

Annual Report

2017



The background of the page features several stylized, overlapping film strips in shades of gray and orange, creating a cinematic feel.

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Message from Chairman

To Shareholders,

In 2017, Mono Group has completely become one of the leading digital TV business operators in Thailand under the presented image of “Free TV with the greatest number of blockbuster movies and premium TV series”. MONO29 channel has proved its success with a rapid growth of popularity nationwide. In prime time, the channel has constantly selected top hits legendary movies from major studios under the program “Premium Blockbuster” and top-hits series from United States of America. Moreover, some TV programs have been re-scheduled during non-prime time in order to satisfy viewers with our premium contents, including news program which has been re-adjusted with the latest hot news from social media. By following these strategies, the rating has risen continually and enabled the channel rating to rank top among free TV in the country. As a result, the revenue of TV business has risen up to 70 percent and become the major income for Mono Group.

Meanwhile, the success of digital TV business, the Company has deliberately developed an online platform known as Seeme.me. This is to fulfill the needs of video portal entertainment and it serves different kinds of contents according to users’ interests. Seeme.me has recently launched at end of 2017. The Company has aimed “Seeme” to be the hub of quality contents, produced by anyone who would like to share his contents legally in the public. In addition, the contents could generate income from online advertisement and the platform itself is fully owned by Thai company. Seeme.me has received a warm welcome even before the official launch in 2018, furthermore, it is expected to be one of Mono Group’s revenue generating businesses in the future.

In the past 4 years, the Company has focused on promoting the popularity of basketball in Thailand through sport business with the cooperation from government and private sectors. Hence, Mono Group’s CSR team has continually worked with Mono Vampire Basketball Club to promote basketball activities. Mono Vampire basketball players have regularly taught basketball techniques and skills to children in schools and communities throughout Thailand. Moreover, the Company does not concern only about business operation, but we also value the business operation under the principles of good governance. We have certified a membership of Thailand’s Private Sector Collective Action Coalition Against Corruption (CAC) to against all forms of corruption. The Company has impressively received the “highest rank of excellence” from good governance assessment of the listed company in 2017 for a three-consecutive year. In addition, the Company has also received a full score on the Annual General Meeting of Shareholders Assessment for a four-consecutive year. All of these successes have proven our commitment on the transparent business operation under good corporate governance.

On behalf of the Board of Directors, I would like to thank our shareholders, customers, domestic and international business partners, financial institutions, government agencies, private sectors and thank to all of the Company’s executives and employees for their constant devotion. All parties have played an important role in supporting our business growth consistently. After all, I would like to reaffirm that Mono Group will continue to create high quality products and services in order to generate satisfying returns for our shareholders.



Mr. Pete Bodharamik
Chairman




Message from Chief Executive Officer

To Shareholders,

Currently in media and entertainment industry, the competition for TV rating and advertising expense is quite aggressive. Moreover, digital technology continues to play a significant role in business operation. Mono Technology Public Company Limited, as a leading media and content conglomerate of Thailand, realizes the challenge in the shift of this digital era, and therefore, the Company has placed a great focus on delivering a variety of quality contents that comes together with efficiency in utilizing the resources for utmost benefits. The contribution has resulted in substantial improvement of Mono Group business operation as it can be seen that the net loss has continued to drop and the Company finally gained profit in 2017, with digital TV MONO29 Channel as the major source of income. Despite the cessation of marketing campaign during October to be consistent with the Royal Ceremony, the operating result was well adjusted in December. As a result of the rapid growth of MONO29 channel rating and a competent control of cost management, Mono Group was able to gain a net profit of 58 million Baht in 2017.

As for business operation in 2017, the Company has strengthened our content and services by increasing the number of business alliances. While the ratings of digital TV MONO29 channel continuously shows the trend of a higher growth in the future from premium movies and series contents, online streaming business is also active on all digital platforms with huge library of high definition videos. Whereas our movie business unit constantly imports foreign movies every month, subscription business regularly launches interesting applications. What's more is that at the end of the year, the Company started to introduce Seeme.me, a brand-new video portal for Thais, with the aim to expand the source of income from online advertising next year. Other business such as sport business also provides the Company with the channel to drive our corporate social responsibility activities. As Mono Group intends to increase the popularity of basketball among Thais, and at the same time, promotes the image of MONO along with basketball, in 2017, the Company was the supporter of 3 national basketball tournaments. There were projects for players of Mono Vampire Basketball Club to meet children and teach them basic basketball techniques. Furthermore, basketball courts were created for communities in many areas. Moreover, the Company conducted various projects for the society, for example, constructing school buildings in regional provinces, donating goods, and giving monetary support through campaigns of both government and private sectors.

Throughout the year, the Company has gained trust and received warm welcome from investors. As a result, MONO was able to enter the sSET indexes during the first half of 2017 and SET100 indexes during the second half of the same year. I would like to thank our shareholders, customers, business partners, financial institutes, as well as government and private sectors for your consistent support. Importantly, I would like to thank our executives and all of our employees for their dedication which has led to the success of the Company. Mono Group adheres to our commitment to run business to the best of our capability in order to generate high returns for shareholders and create high quality products and services to customers.



Mr. Sang Do Lee
Chief Executive Officer



Mr. Pete Bodharamik

Chairman of the Board of Directors



Mr. Navamin Prasopnet

Assistant Chairman /
Chairman of Executive Committee /
Chairman of Risk Management
Committee / Chief Marketing Officer



Mr. Sang Do Lee

Director / Executive Director /
Chief Executive Officer



Mr. Patompong Sirachairat

Director / Executive Director /
Member of Risk Management
Committee / Chief Operating Officer

Board of Directors



Mr. Preecha Leelasithorn

Independent Director / Member of
Audit Committee /
Chairman of Nomination
and Remuneration Committee



Mrs. Punnee Worawuthichongsathit

Independent Director / Chairperson of
Audit Committee / Member of Nomination
and Remuneration Committee



Mr. Kriengsak Thiennukul

Independent Director / Member of
Audit Committee /
Member of Nomination
and Remuneration Committee



Mr. Komsak Wattanasriroj

Director / Executive Director /
Chief Financial Officer



Mr. Siri Luengswat

Director

Board of Directors

Board of Directors

Mr. Pete Bodharamik

Aged 45

Chairman of the Board of Directors / Authorized Director

(Appointed Director on March 9, 2012)

Education / Training Courses

- Bachelor of Science, Management
London School of Economics & Political Science, UK
- IOD Training Programs : -

Shareholding (%)¹

MONO : 66.30%, MONO-W1 : 61.97%

Experience

Directorship in Listed Companies

2012 - Present Chairman, Mono Technology PCL.
2008 - Present Director and CEO
Jasmine International PCL.

Directorship in other Companies

2017 - Present Director, Jas Holding Co., Ltd.
2015 - Present Director, Pinvest Corporation Co., Ltd.
2012 - Present Director, PVS Development Co., Ltd.
2008 - Present Director, Subsidiaries of
Jasmine International PCL.
2007 - Present Director, Triple T Internet Co., Ltd.
2006 - Present Director, Triple T Broadband PCL.
2002 - Present Director, Subsidiaries of
Mono Technology PCL.
1995 - Present Director, Emerald Farm Co., Ltd.

Mr. Navamin Prasopnet

Aged 45

**Assistant Chairman / Chairman of Executive Committee /
Chairman of Risk Management Committee /
Chief Marketing Officer / Authorized Director**

(Appointed Director on March 9, 2012)

Education / Training Courses

- Bachelor of Science, Computer Information System,
Bentley University, Massachusetts, USA
- IOD Training Programs:
- Role of the Chairman Program (RCP), Class 21/2009
- Director Certification Program (DCP), Class 104/2008

Shareholding (%)¹

MONO : 0.68%, MONO-W1 : None

Experience

Directorship in Listed Companies

2017 - Present Chairman of Executive Committee and
Chairman of Risk Management
Committee, Mono Technology PCL.
2012 - Present Assistant Chairman and
Chief Marketing Officer,
Mono Technology PCL.

Directorship in other Companies

2017 - Present Director, Villa Kunalai Co., Ltd.
2014 - Present Director, Herbal King Trading Co., Ltd.
2007 - Present Director, Green Star Environment Co., Ltd.
2006 - Present Director and President, Subsidiaries of
Mono Technology PCL.
2003 - Present Director, Navesco Co., Ltd.

¹ Includes holdings by spouse and minor children as of December 31, 2017

Mr. Sang Do Lee

Aged 42

**Director / Executive Director / Chief Executive Officer
Authorized Director**

(Appointed Director on March 9, 2012)

Education/ Training Courses

- Bachelor of Science, Computer Science and Industrial Engineering Yonsei University, Seoul, Korea
- IOD Training Programs:
 - Director Certification Program (DCP), Class 103/2008

Shareholding (%)¹

MONO : 0.44%, MONO-W1 : 0.000003%

Experience

Directorship in Listed Companies

2012 - Present Director, Executive Director,
and Chief Executive Office
Mono Technology PCL.

Directorship in other Companies

2006 - Present Director and President, Subsidiaries of
Mono Technology PCL.

Mr. Patompong Sirachairat

Aged 37

**Director / Executive Director /
Member of Risk Management Committee /
Chief Operating Officer**

(Appointed Director on February 21, 2017)

Education / Training Courses

- Master of Business Administration (Young Executive), Chulalongkorn University
- Master of Software System Engineering, University of Technology, Sydney, Australia
- IOD Training Programs:
 - Director Certification Program (DCP), Class 237/2017

Shareholding (%)¹

MONO : 0.19%, MONO-W1 : 0.22%

Experience

Directorship in Listed Companies

2017 - Present Director

2014 - Present Chief Operating Officer

2005 - Present Executive Director and
Member of Risk Management Committee
Mono Technology PCL.

Directorship in other Companies

2015 - Present Director, Subsidiaries of
Mono Technology PCL.

2005 - 2015 Vice President - Internet Business
Mono Technology PCL.

¹ Includes holdings by spouse and minor children as of December 31, 2017

Mr. Komsak Wattanasriroj

Aged 49

Director / Executive Director /

Chief Financial Officer / Authorized Director

(Appointed Director on March 9, 2012)

Education / Training Courses

- Master of Business Administration, Srinakharinwirot University
- IOD Training Programs:
 - Director Certification Program (DCP), Class 105/2008
- Thai Investors Association Training Program
 - Thai Intelligent Investor Program (TIIP), Class 10/2015

Shareholding (%)¹

MONO : 0.33%, MONO-W1 : 0.05%

Experience

Directorship in Listed Companies

- | | |
|----------------|--|
| 2016 - Present | Independent Director and Member of Audit Committee T.A.C. Consumer PCL. |
| 2012 - Present | Director, Executive Director, and Chief Financial Officer Mono Technology PCL. |

Directorship in other Companies

- | | |
|-------------|---|
| 2005 - 2008 | Vice President - Accounting and Finance Mono Generation Co., Ltd. |
|-------------|---|

Mr. Siri Luengsawat

Aged 62

Director

(Appointed Director on March 9, 2012)

Education/ Training Courses

- Upper Secondary School, Mattayom Dan Samrong School
- IOD Training Programs:
 - Director Certification Program (DCP), Class 105/2008

Shareholding (%)¹

MONO and MONO-W1 : None

Experience

Directorship in listed companies

- | | |
|----------------|--------------------------------|
| 2012 - Present | Director, Mono Technology PCL. |
|----------------|--------------------------------|

Directorship in other Companies

- | | |
|----------------|---|
| 2014 - Present | Director, Herbal King Trading Co., Ltd. |
| 2006 - Present | Director, Subsidiaries of Mono Technology PCL. |
| 2003 - Present | Director, Angel Trading International Co., Ltd. |
| 2003 - 2008 | Executive Editor, Gossip Star Co., Ltd. |

¹ Includes holdings by spouse and minor children as of December 31, 2017

Mrs. Punnee Worawuthichongsathit

Aged 65

Independent Director / Chairperson of Audit Committee / Member of Nomination and Remuneration Committee

(Appointed Director on March 9, 2012)

Education/ Training Courses

- Master of Accountancy, Chulalongkorn University
- Certified Public Accountant (CPA) Registration No. 2960 (Thailand)
- Certified Internal Auditor (CIA), IIA USA
- Certified Professional Internal Auditor (CPIA) and Qualified Internal Auditor (QIA), IIA Thailand
- Chartered Directors, IOD
- Tax Law Certificate, JTI Thailand
- IOD Training Programs:
 - Ethical Leadership Program, Class 2/2015
 - Anti-Corruption for Executive Program (ACEP), Class 10/2014
 - Anti-Corruption : The Practice Guide (ACPG), Class 10/2014
 - Role of the Chairman Program (RCP), Class 25/2011
 - Role of the Nomination and Governance Committee, Class 1/2011
 - Refresher Course DCP, Class 2/2009
 - Monitoring Fraud Risk Management, Class 1/2009
 - Role of the Compensation Committee, Class 7/2008
 - Monitoring the System of Internal Control and Risk Management, Class 2/2008
 - Monitoring the Quality of Financial Report, Class 5/2007
 - Monitoring the Internal Audit Function, Class 1/2007
 - Improving the Quality of Financial Report, Class 1/2006
 - Audit Committee Program (ACP), Class 2/2004
 - Director Certification Program (DCP), Class 38/2003
 - Director Accreditation Program (DAP), Class 2/2003

Shareholding (%)¹

MONO and MONO-W1 : None

Experience

Present	Director - Tax Accounting, Federation of Accounting Professions under the Royal Patronage of His Majesty the King
Present	Member of Audit Committee Office of National Anti-Corruption Commission
Present	Guest Lecturer, Government and private universities and Federation of Accounting Professions under the Royal Patronage of His Majesty the King

Directorship in listed companies

2017 - Present	Member of Nomination and Remuneration Committee Mono Technology PCL.
2016 - Present	Independent Director, Member of Audit Committee, and Chairperson of Corporate Governance WHA Utilities and Power PLC.
2016 - Present	Independent Director and Member of Audit Committee, Saha Pathana Inter-Holding PLC.
2012 - Present	Independent Director and Chairperson of Audit Committee, Mono Technology PCL.
2010 - Present	Independent Director and Member of Audit Committee, Thai Wacoal PCL.
2004 - Present	Independent Director, Member of Audit Committee, Chairperson of the Nominating Committee, and Chairperson of the Compensation Committee, The Brooker Group PLC.
2000 - 2016	Independent Director, Member of Audit Committee, and Member of Good Corporate Governance Committee Hemaraj Land and Development PCL.

Directorship in other Companies

2016 - Present	Director P.W. Consultants Co.,Ltd.
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¹ Includes holdings by spouse and minor children as of December 31, 2017

Mr. Preecha Leelasithorn

Aged 54

**Independent Director / Member of Audit Committee /
Chairman of Nomination and Remuneration Committee**
(Appointed Director on March 9, 2012)

Education/ Training Courses

- Master Degree, Business Administration, Chulalongkorn University
- IOD Training Programs:
 - Director Accreditation Program (DAP) (English Program), Class 101/2013
 - Audit Committee Program (ACP), Class 25/2009

Shareholding (%)¹

MONO and MONO-W1 : None

Experience

Directorship in listed companies

2012 - Present Independent Director, Member of Audit Committee, and Chairman of Nomination and Remuneration Committee Mono Technology PCL.

Directorship in other Companies

2013 - Present Director, CPanel Co., Ltd.
2012 - Present Deputy Chief Executive Officer, Wall Street Tower Co., Ltd.
2007 - Present Executive Vice President , AIRA Securities PCL.
2002 - Present Director, Alliance Co., Ltd.
2000 - Present Director, Andaman Lanta Property Co., Ltd
1984 - Present Director, Manakijcharoen Co., Ltd.

Mr. Kriengsak Thiennukul

Aged 52

**Independent Director / Member of Audit Committee /
Member of Nomination and Remuneration Committee**
(Appointed Director on March 9, 2012)

Education/ Training Courses

- Master of Business Administration, Chulalongkorn University
- The National Defence Course (TNDC Diploma), Class 58, Year 2015-2016, Thailand National Defence College
- IOD Training Programs:
 - Director Accreditation Program (DAP) (English Program), Class 101/2013
- Capital Market Academy Leadership Program, Class 7/2008, Capital Market Academy (CMA)

Shareholding (%)¹

MONO and MONO-W1 : None

Experience

Directorship in listed companies

2012 - Present Independent Director, Member of Audit Committee, and Member of Nomination and Remuneration Committee Mono Technology PCL.

Directorship in other Companies

2017 - Present Director, The Loco Motion Co., Ltd.
2016 - Present Director, Four Strong Winds Co., Ltd.
2005 - Present Director, Media Shaker Development Co., Ltd.
2004 - Present Director, I Advisory Co., Ltd.
2002 - Present Director and Managing Director, Media Shaker Co., Ltd.
1999 - Present Director, CDC One Co., Ltd.
1998 - Present Director and Managing Director, Banana and Sun Co., Ltd.
1992 - Present Director, Prestige Gift and Premium Co., Ltd.
1989 - Present Director and Managing Director, New Waitek Co., Ltd.

¹ Includes holdings by spouse and minor children as of December 31, 2017



Miss Benjawan Rakwong

Vice President - Administration



Mr. Jiraparwat Boonyasen

Senior Vice President - Mobile Internet Business
Member of Risk Management Committee



Miss Pitirudee Sirisamphan

Company Secretary
Vice President - Corporate Affairs



Miss Paweena Poonpattanasuk

Vice President – Accounting and Finance
Member of Risk Management Committee



Mr. Teerasak Tharaworn

Vice President – Human Resources

Executives

Details of Directors, Executives and Controlling Persons' Directorship in Subsidiaries, Associated Companies and other Related Companies

List of Directors and Executives	MONO TECH	Domestic Subsidiaries						
		MONO GEN	MONO TRAVEL	MONO MUSIC	MONO FILM	MONO INFO	MONO PD	MONO BC
1. Mr. Pete Bodharamik	*	D	D	D	D	D	D	D
2. Mr. Navamin Prasopnet	D,ED, Exec	D,ED, Exec	D,ED	D,ED, Exec	D,ED	D,ED	D,ED, Exec	D,ED, Exec
3. Mr. Sang Do Lee	D,ED, Exec	D,ED	D,ED	D,ED	D,ED	D,ED, Exec	D,ED	ED
4. Mr. Siri Luengsawat	D	D		D	D	D	D	
5. Mr. Komsak Wattanasriroj	D,ED, Exec	ED	ED	ED	ED	ED	ED	ED
6. Mrs. Punnee Worawuthichongsathit	D							
7. Mr. Preecha Leelasithorn	D							
8. Mr. Kriengsak Thiennukul	D							
9. Mr. Patompong Sirachairat	ED, Exec	ED	ED, Exec	D,ED	D,ED, Exec	ED	ED	ED
10. Mr. Jiraparwat Boonyasen	Exec		D					
11. Miss Pitirudee Sirisamphan	Exec							
12. Miss Benjawan Rakwong	ED, Exec	ED	ED	ED	ED	ED	ED	ED
13. Mr. Teerasak Tharaworn	Exec							
14. Miss Paweena Poonpattanasuk	Exec							

1. MONO TECH = Mono Technology PCL.
2. MONO GEN = Mono Generation Co., Ltd.
3. MONO TRAVEL = Mono Travel Co., Ltd.
4. MONO MUSIC = Mono Music Co., Ltd.
5. MONO FILM = Mono Film Co., Ltd.
6. MONO INFO = Mono Info Systems Co., Ltd.
7. MONO PD = Mono Production Co., Ltd.
8. MONO BC = Mono Broadcast Co., Ltd.
9. MONO SPORT = Mono Sport Entertainment Co., Ltd.

Remarks:

* = Chairman of the Board of Directors D = Director ED = Executive Director Exec = Executive

Domestic Subsidiaries							International Subsidiaries			Joint Venture
MONO SPORT	MONO RADIO	MONO RADIO BC	MONO TALENT	T MOMENT	MONO PLAY	MONO ASTRO	MONO VIETNAM	MONO HK	MONO INDO	YUNNAN MONO
D	D	D	D	D	D	D	D	D		
D,ED	D,ED, Exec	D,ED	D,ED, Exec	D, ED	D,ED	D,ED	D,ED	D,ED	D,ED	
D,ED, Exec	ED	ED	D,ED	D, ED	D,ED	D,ED	D,ED	D,ED, Exec	D,ED, Exec	D
ED	ED	ED	ED	ED	ED	ED	ED	ED	ED	
ED	ED	ED	D,ED	ED	D,ED, Exec	D,ED, Exec	ED	ED	ED	
ED	ED	ED	ED	ED	ED	ED	ED	ED	ED	

10. MONO RADIO = Mono Radio Co., Ltd.
11. MONO RADIO BC = Mono Radio Broadcast Co., Ltd.
12. MONO TALENT = Mono Talent Studio Co., Ltd.
13. T MOMENT = T Moment Co., Ltd.
14. MONO PLAY = Mono Play Co., Ltd.
15. MONO ASTRO = Mono Astro Co., Ltd.
16. MONO VIETNAM = Mono Technology Vietnam Co., Ltd.
17. MONO HK = Mono Technology Hong Kong Limited
18. MONO INDO = PT. Mono Technology Indonesia
19. YUNNAN MONO = Yunnan Mono Digital Technology Co., Ltd.

Details of Directors, Executives and Controlling Persons' Directorship in other Related Companies

List of Directors and Executives ¹	Related Companies								
	TTTBB	TTTI	JASTEL	PA	JINET	ACES	PBF	PINVEST	GS
1. Mr. Pete Bodharamik	D	D	D	D	D	D	D	D	
2. Mr. Navamin Prasopnet									D

1. TTTBB = Triple T Broadband PCL.
2. TTTI = Triple T Internet Co., Ltd
3. JASTEL = JasTel Network Co., Ltd.
4. PA = Premium Asset Co., Ltd.
5. JINET = Jasmine Internet Co., Ltd.
6. ACES = ACES Regional Services Co., Ltd.
7. PBF = Dr. Phichani Bodharamik Foundation for Children and Seniors
8. PINVEST = Pinvest Corporation Co., Ltd.
9. GS = Green Star Environment Co., Ltd.

Details of Directorship in Subsidiaries with revenue of over 10 percent

List of Directors	Subsidiaries ²
	MONO BC
1. Mr. Pete Bodharamik	D
2. Mr. Navamin Prasopnet	D,ED,Exec
3. Mr. Sang Do Lee	ED
4. Mr. Komsak Wattanasriroj	ED
5. Mr. Patompong Sirachairat	ED
6. Mr. Bannasit Rakwong	D,Exec

MONO BC = Mono Broadcast Co., Ltd.

Remarks : D = Director ED = Executive Director Exec = Executive

¹ Other directors and executives have no related companies

² Subsidiaries are companies that have significant business operation, for example, their revenues are over 10 percent of the total revenues as of the 2017 Statement of Comprehensive Income

Financial Summary

Summary of statement of financial position, statement of comprehensive income and financial ratios for the year ended on December 31 for the past three years :

Operating Results

	2017	2016	2015
Statement of Financial Position (Unit : million Baht)			
Total Assets	5,736.60	5,391.66	5,277.74
Total Liabilities	2,997.37	3,026.05	2,854.18
Total Shareholders' Equity	2,739.23	2,365.61	2,423.56
Statement of Comprehensive Income (Unit : million Baht)			
Sales and Service Income	2,528.67	2,076.76	1,892.96
Total Revenues	2,575.71	2,112.70	1,925.14
Profit (loss) before Finance Cost and Income Tax Expenses	148.71	(94.89)	(407.11)
Net profit (loss) Attributable to Equity Holders of the Company	58.17	(249.55)	(486.57)
Basic Earnings (loss) Per Share (Baht)	0.02	(0.08)	(0.16)
Weighted Average Number of Ordinary Shares (million shares)	3,351.57	3,172.66	3,085.56

Financial Ratio

	2017	2016	2015
Gross Margin (%)	27.28	20.18	12.69
Operating Profit Margin (%)	4.02	(6.21)	(23.21)
Net Profit Margin (%)	2.26	(11.81)	(25.27)
Return on Equity (%)	2.28	(10.42)	(18.24)
Return on Asset (%)	2.67	(1.78)	(7.63)
Debt to Equity Ratio (times)	1.09	1.28	1.18

Dividend Payment

	2017	2016	2015
Paid-up Ordinary Shares (million shares)	3,390.74	3,200.94	3,100.93
Par Value (Baht per share)	0.10	0.10	0.10
Total Dividend Payment (Baht per share)	0.060	0.030	-
Interim Dividend (Baht per share)	0.030	-	-
Annual Dividend (Baht per share)	0.030	0.030	-
Dividend Payout Ratio ^{1/} (%)	377.20	38.66	-

^{1/} Calculated from the Net Profit according to the Separate Financial Statements

Key Developments of the Company and Subsidiaries in 2017



- **On January 4, 2017**, the Stock Exchange of Thailand (SET) revealed 102 common stocks with constant liquidity in the new index constituent “sSET Index” in addition to SET50 Index and SET100 Index. This reference can be used as a benchmark index for investment and the launch of financial products in the future. MONO was also nominated in sSET Index.

