher level of competition, such as focusing on quality of teachers, course improvement, using of technologies for learning experience, and organizing sales and marketing events, and respond to changing behavior and requirements of learners.



With over 10 years of operation in Thailand, constant expansion, and being well-known and recognized for its unique learning method. In addition, this course is certified for Common European Framework of Reference from the University of Cambridge, England. WSE can certainly be considered as a high potential English language school in the Thai market.

### 3) Procurement of products or services

WSE courses and training methods are operated under copyright. The courses were developed and determined by the copyright owner. Each WSE center can accommodate approximately 1,500 – 2,000 students. Staffs who are involved with the learning process are those with qualifications as prescribed by the Ministry of Education

#### 2.2.4 Restaurant business under the name of “Jeffer Steak”

Operated by Jeffer Restaurant Co., Ltd. (the “Company”)



### 1) Nature of products or services

Jeffer operates chain steakhouses under “Jeffer” servicemark which offer menu with variety of selection including pork, beef, chicken, fish, seafood, soups and salads. As Jeffer’s point of differentiation and selling point to its customers, the customers may choose any

combination of menu based on their preferences. Jeffer offers many side dishes to complement its main dishes and variety of desserts, ice-cream, and drinks.

Jeffer provides relaxing atmosphere to its customers and a meal at Jeffer is suitable for any occasion whether for socializing with friends or for people of working age with limited amount of time. Jeffer offers quick services and therefore is suitable for having quick meals over lunch breaks.

Every menu at Jeffer is freshly made so that each dish provided to customers contains nutrients with good taste and at reasonable price.

As of 31 December 2015, Jeffer has total revenue growth 7% in 2014 and has 79 restaurants nationwide – 38 restaurants in Bangkok and 41 restaurants in other provinces. The restaurants are located in leading department stores in Bangkok and economical provinces. For ease of accessibility by customers, the location of the restaurants are within business area or community or near schools.

## 2) Market and competition

- **Competitive strategy**

- *Cost management*

Jeffer gives importance to management of raw material costs. By creating bargaining power with suppliers, Jeffer is able to efficiently manage costs of supplies and raw materials and is ready to continuously serve 4,000,000 customers per year.

- *Brand building*

At present, Jeffer brand is well-known and popular among teenagers and people of working ages. Jeffer has received positive responses from customers in respect of pricing, food taste, differentiation and variety of food, restaurant decoration, and services.

This illustrates strength and recognition of “Jeffer” brand. Jeffer markets itself through advertising and other channels including social media to expand brand recognition and increase its customer base.

- *Pricing*

Jeffer sets pricing by consideration of customers as a main factor. Its pricing policy is to give customers of any age and gender the opportunities to have quality steak in relaxing atmosphere and at reasonable prices.

- *Business expansion*

In implementing its policy of constant business expansion, Jeffer considers important factors including investment and return for each new restaurant, suitable location, population density and target customers. Jeffer's objective is to increase its market share.

- *Promotion*

Value is an important factor for customers in choosing a restaurant. In the past, Jeffer offers value products through promotions, discounts, complements or membership. Promotion encourages customers to increase spending per person per meal, expands customer base, and attracts repeated purchase.

- **Target customers**

Jeffer's target customers are diverse, yet it focuses on middle to high income earners including teenagers, students, university students and people in working age who love to eat steak, give importance to variety of food, and opt for value. At present, Jeffer brand is well-known and popular among teenagers and people of working age as Jeffer's menu appeals to customers want in terms of both taste and value.

- **Distribution channels**

As of 31 December 2015, Jeffer has 79 restaurants nationwide. The restaurants are located in leading department stores in Bangkok, economical provinces, business areas, communities and near educational institutions.

Jeffer maintains its strategy to consistently increase the number of restaurants in Bangkok and other provinces. Its objective is to gain the highest market share by expanding at least 6 branches in 2016

- **Competition**

The restaurant industry is constantly expanding due to the change in consumers taste. Thai consumers want convenience and are eating out more frequently. A fast expansion of city community has caused the number of restaurants to increase offering more choices to consumers. The restaurant operators include restaurant brands from overseas and local small and medium restaurant operators which has caused restaurant business in Thailand to become highly competitive.