MONO PLAY
COMPANY LIMITED

MONO ASTRO
COMPANY LIMITED

- **On February 22, 2017**, two subsidiaries were established with Mono Technology PCL. holding 100 percent share. These subsidiaries include 1. Mono Play Co., Ltd., a content business which distributes online or mobile game products and services and 2. Mono Astro Co., Ltd., a content business which provides horoscope information and talent to support life, investment, feng shui consultation.



- **On March 10, 2017**, MThai.com held the 7th MThai Top Talk-About 2017, the biggest award announcement for online community. The nomination was presented to the most talked about people over the Internet including movie stars, athletes, and role models to encourage them and build inspiration for the society. This joyful night was held at Siam Paragon.

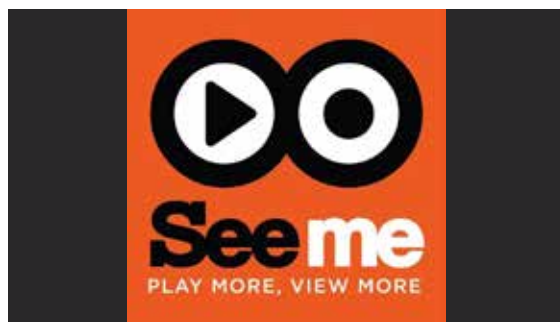


- **On March 21, 2017**, the theatrical premiere of “Oversize Cops”, the first movie from T Moment production house, was launched. Executives of Mono Group, the film director, the leading stars and honorable guests in the entertainment industry joined hands to celebrate the premier of the film. The event took place at the Infinity Hall on the fifth floor, Paragon Cineplex, Siam Paragon.

- **In March 2017**, Mono Astro Co., Ltd. penetrated the market by an unofficial launch of Neptune application, the latest online horoscope service which is convenience, easy to use, and no need to wait. Neptune is available on both iOS and Android devices with over a hundred fortune tellers of different techniques to serve customers.



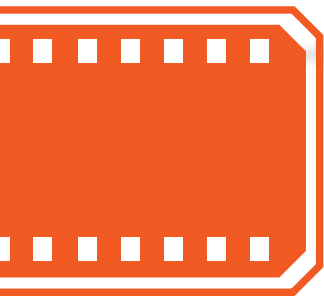
- **On April 26, 2017**, Mono Sport Entertainment Co., Ltd., Government Savings Bank, Sports Authority of Thailand, and Professional Basketball Sport Association of Thailand held a press conference on “Government Savings Bank Thailand Basketball League” (GSB TBL 2017). The 6th TBL was held during May 13 to July 22, 2017 with the price of over 1.2 million Baht.



- **In April 2017**, website Seemee.me, a high-quality online video portal, was launched for the increasing trend of video content viewership and the growth of Internet and smartphone users.

- **On June 11, 2017**, Mono Radio Co., Ltd. increased its potential by starting a Showbiz Business. With the cooperation of the Government Savings Bank, seven concerts were held under the name GSB 2 TONE CONCERT. Artists of different music styles met for the first time on stage throughout the year 2017.





- **On June 16, 2017**, SET announced the common stocks to be calculated in SET50 Index, SET100 Index, SETHD Index, and sSET Index during the second half of 2017 (1 July - 31 December). MONO was included in SET100 Index.



- **On June 22, 2017**, Mono Play Co., Ltd. launched its first mobile game “Boxing Angel”, a Fighting Action RPG. The game features cute girl boxer characters with the voice of famous Japanese anime voice actresses. Boxing Angel hit Top 3 of the latest action game in the first month of its launch. Currently, there are more than 200,000 downloads with over 80,000 active players each month.



- **In October 2017**, MONO Group acquired the right to broadcast NBA, the best basketball league in the world with more than 80 million audiences worldwide. Live broadcast of the competitions is available on digital free TV “MONO29” channel and satellite TV “MONO PLUS” channel all through Season 2017-1018. Reruns of the match highlights are also available on Seeme.me.



- **On November 13**, Mono Sport Entertainment Co., Ltd. and the Office of the Basic Education Commission (OBEC) held a press conference on “OBEC - Mono Champion Cup 2017”, giving opportunity to enhance students experience, the basketball league aims to support sport professional development plan according to the government policy. The “National Basketball Final Round” will be held from 8-15 January 2018, at Stadium 29 on Chaiyapruk Rd.

Policy and Business Overview

Mono Technology Public Company Limited was established on March 15, 2002 by Mr. Pete Bodharamik, with the first registered capital of 50 million Baht.

Mono Group, the leading of “Media and Content Conglomerate” in Thailand, started off with media and content business offering internet services via online game and online community websites. After becoming a variety website targeted at teenagers, www.mthai.com has continuously developed to embrace larger web community with various contents available for different lifestyles and with the largest number of video clips, all of which have made MThai one of the top favorite websites in Thailand.

Another key business at the early stage of the Company was mobile value added of information and entertainment content subscription services. In collaboration with leading mobile operators, the Company started offering the Interactive SMS on TV service in order to enable viewers to share their opinions via Short Message Service (SMS) while watching TV programs. Based on real time system, the SMS is presented on TV screen. This service was first launched via Royal Thai Army Radio and Television (Channel 5) and this model of interactive SMS on TV is now widely used by other TV programs.

In 2014, Mono Broadcast Company Limited, a subsidiary of Mono Technology PCL., had won the bid on the auction of digital TV license in the category of standard-definition (SD). As a result, MONO29 channel was established under the concept of “Free TV with the greatest number of blockbuster movies and premium TV series”. During four years of business operation, MONO29 has presented contents of world class quality, fresh, and satisfying all groups of customers. This has boosted the channel to be one of the leading digital TV business operators in Thailand with top rating, and as a result, TV business has become one of the core businesses of Mono Group.

Throughout the years, the Company has focused on developing various contents, such as movies, series, sports, music, etc. Today, Rich Content of Mono Group has grown continuously. Furthermore, the Company has developed the channels to promote contents on digital application like Seeme and created social media group which completely relate and support the businesses of the Company.



Capital Structure Changes

In 2012, the Company was registered as a public limited company and listed on Market for Alternative Investment (mai) on June 6, 2013, with a registered capital of 140 million Baht. Cash received from issuing new shares at that time was in a total of 2,702.75 million Baht which was allocated to invest in digital TV business.

On September 12, 2014, the Extraordinary General Meeting of Shareholders No. 1/2014 was held with a resolution to increase the registered capital from 140 million Baht to 462 million Baht. New ordinary shares in an amount of 3,220 million shares were issued and allocated to the existing shareholders in order to support the stock dividend payment and exercising of rights as per MONO-W1. Consequently, on January 29, 2015, the Company was qualified to register in the Stock Exchange of Thailand (SET) and to raise fund continuously in the future.

During 2015-2017, the Company had a capital increase under General Mandate by allocating shares through private placement. This also included the capital increase from the conversion of MONO-W1. As of December 31, 2017, the Company has a registered capital of 519,699,997.50 baht and a paid-up capital of 339,074,022.40 baht.



Vision

Mono Group intends to be **the Leading of Media and Content Conglomerate in Thailand** through comprehensive understanding and utilization of media technologies to fulfill all digital lifestyles.

Missions

To achieve the missions of the Company, the core values of Mono Group places importance on teamwork, creativity, and continual learning and development.



create

To create valuable infotainment that brings contentment in every platform



encourage

To encourage personnel to enhance their competence with continuous development



reinforce

To reinforce social media network and keep pace with the revolutionizing of the world



strengthen

To strengthen environmental stewardship and social responsibility for sustainable growth



explore

To explore potential business opportunities both domestic and international

Business Goal

At present, TV business under the name “Mono Twenty Nine” (MONO29) has become the core business to generate revenue for Mono Group. After receiving the license and started airing, MONO29 Channel has elucidated direction as **“Free TV with the greatest number of blockbuster movies and premium TV series”** with the intention to present quality contents from Thailand and international. Consequently, in 2017, MONO29 was able to maintain the fourth for the ranking of the most popular digital TV channels (rating) with constant increase of rating. Initially, the audiences were only in Bangkok and big cities; nevertheless, nowadays there are more audiences in suburbs and provincial areas. The Company intends to be rated one of the top 3 most favorable TV channels with 5-10 percent market share of the present TV ad spending. To achieve this, best selection of quality programs along with entertainments will be provided to audiences of all ages and genders. The Company is now operating a complete media business which includes TV media (MONO29 and MONO PLUS), online media (MThai.com and Seeme.me), subscription business (Monomaxxx.com), and radio media (Fresh 91.5 FM).

For long term sustainability of business operation, the Company has targeted to be the leading in media business and content provider by acquiring and producing quality Rich Contents which cover vision, audio, and motion picture on various entertainment media. Major market is the local area and then extends to foreign countries. The business encompasses a complete management of the copyrights for all media and creating a marketing strategy that promote mutual support, starting from managing the rights of the upstream businesses, marketing, and downstream consumers which includes the following:

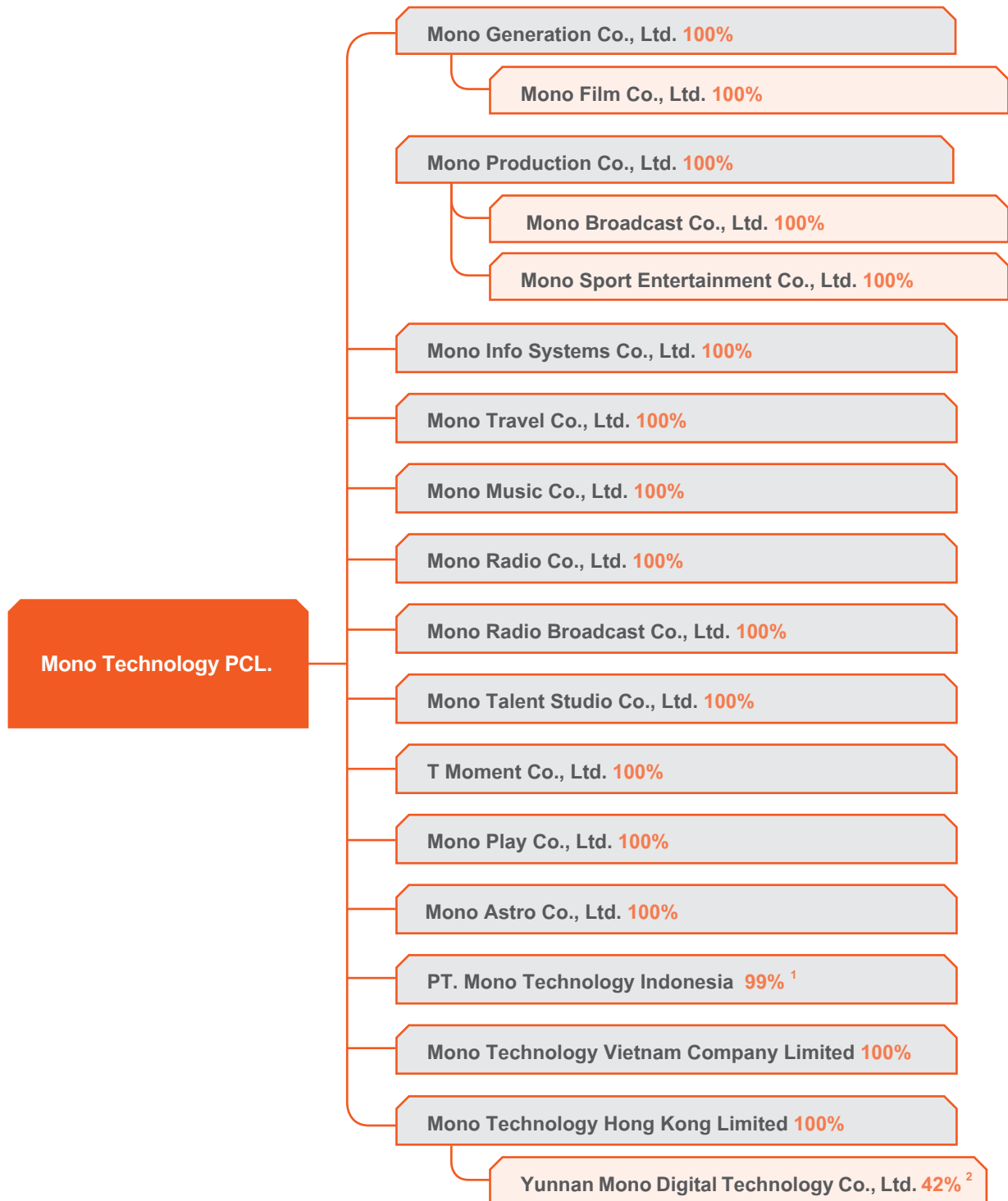
- The production of Thai movies by T Moment Production House
- The production of Thai series by MONO29 channel
- The acquisition of movies and series from foreign countries by Mono Film Co., Ltd.
- The production of basketball programs by Mono Sport Entertainment Co., Ltd.
- The production of contents and opinion and the creation of inspiration through books or blogs by Mono Books Publishing

Apart from scattering contents on various media under Mono Group production, the Company also share the rich content online for audiences worldwide to see on MThai.com and Seeme.me. Mono Film Co., Ltd. has sold copyrights of Thai films and series to the neighboring countries as well.



Shareholding Structure of the Mono Group as of December 31, 2017

Mono Technology PCL. has 17 subsidiaries and a joint venture. The overview of Mono Group shareholding structure is summarized as follows:



¹ Subsidiary which Mono Technology PCL. holds 99% and Mono Generation Co., Ltd. holds 1%

² Joint Venture which Mono Technology Hong Kong Limited holds 42%

Mono Group has engaged in two main business groups which are detailed as follows:

1) Media Business



- **TV Business** operates the digital TV broadcasting business under the name “Mono Twenty Nine” (MONO29) channel. With the slogan “Free TV with the greatest number of blockbuster movies and premium TV series”, MONO29 offers quality TV programs for non-stop entertainment throughout 24 hours. Selected movies are imported from top international studios such as Hollywood and studios in Asia. Audience can enjoy watching in dual languages via TV, website, and application. Besides the digital TV, the Company’s TV business also includes the production and creation of entertainment TV programs broadcasted via satellite and cable TV under the name MONO PLUS channel with the slogan “Never Ending Entertainment”.



- **Online business** provides a wide range of contents online both on website and application. MThai.com presents contents and entertainment for customers of different life styles whereas Seeme.me provides a complete services of quality online video service and advertising service.



- **Subscription business** develops technology for digital content communication on mobile phones and smart devices. Services are provided via the Internet and applications which are quick and convenient. Some of the services include Monomaxxx - a limitless of online movies, series, cartoons, and TV shows service, Tutor Me - knowledge hub for students by Mono Mobile, and Neptune - online horoscope service with quality and famous fortunetellers.



- **Radio Business** operates its business relevant to radio program production for broadcasting via radio station. Under the name “Mono Fresh 91.5 FM”, the music station is conceptualized as “Fresh Music All Day Long” with lively DJs to send happiness to listeners of all genders and ages. The station also provides social media channels for live chat and fun activities. Concerts are organized with cooperation from business partners as well.

2) Content Business



- **Movie Business** focuses on renders full range of movie services. Mono Picture and T Moment engage in the production of quality movies while Mono Film acquires movie licenses from Thai and foreign producers to be shown in cinemas. The copyrights of those films are sold to free TV channels, cable TV, and international movie companies. The entire acquired movies including those under its own production are also offered via the Company’s online media.



- **Sports Business** supports and promotes sports, especially basketball, by organizing national and international sports events. This includes supporting children and professional athletes to play in international levels. The Company is also the founder and the sponsor of Mono Vampire and Mono Thewphaingarm Basketball Clubs.



- **Music Business** encompasses the production and creation of entertainment content relating to artists and music under Mono Music. This record label highlights services on digital formats via favored online streaming such as JOOX, iTunes, Apple Music, and Spotify. The business also includes artists management by Mono Talent Studio.



- **Entertainment business** includes production and distribution of content in printed media format which are books, magazines, and pocketbooks with infotainment contents on every lifestyle and various topics, all of which has received the copyrights from famous writers and owners of the writings both domestic and international. E-book service under the name Mbookstore, an online digital book store, is also available for magazines under Mono Group production. These magazines include Gossip Star, Campus Star, Bioscope, Snap Signature, A'Lure, and Rush.

Books and pocket books from publishers under Mono Publishing are provided too. These publishers are Her Publishing, Horo Life Publishing, Maxx Publishing, Geek Book Publishing, and Move Publishing.



- **Game business** creates online game entertainment which enable players to enjoy different kinds of games, such as casual games, action games, role play game (RPG), etc., on smartphones. Services provided are game buffet and money top-up to buy items that could empower the characters in the games.



- **Travel business** provides a complete travel services on "Online Hotel Booking". The services which include hotel reservation, tourist activities, and online ticket booking are available on websites Hotelsthailand.com and Hotelthailand.com. Contents on a variety of attractions are suggested on social media as well.



Nature of Business Operation

Revenue Structure

The Company and subsidiaries' revenue structure during 2015 - 2017

Business	Operated by	% of shareholding by the Company	2017		2016		2015	
			Million Baht	%	Million Baht	%	Million Baht	%
1. Media Businesses								
1) Advertising Revenue	Mono Tech	-	1,648.82	64.01	1,089.56	51.57	760.36	39.50
	Mono Gen	100						
	Mono Broadcast ^{1/}	100						
	Mono Production	100						
	Mono Radio	100						
	Mono Radio Broadcast	100						
2) Subscription Revenue	Mono Tech	-	722.08	28.03	891.19	42.18	989.11	51.38
	Mono Gen	100						
	Mono Info	100						
	Mono Travel	100						
	Mono Music	100						
	Mono Film ^{1/}	100						
	Mono Broadcast ^{1/}	100						
	Mono Radio	100						
	Mono Play	100						
	Mono Astro	100						
	Mono Indo	100						
	Mono Korea	100						
	Mono Vietnam	100						

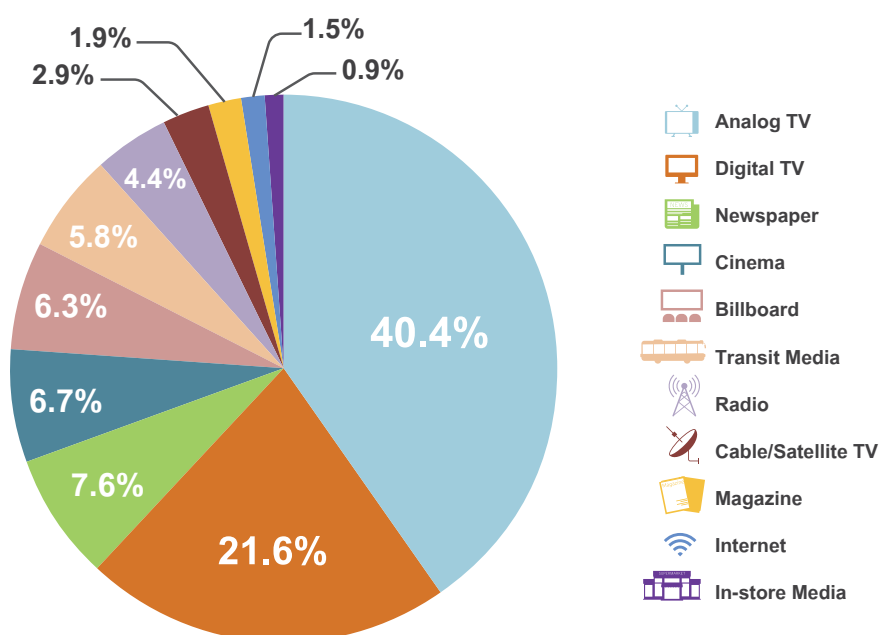
Business	Operated by	% of shareholding by the Company	2017		2016		2015	
			Million Baht	%	Million Baht	%	Million Baht	%
2. Content Businesses								
1) Movie Revenue	Mono Film ^{1/}	100	66.44	2.58	43.93	2.08	80.03	4.16
	T Moment	100						
2) Sport Revenue	Mono Sport ^{1/}	100	41.20	1.60	14.15	0.67	5.14	0.27
3) Music Revenue	Mono Music	100	17.65	0.70	5.14	0.24	22.46	1.17
	Mono Radio	100						
	Mono Talent	100						
4) Revenues from other Businesses	Mono Gen	100	32.48	1.26	32.79	1.58	35.86	1.86
	Mono Travel	100						
	Mono Production	100						
	Mono Play	100						
	Mono Astro	100						
Revenues from Sales and Services			2,528.67	98.17	2,076.76	98.30	1,892.96	98.33
Other revenues			47.04	1.83	35.94	1.70	32.18	1.67
Total Revenues			2,575.71	100.00	2,112.70	100.00	1,925.14	100.00

Remark : ^{1/} The Company is the indirect shareholder of Mono Broadcast and Mono Sport Entertainment due to our investment in Mono Production - a major shareholder of Mono Broadcast and Mono Sport Entertainment (100 %).
The Company is the indirect shareholder of Mono Film due to our investment in Mono Gen - a major shareholder of Mono Film (100 %).

Overview of Industry and Competition of Media and Content Business



Advertising Spending by Media in 2017



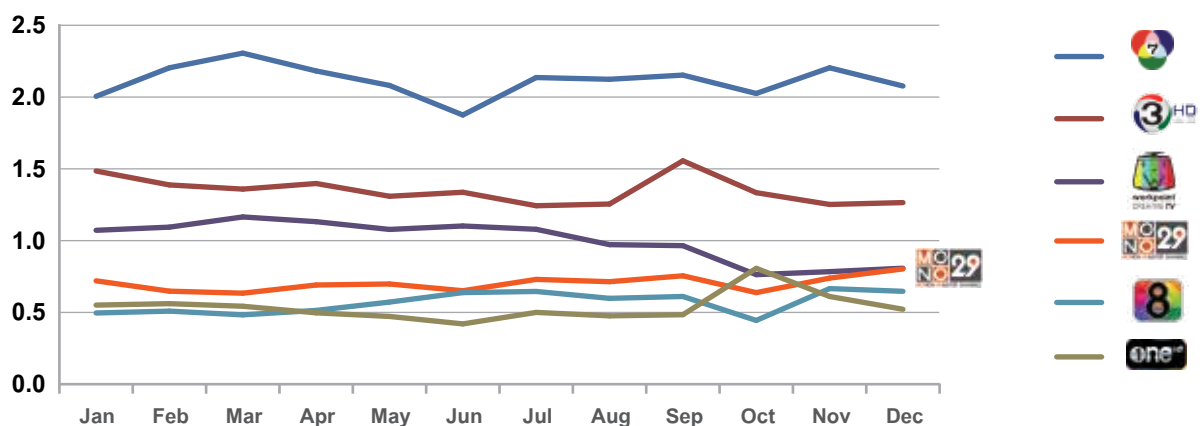
Source : Report arranged by Nielsen Company (Thailand) Limited available on website of The Advertising Association of Thailand

The advertising spending value in 2017 totaled 101,445 million Baht. TV advertising was the largest portion worth 64.8% or 65,786 million Baht. In details, TV advertising was composed of 40.4% for analog TV, 21.6% for digital TV, and 2.9% for cable/satellite TV. Comparing to 2016 where the total advertising value was 70,994 million Baht, the number reduced by 7.3%. Analog TV and cable/satellite TV decreased by 13.1 and 15.6% respectively whereas digital TV apparently increased, by 7.4%. In 2017, the whole media and content business

was affected by the cooperation with royal ceremony, which caused some campaign halt in the last quarter of 2017. In 1-2 years ahead, with promising transition from analog TV to totally digital and the expansion of digital TV signal network to cover up to 95% of domestic households, the digital TV market would be obviously prospered. Moreover, in December 2017, the National Broadcasting and Telecommunications Commission (NBTC) approved the revision on license fee for broadcasting or TV business to aid some struggling digital TV operators. This was also another positive factor to Mono, operation-wise and finance-wise in 2018.

The year 2017 as the fourth year in digital TV industry for Mono Group, the Company has been focusing on acquiring and producing premium contents to gain audience popularity, and high rating of the channel. Various strategies have been applied including content management, marketing campaigns, activities, as well as gaining more viewership in provincial areas to generate rating for a continued growth. As a result, the average rating per minute of digital TV audiences nationwide for the age of 4 and above, Monday to Sunday, during 06.00-23.59, was 0.803. The rating ranked fourth among all free TV channels. In general, the Company successfully earned remarkably more brand awareness and recognition to the audience.

**Nationwide Digital TV Ratings on Average Audience per Minute
during January to December 2017**



Source : Report arranged by Nielsen AGB Nielsen Media Research (Thailand) Limited

	Channel	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
1	35 Channel 7	2.005	2.204	2.306	2.182	2.081	1.875	2.136	2.124	2.153	2.025	2.204	2.077
2	33 Channel 3 HD	1.485	1.388	1.359	1.398	1.309	1.337	1.243	1.255	1.556	1.334	1.252	1.265
3	23 Channel WORKPOINT TV	1.072	1.094	1.165	1.132	1.078	1.102	1.079	0.972	0.965	0.763	0.784	0.808
4	29 Channel MONO29	0.720	0.648	0.634	0.691	0.698	0.651	0.730	0.714	0.755	0.638	0.739	0.803
5	27 Channel 8 RS	0.496	0.509	0.483	0.514	0.572	0.638	0.646	0.598	0.611	0.444	0.666	0.647
6	31 Channel ONE(GMM)	0.551	0.561	0.543	0.497	0.472	0.420	0.500	0.476	0.484	0.807	0.611	0.522

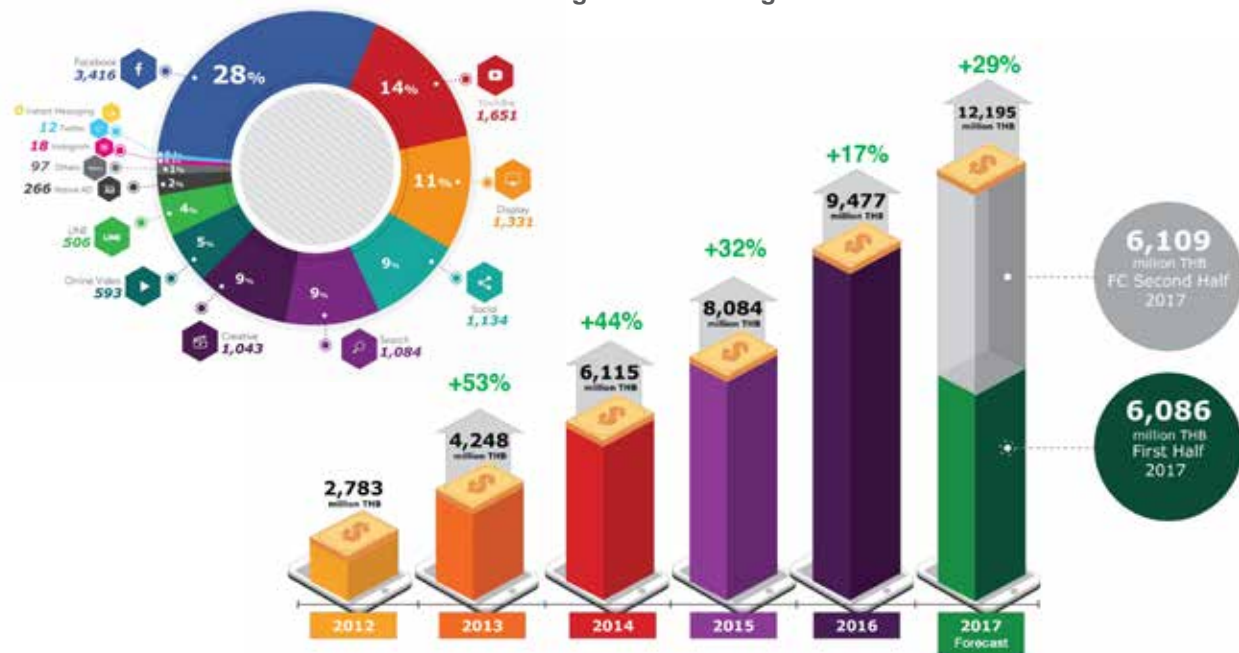


Online and Subscription Business

A survey of advertising value on digital media in the first half of 2017 showed the expense of 6,085 million Baht with the expectation of the total annual expense of 12,195 million Baht, increasing 29% from 2016. Those popular platforms were Facebook, Youtube, and display banners, all of which have taken to 50% of the total digital media. The digital media has grown quickly due to the increasing Internet penetration advanced communication technology, home broadband Internet, and mobile Internet. Moreover, nowadays the popularity on content consumption has shifted from texting and still images to rich media and videos. Many media have begun to transform their businesses to better serve the consumers. With long experience in online business and subscription business, the Company has adapted our business strategies to respond to the change of customer behavior including Mthai.com, a web community and a large video portal with a huge number of views. As for subscription services, although the total income decreased due to the outdated SMS services, the Company manages maintain customer base for corporate SMS and videos, for example, “Monomaxxx” online video-on-demand which satisfies movie lovers, series, or documentary programs available anywhere compatible with any device, “Tutor Me” service for student customers as an online Edutainment, and “Neptune” horoscope service which is the hub of qualified and well-known fortunetellers for 24-hours.

Recently, the Company has developed a quality online video service “Seeme.me” as a channel for presenting trusted and brand-safe Mono’s own video contents. Seeme.me also welcomes other content providers as alliance to form the hub of copyrighted video content. With its unofficial launch during the end of 2017, Seeme has received more and more interests from viewers continuously. There are more than 12,000 video clips from our partners. (as of December 2017)

Digital Advertising Spending by Medium during 2012 – 2017 and Ratio of Digital Advertising in 2017



Source : Digital Advertising Association (Thailand) and Kantar TNS (Thailand)



Radio Business

By the end of 2017, advertising spending on radio was 4,476 million Baht, 4.4% of the total advertising value, comparing to 5,263 million Baht in 2016, decreased by 15% due to the reduction of the total advertising media and the increase of digital media. Audience also spent less time on traditional media. As a radio business operator, the Company has operated the business under the name Mono Fresh 91.5 FM. The business aims to be Mono Group's another channel to reach extensive customers with music lifestyle and to synergize with the music business of the Company, as well as to build up a holistic marketing channel for advertising the services and the activities. However, Mono Fresh 91.5 FM would need time to gain its recognition promoting the radio channel on social media, and increasing more fan base. In 2017, with experience and expertise in music business, the Company held Mono Fresh 2 Tone Concert at Mono29 Studio which was mainly sponsored by several business partners. The Company received impressive success and it would be one continuously operating next year.



Content Business

The Company is the provider and the creator of various forms of contents, including images, songs, videos, TV programs, movies, applications, etc., focusing on the lifestyle of customers, content quality, technological support, and strategic distribution through the Company's media. These media include TV programs on MONO29 channel, infotainment video clips on application "Seeme", online movies on Monomaxxx, etc. The total value chain of content management results in best yield in cost efficiency.

Movie Business

Movie content is one of the major contents of Mono Group. With Mono Film acquiring international movies for domestic cinemas and T Moment producing quality Thai movies, the movie business operates the total movie content management including:

Theatrical movie distribution

TV broadcasting program (MONO29)

Video-on-demand (Monomaxxx)

With all these channels, the Company has increasing bargain power for a large volume of premium content license from the leading Hollywood studios as well as independent movie studios both in local and international level, which increases the variety of content and higher success rate. Although piracy is still a big concern in Thailand movie market both online and social media, the Company believes that adaptations on content management which covers all media, marketing campaign on target groups, and the synergy of the Company's media will be the key factor for continuous success.

Sports Business

The most popular sports content is undeniably soccer, however, the Company has differentiated to focus on the next big thing, basketball by:

- Enhance basketball professionalism to international level, sponsoring forming strong basketball team
- Organize national basketball competitions in various ages from youth to professional
- Organize international basketball competition
- Support Thai national basketball team to climb the world ranking

The sports content strategy includes its broadcasting are on internal and external media to promote the popularity of basketball. CSR activities are also mainly related to the development of basketball. The Company believes that with long term strategic plan and cooperation from partners both the government and private sectors, Thai basketball will be able to succeed in the international level in the next 3-5 years.

Music Business

Nowadays consumers listen to music through online media including social media, youtube, line TV, etc. which are free of charge. Only some of these customers are willing to purchase music content service. Artist has become the medium or music creator who needs followers or fan club in order to generate income from sponsorship. For this reason, Mono Music has worked on campaigns and activities both online and through social media. Information on the development and training programs of artists are provided to build relationships with audiences and fan clubs. Artists with talents and a number of fan will be qualified to work with Mono Music. In addition, being the business partner of music content distributors enables Mono Music to present the songs to audiences of every channel including digital download and online music applications like JOOX, iTunes, Apple Music, Spotify, etc.

Entertainment Business

Despite a constant decline in the popularity of entertainment printed media, Mono Group magazines are able to adapt to digital and online services. Gossipstar.mthai.com or Facebook.com/GossipstarFC, etc. are some of the business forms that has been changed since 2015. For pocketbooks, other than the quality of the contents, the Company also selects writers who are influencers with outstanding styles and online fanpage to satisfy specific group of customers even more. Online Digital Book Store, "Mbookstore" allows readers to read online books via computer screens and mobile application.

Game Business

Thailand game industry is considered huge opportunity with the value worth approximately 9,000 million Baht in 2016. Of this amount, 3,100 million Baht came from mobile game market and it was expected that the growth of this industry would rise 30% in 2017. For the past 1-2 years, game business was part of the mobile business of Mono Group. Nevertheless, in 2017, this business unit was spinned off as the Company believes that online game would be a high potential business in the future. The Company launched the first game called Boxing Angel, an RPG (role playing game) action game, which ranked the third of the new released game since the first month. As for future plan, the Company will create and provide new games for a wider genre of gameplay as well as be the business partner to run events on eSports and broadcast the competitions.

Travel Business

For hotel reservation service, Mono Travel does not attempt upon direct competition with high potential online services from abroad. The business aims at providing the service along with travel information online and through social media. Partnership for special privileges promotions have been successfully offered throughout 2017, including seasonal promotions for customers. Other tourist services such as car reservation, tourism activity, shows, etc. are also provided to emphasize our "One Stop Service".

Nature of Business Operation

Mono Group runs 2 main businesses which are Media Business and Content Business. Our businesses can be divided into 10 groups: 1. TV Business 2. Online Business 3. Subscription Business 4. Radio Business 5. Movie Business 6. Sports Business 7. Music Business 8. Entertainment Business 9. Game Business 10. Travel Business. Nature of each business can be summarized as follows:



Media Business

1. TV Business

Product and Service

1.1 Digital TV Business with the standard definition (SD) digital TV license operates the digital TV broadcasting business **under the name “MONO29” via channel NO. 29**. With business objectives to produce and present high-quality TV programs, MONO29 offers premium entertainment and information to audiences.



MONO29 officially launched on April 29, 2014. Currently, the channel is one of the top digital TV business operators in Thailand. In 2017, MONO29 ranked number 4 and keeps moving forward with its strong positioning “Great Movies and Popular TV Series”. The Company has long-term contracts with many production studios from Hollywood which produce films and series such as Warner Bros, Walt Disney, Universal, Paramount, Sony, CBS, and Miramax. Other business partner is 20th Century Fox which the Company will get the copyright

content in 2018. All of these movies and series from international studios are the majority of 70 % of all contents presented on the channel.

Moreover, MONO29 features news program, entertainments, and live sports. These contents include Thai series produced by experienced production teams which focus on breathtaking production. With all contents, Mono Group aims to continuously attract more target audience.

Premium Programs - Selected Programs include:

Mega Movies	: Blockbusters that have topped box office chart
Premium Blockbuster	: Blockbusters and famous films from Hollywood
Thailand's First Premiere	: Blockbusters from Hollywood airing for the first time on free TV in Thailand
Hit Movies	: Variety of film genres with famous actors and actresses
Happy Family Times	: Movies for family
Midnight Cinema	: Alternative movie genre for late night hours
Premium Series	: Top action series from Hollywood
Super Series	: Popular TV series



Movies



International Series



Thai Series

News

Varieties



Special Project : MONO29 Trip



Sports



MONO29 held marketing activities with our business partners throughout Thailand. Some of the events were MONO29 Movie Preview, an activity which was held all year long, music events or concerts such as Transmission (EDM Concert), Route66 Songkran Summer Fest 2017, Single Fest @ Chiangmai, Wet & Wild Party Concert, Asanee-Watson Concert “Rock You Always”, Waterzonic 2017, Season of Love Song 8, Bangkok Countdown 2017, etc. The channel participated in Bangkok ASEAN Film Festival 2017 and AVATAR Discover Pandora Exhibition which was a world class exhibition. For running events and triathlon, MONO29 took part in Bangsaen Triathlon 2017, Toyota Pattaya Triathlon Tour Series by Mama 2017, and Pattana Triathlon 2017.

Viewers can watch movies online on Mono29.com and mobile application both on iOS and Android devices.



1.2 Satellite TV and Cable TV businesses, as a producer of entertainment programs since 2010, MONO PLUS with an additional five years license from the National Broadcasting and Telecommunication Commission (NBTC).

MONO PLUS started with the channel under the concept of “Endless Happiness Moment”. It presents high quality programs which are produced for the broadcasting in high-definition. Selected premium contents include movies, Thai dramas, Thai and international series, songs, varieties and sports. Audience could watch these programs in C-Band system (black dish, such as Hisattel, Ideasat, Infosat, Leotech, PSI and Thaisat); Cable TV channel nationwide; IPTV box of 3BB and TOT, or via <http://monoplus.mthai.com> 24 hours a day.

MONO29 and MONO PLUS have a major source of revenue from advertising, product tie-in, selling space for showing brand and selling airtime for promoting products via special scoop and Interactive TV.

Monomaxxx Online Movie Streaming, provides copyright online movie service with more than 14,000 hours of Thai and international movies and series including blockbuster movies, award winning movies, independence movies or movies for specific viewer groups, animations, series, and documentaries. These contents are available on all devices such as computer, smart TV, smartphone, and other smart devices like Android box, Chromecast, etc. The service is also available on iOS and Android devices.



Mono Mobile offers information and entertainment services that fit the life style of the new generation who prefers convenient and quick services through mobile phones. Mono Mobile services consist of Short Message service (SMS), Interactive vote or comment on TV screen service, Interactive Voice Record (IVR) with service telephone number *336, Mobile Site which enables viewers to see contents on mobile phones, and Tutor me, online knowledge library to enjoy interesting edutainment classes of different subjects with well-known tutors who are experts the subjects from any place at any time.

Mono Astro offers online horoscope service from famous fortune tellers and astrologers. Customers can easily video chat with our fortunetellers by using Neptune application, an online horoscope which is the hub of more than 100 fortune tellers, the highest number in Thailand. Customers can consult about life and business or suggestions on making decisions from different types of fortune-telling techniques, for example, Thai Astrology, Tarot Card, Feng Shui, etc. Horoscope contents are also presented on <https://horoscope.mthai.com>. The website has an increasing number of visitors and becoming one of the most visited websites in the country. Moreover, the service is available in digital content on mobile phones which customers can choose to get their daily horoscope according to specific interest styles.



Media and Entertainment Content Service Business Oversea

Myanmar: The year 2017 was a great business opportunity in Myanmar. After the National League of Democracy (NLD) won the election, the new government had a number of policies changed. There was support on using Kyat, the official currency used in Myanmar, so the currency became stronger than previous year and it was expected to increase the stability in the coming year. Moreover, there are laws and policies which open for business opportunity to overseas investors. Considering investment value in Myanmar, Thailand is regarded the second highest while China is the first. Although the basic information shows that Thailand ranks the third, when considering the actual facts, Singapore can be ranked on top as well, representing themselves in forms of co-investment.

For Myanmar economy, growth was slightly slower than the previous year due to some policies in some business sectors in order to balance and adjust the procedures so that they become more efficient. Nevertheless, for telecommunication business, Viettel is the fourth mobile operator in the country, starting the service under the name MyTel in the first quarter of 2018. It is expected that the service will benefit the growth of telecommunication market as well as enable a high business competition which will be advantageous as there will be more choices for customers. Mobile Value Added Services (MVAS) business especially SMS is still doing well because the income of the Burmese people is not so high, the fundamental internet network does not cover every area, and the cost for the service is quite expensive. These were the reasons for the popularity of SMS as it is fast and economical.

The business in Myanmar is conducted under Mono Technology PCL. with cooperation from mobile phone service operators Telenor Myanmar and Ooredoo to develop more contents. Currently, long term contracts have been signed with many strong content business partners in Myanmar. The Company also have chances to work on special projects with TV stations of both government and private sectors. In the future, the business unit in Myanmar plans to use more of the business pattern applied in Thailand as the business model in Myanmar.

4. Radio Business

Product and Service

The Company's radio station is called **Mono Fresh 91.5 FM** with the slogan "Fresh music all day long" for with Top Chart and new songs of both Thailand and international. Online channels are available on monofresh915.com and **Mono Fresh** application to enjoy the music from any place and any time via smartphones. They can also chat with attractive DJs on [facebook.com/ MonoFresh91.5](https://www.facebook.com/MonoFresh91.5).

In 2017, the Company increased the business potential by joining hands with a business partner, the Government Savings Bank, and held 7 concerts with 2 rounds for each performance. The first round was performed under the title GSB 2 Tone Concert and the second under the title Mono Fresh 2 Tone Concert. The concept of the concerts was to feature artists of two different music styles on the same stage, for example, Peet Peera and Burin Boonvisut, Pod Thanachai Uchin and Singto Numchok. The concerts were held at Mono29 Studio on Chaiyapruk Rd. where audience can enjoy new experience of concert performance with light and sound from the beautiful 270-degree LED screen.



Content Business

5. Movie Business

Product and Service

Mono Film operates a full range of film business, including producing many film categories, acquiring domestic and international film licenses for cinemas, cable TV channel, free TV channel, and the Internet as well as selling local license to international clients through many film festivals.

In 2017, T Moment Company Limited, a new film production house, launched its first movie, *Oversize Cops*, a comedy directed by young-blood directors Chanon Yingyong and Phuwanit Pholdee with oversized leading actors, Oat – Pramote Pathan, Eddy – Somyos Matures, and a good-shape leading actress, Cherreen – Nutjaree Horvejkul. The Company hopes to increase the market share of local cinema films as well as to create quality movies which are fresh and satisfy all groups of audience.

The Company has been partnering with leading movie production houses both domestic and overseas. Domestic production houses include Sahamongkhon Film, M Pictures, United Home Entertainment, Phranakorn Film, and Cartoon Club. International partners from Europe and America are Europacorp, Attitude Films, Lotus Entertainment, The Solution, and Bloom Media. As for Asia, Lotte Entertainment, JTBC, CJ Entertainment are partners from Korea whereas Golden Network, China Huace Film & TV, Pegasus Motion Pictures, Edko Films, and Toei Animation are partners from China, Hong Kong, and Japan. Not only movies, the Company also partners with worldwide documentary program providers, for example, National Geographic, Documentary Club (Movies Matter), etc.

There were 16 theatrical movies launched shown in cinemas in 2017. All of these were selected quality movies. Some of them are award-winning movies from various film festivals. As for the year 2018, the Company plans to acquire quality films from Hollywood and Asia in order to continue providing movies for cinemas.

International Movies in Cinemas during 2017

Railroad Tigers

Sleepless

Will You Be There

Attraction

Her love boils bathwater

Sagrada Reset

Sagrada Reset 2

47 Meters Down

Revolt

The Battleship Island

Silence

The Hitman's Bodyguard

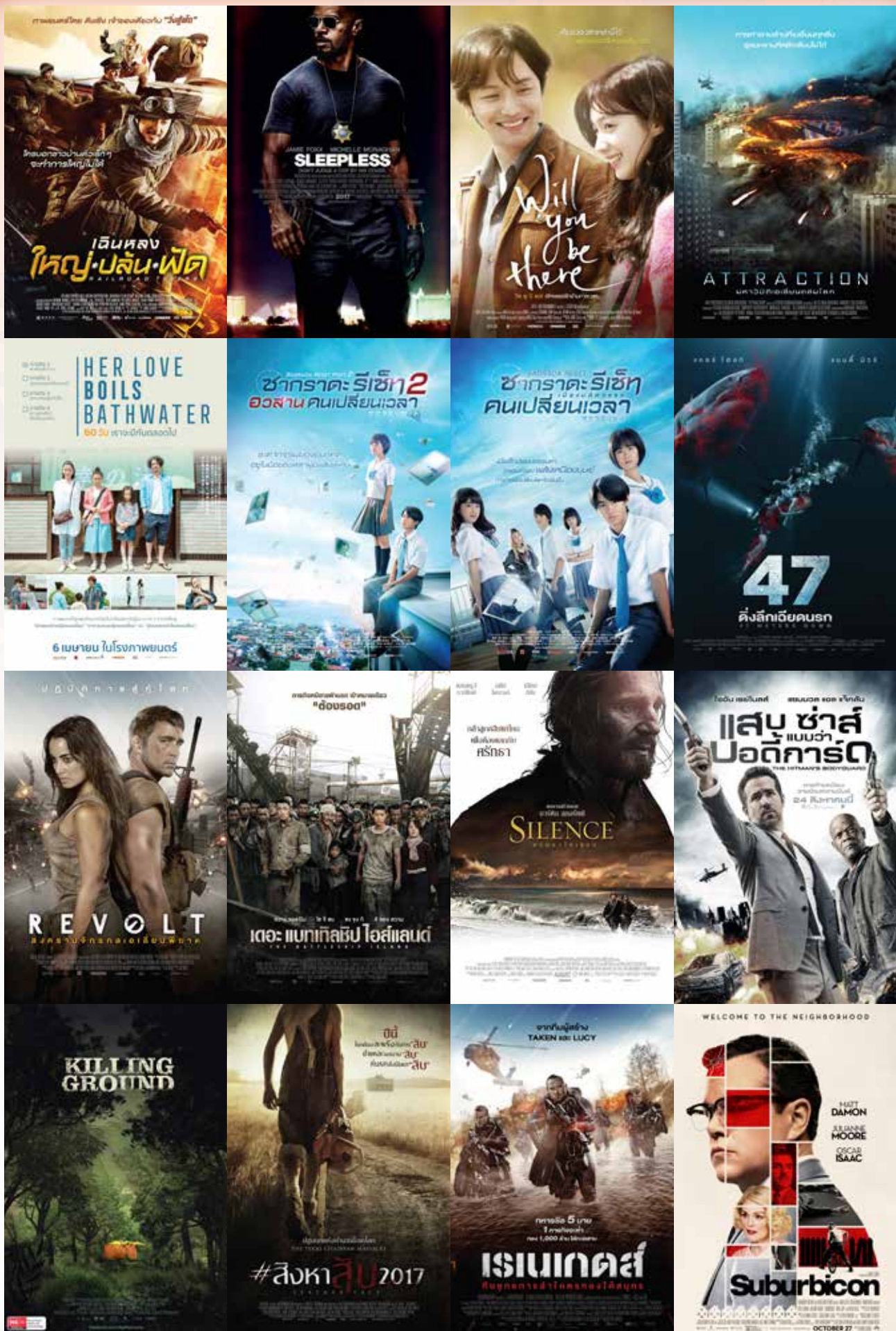
Killing Ground

Leatherface

Renegades

Suburbicon





6. Sports Business

Product and Service

Mono Sports Entertainment focuses on supporting sports and managing basketball competitions. With the aim to promote basketball in a wider range and as mainstream a sport entertainment of Thailand, the Company hopes that basketball will gain more popularity as professional sports. The strategy includes broadcasting the matches on MONO29, MONO PLUS, and MThai.com.

In 2017, the Company supported basketball competitions with cooperation from government sectors, including Sports Authority of Thailand (SAT), Thailand Basketball Association (TBA), Basketball Sport Association of Thailand (BSAT), and Office of the Basic Education Commission (OBEC). Basketball leagues were held continuously as a challenge for basketball players and children to practice and develop their skills in order to step forward to international levels. Important basketball leagues were as follows:

Thailand Basketball Super League (TBSL), held between March 7 and April 5, 2017, consisted of 10 participants from Thailand and foreign countries such as Singapore, Vietnam, and Philippines. Mono Vampire Basketball Club successfully won this competition.

Thailand Basketball League (TBL), held between May 13 and July 15, 2017, was the biggest professional tournament in Thailand with 8 participants. The competition was held to develop basketball sport and enhance the ability of professional basketball players so that they can be top players of Asian. Participation by joining basketball leagues in regional levels was also supported.

Thailand Basketball Development League (TBDL) held between September 22 and October 1, 2017, was the new program that offered opportunity for new generation players to find their ways in basketball. It was also a chance to find new players with good development to support basketball teams.



7. Music Business

Product and Service

Mono Music produces and creates songs by talented artists. Not only working with experienced music artists from different studios in special projects, Mono Music also promotes well-trained new artists both solo and group to offer a variety of music choices for listeners. Currently, the business focusses on digital services including downloadable songs, downloadable ring back call, online song library on JOOX, iTunes, Apple Music,

and Spotify. In addition, fans can follow the work of artists, chat, and update news on facebook.com/monomusic or Official Channel on youtube.com/MrMonoMusic.

For actors and artists management operated by Mono Talent Studio, the business focuses on finding people with good personality, outstanding character, and packed with talents. These people will be auditioned to be the stars on MONO29 channel series, newscasters, presenters, music artists, DJs, etc. Mono Talent Studio also promotes artists on social media as well as creates fan club groups or followers for the artist to further their careers in entertainment business and show business.



8. Entertainment Business

Product and Service

Mono Group engages in the production and distribution of content in form of printed media including books, magazines and pocketbooks which present various entertainment and lifestyle contents. The Company owns the copyrights of various books from famous celebrities and authors in Thailand and from other countries. Furthermore, Mono Group also develops and integrates such contents into digital platform (or E-Book) via [Mbookstore.com](https://mbookstore.com) which is the hub of Online Digital Book Store available on website and smartphone application.