Restaurant business usually competes on differentiation. As the society changes, people has no time to cook at home, wants change of environment for relaxation, and seeks for entertainment with family or friends. Restaurant operators must rapidly adjust themselves in order to correspond to the changes in consumer's behavior including paying more attention to nutrients from food consumption and reducing food expense. Restaurant

operators must focus on providing its variety menu which are value-for-money when compared to home cooking. In this connection, Jeffer focuses on providing menu with variety of selection, fast services, reasonable prices and business expansion. Jeffer gives importance to location, which must be within community or central business district, and creating “Jeffer” brand recognition through various media.

### 3) Procurement of products or services

Restaurant managers count remaining stocks on a daily basis to find out which product needs to be ordered and make an order through Jeffer’s centralized system. Every product will be directly sent to each restaurant, whether in Bangkok or other provinces, by standard refrigerated trucks in order to maintain quality. Jeffer gives importance to quality of products and management of transportation costs. For perishable goods such as vegetables, supplier will send the goods directly to the restaurants for convenience and maintaining of product freshness.

Jeffer has 2 – 3 suppliers supplying each type of product in order to diversify risks in respect of price and if there is a lack of raw materials during certain period. For some products, particularly those which involve currency exchange rates, Jeffer enters into an agreement to reserve high quantity of products in order to control costs and negotiate price.

Jeffer has set procedures for every steps including ordering, inspecting, and managing goods and raw materials. Responsible employees are assigned to oversee each step and procedure to assure that every products ordered match Jeffer’s requirements in terms of both quantity and quality.

## 2.25 Service business for creation and management of integrated marketing communications

Operated by Index Creative Village Public Company Limited (“Index” and the “Company”)





1) **Nature of products or services**

Index Creative Village is the conglomerate group of Creative Business Leaders in Thailand. The agency receives accolade in 7<sup>th</sup> Agency in World class ranking from Special Events Magazine U.S.A. Connecting over 15 Creative Hubs throughout the world and spreading the wing to ASEAN.

The company is not strong in the event only but also operating under the creative diversity. For over 25 years, the company works for local and oversea, especially the Thailand Pavilion at The World Exposition 2010 event in Shanghai, China. The Thailand Pavilion has been ranked as the nation's top 1-10 from popular building which ranked by more than 230 countries worldwide and reputed Thailand building design to be recognized and can support travelling in Thailand.

Moreover the Company has created a reputation for the country in the International Exposition 2012 in Yeosu, South Korea and became popular pavilions from around the world and received many world class award.

Furthermore, the Company has another branch in Myanmar which can see opportunity to do business since 2012, for cover customer demand who prefer to extend their business to ASEAN. The company is very good for managing between domestic and oversea task by using Co-Creation system. For example using company strength, experience and combine their professional skills from different companies and partners

Currently the Company is a 'Hub of Creativity' in ASEAN which can serve customer demand in every dimension by 'Never Stop Creating' slogan by separate operations in 4 core business group.

(1) **Creative Solutions:** Marketing Services with Creativities consist of

- Event Creator  
Servicing for strategy plan and event organization
- TV Production  
Produce TV program with creative and unique idea
- Digital Online  
Consultants of online marketing plan and including application in mobile phone
- In-store Media  
Produce and create for in store media and special innovation media
- Communications, Advertising and PR  
Strategic planning for public relation and marketing communication for both internal and external

- Museum & Exhibition

Organization of exhibition and fair

(2) **Marketing Services**

- Research Consulting

Research advisory in various aspects such as analyzing consumer behavior

- Marketing Consulting

Study the possibility of doing business and marketing, including analysis and strategic planning for the organization and work on special projects.

- Equipment Supply

Providing light and sound devices for marketing exhibition both local and foreign

- Printing and Decoration

Providing all types of print jobs, including any decoration for shopping mall, restaurant and the office

- Party and event

- Production of video presentations with computer graphics, 3D animation and editing studio.

(3) **Business in ASEAN (ASEAN Wings)**

Creative marketing in the ASEAN with five strategic consist of the Event Marketing, Festive Event, consumer behavior insight research, integrated media platform and professional exhibition organizer to support the market.

(4) **Lifestyle Experience**

- Domestic & International Concert
- Showbiz
- Live Festival Organization
- Traveling Exhibition ( local and international )

2) **Market and Competition**

- **Outlook**

Overview of the market in 2015 was in stable situation. The business event is the same. Event is a business with have lots of fluctuations in various factors such as political, economic or natural disasters.