Magazines

Rush, a monthly lifestyle magazine targeting at gentlemen, presents photos of stars and famous models, with a variety of lifestyle contents including healthcare tips, sports, automobile and technology.

A'Lure is a bi-monthly magazine, offering sexy photos of A'Lure models (A'Lure Girls) in an aesthetically-pleasing art and various styles.

Gossip Star is the first paparazzi magazine in Thailand. Firstly launched in October 2003, the magazine is published every two weeks. It is also available online through social media with more than 2 million followers. The magazine still features all kinds of topics on entertainment.

Bioscope is a bi-monthly magazine that presents content about Thai and international blockbuster focusing on popular films and independent films.

Campus Star is a free copy monthly magazine that presents a story inside and outside universities. Campus Star is a channel to communicate movements of students in each institution and becomes a media in which students from different institution can exchange their opinion.

Snap Signature is a monthly E-magazine presents the street fashion via photos of Thai stars and celebrities so that fashion lovers can catch up with all new arrival trends and mix & match items to make their own styles.



Books and Pocketbooks

Mono Publishing consists of 5 publishers which produce copyrighted books and pocketbooks from famous celebrities and authors in Thailand and other countries. Books and pocketbooks are published according to the style of each publisher.



Her Publishing targeting modern women, reflecting the strength behind the gentleness and the understanding of life and attitude towards society through modern stories.



Horo Life Publishing focuses on astrological beliefs, horoscope-related issues, feng shui, life coaching in nature and all aspects about how to live happily based on astrological element theory.





Maxx Publishing presents translated novels from Asia and Europe. Selected novels include investigation, crime, horror, sci-fi and fantasy.



Geek Book Publishing Publishing presents the fascination in some certain aspects, for example, films, music, photographs, journey or different lifestyles which reflect happiness, creativity or build inspiration to the readers.



Move Publishing presents books about principles and concepts of business management and corporate philosophy from administrators and celebrities. These books aim to promote potentiality, self-improvement or create inspiration, thoughts and creativity.



In addition, GSB Gen by Campus Star 2017 was held for the second year. The Company organized this contest to give opportunity for university students to show their talents and improve their personality. The contest was held in each region including the central region, the north, the east, and the northeastern to cover all universities nationwide. The event was also one of the activities to promote magazines and other services among young people.



9. Game Business

Product and Service

Mono Play concentrates on developing online game entertainment which allows players to enjoy different kinds of games, such as casual games, action games, RPG games, etc., on smartphones. As playing game is a popular activity of all ages and genders, players can follow the games from Mono Play on Monogame.in.th. These game applications are available on both Android and iOS devices.

In 2017, Mono Play launched Boxing Angel, an action RPG game which players take the role of cute girl boxers fighting on stage. With more than 200,000 downloads currently, the game received a warm welcome from people who like the characters' both the image and the anime dubbing. In addition, there is another interesting games, TBL Slam, the game which promotes Thailand Basketball League where players can create the image of their basketball players and enjoy 2 VS 2 basketball match. At present, the Company focuses on game buffet service and in-app purchase to buy items that could empower the characters in the games. In the future, Mono Play aims to develop new games and organize game competition tournaments to engage the fans extensively.



10. Travel Business

Product and Service

Mono Travel provides travel services including hotel reservation, tourist activities and one stop service for online hotel booking both for Thai tourists and foreigners who want to explore Thailand, countries in ASEAN or other countries around the world. Our website also introduces a number of tourist attractions such as places for lovers, families, group tour, or popular places. Thus, the customers can enjoy impressive moments throughout the trip. The service is available via Hotelsthailand.com and Hotelthailand.com. Mono Travel also provides a channel to present contents and talk about tourism on social media with more than 500,000 followers on facebook.com/Hotels Thailand.



Moreover, the Company has developed the E-Commerce ticket reservation service for the for Basketball competition events and concert in order to provide more online sale channels to support the Company Sports and show business.

Risk Factors

Operating business based on risk management policy, the Company manages, monitors and controls risks at the acceptable level under supervision of Risk Management Committee regularly reporting to the Board. Risk factors for the Company include:

1. Risk from competition in digital TV business

Competition among the players in TV business, both the new and the existing players, in the past year had been drastic to defend their market share. Especially the top five players had been neck and neck in their rank. Each player had tried various audience engagement strategies by changing and improving their contents to always capture viewers' attention. To achieve such goal, big-budget investment is required for provision of contents and production of programs that satisfy the viewers. The goal is to increase channel's popularity and precede other players. That engenders the Company's power in negotiation and pricing of the advertisement rate with agencies and product owners who are interested in purchasing TV ads.

Mono Group has two television channels -MONO29 and MONO PLUS. The strategy that the Company uses is distinct from the beginning to present entertainment contents including movies, series, and quality programs to the public constantly. Throughout three years of broadcasting, MONO29 has successfully elevated its rating popularity. Consequently, many channels have changed their strategy and purchased more movies. However, the Company establishes strong relationships with new business alliances and major studios. Moreover, the Company secures special First Premiere content licensing that enables MONO29 to be the first free TV channel to broadcast those contents, which are fresh, popular and high-grossing movies. Due to the Company's solid strategy, the Company has broadcasted an extensive range of good movies and popular series since the first day of broadcast. Consequently, the Company has the most numerous and quality movies in stock. That is considered the Company's advantage in negotiation on purchasing of contents and increasing advertisement rate.

Aside from that, the Company regards the viewers' satisfaction as important factor by using AI technology in analyzing program schedule. The technology is designed to analyze viewer's behavior and satisfaction, which leads to the effective management of content utility.

2. Risk from changes of technology which effect customer behaviors

Nowadays, the constant development of technology and internet network significantly influences the ways of living and the society. Each and every one can conveniently access contents via smartphone and the number of users tends to radically increase. Therefore, online business under Mono Group improves products and services to conform with the changes of technology and customer demands. The customer behavior analysis shows that the number of TV viewers decline while the online viewers increase. To respond to such changes, the Company launches "Seeme.me", an online video portal service, in order to support the intensifying usage of smartphone and other smart devices. The differentiation between this video portal

and Youtube or LINE TV is that the content's owners can set their own advertisement rate for their contents. Due to its expertise in technology at the outset, the Company can adjust its business to digital platform easily by connecting different platforms on hand and efficiently integrating them, which is the Company's strength and advantage.

3. Risk from Piracy

In 2017, due to many types of piracy on film content regarded as Mono Group's core contents, the Company assigned a legal unit to monitor the said piracy, with a program to follow up the piracy via websites, allowing the legal unit to compile relevant evidences for proceeding with legal action. The Company also provided the access control system and DRM system (Digital Right Management System) that requires coding for visual, audio, and video files with control access of information and protection of duplication.

Moreover, the Company joined hands with the National Federation of Motion Pictures and Contents Association and other relevant agencies gathering Thai film producers in order to jointly plan and provide a system to monitor the piracy and lay out the long-term policy. Office of the National Broadcasting and Telecommunications Commission and relevant government agencies currently give more significance on piracy as seen from establishment of authorities with clear punishment to help lessen the problem on piracy.

4. Risk from foreign exchange rate fluctuation

The core content of Mono Group includes international films and series. The agreement to acquire rights is often based on foreign currency which may fluctuate and is unpredictable due to many factors, such as internal economic fundamentals, monetary and financial policy, global economic conditions, speculation and political stability at home and internationally. The volatile foreign exchange rate may affect business sector, particular for those depending on foreign exchange rate that leads to gain or loss. Then, each business should find a way to manage the foreign exchange rate in order to avoid any fluctuation, such as forward FX, a tool for efficient cost management.

5. Risk from major shareholder having power in directing management policy

As of December 31, 2017, Mr. Pete Bodharamik held up to 66.30 percent of total paid-up capital, accounting for more than a half of paid-up capital. As a result, this leads to his right to control the resolutions of shareholders' meeting as well as the Company's policy and management, except for some agendas that require three-fourths of votes in the shareholder's meeting as prescribed by the law or the Company's Article of Association. To ensure transparency as well as check and balance system of the Company's operation, the Company has appointed competent personnel to be the management team. The scope of our operations has been streamlined. The Company has clearly specified the delegation of authority to directors and executives and appointed outsiders to be the Company's three independent directors and members of the Audit Committee who will be responsible for auditing, balancing the decision making and considering approval of any agenda before proposing the shareholder's meeting. In addition, the Company formed the internal audit unit by hiring an experienced company that is directly supervised by the Audit Committee for promoting their independent operation. This unit shall be responsible for monitoring internal control system as specified by the Company in order to ensure transparency and balance of power in our business management.

Legal Dispute

The Company was sued by two unrelated companies as follows:

1. In June 2015, a case of copyright violation of a sport competition live broadcast program sued in a civil case and criminal case

Civil case In January 2017, the Central Intellectual Property and International Trade Court announced the judgement on the lawsuit in a civil case. The Court of First Instance ordered the Company to pay compensation plus interest to the plaintiff. Subsequently, in April 2017, the Company appealed to the Court of Appeal and in January 2018, the Court of Appeal for Specialized Cases ordered dismissal of the plaintiff's action. The Company therefore does not need to pay compensation and the case is finalized.

Criminal case In April 2017, the Central Intellectual Property and International Trade Court ordered the Company to pay compensation of Baht 0.1 million. In July 2017, the Company appealed the judgement of the Court of First Instance. Then, In February 2018, the Court of Appeal for Specialized Cases ordered dismissal of the plaintiff's action. The Company therefore does not need to pay compensation and the case is finalized.

2. In July 2017, a case of copyright violation of infringement on the online broadcast of video and audio content via the Company's website sued in a criminal case. In December 2017, the Central Intellectual Property and International Trade Court accepted the lawsuit, and is currently investigating the witnesses.

Regarding to both cases, the management believes that there shall be no significant damage from the legal dispute; therefore, debt which may occur from the litigation is not recorded in the reserve account. Debt which may occur from the legal dispute does not affect the asset of the Company or subsidiaries over 5% of shareholder's equity as of December 31, 2017. Moreover, there is no other significant dispute which may affect the operation of the Company or subsidiaries.

Corporate Social Responsibility



The Board of Directors and executives of Mono Group has shaped our policies toward the management under good corporate governance, adherence to morality and the business code of conduct, consideration of stakeholders, and business operations on the basis of responsibility for society, community, and environment. The Company has supported the business units to bring out their potential, personnel, and resources to create projects or activities. Cooperation was given to networks of all sectors including government, private, and civil society for the highest social benefits which would establish a strong foundation for the organization along with the society.

The Board of Directors has set the plan for the operation on corporate social responsibility according to 8 principles of the Stock Exchange of Thailand with details as follows:

1. Fair Operating Practices

Mono Group determines to enhance the business growth along with the business operation under the principles of ethics and fairness in order to create confidence of investors and shareholders. The Company has stipulated policies and practices, including the corporate governance policy, the business code of conduct, the code of conduct for directors, executives, and employees, as well as doing businesses under the law to ensure the honesty, the absence of conflict of interests, and the accountability of business operations. Implementation of the policies and the results of business operations are also being closely monitored by the Board of Directors and minor committees to ensure the transparency and accountability of business operations that shall continuously create satisfied benefits of the shareholders.

2. Anti - Corruption Practice

The Company has certified membership of Thailand's Private Sector Collective Action Coalition Against Corruption since the third quarter of 2016 with three years membership duration. The policies and practices

on anti-corruption are communicated to executives and employees through internal communication via intranet website. Employee training and orientation for new employees are also performed continuously. For external communication, notification on the policy about giving and accepting gifts is informed to business partners. Another communication channel is the “Corporate Governance” subject on the Company’s website. The Risk Management Committee and the Audit Committee have always paid attention to risk assessments, internal control, and risk management. Operations of all sectors, including sales and marketing, purchasing and contract, and human resource management, are monitored while record keeping is reviewed and monitored by the internal audit unit and the Audit Committee. In addition, being a media business operator enables the Company to support the government sector in presenting news, information, and related activities toward anti-corruption, such as anti-corruption organizations and other governmental authorities which promote good sense of honesty to the public. As for complaint channel, the Company has provided communication channels for employees and stakeholders to file complaints, opinions or suggestions, and blowing whistle on suspected act of corruption. Nevertheless, in 2017, there was no report or any act of corruption related to the Company and subsidiaries.

3. Human Rights

Mono Group underlines the principles of Human Rights and Equality which are considered as the fundamental rights. Thus, it promotes the directors, executives, and employees to perform their duties with realization on human rights, duties and responsibilities of their own, other individuals and every stakeholder. Besides, the promotion of impartiality is proved by the fact that Mono Group supports non-discrimination, non-disclosure of personal information, non-violation of individual privacy or non-exploitation of personal information as earlier mentioned. Moreover, the guidelines have been set to monitor and ensure that the Company’s operation and its employees’ performance will not involve in infringement of human rights and equality principles.

4. Equitable Treatment of Labors

Mono Group gives importance to employees as one of the top priorities. The Company takes responsibility in taking care of the compensation, quality of life, working environment, welfare, personnel trainings and development, performance assessment, and opportunity to grow in career paths with the organization. Fair treatment under the labour laws and other relevant laws is also stipulated for the treatment of labors.

Compensation and Welfare Management Policy

Compensation and welfare are managed under the requirement of labour laws. Aside from the compensation under agreement, the Company provides incentive based on each employee’s annual performance that is along the lines of the business goal in that year. Achievement of long-term goal that is clearly indicated to assess the performance of each unit shall also be taken into consideration. Besides, extra welfares are provided to promote security, health, and better happiness for all employees, i.e. provident fund contributions, insurances for life, health, and accident, sport club, loan, party on different occasions, and recreations that promote morals and ethics such as monthly birthday merit making and social activities. This stipulated policy is well planned to encourage the performance of employees.

Occupational Health and Safety Policy (OHS)

The Company commits to develop the occupational health, safety, and working environment policy in compliance with the laws, international standards and other regulations that the company has adopted. By promoting the participation in the implementation of OHS practices, the Company deems that OHS activities are responsibilities of every employee to collaboratively create a good work environment.

The Company is ready to provide sufficient resources, support personnel training as well as create awareness for implementing Safety, Occupational Health, and Work Environment Policy. In 2017, there was no report on any accident or injury related to work.

In addition, the Company provides communication channels for employees to report problems and file complaints through different sectors in responsible for the matters. Malpractices within the Company can be reported to supervisors according to the work level or the human resource department either by word or writing. The human resource department and the Board of the Company shall investigate the truth in order to find solutions or punish the wrongdoers. Nonetheless, the Company shall safeguard the whistle blower by concealing his/her information as well as protecting him/her from the effect on the work status.

Personnel Development Policy

Since employees are regarded as valuable resources and the key to success for the Company, Mono Group has written the policy to focus on enhancing their quality in terms of their knowledge and abilities. Committed to be the **“Organization with Development and Learning Focus”**, the Company also embeds corporate culture and ethical values in their minds. The Company formulates the learning and development programs based on the following processes.

- **Learning through Practical Experiences:** Coaching and passing on experiences from supervisors to new employees, or on the job training, will lead to an actual self-development. Initiating new ideas and actions is also supported.
- **Knowledge Stream by Expert Personnel:** Regardless of position and level, every employee will be offered opportunity to pass on their knowledge and share their experiences. Three approaches which are Tutor Model, Buzz Model, and Note Model will be selected according to the content and the expertise of the lecturer.
- **Evaluation:** Mono Group promotes opportunities for supervisors and colleagues to coach and consult during meetings and evaluation period. This process will allow the team to share ideas, comments, and advice that benefits collaborative work.
- **Education:** Mono Group's training courses are arranged in compliance with the requirement of each department. Employees of all levels and positions will be offered to participate in the necessary training programs as appropriate for their duties. Moreover, the Company is ready to provide training programs according to employees' interests as well as create knowledge management tools that will support and further develop their work skills continuously.

In 2017, the Company's total budget allocated on personnel development amounted to 2.43 million Baht and 88.50 percent out of all employees participated in the personnel development programs provided by the Company.

Besides, the Company encourages employees to participate in sport competitions. Some of these sport events include "Digital TV Basketball Match No.3" (with participants from 8 digital TV stations) which the team from MONO29 under Mono Group won the third in Division One, "TV Samukkee Cup No.2 Badminton Competition" (with participants from 13 TV stations) which MONO29 won the gold medal in Division Two, and "Chaengwattana Sampan Samukkee Game 2017"

5. Accountability to Consumers

The Company's important mission as a media provider is to provide quality information, news, and entertainment that covers all customer demands with awareness of the accuracy of such information. There are units or responsible persons to take care of customers and consumers of each business, for example, Sales and Marketing Team, Call Center Unit, webmaster, social media officer, technical team, etc. These units provide suggestions on services, handle with complaints, and find solutions for any problems related to the Company's products and services.

In addition, the Company is the medium for public relations on volunteer projects of both Mono Group and other sectors. Not only publicizing news to the public, the Company also takes part in helping the society in a large scale. Moreover, the Company promoted the realization of the people towards the divine of grace of His Majesty King Bhumibol Adulyadej and encouraged everyone to follow His Majesty's thoughts by broadcasting a series of documentary program to honor the King "Following in King Rama Nine Footsteps", a good program for social and self-development.

6. Support Environment Responsibilities

Mono Group highlights the importance of environmental conservation both inside and outside the organization. Employees are taught to use resources efficiently and be environmental friendly through practices such as using both sides of papers. By introducing new technology to the work systems, costs and the use of natural resources are reduced. Last year none of the businesses under Mono Group affected the environment.

The Company supported various projects on environmental conservation and development as follows:

- "4 N. + 1 Operation Project" by Baimai Group. This project campaigned on reducing the effect of tourism on wild life in Khao Yai National Park and promoting activities on knowledge sharing from volunteers to tourists. (4 N. refers to no trash, no animal feeding, no speedy driving, and no loud noise. +1 refers to no pets in reservation area.)
- Environmental Conservation Project No.14 at Ban Chon Duea School, Nakhon Sawan, by Environmental Conservation Club of Srinakhainwirot University. The objective of this project is to find volunteers and do conservation activities.
- Nature Interpreter Camp No.14 at Kui Buri National Park, Prachuab Khiri Khan, by Environmental Conservation Club of the Faculty of Veterinary Science, Chulalongkorn University. This project targeted to promote the understanding about wild life and nature as well as to evoke the sense of awareness on environmental conservation among students.

7. Community and Social Development

The Company still follows the policy on community and society development. In 2017, the Company focused on education development and health care for children through various projects as listed:

- School building construction, the project on the construction of school building Mono Group 8 at Ban Nam Daeng Border Patrol Police School, Bang Chan Sub-district, Khlung District, Chanthaburi. The project has supported the construction of school buildings in remote areas for 7 years.
- “Click for Kids”, the project that invited the public to take part in giving donation by voting for the movie that aroused children’s imagination and inspiration. Donation was subsidized for the construction of school building, roof, and playground at Wat Don Yo School in Nakhon Nayok Province. The activity included airing the vote winning movie.
- “The Bookcase Donation Project”, the project under the Foundation for Children. In the occasion of MONO29 fourth anniversary, 29 bookcases were given to 29 children chosen from 6 schools in 5 provinces to enhance the chance in education.
- “Tum-dai Tum-dee: Pee ja...Nu Raw Yu”, the project that offered an opportunity for employees to suggest the destination for organizing CSR project. The project to improve classroom environment was held at Pangong Village, Pang Ma Pa District, Mae Hong Son Province. Activities included donating water tanks, building the tank bases, repainting playground equipment, and giving food and household equipment, which employees and kind people had donated.
- “Fix and Build Basketball Court”, the project held for the second time at Thungsaliangchanuphthum School in Sukkhotthai and the third time at Chum Phae Town Municipality in Khonkaen. The objective of the project is to create happiness for the communities and promoting sports.
- Donation for flood victims in southern areas, the project that gathered money and donations and donated to Ruamkatanyu Foundation. A team of Mono employees visited the south with Kusonsattha Foundation from Surat Thani Province to give consumption goods to flood victims. Monetary donation was also given in a project of “Civil-State Unity Under His Graciousness”.
- Taking the visually impairment people to the exhibition of the Royal Crematorium of HM the late King Bhumibol Adulyadej, the project invited employees of Mono group to accompany the visually impaired people through the exhibition where they could touch the replica of arts and learn about the royal duties of King Rama 9.
- Freeing the lives of cattle-buffaloes, the project held to free the lives of 60 cattle and buffaloes at the abattoir of Pathum Thani municipality. Another merit making event was Thot Kathin Ceremony to build a Dhamma pavilion at Wat Asokaram 2 in Pathum Thani. Held for the second year, these activities were organized to encourage executives and employees of Mono Group to make merit in different occasions.





The support on projects was given to government and private sectors, academic institutes, foundations, clubs, associations, and organizations. Details are as follows:

- Dek Thai Chalard Kid 2017 Project (school visit), by Cartoon Club campaigning on protection and resistance against narcotic drugs
- CIPIT Court Young Ambassador Award Project, by CIPIT to promote knowledge on laws among children which would lead them to be good lawyers in the future
- “SOCHOMJAI 3 Project”, by students from Faculty of Social Work and Social Welfare, Huachiew Chalermprakiet University
- Wheeled Vehicle for the Disabled Project
- Hua Jai See Kaw Project, a charity event to help HIV patients, old people, and orphans (held 22 times)
- Language and Culture Academic Conference Project, by Research Institute for Languages and Cultures of Asia, Mahidol University
- 2017 Children Day Activity, giving scholarships and gifts to 6 schools and child centers
- Education Guide Camp in Lopburi, by students from Chulalongkorn University
- Publishing “Phra Maha Kasat Yod Katanyu”, by Ruamchit Normklao Foundation
- Publishing “Police Mass Relation” news magazine (special edition)
- “Lakorn BBA Chula No.10”, charity theatrical performance by Faculty of Commerce and Accountancy, Chulalongkorn University
- “Palang Pan Din Tam Roy Taw Pho” and “Terd Tai Aong Rachan Nai Duang Jai Thai Nirun”, charity concerts by the GSB Foundation and a concert by Phutorn Rattanathibet Police Station
- Activities by Nakhon Ratchasima Rajabhat University Football Club and 1st Army Area Golf Team
- Support for Thai Association for Medical Instrumentation (Thai B.M.I)
- Support for Graduate Alumni of Mahidol University

Another policy that the Company constantly gives importance to is the improvement of employees’ health. For this reason, the Company has supported Mono Runner, a running club, to join in many charity running events. Other than giving social supports according to the aims of each event, the activities also promote good health and harmony among Mono Group employees. Details of the events are as follows:

- | | |
|--|------------------------------|
| • RUN FOR LIFE | • CHONGKHO RUN 2017 |
| • 12 AUGUST HALF MARATHON BANGKOK 2017 | • BDMS BANGKOK MARATHON 2017 |
| • EGAT CHARITY GREEN RUN 2017 | • BANGSAEN 21 HALF MARATHON |
| • WALK – RUN TERM FUN..PAN NAM JAI 9 YEARS OF SARADEE PSI CHANNEL 99 | |

8. Creation and Dissemination of Innovations from Operations Relating to Social Responsibility

Mono Group continues to carry out our mission on social development by using our media to promote the popularity of basketball in the country. In 2017, the Company supported many basketball tournaments at Stadium29, a qualifying standard and the most modern basketball stadium in Thailand. These tournaments including OBEC-MONO CHAMPION CUP 2017, Thailand Basketball Development League 2017 (TBDL), and ASEAN Basketball League 2017-2018 were broadcasted on MONO29, MONO PLUS, and Mhai.com. In order to develop basketball skill of Thai players to international levels and to present basketball as an easily accessible sport for children, the Company holds “MONO BASKETBALL DREAM”, a project which professional basketball players from Mono Vampire and Mono Thewphaingarm Basketball Clubs teach some playing techniques and give children nationwide the inspiration for basketball. Being held for 3 consecutive years, “MONO BASKETBALL DREAM” held 18 activities last year with more than 1,500 children from schools and communities participating the project as detailed below:

- Triamudomsuksanomklao Nonthaburi School
- Suankularb Wittayalai Nonthaburi School
- Nonthaburi Phitthayakhom School
- Chonprathanwithaya School
- Sainoi Secondary School
- Chomthong School
- The Vachiralai Bee School
- Hangdong Ratrat Upatham School
- Samakkhi Withthayakhom School
- Udomdarunee Sukhothai School
- Thungsaliamchanupatham School
- Bodindecha (Sing Singhaseni) 2 School
- Navamindarajudis School
- Benjamin School
- Potisarnpittayakorn School
- Saipanyarangsit School
- Assumption College Nakhonratchasima
- Sakolrajwitthayanukool School
- Benchamarachuthit Chanthaburi School
- Benjamarachutit Ratchaburi School
- Kanjanapisek Wittayalai Surat Tani School
- Stadiums in Chanthaburi, Chonburi, Udon Thani, Khon Kaen, and Kamphaeng Phet

GEEK BOOK Publishing under Mono Group also launched “Organic Smile”, a photo collection of smiling faces of 25 young women celebrities with video clips on website Seeme.me/ch/organicsmile presenting the stories behind their smiles. The income from book selling and video clips viewing were donated to Operation Smile Thailand Foundation to support free surgeries to repair cleft lip and cleft palate for children.