The market value of the business events is at 1.23 billion baht, which was steady from the year 2014 by a factor of political change in Thailand. The company believes that in the next year, in terms of policy and various projects of the government will contribute to the overall private sector and organizations forward budget for marketing activities to stimulate more sales which will focus on the promotion. The overview of events business in 2016 are going to be better direction refer from factors that come into the second half of 2015, driven by government policies and metro project Including major projects the government accelerated the auction to be completed by the end of 2015, so this is an important factor to stimulate the circulation of money in the economy as well. As a result, the purchasing power of consumers will be increase.

- **Target Customers**

The company focuses on public and private corporate which in local or oversea including world class brand. The portion of customer is 20% for government and private corporate for 80%

- **Distribution Channels**

The Company has created and worked with the foundation of Creative Business which is a key business driver by continuously innovating to make a difference. Specially, the Company uses the research to help serve the customer's need more precisely. The Company distributes through various channels both offline and online according to customer's need and the expertise of the Company to help communicate what customer needs more precisely and efficiently to help maintain its customer base in the country and lead to the opportunities in new market.

- **Competition**

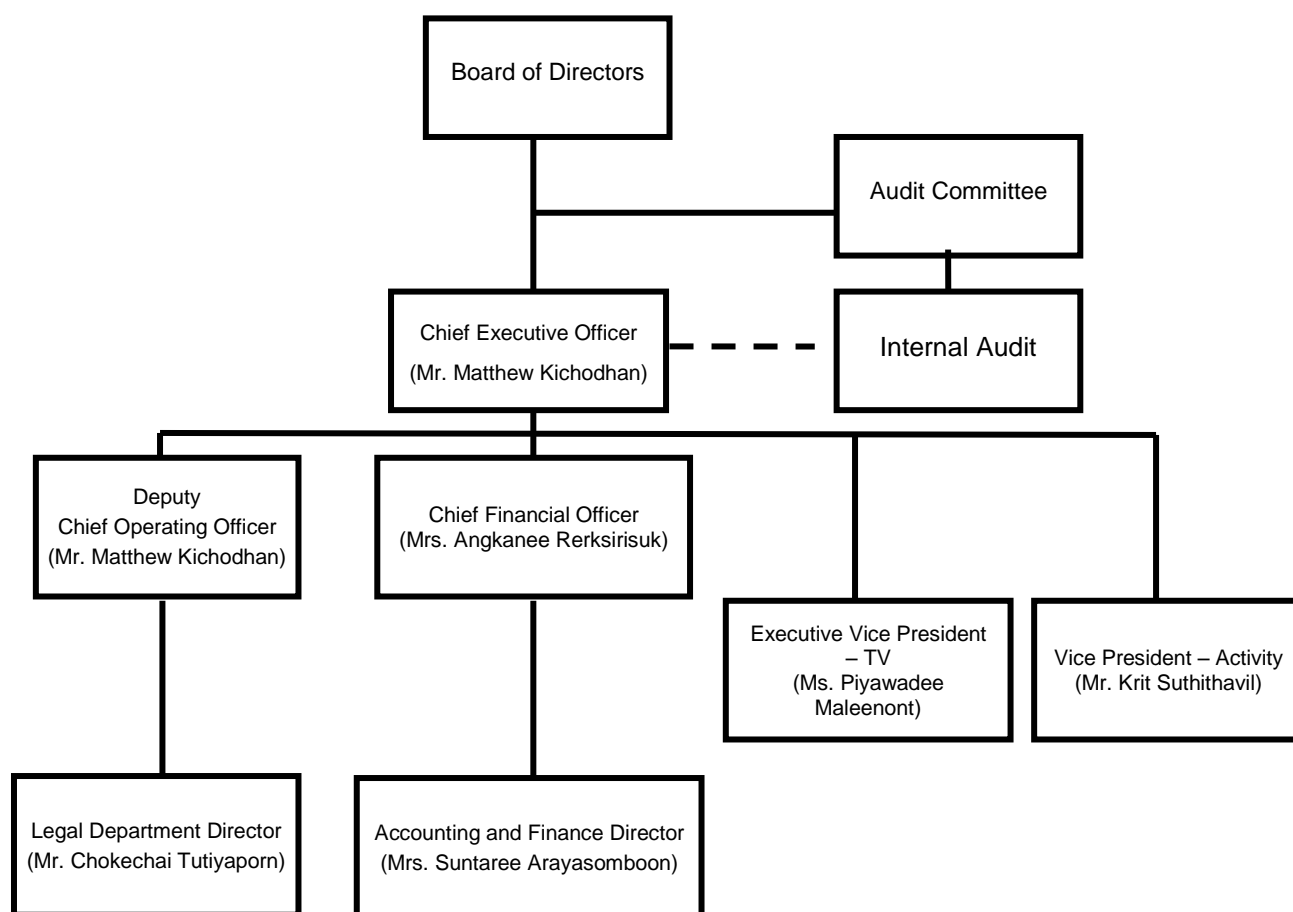
The competitive condition in Events and Creative Business is intense because the technology is developing rapidly which help new player to get in to the business. However, most players are small to medium size which provide only specific product or service which does provide integrated solutions as Creative Business.

### **3) Procurement of products or services**

The key success factor is using research and differentiation strategy. The company will focus on imagination and creation from real target customer and make it happen by three tools which are content from customer combine with creative and innovation then compound it to be new product which are different from others by using various channels, both offline and online depends on customer requires and for efficiency and can make more opportunity in new market.

### 3. List of Directors and executives and shareholders structure

#### 3.1 Organization Chart as of 31 December 2015



#### 3.2 Board of Directors

As of February 15, 2016, the Company has 11 directors as follows

Name - Surname	Position
1. Mr. Matthew Kichodhan	Chairman Chief Executive Officer
2. Mr. Prasert Patradhilok	Independent Director Chairman of the audit committee
3. Mr. Somsak Phayapdacharchai	Independent Director Audit Committee
4. M.L. Nalineer Hastintra	Independent Director Audit Committee
5. Mr. Chaipranin Visudhipol	Independent Director
6. Mr. Philip Oliver Piaz	Independent Director
7. Miss Cathleen Maleenont	Director

Name - Surname	Position
8. Miss Piyawadee Maleenont	Director
9. Mr. Tee Seeumpornroj	Director
10. Miss Manida Zimmerman	Director
11. Miss Tracy Ann Maleenont	Director

### 3.3 Management Team

As of December 31, 2015, the Company had 6 members as follows

Name - Surname	Position
1. Mr. Matthew Kichodhan	Chief Executive Office Deputy Chief Operating Officer
2. Mrs..Angkanee Rerksirisuk	Chief Financial Officer
3. Ms. Piyawadee Maleenont	Executive Vice President – TV
4. Mr. Krit Suthithavil	Vice President – Activity
5. Mrs. Suntaree Arayasomboon	Accounting and Finance Director
6. Mr. Chokechai Tutiyaoporn	Legal Department Director

### 3.4 Major Shareholders

The list of major shareholders as of December 30, 2015 as follow:

Name - Surname	No. of Shares (Shares)	% of Shareholdings
1. Maleenont Group	129,685,580	40.03
1.1 Ms. Cathleen Maleenont	71,435,580	22.05
1.2 Bec World PCL.	58,250,000	17.98
2. Mr. Veerasak Boonvornmethee	22,947,000	7.08
3. Mr. Pinai Jeenapan	14,930,000	4.61
4. Ms. Nattawan Piyamahachot	12,598,000	3.89
5. Ms. Onyaporn Kanjanajaree	12,000,000	3.70
6. Mrs. Suwimol Leesunwan	9,842,000	3.04
7. Mr. Theanvej Jeenapan	7,510,000	2.32
8. Mr. Sinchoke Piriyotaisakul	6,217,000	1.92
9. Mr. Pornprasert Kanjanajaree	5,891,000	1.82
10. Ms. Narueporn Kanjanajaree	5,850,000	1.81
<b>Others</b>	<b>96,529,420</b>	<b>29.79</b>
<b>Total</b>	<b>324,000,000</b>	<b>100.00</b>

#### **4. History of the capital increase and the payment of dividend for the past three years**

##### **4.1 History of the capital increase in the past three years**

The Company has no capital increase in the past 3 years

##### **4.2 History of Dividend payment**

The Company has not paid a dividend payment in the past 3 years

However, the Company and the subsidiary have the dividend policy to pay no less than 50% of their net income to their shareholders each year.