Moreover, horoscope business unit has developed a personal live-fortunetelling application which users can talk to fortunetellers privately using video call on mobile phones. The Company has given opportunity for the disabled to be the fortunetellers, and by doing this, the disabled can do their jobs where they feel convenient and appropriate. This is a way to support the creation of jobs and income for this group of people.

For the full report of corporate social responsibility (CSR), please refer to Annual Registration Statement (Form 56-1). Also, update of CSR news and activities are available via www.mono.co.th/CSR.aspx.



General Information

General Information of the Company

Company Name	:	Mono Technology Public Company Limited	
Symbol	:	MONO	
Registration Date	:	June 6, 2013	
Registration Number	:	0107555000040	
Address	:	200 Jasmine International Tower 16 th Fl., Moo 4 Chaengwattana Road., Pakkred, Nonthaburi 11120	
Type of Business	:	Media and Content Business	
Website	:	www.mono.co.th	
Telephone	:	(66) 2502 0700	
Fax	:	(66) 2100 8148	
Total number and type of issued shares	:	Registered capital	519,699,997.50 Baht
		Paid-up capital	339,074,022.40 Baht*
		Registered ordinary shares	5,196,999,975 Shares
		Paid-up ordinary shares	3,390,740,224 Shares*
		Par value	0.10 Baht

* As of December 31, 2017

Juristic persons in which the Company's shareholding proportion is at 10 percent or higher

Company Name And Head Office Address	Nature of Business	Total Paid-up Capital/ Investment	Proportion of Common Shareholding of Mono Technology and/ or the Subsidiaries
Mono Generation Co., Ltd.	Entertainment business	9,820,000 shares	100%
Mono Film Co., Ltd.	Movie business	8,710,000 shares	Mono Generation Co., Ltd. 100%
Mono Production Co., Ltd.	TV business	18,200,000 shares	100%
Mono Broadcast Co., Ltd.	TV business	140,000,000 shares	Mono Production Co., Ltd. 100%
Mono Sport Entertainment Co., Ltd.	Sports business	5,000,000 shares	Mono Production Co., Ltd. 100%
Mono Info Systems Co., Ltd.	IT service and support business	80,000 shares	100%
Mono Travel Co., Ltd.	Travel business	4,000,000 shares	100%
Mono Music Co., Ltd.	Music business	1,060,000 shares	100%
Mono Radio Co., Ltd.	Radio business	100,000 shares	100%
Mono Radio Broadcast Co., Ltd.	Radio business	100,000 shares (25% called up)	100%
Mono Talent Studio Co., Ltd.	Artist management business	50,000 shares	100%
T Moment Co., Ltd.	Movie business	2,000,000 shares (45% called up)	100%
Mono Play Co., Ltd.	Game business	50,000 Shares (50% called up)	100%
Mono Astro Co., Ltd.	Horoscope business	50,000 Shares (50% called up)	100%
Mono Technology Hong Kong Limited	Investment in China	25,000,000 shares	100%

Company Name And Head Office Address	Nature of Business	Total Paid-up Capital/ Investment	Proportion of Common Shareholding of Mono Technology and/ or the Subsidiaries
Liquidated Companies			
PT. Mono Technology Indonesia	Under Liquidation	10,000 shares	Mono Technology PCL. 99% Mono Generation Co., Ltd. 1%
Mono Technology Vietnam Company Limited	Under Liquidation	Investment of USD 300,000 or equal to THB 10,000,000	100%
Yunnan Mono Digital Technology Company Limited (Joint Venture)	Under Liquidation	USD 5,000,000 (62.5% called up)	Mono Technology Hong Kong Limited 42%

Office Locations

Mono Generation Co., Ltd.	200 Jasmine International Tower 31 st Fl., Moo 4 Chaengwattana Road., Pakkred, Nonthaburi 11120 Tel. (66) 2502 0700 Fax. (66) 2100 8148
Mono Production Co., Ltd.	Head Office: 200 Jasmine International Tower Moo 4 Chaengwattana Road., Pakkred, Nonthaburi 11120 Tel. (66) 2502 0700 Fax. (66) 2100 8148 Branch Office: 29/9, Moo 4 Chaiyapruk Road., Bangplub, Pakkred, Nonthaburi 11120
Mono Film Co., Ltd. Mono Broadcast Co., Ltd. Mono Sport Entertainment Co., Ltd. Mono Info Systems Co., Ltd. Mono Music Co., Ltd. Mono Radio Co., Ltd. Mono Radio Broadcast Co., Ltd. Mono Talent Studio Co., Ltd. T Moment Co., Ltd. Mono Play Co., Ltd. Mono Astro Co., Ltd.	200 Jasmine International Tower Moo 4 Chaengwattana Road., Pakkred, Nonthaburi 11120 Tel. (66) 2502 0700 Fax. (66) 2100 8148
Mono Travel Co., Ltd.	200 Jasmine International Tower 16 st Fl., Moo 4 Chaengwattana Road., Pakkred, Nonthaburi 11120 Tel. (66) 2502 0700 Fax. (66) 2100 8148

Oversea Office Locations

Mono Technology Hong Kong Limited	401 Jardine House, 1 Connaught Place, Central, Hong Kong
PT. Mono Technology Indonesia	307 3 rd Floor, Menara Thamrin J1.M.H. Thamrin Kav3, Jakarta, Indonesia Tel. (62) 021 2303108-9
Mono Technology Vietnam Co., Ltd.	6 th Floor, Kinh Do Tower, 292 Tay Son, Trung Liet Ward, Dong Da District, Hanoi, Vietnam
Yunnan Mono Digital Technology Company Limited	403-5, Customs building, Export processing zone, Kunming, Yunnan, China

Reference Persons

Registrar	Thailand Securities Depository Co., Ltd. 93, Ratchadapisek Road, Dindang Sub-district, Dindang District, Bangkok 10400 Tel. (66) 0 2009-9000, (66) 0 2009-9999 Fax. (66) 0 2009-9991
Auditor	EY Office Limited 193/136-137, Lake Rajada Office Complex, 33 rd Floor, New Rajadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok 10110 Tel. (66) 0 2264-9090 Fax. (66) 0 2264-0789-90
Legal Advisor	Seri Manop & Doyle Ltd. 21 Soi Amnuaiwat, Sutthisan Road, Samsennok Sub-district, Huaikhwang District, Bangkok 10310 Tel. (66) 0 2693-2036 Fax. (66) 0 2693-4189

Shareholding and Management Structures



Shareholding Structure Information

Number of registered and paid-up capital as of December 31, 2017

Registered capital	:	519,699,997.50	Baht
Paid-up capital	:	339,074,022.40	Baht
Registered ordinary shares	:	5,196,999,975	Shares
Paid-up ordinary shares	:	3,390,740,224	Shares
Par value 0.10 Baht per share			

Capital Movement in 2016-2017

As of December 31, 2016, the Company has the registered capital of 498,499,997.50 Baht and the paid-up capital of 320,093,553.70 Baht. The meeting of the Board of Directors No. 1/2017 held on January 10, 2017 passed a resolution to allocate new shares in a total of 143,000,000 shares to private placement in a total of 8 persons. The said shares were approved from the 2016 Annual General Meeting of Shareholders which has resolved to issue new shares under General Mandate for an amount of 265,000,000 shares to support the growth of TV and movie businesses. Consequently, the Company's paid-up capital is 334,393,553.70 Baht.

The 2017 Annual General Meeting of Shareholders held on April 26, 2017 resolved to reduce registered capital of 12,200,000 Baht by reducing registered shares that have not been issued in an amount of 122,000,000 shares. This amount was the remaining of the allotment of new shares under the General Mandate that was approved by the 2016 Annual General Meeting of Shareholders. In addition, the meeting resolved to increase registered capital under General Mandate in a total of 33,400,000 Baht and offer through private placement by issuing and offering 334,000,000 ordinary shares. Therefore, the registered capital increased from 498,499,997.50 Baht to 519,699,997.50 Baht which can be divided into 5,196,999,975 ordinary shares, at the par value of 0.10 Baht per share.

As of October 4, 2017, the paid-up capital of the Company increased by 4,680,468.70 Baht due to the exercise of MONO-W1 of 46,664,694 units which is equal to 46,804,687 ordinary shares. Therefore, the paid-up capital of the Company is 339,074,022.40 Baht.

As of January 8, 2018, the paid-up capital of the Company increased by 644.80 Baht due to the exercise of MONO-W1 of 6,430 units which is equal to 6,448 ordinary shares. Therefore, the paid-up capital of the Company is 339,074,667.20 Baht.

Shareholders

The top ten shareholders of the Company as of the closing date on November 23, 2017 are as follows:

List of Shareholders	Number of Shares	Percent
1. Mr. Pete Bodharamik	2,248,121,980	66.30
2. Mr. Soraj Asavaprapha	50,795,900	1.50
3. Mr. Visute Poolvorakaks	50,000,000	1.47
4. Thai NVDR Company Limited	49,383,820	1.46
5. Krungthai-AXA Life Insurance Public Company Limited – KTAM Growth by Krungthai Asset Management Company Limited	49,259,200	1.45
6. Krung Thai Selective Equity Fund	40,668,900	1.20
7. Good Corporate Governance Long Term Equity	39,934,000	1.18
8. Mr. Satit Viddayakorn by Denali Prestige Asset Management Limited	29,324,500	0.86
9. The Brooker Group Public Company Limited	23,632,600	0.70
10. Mr. Navamin Prasopnet	22,900,000	0.68
Other Shareholders	786,719,324	23.20
Total	3,390,740,224	100.00

Warrant

The Extraordinary General Meeting of Shareholders No.1/2014 held on September 12, 2014 resolved to issue and allocate the warrants representing the right to purchase the ordinary shares of the Company No.1 (MONO-W1) of 1,500,002,627 units to existing shareholders of the Company according to the proposition of shareholding, providing that 14 existing shares equal 15 units of MONO-W1. In 2014 - 2017, the exercise of MONO-W1 was 67,606,686 units, whereas the remaining MONO-W1 that was not exercised as of December 31, 2017, was 1,432,395,941 units.

Details of warrant

Name of Warrant	Warrants to Purchase the Newly Issued Ordinary Shares of Mono Technology Public Company Limited No.1 (MONO-W1)
Type of Warrants	In named certificate and transferable
Number of Warrants Issued	1,500,002,627 units
Number of Shares Issued to Support Exercising of MONO-W1	Not over 1,540,000,000 shares, at the par value of 0.10 Baht
Term of Warrants	5 years as from the issuance
Issuance Date	October 17, 2014
Trading Day	November 4, 2014
Expiry Date and Last Exercise Date	October 17, 2019
First Exercise Date	December 30, 2014
Exercise Ratio	1 unit of Warrant for the right to purchase 1.003 ordinary share
Exercise Price	2.492 Baht per share

Dividend Payment Policy

The Company shall make dividend payment at the rate of not less than 50 percent of net profit after tax and legal reserve. However, the Board of Directors shall consider the dividend payment based mainly on the benefit of shareholders and take into account reserves of funds for future investment or loan repayment or working capital. Annual dividend payment of the company must be approved by the Annual General Meeting of shareholders. Nevertheless, the Board of Directors shall have authority to occasionally approve the interim dividend payment if the profit is adequate. Also, the Board of Directors shall report such payment to the next Annual General Meeting of Shareholders.

Meanwhile, the subsidiaries will make dividend payment of at least 50 percent of net profit after tax and legal reserve. However, committees and/or shareholders of subsidiaries may consider dividend payment as per their business conditions, such as investment plan for business expansion. The said dividend policy shall be individually approved by meeting of the Board of Directors of each subsidiary.

Management Structure

Board of Directors

The Board of Directors consists of nine directors. In 2017, six meetings of the Board of Directors were held and the details of directors' names and their attendances were as follows:

List of Directors	Positions	Number of Attendances/ Number of Meetings (Time)
1. Mr. Pete Bodharamik	Chairman of the Board of Director	6/6
2. Mr. Navamin Prasopnet	Assistant Chairman, Chairman of Executive Committee, and Chairman of Risk Management Committee	6/6
3. Mr. Sang Do Lee	Director and Executive Director	6/6
4. Mr. Patompong Sirachairat	Director, Executive Director, and Risk Management Committee	6/6
5. Mr. Komsak Wattanasriroj	Director and Executive Director	6/6
6. Mr. Siri Luengsawat	Director	6/6
7. Mrs. Punnee Worawuthichongsathit	Independent Director, Chairperson of Audit Committee, and Member of Nomination and Remuneration Committee	6/6
8. Mr. Preecha Leelasithorn	Independent Director, Member of Audit Committee, and Chairman of Nomination and Remuneration Committee	6/6
9. Mr. Kriengsak Thiennukul	Independent Director, Member of Audit Committee, and Member of Nomination and Remuneration Committee	6/6

Miss Pitirudee Sirisamphan is the Company Secretary and Miss Saranya Amornrattanasuchad is the Secretary to the Board of Directors.

The meeting of the Board of Directors No. 1/2017 held on January 10, 2017 passed a resolution to appoint subcommittee in place of 3 directors who resigned as follows.

1. Mr. Navamin Prasopnet, the former Executive Director, appointed as Chairman of Executive Committee.
2. Mr. Navamin Prasopnet appointed as Chairman of Risk Management Committee.
3. Mrs. Punnee Worawuthichongsathit appointed as Member of Nomination and Remuneration Committee.

The meeting of the Board of Directors No. 2/2017 held on February 21, 2017 passed a resolution to appoint Mr. Patompong Sirachairat to be a director of the Company in place of Mr. Soraj Asavaprapha who had resigned. To this regard, Mr. Patompong Sirachairat shall retain his office for the remaining term of the former director.

Authorized Directors

Two out of top-four directors which are Mr. Pete Bodharamik, Mr. Navamin Prasopnet, Mr. Sang Do Lee, and Mr. Komsak Wattanasriroj are authorized to collectively sign with the Company's seal affixed.

Terms of Office

At each Annual General Meeting of Shareholders, one-third of the directors, or the number nearest to one-third if the number is not a multiple of three, must retire from office. The directors who must retire from the office in the first and second year after registration of a public limited company shall be decided by drawing lots. After that, the directors who have been in office the longest shall retire first. Retiring directors may be re-elected.

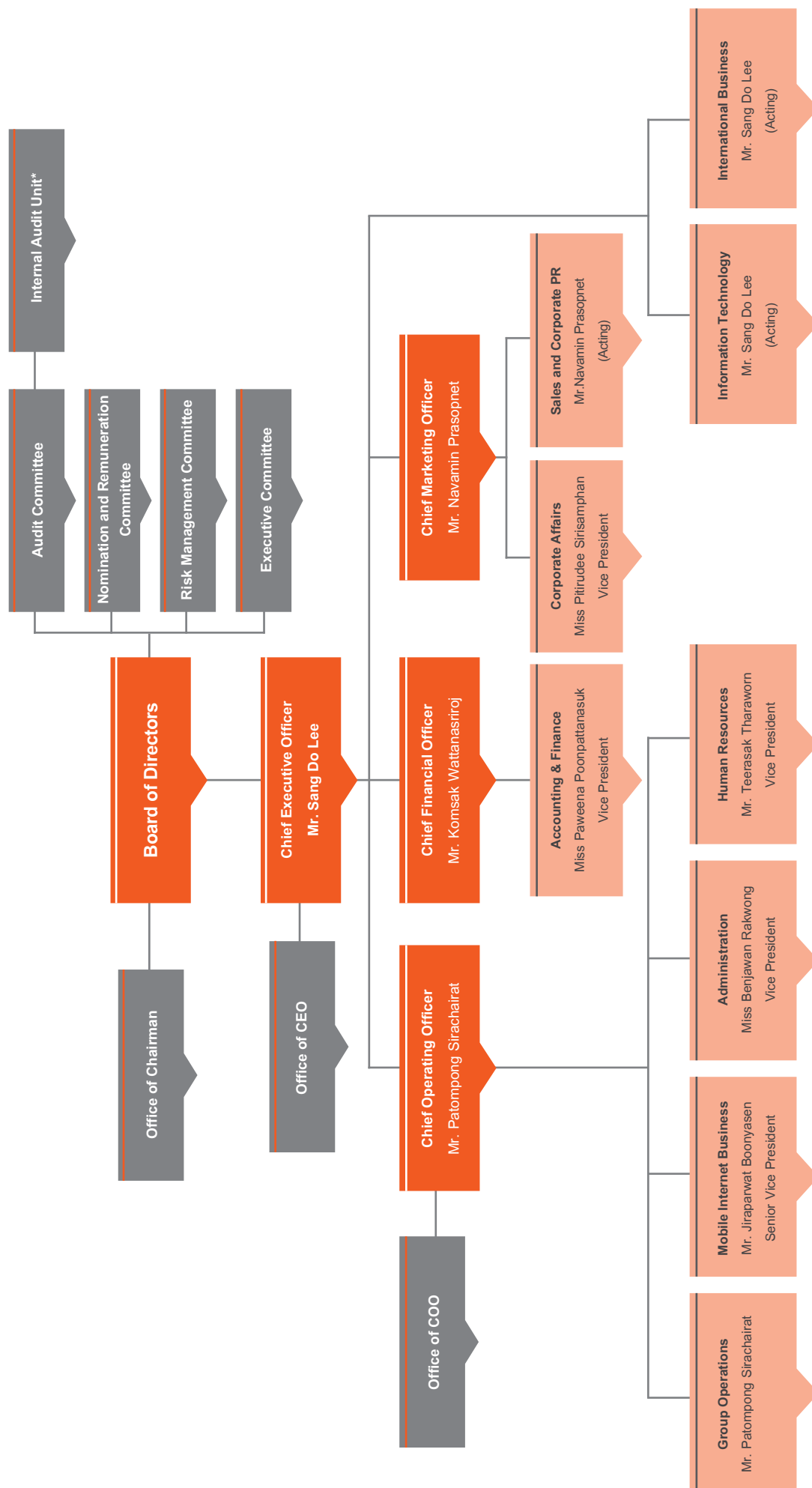
Authority, Duties, and Responsibilities of Board of Directors

1. To perform his/her duties in compliance with the laws, objectives and Articles of Association of the Company as well as the resolutions passed by the shareholders' meeting based on responsibilities, reasonable diligence and integrity.
2. To consider, specify details and give approval towards vision, business strategies, direction, policy, guidelines, work plan and budget of the Company and subsidiaries as per details arranged by the Executive Committee and the Management Team. There shall be a review of those topics annually.
3. To supervise and monitor management and performance of the Executive Committee, the Chief Executive Officer, the Management Team or others who were assigned to perform such duties in order to ensure the compliance with the policy established by the Board of Directors.
4. To continuously monitor the Company's performance to ensure the compliance with the Company's strategy, work plan and budget.
5. To lead and control the Company and subsidiaries to employ appropriate and efficient accounting system as well as providing internal control and internal audit systems.
6. To designate the relevant units to arrange the statement of financial position and the statement of comprehensive income as of the end of fiscal year and sign off to certify such financial documents before presenting to the Annual General Meeting of Shareholders for asking approval.
7. To give opinion toward nomination, appointment, and termination of services of the auditor as well as considering appropriate remuneration presented by the Audit Committee before proposing the Annual General Meeting of Shareholders to consider approving.
8. To arrange the written policy of corporate governance as per Principle of Good Governance as well as effectively implementing this policy in order to ensure the Company's responsibilities toward all stakeholders, with fair treatment.

9. To consider approving the appointment of persons having required qualifications, without prohibited characteristics according to Public Limited Companies Act, B.E. 2535 (as well as the amendment), Securities and Exchange Act, B.E. 2535 (as well as the amendment), and relevant notifications, requirements and/or regulations to assume the position of directors in cases of vacancy for directors due to other reasons other than retirement by rotation. The Board of Directors shall consider and give approval on appointment of new directors to replace directors retiring due by rotation as well as specifying the remuneration for directors as presented by the Nomination and Remuneration Committee before proposing the Annual General Meeting of Shareholders to consider approving.
10. To appoint committees, such as the Audit Committee, the Executive Committee, the Good Corporate Governance Committee, the Nomination and Remuneration Committee and the Risk Management Committee, or other committees as well as defining authority and duties of those committees in order to support the performance of the Board of Directors.
11. To specify and change names of authorized directors.
12. To consider the appointment of executives according to the specification and definition by SEC or CMSB and the Company Secretary as well as specifying remuneration of those executives as presented by the Nomination and Remuneration Committee.
13. To ask for external professional associations' opinion to support their precise decision making.
14. To encourage the Company's directors and executives to participate in seminars organized by Thai Institute of Directors (IOD), particularly seminars which are relevant to the directors and executives' duties and responsibilities.

However, the delegation of authority and responsibilities shall not be made in the manner that the Board of Directors or other persons delegated or sub-delegated by the Board of Directors enable to approve transaction, which they or others may have stake in, or receive benefit, or have conflicts of interest (as defined by the notifications of SEC or CMSB) with the Company or subsidiaries, except for approval of transaction according to the established policy and criteria approved by the Annual General Meeting of Shareholders or the Board of Directors.

Management Structure (as of December 31, 2017)



Remarks: *S.C. Accounting & Business Consultant (1995) Co., Ltd. is employed to be the Company and subsidiaries' internal auditor.

Executives

As of December 31, 2017, the Company has 9 executives:

Executives		Positions
1.	Mr. Sang Do Lee	Chief Executive Officer
2.	Mr. Navamin Prasopnet	Chief Marketing Officer
3.	Mr. Komsak Wattanasriroj	Chief Financial Officer
4.	Mr. Patompong Sirachairat	Chief Operating Officer
5.	Mr. Jiraparwat Boonyasen	Senior Vice President - Mobile Internet Business
6.	Miss Pitirudee Sirisamphan	Vice President - Corporate Affairs
7.	Miss Benjawan Rakwong	Vice President - Administration
8.	Mr. Teerasak Tharaworn	Vice President - Human Resources
9.	Miss Paweena Poonpattanasuk	Vice President - Accounting and Finance

The Company Secretary

The meeting of the Board of Directors No.1/2012 held on March 14, 2012 resolved to appoint Miss Pitirudee Sirisamphan to be the Company Secretary in compliance with the requirements of Securities and Exchange Act, B.E. 2535 (as well as the amendment). The Company Secretary shall be responsible for preparing and keeping registrations of directors, notices calling directors meeting, minutes of the Board of Directors Meeting, annual reports, notices calling shareholders' meeting, minutes of shareholders' meeting as well as keeping the report of interest filed by directors and executives and performing other duties as per the requirements of CMSB. The copy of report of interest under Section 89/14 arranged by the directors and executives must be submitted to the Chairman of the Board of Directors and the Chairperson of Audit Committee for their acknowledgement within seven business days from the date that the Company receives the report.

Remuneration for Directors and Executives

1) Remuneration in Cash

Remuneration for Director

The Company set a policy to fix appropriate remuneration for directors and executives based on other companies within the same industry. Also, experience, scope of authority and responsibility of each position were taken into account. Meanwhile, the members of Nomination and Remuneration Committee are responsible for considering the remuneration and asking the meeting of the Board of Directors and the shareholders' meeting to consider approval later on.

The 2017 Annual General Meeting of Shareholders resolved to approve the ceiling of remuneration for directors of not exceeding 5,000,000 Baht, with the gratuity for directors of not exceeding 2,000,000 Baht (equivalent to the gratuity for 2016). In addition, details of remuneration for the Board of Directors, the Audit Committee, and the Nomination and Remuneration Committee are as follows:

- Chairman of the Board of Directors received remuneration of 70,000 Baht per month.
- Vice Chairman received remuneration of 50,000 Baht per month.
- Assistant Chairman received remuneration of 30,000 Baht per month.
- Director/ Independent Director received remuneration of 20,000 Baht per month.
- Chairman of Audit Committee received remuneration of 20,000 Baht per month.
- Member of Audit Committee received remuneration of 10,000 Baht per month.
- Chairman of Nomination and Remuneration Committee / Member of Nomination and Remuneration Committee received remuneration of 10,000 Baht per attendance.

The details of individualized remuneration as of December 31, 2017 are as follows:

Directors	Positions	Remuneration (Baht)				
		Annual Remuneration		Meeting Allowance ¹⁾	Gratuity	Total
		Board of Directors	Audit Committee	Nomination & Remuneration Committee		
1. Mr. Pete Bodharamik	Chairman of the Board of Directors	840,000	-	-	70,000	910,000
2. Mr. Navamin Prasopnet	Assistant Chairman	360,000	-	-	30,000	390,000
3. Mr. Sang Do Lee	Director	240,000	-	-	20,000	260,000
4. Mr. Komsak Wattanasriroj	Director	240,000	-	-	20,000	260,000
5. Mr. Patompong Sirachairat	Director	240,000	-	-	20,000	260,000
6. Mr. Siri Luengsawat	Director	240,000	-	-	20,000	260,000
7. Mrs. Punnee Worawuthichongsathit	Independent Director, Chairperson of Audit Committee, and Member of Nomination and Remuneration Committee	240,000	240,000	20,000	50,000	550,000
8. Mr. Preecha Leelasithorn	Independent Director, Member of Audit Committee, and Chairman of Nomination and Remuneration Committee	240,000	120,000	20,000	50,000	430,000
9. Mr. Kriengsak Thiennukul	Independent Director, Member of Audit Committee, and Member of Nomination and Remuneration Committee	240,000	120,000	20,000	40,000	420,000
Total		2,880,000	480,000	60,000	320,000	3,740,000

Remarks: 1) Remuneration per meeting attendance

2) The Company did not fix the remuneration for other committees, such as Executive Committee and Risk Management Committee. The Company did not fix the other benefits for any committee.