#### **5. Details of Subsidiary Companies**

##### **5.1 The Subsidiary companies**

###### **5.1.1 WAVE TV Co., Ltd. (WAVE TV)**

Nature of business of WAVE TV is as follows:

- 1) Television programs producer and distributor
- 2) Seller of TV commercial air time

###### **5.1.2 WAVE Pictures Co., Ltd. (WAVE Pictures )**

Nature of business of WAVE Pictures is as follows:

- 1) Movies producer and distributor

###### **5.1.3 WAVE Food Group Co., Ltd.**

(Name change from WAVE TV and Movie Studios Co., Ltd. on 6 November 2014)

The Company has restructured by changing its name and objective to investment purpose for ease of administration

###### **5.1.4 CVD Organizer Co., Ltd. (CVD Organizer)**

Temporary suspension of business

###### **5.1.5 Efficient English Services Ltd. (EES)**

Nature of business of EES is as follows:

- 1) Private English language school

###### **5.1.6 Jeffer Restaurant Co., Ltd. (JEFFER) (Subsidiary of WAVE Food Group Co., Ltd.)**

Nature of business of JEFFER is as follows:

- 1) Purchase and procurement of raw materials and equipment for conducting food and beverages business
- 2) Restaurant business including sale of food and beverages

**5.1.7 Index Creative Village Public Company Limited**

Nature of business of INDEX is as follows

- 1) Creative Solutions service
- 2) Marketing Services
- 3) Creative marketing in ASEAN Wings
- 4) Lifestyle Experience

**5.2 The associated company**

**5.2.1 Thai Solar Energy Public Company Limited (TSE)**

Nature of business of TSE is to produce electricity from solar energy for sale to public and private sectors

## Section 3. Financial Information

1. Table of Summary of Financial Information for Y2013 - 2015

## 1.1 Statement of Financial Position

Assets	31 December 2015		31 December 2014		31 December 2013	
	THB	%	THB	%	THB	%
<b>Assets</b>						
<b>Current assets</b>						
Cash and cash equivalents	159,520,297	4.0	151,235,392	5.7	82,836,562	15.7
Short-term investments	19,329,446	0.5	17,529,946	0.7	10,403,723	2.0
Trade and other receivables	424,589,255	10.7	73,549,507	2.8	66,055,821	12.5
Short-term loans to related parties	3,333,150	0.1	-	0.0	-	0.0
Inventories	29,103,659	0.7	27,011,517	1.0	36,828	0.0
Television programmes, movies and concerts production in progress	35,236,919	0.9	34,764,806	1.3	2,692,024	0.5
Other Current assets	101,685,800	2.6	57,612,129	2.2	15,828,147	3.0
<b>Total current assets</b>	<b>772,798,526</b>	<b>19.4</b>	<b>361,703,297</b>	<b>13.5</b>	<b>177,853,105</b>	<b>33.7</b>
<b>Non-current assets</b>						
Deposit at bank used as collateral	1,684,000	0.04	831,000	0.03	-	-
Investments in subsidiaries	-	-	-	-	-	-
Investments in associate	831,484,731	20.9	697,850,213	26.1	313,415,180	59.3
Interests in joint ventures	15,540,411	0.4	-	0.0	-	0.0
Property, plants and equipment	680,548,920	17.1	154,930,087	5.8	12,503,606	2.4
Goodwill	1,295,536,051	32.5	1,134,673,772	42.5	-	-
Intangible asset	205,228,753	5.2	226,024,685	8.5	-	-
Prepaid rent	3,815,723	0.1	4,510,044	0.2	5,895,466	1.1
Deferred tax assets	17,575,902	0.4	9,107,158	0.3	7,600,000	1.4
Other non-current assets	159,216,614	4.0	80,378,409	3.0	10,953,564	2.1
<b>Total non-current assets</b>	<b>3,210,631,105</b>	<b>80.6</b>	<b>2,308,305,368</b>	<b>86.5</b>	<b>350,367,816</b>	<b>66.3</b>
<b>Total assets</b>	<b>3,983,429,631</b>	<b>100</b>	<b>2,670,008,665</b>	<b>100.0</b>	<b>528,220,921</b>	<b>100.0</b>



Liabilities	31 December 2015		31 December 2014		31 December 2013	
	THB	%	THB	%	THB	%
<b>Liabilities and shareholders' equity</b>						
<b>Current liabilities</b>						
Bank overdrafts	41,210,084	1.0	-	-	-	-
ST Borrowings from financial institutions	70,000,000	1.8	-	-	-	-
Trade and other payables	230,120,704	5.8	77,582,565	3.9	30,973,826	47.1
Unearned revenue	255,764,407	6.4	256,546,436	12.9	-	-
Accrued expenses	125,133,077	3.1	57,110,797	2.9	3,309,386	5.0
ST borrowings from related parties	14,500,000	0.4	-	-	-	-
Current portion of finance lease liabilities	10,822,650	0.3	2,366,527	0.1	1,534,027	2.3
Current portion of LT borrowings	584,557,367	14.7	126,607,358	6.4	-	-
Accrued income tax	10,340,008	0.3	1,398,609	0.1	-	-
Other current liabilities	64,988,338	1.6	35,141,817	1.8	7,181,009	10.9
<b>Total current liabilities</b>	<b>1,407,436,635</b>	<b>35.3</b>	<b>556,754,109</b>	<b>28.0</b>	<b>42,998,248</b>	<b>65.3</b>
<b>Non-current liabilities</b>						
LT finance lease liabilities	28,536,923	0.7	6,963,645	0.4	6,833,379	10.4
LT Borrowings from financial institutions	1,049,662,500	26.4	1,146,581,818	57.7	-	-
Employee benefit obligations	48,859,622	1.2	6,049,061	0.3	3,307,613	5.0
Long-term account payable for investment	223,052,900	5.6	223,052,900	11.2	-	-
Deferred tax liabilities	29,429,393	0.7	30,444,200	1.5	-	-
Other non-current liabilities	15,945,159	0.4	17,330,047	0.9	12,667,241	19.2
<b>Total non-current liabilities</b>	<b>1,395,486,497</b>	<b>35.0</b>	<b>1,430,421,671</b>	<b>72.0</b>	<b>22,808,233</b>	<b>34.7</b>
<b>Total liabilities</b>	<b>2,802,923,132</b>	<b>70.4</b>	<b>1,987,175,780</b>	<b>100.0</b>	<b>65,806,481</b>	<b>100</b>

Shareholder's equity	31 December		31 December		31 December	
	2015		2014		2013	
	THB	%	THB	%	THB	%
Shareholders' equity						
Share capital						
Authorized share capital						
Ordinary share, 421,000,000 shares						
of par Baht 1 each						
(2014: 324,000,000 shares of THB1 each)	421,200,000	10.6	324,000,000	12.1	324,000,000	61.3
Issued and paid-up share capital						
Ordinary share, 324,000,000 shares						
of paid-up THB 1 each	324,000,000	8.1	324,000,000	12.1	324,000,000	61.3
Share premium	72,564,680	1.8	370,773,735	13.9	370,773,735	70.2
Discount from increment of investment in subsidiary	(1,063,239)	(0.0)	(1,063,239)	(0.04)	(1,063,239)	(0.2)
Retained earnings						
Appropriated - legal reserve	-		16,726,352	0.6	16,726,352	3.2
Retained earnings (deficits)	323,647,897	8.1	(27,603,947)	(1.0)	(248,022,408)	(47.0)
Other components of equity	4,897,205	0.1	-	-	-	-
Equity attributable to owners of the parent	724,046,543	18.2	682,832,901	25.6	462,414,440	87.5
Non-controlling interests	456,459,956	11.5	(16)	-	-	-
Total shareholders' equity	1,180,506,499	29.6	682,832,885	25.6	462,414,440	87.5
Total liabilities and shareholders' equity	3,983,429,631	100.0	2,670,008,665	100.0	528,220,921	100.0