Remuneration for Executives

Total remuneration, including salaries, bonus, overseas allowances and social insurance contributions, for 9 executives as of December 31, 2017 amounted to 25.36 million Baht.

2) Other Remuneration

Other Remuneration for Directors -None-

Other Remuneration for Executives

On January 20, 2006, the Company established the provident fund under the management of TISCO Asset Management Co., Ltd. (TISCOASSET) in order to boost morale and promote long-term employee engagement. According to the provident fund policy, employees' contribution must be at least 3 percent of salary or they can select to adjust their contribution at the rate of not exceeding the contribution by the Company. In addition, the Company's contribution to the provident fund will be based on period of the provident fund membership of each employee. As of December 31, 2017, the Company's contribution to the provident fund for 9 executives amounted to 1.14 million Baht.

Personnel

As of December 31, 2017, the Company and subsidiaries has 1,057 employees (excluding executives). Remuneration which is in the forms of salary, bonus, overtime wage, social security fund contribution, provident fund contribution, and others benefits for those employees amounted to 485 million Baht.

Mono Technology PCL.	295
Business Units	
Mobile Internet Business	139
International Business	5
Support Units	
Office of Chairman	12
Office of CEO	3
Group Operations	12
Sales and Corporate PR	19
Accounting and Finance	22
Administration	50
Human Resources	20
IT	8
Corporate Affairs	5
Subsidiaries	762
Total Employees (Person)	1,057

Compensation and Welfare Management Policy including Occupational Health and Safety Policy, and Personnel Development Policy are nevertheless described in the Corporate Social Responsibility section under sub-items of Labor Practice.

Corporate Governance

Corporate Governance Policy

The Board of Directors gives significance to good corporate governance business operation, good governance management, transparency, accountability, protection of shareholders' rights, and consideration on the benefits of all stakeholders. The Company has formulated the good governance policy, the business code of conduct, and the code of conduct for directors, executives, and employees, all of which have been annually revised. These regulations are disclosed and communicated to directors, executives, and employees through all of the internal communication channels and the Company's website for acknowledgement and as guidelines to follow. Ethical activities, orientation, and other courses has also been provided. Moreover, implementation of the policy are monitored by the internal audit office and the corporate affairs department in order to report to the Risk Management Committee, the Audit Committee, and the Board of Directors for acknowledgement regularly. Because Mono Technology Public Company Limited highlights the importance of policy and practices on anti-corruption and risk assessment, as well as keeps follow up with the monitor of business operating systems, the Company has certified a membership of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC).

In this regards, the Company was rated a five stars or excellent level by the Corporate Governance Report Evaluation (CGR) among Thai listed companies in 2017 and received a full score on the assessment of the Annual General Meeting of Shareholders by Thai Investors Association.

Corporate Governance Policy covers five parts as follows:

1. Rights of Shareholders

In recognizing the importance on the rights of every shareholders; regardless of major shareholders, minor shareholders, institutional investors, or alienated shareholders, the best practices have been defined below to ensure that the shareholders shall be protected for their basic legitimate rights, such as equitable right on share of profits/dividends, right to buy-sell-transfer shares, right on benefits of share repurchase, right to obtain clear, accurate, adequate corporate information, and vote on significant issue(s), and so on as follows:

1. According to the law, shareholders shall be provided with prior notice of shareholders' meeting. The said notice shall contain necessary information about the meeting agenda(s), all supporting documents including facts, reasons, and the Board of Directors' opinions for each agenda's item, proxy forms as well as the names of independent directors whom the shareholders can appoint as their proxy. The notice shall contain lists of required documents that must be presented by the shareholders on the meeting date for the purpose of keeping their right to participate in the meeting. Also, the Company's Articles of Association relating to rights, criteria and procedures of the meeting and voting must be specified in the notice, which the Company shall manage to mail to the shareholders at least 21 days ahead of the meeting date and disseminate both Thai and English versions via corporate website at least 30 days prior to the meeting date.

2. The Company shall manage to support and facilitate both shareholders and institutional investors with sufficient information, i.e. date, time and venue together with clearly identified map for the meeting. The meeting venue should be convenient and easily access to the mass transit system. Regarding the registration, the shareholders and institutional investors shall be allowed to register for the meeting at least one hour in advance and the registration counters should be separately arranged for individual shareholders and institutional investors in a sufficient manner. Barcode Technology shall be applied to facilitate the quick vote counting and exact result process. Besides, stamp duty shall be provided for proxy form.
3. Prior to commencement of the shareholders' meeting, the Chairman shall explain to the meeting about voting and vote counting criteria and procedures as clearly specified in the Company's Articles of Association. The Company shall also clearly separate vote for each agenda and ask for non-stakeholders or representatives of shareholders to witness the counting of vote in order to protect the shareholders' right.
4. The Chairman shall allocate the meeting time sufficiently, and conduct the meeting appropriately and transparently. During the meeting, the shareholders shall be offered an opportunity to thoroughly express their opinions and raise their queries prior to voting and deciding resolution. All directors and executives in charge of core business shall attend the meeting so that the shareholders can raise any relevant questions to them.
5. The shareholders attending after commencement of the meeting were allowed to vote for agenda items that are still under consideration and do not reach the resolution.
6. The Company promotes the use of ballot papers on significant agenda(s) such as related party transaction, acquisition or disposal of corporate assets, etc. Also, such ballot papers shall be classified for encouraging the shareholders to cast their votes as deemed appropriate. The scores on ballot papers (which will be collected in the meeting room) and on proxy forms shall be calculated altogether. Then, total scores shall be finally declared to the meeting.
7. The shareholders' resolutions and voting results categorized by each agenda's item shall be notified to the Stock Exchange of Thailand ("SET") and disseminated via the Company's website no later than the next day after the meeting. The minutes of shareholders' meeting shall be taken accurately and completely by including names of participating and non-participating directors, clarification on the voting process and vote counting criteria, questions and answers raised in the meeting, and voting results for each agenda's item. Such minutes shall be submitted to the Stock Exchange of Thailand ("SET") and the Securities and Exchange Commission ("SEC") within 14 days after the meeting date as well as allowed the shareholders to view it thoroughly via corporate website.
8. Necessary news and detailed information shall be regularly disseminated to the shareholders via corporate website as well as via communication channel(s) of the Stock Exchange of Thailand ("SET") and the Securities and Exchange Commission ("SEC"). The Company shall ensure that all shareholders have equitable rights to access such news and information and shall not perform any act that limits the shareholders' right in whole or in part to receive such news and information or obstructs the communication between the shareholders.

9. Communication channel(s) for direct inquiry about directors' activities, corporate governance, and auditing issue(s) via emails of independent directors shall be provided for minor shareholders. Furthermore, minor shareholders are able to send their inquiry directly to Company Secretary for asking necessary information.
10. Shareholding structure of subsidiaries and associated companies (if any) shall be disclosed to all shareholders in order to ensure transparent and verifiable structure of corporate operation.
11. Corporate operation shall be performed with efficiency in order to produce sustainable growth, thus enabling the shareholders to gain appropriate returns.

2. Equitable Treatment of Shareholders

The Company has established guidelines of justified and equitable treatment of shareholders and undertook the following tasks:

1. The shareholders shall be offered an opportunity to propose extra issue(s) as the meeting agenda(s) and question(s) concerning the Company prior to the shareholders' meeting date. Consequently, this shall be notified in advance via the SET's website. In addition, explicit criteria for the rights of shareholders to propose agendas for Annual General Meeting of Shareholders shall be notified via corporate website.
2. The shareholders shall be offered an opportunity to nominate any candidate(s) who have complete qualifications as defined in director's specifications for election as director and give their consent for nomination. Then, the application form including required documents about their educational background and work experiences shall be submitted to the Company prior to the Board meeting. The notification of nomination procedures and criteria shall be disseminated via the SET's communication channel(s) and corporate website before the Annual General Meeting of Shareholders in order to continue nomination procedures by the Nomination and Remuneration Committee. Furthermore, the election by voting shall be made for an individual director.
3. The shareholders' meeting shall be convened in accordance with the agenda(s) notified in the meeting notice. Corporate policy of no extra agenda(s) added without prior notice shall be set to offer the shareholders an opportunity to study relevant information and the agenda(s) before making decision. According to the Section 105 of Public Limited Company Act B.E. 2535 (1992), any extra issue(s) shall not be added in meeting agenda if it is not necessity, especially crucial issue(s) which the shareholders require a great deal of time to study relevant information before making decision.
4. The name of all independent directors shall be specified in the proxy form to help control voting direction. The shareholders shall be encouraged to specify their votes by themselves and provided with an option of proxy appointment including an opportunity to appoint any independent director as their proxy.
5. Each director shall notify the connected transaction(s) of oneself to the Company Secretary. The Board of Directors shall consider such transaction(s), especially one that may involve in the conflict of interest, to ensure the Company's utmost benefits. The meeting minutes shall also contain the connected transaction(s) disclosed by the directors.

6. In fairness to its shareholders, the Company shall have written procedures concerning the use and protection of inside information. These procedures shall be communicated to the Company's Board of Directors, executives, employees and all related persons, including spouse, minor children, and nominees, so as to prevent the use of important inside information that may have an impact on trading of the Company's shares and change in the Company's share price which has not been disclosed to the public. Directors and executives privy to such inside information are prohibited from trading in the Company's securities prior to the disclosure of information on the Company's performance and financial status or any important news that may cause a change in the Company's share price.
7. All Directors and high-level executives are designated to submit a report on their ownership of the Company's securities within 30 business days after they take office. In addition, they must report all subsequent sales or purchase of the Company's securities at least one day in advance to the Director in charge or the assigned person in order to notify SEC within three business days from the transaction date as stated by the Securities and Exchange Act B.E. 2535 (1992).
8. In order to comply with the regulations of SET, the Company shall disclose any related party transaction that required the approval from the shareholders. In doing so, the reasonable clarification for each transaction must be submitted to the Audit Committee and pass the Board of Directors' consideration before proposing to the Shareholders for approval respectively. The transaction can be proceeded after the approval only.

3. Roles of Stakeholders

The Company places great importance on the right of all stakeholders and conducts its business morally and ethically. The Business Code of Conduct is therefore stipulated to be guidelines for fair treatment towards all stakeholders, both within and outside the Company, including the shareholders, clients, employees, creditors, business partners and competitors, regulatory bodies, government agencies, community, society, and the environment.

The Company has established criteria for the treatment of each group of stakeholders, as follows:

Shareholders

Emphasis shall be given to the transparent dissemination of important information, both financial and non-financial, to the stakeholders that are accurate, sufficient and timely. Dissemination shall be made through different channels, such as announcements through the SET's electronic media, the Company's website, newspapers, press releases, letters, etc.

Clients

The Company recognizes the importance of customer satisfaction through the enhancement of existing services and development of new services. At the same time, the Company ensures ethical treatment and responds to all customers' complaints or suggestions immediately.

Employees

The Company emphasizes the ethical treatment of employees who shall be appropriately remunerated based on their qualifications relevant to their duties and comparable to other companies in the same industry. The occupational health and safety and work environment practices are arranged to ensure on-the-job safety for employees' lives and properties. The Orientation is the compulsory program for all employees. They must be advised through the employee's manual in which the Company's Articles of Association, policies, and code of conduct are explicated. Besides, the benefits and welfares provided for our employees exceeds that the laws has specified; for example, group medical insurance scheme, group life insurance plan and provident fund, etc.

The Company focuses on increasing knowledge, ability and experiences of employees through in-house and external training and seminars. This shall enable employees to perform their tasks efficiently and be able to cope with dynamic changes in products, technology, and rules of the various agencies. The topic of seminars includes notifications, requirements, rules and regulations of SET and SEC, accounting standards of various institutes, computer systems and programs, etc.

Creditors

The Company austere practices in compliance with terms and conditions that have been made with its creditors. In doing so, the Company shall focus on loan management in accordance with the objectives as specified in the contract, duly loan and interest payment, responsible acts towards collaterals to constitute creditor's trust. In case of failing to comply with the terms and conditions or default on loan, the Company shall notify the creditors in advance to collectively consider the potential solutions for the issue.

Business Partners

The Company underlines impartial and proper treatment and complies with business terms and conditions that have been made with its business partners in a fair manner. The Company shall also manage to develop and maintain good relationships with each business partner. The procedures for business partner selection are obviously identified in the Company's procurement policy to ensure that each prospective business partner shall be selected through the process of comparing and screening in accordance with the designated criterions and qualifications based on the Company's maximum benefits.

Business Competitors

The Company operates its business under principles of free and fair competition. It shall observe good business norm in competitive market, and avoid malpractice such as illegal acquisition on confidential information or using distorted information to jeopardize competitors. Besides, it shall promote any business cooperation with the competitors in a beneficial manner to the consumers or any cooperative project that is deemed a part of the country's sustainable development in terms of economy, society and environment.

Regulatory and Government Agencies

The Company adheres to the laws, notifications, rules and regulations stipulated by regulatory and related agencies, such as the Department of Business Development of the Ministry of Commerce, the Revenue Department of the Ministry of Finance, SET, SEC, etc. The Company also cooperates with relevant private agencies.

Community, Society and Environment

Responsibility towards community, society and environment is a part of the Company's missions that promotes its sustainable growth. To build knowledge and foster good sense for its employees, the Company provides abundant activities that enable them to be a part of the projects to strengthen the community, build the good society, and conserve the environment. The Company also initiates the campaigns that allows its employees to realize the importance on the conservation of energy and efficient resource exploitation, which is deemed an organizational culture. Besides, the Company gives assistance through donations to various foundations and organizations, which carry out social activities such as the donation of tools, equipment and office supplies to temples, foundations and other social organizations both in government and private sectors.

Compliance with the Policy

The directors, executives, and all employees must acknowledge, understand and strictly comply with Corporate Governance Policy, Business Code of Conduct, and Code of Conduct for directors, executives and employees. As a compulsory compliance, there shall be no such claim that these stipulated policies have been unknown. The Company's executives shall ensure that their subordinates acknowledge, understand, and seriously comply with these policies. The Company has also stipulated the monitoring measure and disciplinary punishment in case of infringement or noncompliance with the Company's policies.

Complaint Consideration and Acceptance

To ensure good corporate governance in our business operation, the Company has established communication channels for its corporate governance (CG Hotline) through which complaints, comments, suggestions and whistle blowing about suspected wrongdoing at work can be made. The employees and other stakeholders can communicate their concerns about illegal or unethical practices by persons within the Company via five communication channels of "CG hotline":

1. Telephone
2. Facsimile
3. The Company's website or email to cghotline@mono.co.th
4. Written submission to the Company Secretary by mail or in person.
5. Email to the Company's three independent directors who are the member of the Audit Committee

To gain confidence of those expressing their concerns via CG Hotline or whistle blowers, the Company shall keep the source of such information confidential. The Company has written procedures for acknowledging and investigating such concerns which shall involve only authorized persons and the relevant persons. The whistle blowers who are the Company's employees shall be guaranteed that their protection shall be taken and no action shall affect their work status.

In order to prevent and minimize unnecessary investigations that is not beneficial to the Company's operations and management and leads to the waste of the Company's resources, the Company Secretary together with the Audit Committee shall only investigate complaints that are considered beneficial to the Company's operations and management or related to the protection of the rights of shareholders and stakeholders before reporting to the Board of Directors, as follows:

- (a) Complaints or information that are useful for investigation of possible fraud or illegal practices of the Company or its directors or executives or employees that may cause damage or loss to the Company
- (b) Complaints about laws, rules and regulations with which the Company must comply
- (c) Complaints about the Company's operating and accounting policies which have already been set out
- (d) Complaints about transactions that constitute conflicts of interest or related party transactions as specified in the Notification of the Capital Market Supervisory Board (CMSB) or SET
- (e) Complaints about the Company's financial statements and financial information
- (f) Complaints about the Company's operations and operational results
- (g) Complaints about infringement on human rights, intellectual properties or copy rights as well as incidents or matters involving corrupt conduct
- (h) Complaints about other additional items as specified by the Board of Directors or the Audit Committee.

4. Disclosure and Transparency

The Company places emphasis on accuracy, sufficiency, timeliness and impartiality in disclosing information to SET, the Company's shareholders and related agencies.

1. The Company must disclose important information, both financial and non-financial including annual registration statements (Form 56-1), annual report, and quarterly financial report. In disclosing financial information, especially the financial statements, the Company must ensure that they are correct, in accordance with generally accepted accounting principles, and have been audited/reviewed by an independent external auditor. The financial statements must also be approved by the Audit Committee and the Board of Directors before they are disclosed to SEC, SET, the shareholders, investors and relate agencies.
2. Necessary shall be disclosed on the Company's website, in both Thai and English.

3. Information on the roles and responsibilities of the Board of Directors and committees, the number of meetings and attendance of each director, and the director's and executives' remuneration policies are disclosed under the Management and Corporate Governance section of the Company's annual registration statements (Form 56-1) and annual report.
4. The Report of the Board of Directors' Responsibilities for Financial Statement must be presented together with the auditor report in the Company's annual report.
5. The Company shall disclose the summary of approved corporate governance policy and the result of performance in compliance with this policy in the Company's annual registration statements (Form 56-1) and annual report.

The Chief Executive Officer, Chief Marketing Officer, and the Chief Financial Officer are assigned to be responsible for communicating with institutional investors, shareholders, analysts and relevant government agencies. The Company's news, information, financial reports are also provided via communication channels, as follows;

- In 2017, the Company involved in investor relations activities to present the Company's information and operating result, as well as future business trend to analysts, investors, and the media. These activities were as follows.
 - » :Welcomed institutional investors, securities companies, and business funds in 5 Company Visits
 - » :Participated in 2 Opportunity Days
 - » :Participated in Roadshow Luncheon Meeting by UOB KayHian (Thailand) to present the Company's business plan and growth strategy to institutional investors on June 27, 2017, at Anantara Siam Bangkok Hotel
- Websites of the Stock Exchange of Thailand (www.set.or.th) and the Company (www.mono.co.th)
- Investors Relations Unit, Tel.: 02-502-0787 , 02-502-0797
- Email : ir@mono.co.th
- Analyst Meeting which shall be held on a regular basis
- Press conference and newsletters which show financial trends and financial position of the Company

5. Responsibilities of the Board of Directors

5.1 Structure of the Board of Directors

1. The Board of Directors is divided into two groups.

Group 1: Characterized by their executive management roles:

- Directors with executive management roles
- Directors without executive management roles

Group 2: Characterized by independency

- Independent Director
- Non-independent Director

As of December 31, 2017 the Board of Directors was comprised of nine members: four members were executive directors (Executive Director is defined as the top-four executives next to Chief Executive Officer) and five members were non-executive Directors. Among those five members of the non-executive directors, three members were the independent directors and the members of Audit Committee. Meanwhile, four members of executive directors were comprised of the Chief Executive Officer, the Chief Marketing Officer, Chief Financial Officer, and Chief Operating Officer. For the structure of Board of Directors, one-third of the total number of the Board of Directors are independent directors to ensure the checks and balances in voting as well as in the management of executives for the best benefit of the Company. In addition, the number of the Company's independent directors is in line with the SEC's regulations requiring one-third of the total number of the Board of Directors must be independent directors.

2. At each Annual General Meeting of Shareholders, one-third of the directors, or the number nearest to one-third if the number is not a multiple of three, must retire from office. The directors who must retire from the office in the first and second year after becoming a public company limited shall be decided by drawing lots. After that, the directors who have been in office the longest shall retire first. Retiring directors may be re-elected in the Annual General Meeting of Shareholders.

Aside from retirement due by rotation, the directors shall retire due to:

- Passing Away
 - Resignation
 - Qualifications fall short of the criteria or incompatibility as specified by law
 - Resolution to be removed by the Annual General Meeting of Shareholders which require not less than three-fourths of the number of shareholders attending the meeting and having the right to vote. Total number of shares shall be not less than a half of shares held by shareholders attending the meeting and having the right to vote.
 - Order by the Court to resign
3. Persons to be appointed as independent directors must possess qualifications as required by SEC, CMSB and SET.
 4. At least one-third, but not less than three members of the Company's Board of Directors must be independent directors.
 5. The Chairman shall be elected by the Board of Directors, while the Chief Executive Officer shall be nominated by the Nomination and Remuneration Committee.

6. The Company's directors and executives can hold directorships or executive positions in the Company subsidiaries or other companies but these positions must be in accordance with the guidelines of SEC, CMSB, SET and other related agencies. Also, this matter must be disclosed to the Board of Directors' meeting. However, the Chief Executive Officer has been limited to hold a board seat or directorship in not more than one listed company (excluding the Company and its subsidiaries). This matter must be approved by the Board of Directors.
7. Company Secretary has been appointed by the Board of Directors to provide legal and regulatory advice to the Board, take care of the Board's administrative activities, monitor compliance with the Board's resolutions, and communicate with the shareholders, SEC, SET and other concerned regulatory agencies.

5.2 Committees

1. The Board of Directors can establish committees to assist in the study and screening of special tasks. The qualifications and scope of work of each committee shall be clearly defined.
 - The Executive Committee must be appointed to formulate policies and make decision on important tasks. The Executive Committee shall carefully consider various matters before presenting to the Board of Directors for approval as well as checking and following up the policy implementation and management of the Company in compliance with the assignment of the Board of Directors.
 - The Chairman of the Board of Directors and the Chairman of Executive Committee must not be the same person for check and balance purposes by means of separation of supervision and management roles. The Chairman of the Board of Directors is the director without executive management role; he is the leader of the directors, with the responsibility of being the Chairman in the meeting of the directors and the Annual General Meeting of Shareholders. On the other hand, the Chairman of Executive Committee who is the head and leader of the Company's executives shall perform his management role for the Board of Directors in order to achieve the specified work plans.
 - The Audit Committee must be established to help the Board of Directors to review all financial reports of the Company to ensure accuracy and disclosure adequacy. The Audit Committee also reviews the suitability and efficiency of the internal control and audit systems as well as ensuring that all Company's operations are complied with the Company's regulations and policies as well as all applicable laws and notifications.
 - The Nomination and Remuneration Committee must be established to be responsible for nominating persons, with suitable qualification to be the Company's directors and proposing the Board of Directors or the Annual General Meeting of Shareholders (as the case may be) to consider those qualified persons for appointment as directors. Also, they must be responsible for considering the appropriate remuneration for the directors and high-ranking executives as well as the employment contract of high-ranking executives and overall rate for their salary increase. Consequently, the Board of Directors shall consider approving the remuneration of high-ranking executives and overall rate for salary increase. Nevertheless, the Annual General Meeting of Shareholders shall have the right to approve the remuneration for the directors.

- A Risk Management Committee must be also established to evaluate risks to the Company business operation.

In addition, each committee shall hold the meeting for performance appraisal or policy revision at least once a year.

2. The Chairman of the Nomination and Remuneration Committee must be an independent director and at least one member of Nomination and Remuneration Committee must also be an independent director.

5.3 Roles and Responsibilities of the Board of Directors

The Separation of duties of policy establishment and regular task management

The Board of Directors considered and decided to clearly separate duty and responsibility for policy establishment and regular task management. The Chairman of the Board of Directors shall not be the same person as the Chief Executive Officer. The Chairman of the Board of Directors is the leader who takes an important role to make decision on the Company's policy according to the meeting of the Board of Directors that joins hands with the management team to consider and define business target. The Chairman of the Board of Directors is also the head to effectively run the meeting of the Board of Directors by encouraging all directors to take part in the meeting through freely expressing their opinion as well as to act as the Chairman of Annual General Meeting of Shareholders. The Chairman of the Board of Directors shall not engage in the management of regular works, but giving supports and suggestions for business undertaking by the management team through the Chief Executive Officer. Typically, the Chief Executive Officer is responsible for management under the scope of authority assigned by the Board of the Directors.

Moreover, the Chairman of the Board of Directors is not the Chairman or a member of any committee in order to truly promote the independency of the committee.

5.4 Board of Directors' Meeting

1. The meeting of the Board of Directors shall be scheduled in advance and at least four meetings must be held per year (once every three months). The regular agenda for each meeting shall be clearly defined, such as the consideration of the financial statements reviewed or audited by auditors. The Chairman of the Board of Directors, Chief Executive Officer and directors shall jointly consider the importance and necessity for inclusion of the other agenda items. In case where the Board of Directors' meetings are not held every month, the Company shall prepare a monthly report of its performance for the Board of Directors so that they can continuously monitor and control the performance of the management unit.
2. The quorum of not less than two thirds of all Board members is eligible to vote at the meeting to pass a resolution.
3. All committees can hold meetings to approve matters, within authority and power assigned by the Board of Directors and the Company Secretary shall act as the coordinator.

4. Invitation, details of the meeting and supporting documents shall be sent to each director at least 7 days in advance of the meeting date. The documents shall be concise. In cases where details of the agenda cannot be disclosed in writing, the confidential issue shall be brought up for discussion during the meeting. The meeting minutes shall be taken with accurate and complete details while the approved version of minutes shall be kept for verification by the Board of Directors and relevant persons.
5. The meeting of non-executive directors, without the presence of the management team can be arranged as appropriate. The Company Secretary shall act as the coordinator and inform the executive directors of the meeting result.
6. Directors can access additional information via the Chief Executive Officer, the Company Secretary or the executives designated as a contact person.
7. Executives of the Company and other related persons shall attend Board meetings to present information and details to support the Board's accurate and timely decision-making.

5.5 Performance Assessment

The Board of Directors promotes assessment of the Board as a whole at least once a year so that their performance can be improved upon accordingly. At the end of each year, The Company Secretary must provide every director with the Assessment Form of which the topic shall be clearly defined. The assessment form shall be divided into the Board of Directors performance assessment, Individual Director Self-Assessment, performance assessment of other committees, and Chief Executive Officer Performance Assessment. The assessment result shall be summarized and reported to meeting of the Board of Directors for acknowledgement and consideration, which can be adopted for continuous improvement. Each assessment is detailed as follows:

1. **The Board of Directors Performance Assessment** follows the guideline specified by the Stock Exchange of Thailand and adjusts to fit the structure of the Boards of Directors and improve their performances. The topics are defined, as follows:

- Structure and Qualifications of the Board of Directors
- Roles and Responsibilities of the Board of Directors
- The Meeting of the Board of Directors
- The Board of Directors' function
- Relationship with the Executive
- Self-improvement of the Board of Directors and Development of Executives

In 2017, the Board of Directors assessment score averagely equals to 95.53%.

2. **Individual Director Self-Assessment** is defined with the topics in coherence with each director's roles and responsibilities, Corporate Governance Policy, Code of Conduct for Directors, as follows:

- Qualifications, knowledge, and competency
- Strategic formulation, governance, performance tracking
- Roles and Responsibilities of the Board of Directors
- Self-Improvement

In 2017, the individual Director self-assessment score averagely equals to 96.41%.

3. **Performance Assessment of Other Committees** is conducted yearly in order to improve their roles and responsibilities supporting the Board of Directors' performance. In 2017, each committee assessment score is detailed, as follows:

- Audit Committee assessment score averagely equals to 98.59%.
- Nomination and Remuneration Committee assessment score averagely equals to 88.89%.

4. **Chief Executive Officer Performance Assessment** - The Chief Executive Officer's responsibility is to set goals and manage every task to achieve them. Therefore, the Chief Executive Officer Performance Assessment as well as Self-Assessment shall be processed at the end of each year. The Company Secretary shall summarize and presents the assessment result to the meeting of the Nomination and Remuneration Committee. The assessment result will be a reference in defining the performance improvement plan and the remuneration for the Chief Executive Officer. The CEO assessment topics are defined in accordance with the requirements of SET as follows:

- Leadership
- Strategic Formulation
- Planning and financial performance
- Relationships with the Board of Directors
- External relationships
- Working management and relationships with personnel
- Succession Plan
- Knowledge on Products and Services
- Personal Qualifications
- Self-Development

5.6 Remuneration for Directors and Executives

1. Remuneration for the directors is fixed based on the level of remuneration of companies in the same industry as well as experiences, scope of work and responsibilities of each committee. The remuneration shall be considered appropriately at the fixed rate.
2. Remuneration including remuneration in terms of salary, bonus and other incentives for the Chief Executive Officer and executive directors shall be in line with the criteria approved by the shareholders' meeting.
3. The Nomination and Remuneration Committee shall determine the remuneration and evaluate the performance of the directors, the executive directors and the Chief Executive Officer before proposing to the Board of Directors and/or the shareholders' meeting for consideration.
4. The Chief Executive Officer shall consider and review the remuneration for the executives and employees at least once a year based on the Company's performance as well as performance, years of employment and capability of employees. The result of consideration shall be submitted to the Nomination and Remuneration Committee, the Executive Committee and Board of Directors for consideration.

5.7 Professional Development for Directors, Executives and Employees

1. The Company encourages the directors, executives and Company Secretary to attend seminars and training programs hosted by the Thai Institute of Directors, SET, SEC, and the National Corporate Governance Committee or other sectors as the knowledge gained from the seminars will be beneficial and can help improve their performances. Basically, the directors must attend all development programs as required by SET and SEC.

In 2017, Mr. Patompong Sirachairat, the new director who was appointed that year, passed the Director Certification Program (DCP), Class 237/2017, from Thai Institute of Directors.

2. The Company shall provide orientation for new directors together with all relevant documents and necessary information that benefits their duties, such as the Director's Handbook, annual registration statements (Form 56-1), annual reports (Form 56-2), minutes of the Board of Directors' and shareholders' meetings and the Corporate Governance Policy, Business Code of Conduct, Code of Conduct for Directors, Information pertaining to business operation and management, financial report, and director training courses shall be also provided in order to enhance knowledge and understanding on their performances as director, which will efficiently improve the business operation.
3. The Company shall arrange executives and employees to rotate their tasks as appropriate, based on their abilities, work assignment and timing. The Chief Executive Officer shall determine the duration of their assignment and evaluate their performances in preparation of the development and succession plans. This shall increase the capabilities of the executives and employees and enable them take over each other's position as required.

Committees

The Company's management structure consists of Board of Directors, Audit Committee, Executive Committee, Nomination and Remuneration Committee and Risk Management Committee. All directors and executives of the Company possess qualifications that meet requirements of Section 68 of Public Limited Companies Act, B.E. 2535, Securities and Exchange Act, and relevant notifications of Capital Market Supervisory Board (CMSB). The management structure of the Company is as follows:

1. Audit Committee

As of December 31, 2017, the Audit Committee comprised three members and details of their meeting attendances were as follows:

Name	Position	Number of Attendances/ Number of Meetings (Time)
1. Mrs. Punnee Worawuthichongsathit	Chairperson of Audit Committee	5/5
2. Mr. Preecha Leelasithorn	Member of Audit Committee	5/5
3. Mr. Kriengsak Thiennukul	Member of Audit Committee	5/5

The Audit Committee who has adequate expertise and experience to review creditability of the financial statements is Mrs. Punnee Worawuthichongsathit and the Secretary to the Audit Committee is Miss Suansri Suankul.

Term of Office

The Audit Committee serves a term of three years since the appointment date. The retiring members of the Audit Committee shall be re-elected. In cases of vacancy for the member of Audit Committee due to other reasons aside from retirement by rotation, the Board of Directors shall appoint those possessing complete qualification to be the member of Audit Committee in order to replace the vacant position as specified by the Board of Directors. The replacement member will serve only the remaining term of the Audit Committee member whom he/she replaces.

Authority, Duties and Responsibilities of Audit Committee

1. To review the Company's financial reports and ensure its accuracy and adequacy.
2. To review the Company's internal control and internal audit systems and ensure that they are suitable and effective.
3. To review and ensure the Company's compliance with the law on securities and exchange, regulations of SET and the laws relating to the Company's business.

4. To consider, select, nominate and terminate an independent person for appointment as the Company's auditor and propose remuneration for such person, and for the termination of such appointment; as well as to attend a non-management meeting with the auditor at least once a year.
5. To consider related party transactions or transactions that may lead to conflicts of interest and ensure that they are in compliance with the laws and the regulations of SET and reasonable as well as creating the highest benefit for the Company.
6. To prepare and disclose the Report of the Audit Committee in the Company's annual report. This report must be signed by the Chairperson of the Audit Committee and must contain at least the following information:
 - an opinion on the accuracy, completeness and credibility of the Company's financial reports;
 - an opinion on the adequacy of the Company's internal control system;
 - an opinion on the compliance with the law on securities and exchange, the regulations of SET, or the laws relating to the Company's business;
 - an opinion on the suitability of an auditor;
 - an opinion on the transactions that may lead to conflicts of interest;
 - the number of the Audit Committee's meetings and the attendance at such meetings by each committee member;
 - an opinion or overview of comments received by the Audit Committee from its performance of duties in accordance with the charter; and
 - other reports which should be disclosed to the shareholders and general investors within the scope of duties and responsibilities designated by the Board of Directors.
7. To review Internal Audit unit's operations in the following aspects :
 - Consider the scope of operations, annual audit plan and budget, and performance of personnel to ensure that they are suitable and aligned with the scope of operations and adequate for supporting the performance of duties of the Audit Committee;
 - Consider the appointment, rotation or termination of employment of head of Internal Audit unit;
 - Consider the performance report; and
 - Consider the independence of Internal Audit unit.

8. To consider and review the auditing rules and procedures and ensure they always fit with business circumstances.
9. To report the summary of the Audit Committee's missions to the Board of Directors.
10. To report the Board of Directors when the Audit Committee finds or suspects any of the following transactions or acts, which could materially affect the Company's financial position and operating results, in order to take a corrective action within the period of time that the Audit Committee deems fit:
 - a transaction which causes conflicts of interest;
 - a fraud, unusual practice or material defect in relation to the internal control system; and
 - a violation of the law on securities and exchange, the SET's regulations or the laws relating to the Company's business.

In the event that the Board of Directors or executives fails to have the corrective action taken within the time period specified in the first paragraph, any member of the Audit Committee may report the occurrence of any such transaction or act specified in the first paragraph to SEC or SET.

11. To perform duties as mentioned in No. (1) - (10) in the part that is related to business operation of subsidiaries as the Audit Committee has been assigned to do so or upon request from the subsidiaries. Also, such performance must be within scope of their authority and duties.
12. To perform any other act as assigned by the Board of Directors, provided that such matter must be approved by the Audit Committee.

The Audit Committee has authority to take following actions: inviting directors, employees, staff to attend the meeting to clarify and answer any question relating to the Committee's duties and responsibilities; discussing with the Company's expert or consultant (if any) or hiring a third-party consultant or specialist if necessary at the Company's expenses; requesting the Company's employees to submit necessary documents about the Company's operations for auditing or investigation for work accomplishment; assigning any employee or staff to take particular action to support auditing activities; and taking action specified above in relations to subsidiaries as assigned or requested by subsidiaries and within scope of their authority and duties.

As the Internal Audit Unit has not been established, S.C. Accounting & Business Consultant (1995) Co., Ltd., a third party company, with no relationship with the Company and subsidiaries, was employed to be the internal auditor responsible for auditing internal control system of the Company and subsidiaries in order to ensure adequacy and appropriateness of our internal control system.

2. Executive Committee

As of December 31, 2017, the Executive Committee comprised five members and details of their meeting attendances were as follows :

Name	Position	Number of Attendances/ Number of Meetings (Time)
1. Mr. Navamin Prasopnet*	Chairman of Executive Committee	27/27
2. Mr. Sang Do Lee	Executive Director	21/27
3. Mr. Patompong Sirachairat	Executive Director	27/27
4. Mr. Komsak Wattanasriroj	Executive Director	27/27
5. Miss Benjawan Rakwong	Executive Director	22/22**

Miss Saranya Amornrattanasuchad is the Secretary to the Executive Committee

* The meeting of the Board of Directors No. 1/2017 on January 10, 2017 passed a resolution to appoint Mr. Navamin Prasopnet to be the Chairman of Executive Committee.

** The meeting of the Board of Directors No. 2/2017 on February 21, 2017 resolved to appoint Miss Benjawan Rakwong, Vice President - Administration, to be Executive Director in addition.

Term of Office of Executive Committee

The Executive Committee serves a term of two years since the appointment date. The retiring members of the Executive Committee shall be re-elected.

Authority, Duties and Responsibilities of the Executive Committee

1. To be responsible for management of the Company's business to meet the established objectives of business operation. The business management must be in line with the policy, requirements or orders designated by the Board of Directors. Moreover, the Executive Committee shall consider and screen relevant matters before proposing the Board of Directors to consider approving.
2. To arrange the Company's vision, business strategy, operational policy as well as budget of the Company and subsidiaries before proposing the Board of Directors to consider approving.
3. To monitor, examine and follow up management policy and guideline implementation by the Company to ensure that they are in compliance with the assignment of the Board of Directors.
4. To have authority to consider approving some cases or operations regarded as regular business of the Company under financial limit or annual budget approved by the Board of Directors and to perform any action as specified above. In details, the Executive Committee shall have authority to approve expenses or procurement or lease or hire purchase that are relevant to the Company's operation

and investment for both core business or supporting units at the financial limit of 60 million Baht; and have authority to approve borrowing from financial institutions to continue regular transactions of the Company at the financial limit of 60 million Baht.

5. To report the operation results to the Board of Directors according to following topics and time limit:
 - 5.1 Quarterly report of operation results must be submitted within the period of time specified by SET
 - 5.2 Reports of Auditor on the Company's financial statements as well as annual and quarterly financial Statements must be submitted within the period of time specified by SET
 - 5.3 The submission of other reports will be made within the period of time that the Executive Committee deems fit.
6. At the meeting of the Executive Committee for considering any operations as per authority, duties and responsibilities specified in this orders, at least half of all members of Executive Committee must attend the meeting to constitute a quorum, allowing the Executive Committee to continue such operations.
7. For voting at the meeting of the Executive Committee, each director shall have 1 (one) vote. In case of an equality of votes, the Chairman of the Executive Committee shall cast 1 (one) vote to make the final decision.
8. For a resolution on each agenda at the Meeting of the Executive Director, votes for approval must reach at least half of entire votes at that meeting.
9. The meeting of the Executive Committee must be arranged as necessary and appropriate. Each director can convene the special meeting aside from the normal meeting. Nevertheless, the notification of meeting agenda(s) shall be presented to other directors prior to the meeting as appropriate, allowing other directors to have sufficient time to consider the said agenda(s).
10. The Executive Committee can appoint any working team and/or persons to consider and screen works before presenting to the Committee; or to perform other actions beneficial to the performance of duties of the Committee; or to perform other actions on their behalf as per their assignment and within their scope of authority, duties and responsibilities.
11. The Executive Committee shall have authority of sub-delegation. Moreover, the Executive Committee shall be able to designate any person to perform a particular works on their behalf. Such sub-delegation of authority and/or assignment must be under the scope of delegation of authority as per the given power of attorney and/or comply with regulations, requirements or orders specified by the Board of Directors. However, the delegation of authority and responsibilities of the Executive Committee shall not be made in the manner that the Executive Committee or other persons delegated by the Executive Committee enable to approve transaction, which they or others may have stake in, or receive benefit, or have conflicts of interest (as defined by the notifications of SEC or CMSB) with the Company or subsidiaries.

3. Nomination and Remuneration Committee

As of December 31, 2017, the Nomination and Remuneration Committee comprised three members and details of their meeting attendances were as follows:

Name	Position	Number of Attendances/ Number of Meetings (Time)
1. Mr. Preecha Leelasithorn	Chairman of Nomination and Remuneration Committee	2/2
2. Mrs. Punnee Worawuthichongsathit*	Member of Nomination and Remuneration Committee	2/2
3. Mr. Kriengsak Thiennukul	Member of Nomination and Remuneration Committee	2/2

Miss Pitirudee Sirisamphan is the Secretary to the Nomination and Remuneration Committee.

* The meeting of the Board of Directors No. 1/2017 on January 10, 2017 passed a resolution to appoint Mrs. Punnee Worawuthichongsathit to be Member of Nomination and Remuneration Committee as the replacement of Mr. Soraj Asavaprapha who had resigned. To this regard, Mrs. Punnee Worawuthichongsathit shall retain her office for the remaining term of the former member.

Term of Office of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee serves a term of two years since the appointment date. The retiring members of the Nomination and Remuneration Committee shall be re-elected.

Authority, Duties and Responsibilities of the Nomination and Remuneration Committee

1. To consider the policy and criteria on selection of qualified persons to be the Company's directors and executives as well as to select persons and nominate names of qualified persons before proposing the meeting of the Board of Directors and/or the shareholder's meeting to consider approval of the appointment of the Company's directors and high-ranking executives.
2. To consider revision of the policy and criteria on remuneration and benefits of the Company's directors and high-ranking executives.
3. To advise the Board of Directors about presentation of the remuneration of directors and high-ranking executives to the meeting of the Board of Directors and/or the shareholders' meeting in order to ask for their approval. The Board of Directors shall have authority to approve remuneration and benefits of high-ranking executives, while the shareholders' meeting shall have authority to approve remuneration and benefits of the Board of Directors.

4. Risk Management Committee

As of December 31, 2017, the Risk Management Committee comprised five members and details of their meeting attendances were follows:

Name	Position	Number of Attendances/ Number of Meetings (Time)
1. Mr. Navamin Prasopnet *	Chairman of Risk Management Committee	5/5
2. Mr. Patompong Sirachairat	Member of Risk Management Committee	5/5
3. Mr. Jiraparwat Boonyasen	Member of Risk Management Committee	5/5
4. Mr. Bannasit Rakwong	Member of Risk Management Committee	4/5
5. Miss Paweena Poonpattanasuk	Member of Risk Management Committee	4/5

Miss Pitirudee Sirisamphan is the Secretary to the Risk Management Committee.

*The meeting of the Board of Directors No. 1/2017 on January 10, 2017 passed a resolution to appoint Mr. Navamin Prasopnet to be the Chairman of Risk Management as the replacement of Mr. Soraj Asavaprapha who had resigned. To this regard, Mr. Navamin Prasopnet shall retain his office for the remaining term of the former member.

Term of Office of the Risk Management Committee

The Risk Management Committee serves a term of two years since the appointment date. The retiring members of the Risk Management Committee shall be re-elected.

Authority, Duties and Responsibilities of the Risk Management Committee

1. To review and screen policy and guidelines on overview of the Company's risk management covering key risks relevant to financial matters, investment and the Company's reputation before proposing the Board of Directors to consider approving.
2. To formulate strategies and guidelines on the Company's risk management to be in line with the established risk management policy as well as to evaluate, monitor and control the Company's risk at acceptable and appropriate level.
3. To monitor and ensure that risk management activities are in compliance with risk management policy and guidelines as approved by the Board of Directors.
4. To specify risk measurement criteria and the Company's risk appetite limit.
5. To set appropriate risk management measures that can cope with all different situations.
6. To review sufficiency of risk policy and management system as well as effectiveness of risk management system and compliance with the policy.

7. The Company's management, operation, risk status, changes and areas of improvement to keep risk management in line with the Company's policy and strategy must be regularly reported to the Board of Directors.
8. To appoint a working team of risk management as necessary as well as to support the working team of risk management in terms of personnel, budget and other necessary resources under the scope of responsibilities of the team.

Recruitment and Appointment of Directors and Executives

For the selection of persons to assume the position of the Company's directors and executives, the Nomination and Remuneration Committee shall be responsible for recruiting and selecting persons to take the said position as well as nominating names of qualified persons to the Board of Directors and/or the shareholders' meeting (as the case may be). Persons to be appointed as directors and executives must possess complete qualifications required by Section 68 of Public Limited Companies Act, B.E., 2535 (as well as the amendment), Securities and Exchange Act and relevant notifications of CMSB. Moreover, their knowledge and competency as well as working experiences shall be taken into consideration.

Details of composition and appointment of the Board of Directors/ independent directors, the Audit Committee, the Executive Committee, the Nomination and Remuneration Committee and the Risk Management Committee are as follows:

Composition and Appointment of the Board of Directors

The Board of Directors shall comprise no less than five members and half of them shall be resident in Thailand. The directors need not be the Company's shareholders. Regarding the appointment of the Board of Directors, the Nomination and Remuneration Committee shall be responsible for selecting persons to assume the positions in the Board of Directors by taking into account their qualifications in accordance with the Board's rules and specifications. Besides, the Board Diversification in terms of knowledge, competency, professional skills, business-related experiences, specialization, gender, and other necessary skills as appropriately required for the Company's business strategy should be included in the consideration. Moreover, the Nomination and Remuneration Committee may consider appointing the Company's major shareholders to assume the positions in the Board of Directors as their business experience that may be beneficial to the Company's operation.

Recruitment of new director shall be completed by the selection from various sources including director pool of creditable institutes or agencies. In case of no persons from such director pool be qualified for assuming the position of director, Professional Search Firm service shall be taken and the relevant expenditure shall be responsible by the Company.

However, the appointment of new directors must be approved by the meeting of the Board of Directors and/or the shareholders' meeting (as the case may be). In addition, the Company's Articles of Association requires that the directors shall be elected at the shareholders' meeting as per these following criteria and procedures.

1. One share is entitled to one vote.
2. Each shareholder must exercise votes as per (1) above to elect one or several directors but cannot separate the votes among directors.
3. Persons who receive the largest number of votes, in descending order, shall be elected to be the directors until the vacancies are filled. In the event of persons receiving equal votes and exceeding the number of vacancies to be filled, the Chairman of the meeting shall cast the vote to make the final decision.

At each Annual General Meeting of Shareholders, one-third of the directors, or the number nearest to one-third if the number is not a multiple of three, must retire from office. The directors who must retire from the office in the first and second year after becoming a public company limited shall be decided by drawing lots. After that, the directors who have been in office the longest shall retire first. Retiring directors may be re-elected.

Composition and Appointment of Independent Directors and Audit Committee

Independent Directors

As specified by the Company, at least one-third, but not less than three members of the Company's Board of Directors must be independent directors which shall be appointed by the Board of Directors or the shareholders' meeting (as the case may be).

Based on the criteria of the selection of the Board of Directors, those who will be appointed to be independent directors shall possess qualifications, without prohibited characteristics of directors according to the Public Limited Companies Act and law on securities and exchange, as well as relevant notifications, requirements and/or regulations. Qualifications of independent directors will be considered from their independence factor, educational qualification, specialized expertise, working background and other preferable characteristics. Moreover, the independent director candidates shall be considered independent from executive team and major shareholders. Well qualified candidates for being independent directors shall be presented to the shareholders' meeting for consideration. In cases of vacancy for independent directors before the end of their term of office, the Board of Directors shall appoint those possessing complete qualifications to be the independent directors in order to replace the vacant position. The replacement member will serve only the remaining term of independent directors whom he/she replaces.

Qualifications of independent directors as specified by the Board of Directors are as follows:

1. Holding not more than one percent of shares (with voting right) of the Company, holding company, subsidiaries, associated company, a major shareholder or controlling person of the Company, which shall be inclusive of the shares held by any related person of such independent director;
2. Neither being nor having been an executive director, employee, staff or advisor receiving regular salary or controlling person of the Company, holding company, subsidiaries, associated company, subsidiaries of the same level or a major shareholder or controlling person of Company, unless the foregoing status has ended for more than two years prior to the date of submitting the application to the Securities and

Exchange Commission (SEC). This condition does not include an independent director who used to be a government officer or advisor to any government agencies who is a major shareholder or controlling person of the Company.

3. Not being a person related by blood or registration under law, such as father, mother, spouse, sibling, or child, including the spouse of a child of any executive, major shareholder, controlling person or person to be nominated as an executive or a controlling person of the Company or subsidiaries.
4. Neither holding nor having held a business relationship with the Company, holding company, subsidiaries, associated company, major shareholder or a controlling person of the Company in a manner which may interfere with his/her independent judgement, and neither being nor having been a substantial shareholder or a controlling person of any person having a business relationship with the Company, holding company, subsidiaries, associated company, major shareholder or controlling person of the Company unless the foregoing relationship has ended for more than two years prior to the date of submitting the application to the Securities and Exchange Commission (SEC). The abovementioned business relationship includes normal business transaction, rental or lease of immovable property, the transaction relating to assets or services as well as the offer or the receipt of financial aids by way of borrowing or loan, guarantee, collateral loan and other transactions of similar manner which may cause debt burden between the Company and the party to agreement from the amount of three percent of net tangible assets of the Company or more than 20,000,000 Baht, whichever is lower. Mutatis mutandis, in calculating such debt, the method of calculating the value of related party transactions stated in the announcement of CMSB's regulations on the execution of related party transaction should be applied. Any debt burden occurring during the period of one year prior to the date of the business relationship with the same person must be included when considering such debt burden.
5. Neither being nor having been an auditor of the Company, holding company, subsidiaries, associated company, a major shareholder or controlling person, and not being a substantial shareholder, controlling person, or partner of an audit firm which employs auditors of the Company, holding company, subsidiaries, associated company, major shareholder or controlling person unless the foregoing relationship has ended for more than two years prior to the date of submitting the application to the Securities and Exchange Commission (SEC).
6. Neither being nor having been any professional adviser including legal adviser or financial adviser who receives an annual service fee exceeding 2,000,000 Baht from the Company, holding company, subsidiaries, associated company, a major shareholder or controlling person, and not being a substantial shareholder, controlling person, or partner of the professional adviser, unless the foregoing relationship has ended for more than two years prior to the date of submitting the application to SEC.
7. Not being a director who has been appointed as a representative of the Company's director, major shareholder, or shareholder related to the major shareholder;

8. Not operating any business that is of the same nature as or that significantly competes with the business of the Company or subsidiaries as well as not being a significant partner in a limited company, an executive director, employee, staff, advisor receiving regular salary or a person holding over one percent of the total number of shares with voting rights of other companies which operate the same type of business and which significantly competes with the Company's and the subsidiaries' business operation.
9. Not having any characteristics that prohibit the expression of independent opinion towards the Company's business operation.