## 1.2 Statement of Comprehensive Income

	31 December 2015		31 December 2014		31 December 2013	
	THB	%	THB	%	THB	%
<b>Revenues</b>						
Sales	723,197,801	33.3	57,517,751	9.1	1,726,701	0.6
Revenue from rendering of services	1,445,625,161	66.7	576,742,468	90.9	281,965,435	99.4
<b>Total revenues</b>	<b>2,168,822,962</b>	<b>100.0</b>	<b>634,260,219</b>	<b>100.0</b>	<b>283,692,136</b>	<b>100.0</b>
<b>Costs</b>						
Costs of sales	(280,065,367)	(2.9)	(24,639,824)	(3.9)	(986,362)	(0.3)
Costs of rendering of services	(1,019,661,117)	(47.0)	(424,389,352)	(66.9)	(199,818,502)	(70.4)
<b>Total costs</b>	<b>(1,299,726,484)</b>	<b>(59.9)</b>	<b>(449,029,176)</b>	<b>(70.8)</b>	<b>(200,804,864)</b>	<b>(70.8)</b>
<b>Gross profit</b>	<b>869,096,478</b>	<b>40.1</b>	<b>185,231,043</b>	<b>29.2</b>	<b>82,887,272</b>	<b>29.2</b>
Other income	13,654,762	0.6	32,032,519	5.1	5,551,209	2.0
Selling expenses	(453,244,843)	(20.9)	(78,314,321)	(12.3)	(30,433,227)	(10.7)
Administrative expenses	(398,986,359)	(18.4)	(189,636,748)	(29.9)	(45,387,511)	(16.0)
Gain on share dilution	-	-	144,358,053	22.8	-	-
Finance cost	(76,282,306)	(3.5)	(27,734,217)	(4.4)	-	-
Share of profit from associated and joint ventures	105,676,720	4.9	154,276,980	24.3	(3,905,412)	(1.4)
<b>Profit (loss) before income tax expense</b>	<b>59,914,452</b>	<b>2.8</b>	<b>220,213,309</b>	<b>34.7</b>	<b>8,712,331</b>	<b>3.1</b>
Income tax expense	(14,763,134)	(0.7)	(110,535)	(0.02)	(960,000)	(0.3)
<b>Net profit (loss) for the year</b>	<b>45,151,318</b>	<b>2.1</b>	<b>220,102,774</b>	<b>34.7</b>	<b>7,752,331</b>	<b>2.7</b>

	31 December		31 December		31 December	
	2015		2014		2013	
	THB	%	THB	%	THB	%
<b>Other comprehensive income:</b>						
Items that will not be reclassified to profit or loss						
Re measurement of post - employment						
Benefit obligations	(25,646)	(0.0)	315,687	0.0	-	-
Items that will be reclassified to profit or loss						
Share of other comprehensive income						
From associate	4,897,205	0.2	-	-	-	-
<b>Total comprehensive income (expense) for the year</b>	<b>50,022,877</b>	<b>2.3</b>	<b>220,418,461</b>	<b>34.8</b>	<b>7,752,331</b>	<b>2.7</b>
<b>Profit (loss) attributable to:</b>						
Owners of the parent	36,342,083	1.7	220,102,774	34.7	7,752,331	2.7
Non-controlling interests	8,809,235	0.4	-	-	-	-
	<b>45,151,318</b>	<b>2.1</b>	<b>220,102,774</b>	<b>34.7</b>	<b>7,752,331</b>	<b>2.7</b>
<b>Total comprehensive income (expense) attributable to:</b>						
Owners of the parent	41,213,642	1.9	220,418,461	34.8	7,752,331	2.7
Non-controlling interests	8,809,235	0.4	-	-	-	-
	<b>50,022,877</b>	<b>2.3</b>	<b>220,418,461</b>	<b>34.8</b>	<b>7,752,331</b>	<b>2.7</b>
<b>Earnings (loss) per share</b>						
Basic earnings (loss) per share	0.11		0.68		0.24	

## 1.3 Statement of Cash Flow

	31 December 2015 THB	31 December 2014 THB	31 December 2013 THB
<b>Cash flows from operating activities</b>			
Profit (loss) before income tax expense	59,914,452	220,213,309	8,712,331
Adjustments for:			
Depreciation	133,134,252	29,897,902	893,227
Amortization of intangible asset	26,550,786	13,746,509	-
Interest income	(1,324,945)	(3,054,024)	(4,558,390)
Dividends income	-	(230,500)	(263,000)
Unrealized loss on short-term investments	1,200,500	821,554	2,232,500
(Reversal of) allowance for doubtful accounts	(15,550,209)	2,275,899	-
Provision for (reversal of) obsolete inventories	2,539,418	19,235	123,961
(Gain) loss on disposal of property, plant and equipment	(2,964,357)	88,484	-
Loss from write-off of property, plant and equipment	261,641	369,244	-
Provision for employee benefit obligations	6,930,584	2,921,787	(4,660,037)
Finance costs	76,282,306	27,734,217	-
Gain on share dilution	-	(144,358,053)	-
Share of profit from associate and joint ventures	(105,676,720)	(154,276,980)	3,905,412
	181,297,708	(3,831,417)	6,386,004
Changes in working capital			
- Trade and other receivables	45,085,247	48,077,399	(43,562,990)
- Inventories	176,042	(6,260,878)	(12,812)
- Television programmes, movies and concert production in progress	(472,113)	(32,072,782)	47,976,756
- Other current assets	11,766,934	(19,591,271)	3,131,119
- Deposit at bank used as collateral	(853,000)	10,000,000	-
- Prepaid rent	694,321	1,385,422	13,845,422
- Other non-current assets	18,195,522	(5,500,099)	219,229
- Trade and other payables	35,476,567	29,338,835	10,986,319
- Unearned revenue	(35,079,237)	22,939,080	(10,030,215)
- Accrued expenses	20,298,978	19,067,824	1,924,738
- Other current liabilities	(8,525,463)	2,492,073	4,858,150
- Employee benefit obligations	(267,687)	(337,320)	(1,282,929)
- Other non-current liabilities	(1,427,988)	4,662,806	-
Cash flows generated from (used in) operating activities	266,365,831	70,369,672	21,978,791
Interest paid	(76,991,384)	(26,426,683)	-
Income tax paid	(30,922,589)	(4,413,573)	(5,186,857)
<b>Net cash generated from (used in) operating activities</b>	<b>158,451,858</b>	<b>39,529,416</b>	<b>16,791,934</b>

	31 December 2015	31 December 2014	31 December 2013
	THB	THB	THB
<b>Cash flows from investing activities</b>			
Interest received	1,235,069	3,113,804	5,732,043
Dividends income	-	230,500	263,000
Purchase of short-term investments	(35,000,000)	(56,000,000)	-
Proceed from disposals of ST investment	32,000,000	48,052,223	116,688,398
Receipt from ST loans to related parties	16,626,088	-	-
Payment for ST loans to related parties	(3,333,150)	-	-
Payment for investment in associate	-	(85,800,000)	(104,735,000)
Payment for investment in subsidiaries	(357,250,336)	(1,144,755,063)	-
Proceed from disposal of property, plant and equipment	29,156,182	11,700	-
Purchase of property, plant and equipment	(223,612,021)	(6,290,479)	(2,371,216)
Purchase of intangible assets	(2,142,548)	(830,885)	-
<b>Net cash used in investing activities</b>	<b>(542,320,716)</b>	<b>(1,242,268,200)</b>	<b>15,577,225</b>
<b>Cash flows from financing activities</b>			
Bank overdrafts	5,513,226	-	-
Proceed from ST borrowings from financial institutions	70,000,000	-	-
Proceed from ST loan from related parties	3,500,000	-	-
Repayment to ST loan from related parties	-	-	-
Proceed from LT borrowings from financial institutions	933,272,772	1,335,215,980	-
Repayment to LT borrowings form financial institutions	(572,242,081)	(62,026,804)	-
Dividend paid	(41,610,765)	(16)	-
Repayment to finance lease liabilities	(6,279,389)	(2,367,234)	-
<b>Net cash generated from financing activities</b>	<b>392,153,763</b>	<b>1,270,821,926</b>	<b>-</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>8,284,905</b>	<b>68,083,142</b>	<b>32,369,159</b>
Cash and cash equivalents at beginning of the year	151,235,392	83,152,249	50,467,403
<b>Closing balance of cash and cash equivalents</b>	<b>159,520,297</b>	<b>151,235,391</b>	<b>82,836,562</b>

**Significant non-cash transactions**

Significant non-cash transactions for the years ended 31 December are as follows:

Dividend Receivable	-	-	-
Finance lease liabilities arising from purchases of equipment	-	3,330,000	7,509,503
LT accounts payable for investment in subsidiary	-	223,052,900	-