Audit Committee

The Audit Committee comprises of at least three independent directors who serve a term of three years since the appointment date. The Company set policy of selection of the Audit Committee and independent director that is in line with the Notification of CMSB No. Tor Chor. 28/2551 Re: Application for Permission and Grant Permission to Offer Newly Issued Shares, dated December 15, 2008 (as well as the amendment), with following details:

1. They must be appointed by the Board of Directors or the shareholders' meeting (as the case may be)
2. They must possess qualifications of independent directors as mentioned above and;
 - 2.1 They shall not be directors delegated by the Board of Directors to make decision on operations of the Company, subsidiaries, subsidiaries at the same level, major shareholders or controlling person of the Company and;
 - 2.2 They shall not be directors of subsidiaries or same-level listed subsidiaries.

In addition, at least one of independent director assuming the position of the Audit Committee must have sufficient knowledge and experience in accounting or finance to perform reviewing the creditability of financial statements. Meanwhile, business-related experiences, specialized expertise relating to business and ethics of the said member of Audit Committee shall be taken into account.

Based on the criteria and methods of the appointment of the Board of Directors, the retiring members of the Audit Committee shall be re-elected. In cases of vacancy for the member of Audit Committee due to other reasons aside from retirement by rotation, the Board of Directors shall appoint those possessing complete qualification to be the member of Audit Committee in order to replace the vacant position as specified by the Board of Directors. The replacement member will serve only the remaining term of the Audit Committee member whom he/she replaces.

Composition and Appointment of the Executive Committee

The Board of Directors shall appoint the Executive Committee from the Company's directors or high-ranking executives who can perform management of the Company's normal business activities and can formulate policy, business plan, budget and management structure as well as auditing and monitoring the Company's operation results according to the policy specified by the Board of Directors.

Composition and Appointment of the Nomination and Remuneration Committee

Some directors of the Company shall be appointed as the Nomination and Remuneration Committee and one-third of the total number of the Nomination and Remuneration Committee must be the independent director and the Chairman of the Nomination and Remuneration Committee must be the independent director.

Composition and Appointment of the Risk Management Committee

The Board of Directors shall appoint the Risk Management Committee by selecting from the Company's directors or high-ranking executives in both business and supporting units to be responsible for considering risk-related issues of the Company.

Control of Subsidiaries and Associated Companies' Business Operations

The Company's Board of Directors shall be responsible for business management and operation of the Company as well as the operation of subsidiaries in compliance with our main business plan, resolutions of shareholders, laws as well as objectives and Articles of Association of the Company. The Board of Directors must control the operations of the Company and subsidiaries to comply with the regulations of SET, through the supervision of Board of Directors in order to control, manage and be responsible for the operation of the Company and subsidiaries, with details summarized as follows:

1. The Board of Directors sets the policy to appoint their representative to be the director or executive of subsidiaries and associated companies in order to monitor the operation of such companies to be in line with the Company's policy.
2. The Board of Directors continues to monitor the operation of subsidiaries or associated companies and sets guidelines to control the operation of such companies for a person who was appointed as the director or executive.
3. The Board of Directors continues to control the business operation of subsidiaries or associated companies to meet the approved business policy, goals, operation plan, strategy and budget.
4. The Board of Directors considers designing the organization structure and management of subsidiaries or associated companies to add their business operation efficiency and suit current business circumstances.
5. The Board of Directors shall consider approving the budget and spending for investment, operations, transactions of acquisition or disposition of assets, borrowing from financial institutions, lending, capital increase and decrease or business closure that may significantly affect subsidiaries or associated companies' operations.
6. The Audit Committee shall review accuracy and reliability of financial reports, internal control system, internal auditing works, related party transactions, compliance with related law and regulations as well as monitoring and controlling of subsidiaries and associated companies' operations.

7. The Risk Management Committee shall consider screening the policy and risk management guidelines of subsidiaries and associated companies.
8. The Board of Directors focuses on improving management as well as providing good corporate governance and efficient risk management system of subsidiaries and associated companies.
9. The subsidiaries and associated companies must report their performance to the Board of Directors of the Company. Also, the Board of Directors must consider such performance regularly in order to support their planning and goals of business operation in the future.

Control of the Use of Inside Information

The Company has a policy and practices to control the exploitation of inside information by the directors and executives for their personal benefit, including securities trading:

1. The Company formulates the written guidelines for keeping information and preventing inside information exploitation in order to promote fairness to shareholders, customers, business partners and all stakeholders according to laws and principles of good corporate governance.
2. The directors, executives and employees are forbidden from exploitation of inside information that has a significant impact on the Company's securities trading and the change in share price that has not yet been declared to the public for their personal or other's interest.
3. The directors, executives as well as those in the executive positions of accounting or finance unit from the level of manager and above and employees in the unit where inside information is available must refrain from the Company's stock trading for one month prior to the date of announcement of operation results and financial statement or important information that have impact on the change in the Company's stock price until such information is declared to the public.
4. The directors, executives as well as those in the executive positions of accounting or finance unit from the level of manager and above shall report ownership of all securities issued by the Company, pertaining to themselves, spouses and/or minor children to the Company Secretary within 30 days after formally assuming the position. Besides, the directors and high-ranking executives shall report to the Board of Directors or the delegated person all of their securities trading at least 1 day in advance in order to notify SEC within three business day after transaction date as specified by the Securities and Exchange Act.
5. The directors shall make and submit their connected transaction(s) report to the Company Secretary.
6. The directors shall report all the change of their securities holding and their connected transaction(s) to the meeting of the Board of Directors. Then, the Company Secretary shall submit a summary report on the said connected transaction(s) to the next Board's meeting. The change in securities holding of the directors and executives that occurs during the particular year shall be disclosed in the Company's annual report.

7. The Company gives significance on inside information exploitation that may affect the Company's benefits or create the conflict of interest by specifying details in the Good Corporate Governance policy, the Code of Conduct, best practices for working, employment contract and working-related regulations.
8. The Company gives significance on strict and consistent protection of customers' confidential information and prevention of the use of such information for benefits of directors, executives, employees and relevant persons, unless otherwise prescribed by laws.
9. The Company gives significance on protection of information on IT system by controlling and/or preventing the access to the Company's information by outsiders and designing the access control for each level of employee based on their authority and responsibilities.
10. In cases where external parties are involved in special projects dealing with information undisclosed to the public and during the negotiation stage, such projects shall be regarded as inside information as it may affect Company's share price. These external parties must sign a confidentiality agreement with the Company until the information is disclosed to SET and SEC.
11. Directors, executives or employees that fail to comply with the Company's regulations of inside information must be subject to penalties according to the Company's disciplinary action and/or laws (as the case may be).

Human Right Policy

Mono Group underlines the principles of Human Rights, which are considered as the fundamental rights, by treating every stakeholder fairly and impartially. Thus, it promotes the directors, executives, and employees to perform their duties with realization on human rights, duties and responsibilities of their own and other individuals under the following guidelines.

1. Every stakeholder shall be treated under the principles of Human Rights with realization of their human rights and dignity.
2. The Company shall promote impartiality and equitable treatment without any discrimination. There shall be no violation of an individual's rights neither by verbal or action because of his/her difference in terms of nationality, gender, age, religious, place of birth, language, culture, education, physical appearance, economic and social status, attitude, believe, etc.
3. Respect for human dignity shall be provided to all employees who will be encouraged to exercise their legitimate rights in accordance with the Constitution and other laws. In doing so, knowledge should be given to all employees in a manner that benefits their understanding on the laws prescribing about rights and duties, and responsibilities of themselves as well as respect for other's rights and duties. The Company shall also promote the good relationship building activities that every employee can adopt as guidelines.

4. Personal information of stakeholders shall be kept confidential. There shall be no breach of or unlawful exploitation from such personal information. The disclosure or utilization of such personal information must be approved by the owner, except for the lawful action according to the laws, regulations and the Company's Articles of Association.
5. There shall be the follow-up process that monitors and controls the Company's business operation and performance of employees to avoid any action that involves in human rights infringement.

Copyright and Intellectual Property Policy

The Company commits to act in strict compliance with the copyright and intellectual property laws by upholding the following guidelines.

1. Any work that employees generate as assigned or for the Company in the course of their employment shall be deemed copyrighted by the Company. Consequently, all copyrighted works as stipulated by this policy shall be submitted to the Company; regardless of any format they are created.
2. The Company shall protect the Company's benefits by undertaking the official registration of trademark, patent, copyright, and intellectual properties in order to avoid any infringement by other individuals.
3. To ensure the appropriate use of computers and information technology in compliance with the laws and regulations namely "Computer Network and Internet Safety Regulations" and the Computer Related Crime Act. B.E. 2550 (2007), there shall be the Information Technology Unit that is responsible for monitoring and controlling the use of computer network and internet. For example, all computer programs and software needs license verification and their installation must be authorized by Information Technology Unit. Any wrongful action or noncompliance with the regulations shall be considered as a disciplinary offence.
4. The Company shall comply with the copyright and intellectual property laws, for example, Thai Trademark Act, Thai Patent Act, and Thai Copyright Act, including other related laws. The Company shall provide the employees with the training course on intellectual property laws as well as promote their participation.
5. The use of external party's copyrighted work or information, of which the rights are acquired, or for internal use, shall be ensured that it shall not cause a liability for breaches of intellectual property rights.

Anti-Corruption Policy

Adhering to good corporate governance practices, the Company operates its businesses and carries out the management within the frame of laws, ethical principles and code of conducts. With its commitment to act against any corrupted conduct which can affect the development of national economy, society, and security. The Company therefore announces the intention to become a member of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) and establishes Anti-Corruption Policy in the Company's Business Code of Conduct that institutes the groundwork of efficient internal control system as well as cultivates a good sense of honesty and morality for employees. Details of the practice are as follows:

1. The anti-corruption shall be embedded into corporate culture which cultivates a good sense and values towards anti-corruption. Employees will be encouraged to work with honesty as well as to respect rules, laws, regulations, and the Company's policies.
2. Risk assessment shall be carried out on a periodic basis in order to set appropriate measures for risk management and be able to prevent risks to an accepted level. The Risk Management Committee shall monitor the process.
3. Internal control system shall include checking over finance, accounting, document keeping, and other business processes. There shall be internal control procedures, monitor, and assessment in order to report to executives, the Audit Committees, and the Board of Directors for acknowledgement.
4. The Company shall communicate, disseminate, and educate employees and business related persons via intranet and bulletin boards so that they comply with the policy. In 2017, the Company held a knowledge sharing course on risk management and anti-corruption to executives and supervisors. The Anti-Corruption Policy was also included in the orientation course for new employees.
5. It shall be prohibited to support any offerings, or facilitations, or bribes to external parties in exchange for doing or refraining from doing any acts in an unethical manner for inappropriate business settlements.
6. It shall be prohibited to receive any properties or extra-benefits from external parties which are given to influence unethical decision making of one's duties or refrain from doing one's duties. However, there is an exception for gifts that are presented in traditional occasions. In addition, the gifts should not be cash and their values must not exceed 3,000 Baht.
7. The Company shall provide channels for whistle-blowing on any suspicious acts of corruption involved with the Company either directly or indirectly. Such acts shall be informed to the Audit Committee or the Company Secretary or antifraud@mono.co.th. Whistleblower and confidentiality protection shall be provided to prevent any problems or injustice arising from the whistle-blowing. Investigating procedures and penalties for persons who violate the rule shall be determined as well.
8. As being a part of prevention and promotion on anti-corruption practices, the Company shall give support to any kind of activities organized by the anti-corruption bodies and organizations.

On October 14, 2016, the Company was certified a membership of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) according to the resolution of CAC committee in the third quarter of 2016. The Company received the certificate of membership from Mr. Krirk-Krai Jirapaet, Director of CAC. The certification of the membership lasts for 3 years.

Remuneration of Auditor

In 2017, the Company and subsidiaries incurred audit fee for auditor from EY Office Limited and other audit firms overseas, with details as follows:

Type	Fee as of 2017 (Baht)
Audit fee	5,374,000
Non-audit fee	160,000
Total	5,534,000

Other Compliance with Corporate Governance Principle

Report on Compliance with Corporate Governance Policy

In 2017, details of the Company's compliance with corporate governance policy established by the Board of Directors are as follows:

1. Rights of Shareholders and 2. Equitable Treatment of Shareholders

1. The Company arranged the 2017 Annual General Meeting of Shareholders on April 26, 2017. This practice is regarded as the compliance with the regulations of SET and SEC as well as corporate governance policy. Also, the invitation to the annual shareholders' meeting as well as attachment (as specified in the policy) was sent by registered mail at least 21 days prior to the meeting. All members of the Board of Directors participated in the shareholders' meeting, with a quorum of shareholders attending.
2. The Company gives the equal rights to shareholders to express their opinions and raise inquiries before voting and deciding resolution of each agenda. One share is equal to one vote. For the normal agenda, a resolution of the meeting shall be decided by a majority vote of the shareholders attending the Meeting and being entitled to vote.
3. The Company completely and accurately reported its performance to all shareholders and minutes of the 2016 Annual General Meeting of Shareholders was also completely recorded.
4. The Company discloses information via the SET and SEC's website as specified in the related regulations as well as via the Company's website <http://www.mono.co.th> Information about corporate governance policy and code of conducts of directors and executives is disclosed in the "Corporate Governance" section. Also, the Company reported news and information and financial information in the "Investor Relations" section and provided a communication channel for retail investors to raise any inquiry via Email: ir@mono.co.th.

5. The policy on the control of the use of inside information can be viewed from the Annual Registration Statement (56-1 form) No. 9.5 governing the control of the use of inside information. Also, the Company regularly sent a mail to prohibit the directors and executives to reveal the inside information which may significantly affect securities trading, especially before the disclosure of performance and financial position or other information that may result in any change in price of securities.

Assessed by Thai Investors Association, the Company's 2017 AGM quality received 100 full score for four consecutive years. Assessment covers the overall AGM process (pre-, during- and post-meeting).

3. Role of Stakeholders

The Company has been conducting business based on ethical principal and gives significance on stakeholders. For the business operation, the Company established Customer Service unit in order to be responsible for giving news and information about products and services of the company, receiving complaints as well as coordinating works in order to help resolve problems that the customers may have. On the part of Corporate Affairs unit, the Company provided a communication channel to hear matters relating to corporate governance via "CG Hotline." During the previous year, there was no complaint from stakeholders through the channels provided.

4. Disclosure and Transparency

The Company accurately and completely disclosed important information, such as financial as well as non-financial information in equitable manner according to the requirements of SET and SEC in order to enhance the confidence of shareholders. In addition, related information was disseminated continuously via the Company's website.

5. Responsibilities of the Board of Directors

1. Structure of Board of Directors comprised of three independent directors from the entire number of nine directors. The three independent directors are also in the Audit Committee of the company, with qualification required by SEC, CMSB and SET and independency in the management of auditing works.
2. The Board of Directors clearly separated the duties and roles of the Chairman of the Board of Directors and Chief Executive Officer (CEO). That is to say, the Chairman of the Board of Directors shall not participate in the normal business management, but regular giving support and advices for business operation of management team via CEO. On the other hand, CEO shall be responsible for management under the scope of authority empowered by the Board of Directors.
3. The Company clearly separated the roles, duties and responsibilities among the Board of Directors, the Executives by specifying (in writing) the scope of authority, duties and financial limit that each level of management can approve.

4. The Company set good practices relating to the code of conduct of the directors, executives and employees in order to use as the principle of business operation. During their operations, all directors and executives must comply with this principle which is disseminated via the Company's website.
5. At least four meetings of the Board of Directors of the Company were regularly held per year in order to consider normal agendas of each quarter. Meanwhile, a monthly meeting of the Executive Committee was held in order to approve operational budget, acknowledge the Company's performance and management as well as dividing authority for other committees as per their scope of responsibilities. Such Committee shall screen information and monitor operations in order to promote efficiency and timeliness of the management and business operation.
6. Every year, at least one performance appraisal of directors was arranged in line with the Self-Assessment Program of the Director improved by the Corporate Governance Center of SET. Moreover, the members of the Board of Directors can use this performance appraisal as a guideline to develop their future performance.

Due to the fact that all members of the Board of Directors are qualified and highly competent, and devote their time in fulfillment of their management roles with excellent performance, the Board of Directors has not specified the term limit for an independent director and the limit on the number of board seats or directorship in listed companies in the Corporate Governance Policy. Although, the Company does not establish the Corporate Governance Committee, the Corporate Affairs Department shall serve as an internal unit with the roles and responsibilities to ensure that the Company's businesses are operated in accordance with the laws and related regulations; the compliance with Corporate Governance Policy, Good Governance, the Code of Business conducts, etc.; as well as to report the Audit Committee and the Board of Director concerning the Corporate Governance conduct.

Report on Changes in Securities Holding of Directors and Executives

According to the Company's policy, the directors and executives shall report the changes of securities holding pertaining to themselves, spouses and/or minor children. The Company Secretary shall submit a summary report on the said changes in Securities Holding to the forthcoming Board's meeting. Report on Changes of Capital in 2017 appears in Shareholding and Management Structures.

Summary Report on the Securities Holding of Directors and Executives

Ordinary Shares

Name	Number of Shares as of Dec. 31*		Changes	Shareholding Percentage
	2017	2016	(Increase / Decrease)	As of Dec 31, 2017 (%)
Directors				
1. Mr. Pete Bodharamik	2,248,121,980	2,274,699,280	(26,577,300)	66.30
2. Mr. Navamin Prasopnet	22,900,000	22,900,000	-	0.68
3. Mr. Sang Do Lee	15,000,000**	17,500,000**	(2,500,000)	0.44
4. Mr. Patompong Sirachairat	6,600,000	6,600,000	-	0.19
5. Mr. Komsak Wattanasriroj	11,135,000	11,135,000	-	0.33
6. Mr. Siri Luengsawat	-	2,000,000	(2,000,000)	-
Executives				
1. Mr. Jiraparwat Boonyasen	6,600,000	6,600,000	-	0.19
2. Miss Pitirudee Sirisamphan	2,050,000	2,050,000	-	0.06
3. Miss Benjawan Rakwong	1,602,900	3,902,900	(2,300,000)	0.05
4. Mr. Teerasak Tharaworn	1,000,000	1,120,000	(120,000)	0.03
5. Miss Paweena Poonpattanasuk	1,000,000	1,100,000	(100,000)	0.03

* The Company's Paid-up Capital as of December 31, 2016 amounted to 3,200,935,537 shares and as of December 31, 2017, amounted to 3,390,740,224 shares.

** The number of shares of Mr. Sang Do Lee in 2016 includes the amount of 500,000 shares in Thai NVDR
In 2017, the total amount of share in Thailand Securities Depository Company Limited for Depositors was 3,000,000 shares.

*** In 2017, all three independent directors, including Mrs. Punnee Worawuthichongsathit, Mr. Preecha Leelasithorn, and Mr. Kriengsak Thiennukul as well as their spouses and minor children reported no shareholding. Furthermore there had been no report on the securities holding by spouses and/or minor children of all 14 directors and executives.

Warrants (MONO-W1)

Name	Number of Shares as of Dec. 31*		Changes	Warrant Holding Percentage
	2017	2016	(Increase / Decrease)	As of Dec 31, 2017 (%)
Directors				
1. Mr. Pete Bodharamik	887,694,165	927,694,165	(40,000,000)	61.97
2. Mr. Navamin Prasopnet	-	-	-	-
3. Mr. Sang Do Lee	44	1,000,044	(1,000,000)	0.000003
4. Mr. Patompong Sirachairat	3,214,286	3,214,286	-	0.22
5. Mr. Komsak Wattanasriroj	700,000	4,112,600	(3,412,600)	0.05
6. Mr. Siri Luengsawat	-	-	-	-
Executives				
1. Mr. Jiraparwat Boonyasen	3,214,286	3,214,286	-	0.22
2. Miss Pitirudee Sirisamphan	-	700,000	(700,000)	-
3. Miss Benjawan Rakwong	1,442,858	1,442,858	-	0.10
4. Mr. Teerasak Tharaworn	16	200,016	(200,000)	0.000001
5. Miss Paweena Poonpattanasuk	-	-	-	-

* The allocation of warrants which are outstanding or are not exercised as of December 31, 2016 amounts 1,479,067,065 units and as of December 31, 2017, amounted to 1,432,395,941 units.

** In 2017, all three independent directors, including Mrs. Punnee Worawuthichongsathit, Mr. Preecha Leelasithorn and Mr. Kriengsak Thiennukul as well as their spouses and minor children reported no shareholding. Furthermore there had been no report on the securities holding by spouses and/or minor children of all 14 directors and executives.

Related Party Transactions

Summary of related party transactions between Mono Group and persons that may have conflicts of interest throughout 2017

Related party transactions between Mono Group, and individual and juristic persons can be summarized as follows:

Connected Company	Relationship
1. Jasmine International Group ("JAS")	<ul style="list-style-type: none"> Mr. Pete Bodharamik is the major shareholder of both the Company (66.30 percent) and JAS (64.39 percent).
<ul style="list-style-type: none"> Triple T Broadband Public Company Limited ("TTTBB") 	<ul style="list-style-type: none"> TTTBB operates high-speed network in order to provide broadband internet service. Mr. Pete Bodharamik is the director of both TTTBB and the Company and he is also the authorized director of both TTTBB and the Company. ACU is the major shareholder of TTTBB (99.20 percent) and the subsidiary of JAS, holding share of 100.00 percent.
<ul style="list-style-type: none"> Triple T Internet Company Limited ("TTTI") 	<ul style="list-style-type: none"> TTTI offers internet service solution. Mr. Pete Bodharamik is the director of both TTTI and the Company and he is also the authorized director of both TTTI and the Company. TTTBB is the major shareholder of TTTI (99.99 percent). ACU is the major shareholder of TTTBB (99.20 percent) and is the subsidiary of JAS, holding share of 100.00 percent.
<ul style="list-style-type: none"> JasTel Network Company Limited ("JASTEL") 	<ul style="list-style-type: none"> JASTEL offers circuit leasing service and local and international data communication services. Mr. Pete Bodharamik is the director of both JASTEL and the Company and he is also the authorized director of both JASTEL and the Company. Jasmine Submarine Telecommunications (JSTC) is the major shareholder of JASTEL (100.00 percent). JSTC is the subsidiary of JAS, holding share of 100.00 percent.
<ul style="list-style-type: none"> Premium Asset Company Limited ("PA") 	<ul style="list-style-type: none"> PA operates office rental business and offers related service. Office space under its management is Jasmine International Tower. Mr. Pete Bodharamik is the director of both PA and the Company and he is also the authorized director of both PA and the Company. ACU and JSTC is the first and second largest shareholder of PA, with shareholding of 53.85 and 46.15 percent respectively. ACU and JSTC are the subsidiaries of JAS, holding share of 100.00 percent.

Connected Company	Relationship
<ul style="list-style-type: none"> • Jasmine Internet Company Limited (“JINET”) 	<ul style="list-style-type: none"> • JINET is a provider of various types of internet service, i.e. broadband Internet (ADSL) for individual and corporate customers. • Mr. Pete Bodharamik is the director of both JINET and the Company and he is also the authorized director of both JINET and the Company. JAS is the major shareholder of JINET (98.33 percent).
<ul style="list-style-type: none"> • ACeS Regional Services Company Limited (“ACES”) 	<ul style="list-style-type: none"> • ACeS is a provider of all types of calling services; offering telecommunications equipment for sale, retail and rental. • Mr. Pete Bodharamik is the director of both ACeS and the Company and he is also the authorized director of both ACeS and the Company. • ACeS (Thailand) is the major shareholder of ACeS, with shareholding of 98.04 percent. ACeS (Thailand) is 58.84 percent held by JAS OVERSEAS, which is 39.82 percent held by JAS.
2. Green Star Environment Company Limited (“GS”)	<ul style="list-style-type: none"> • GS is a waste buyer and operates recycling business. • Mr. Navamin Prasopnet is the shareholder and the director of both GS and the Company and he is the authorized director of both GS and the Company. He is also the major shareholder of Green Star (59.96 percent)
3. Dr. Phichani Bodharamik Foundation for Children and Seniors (“PBF”)	<ul style="list-style-type: none"> • The Foundation is established to assist children and the elderly by being recognized as a charitable organization by the Revenue Department. • The Foundation and the Company have a common director, Mr. Pete Bodharamik, and he is a director of the Foundation and the Company.
4. Pinvest Corporation Co., Ltd. (“PINVEST”)	<ul style="list-style-type: none"> • PINVEST is a business of buying, selling, renting, renting real estates and movable properties. • PINVEST and the Company have a common shareholder and director, Mr. Pete Bodharamik, the authorized director of both companies. He is a major shareholder of PINVEST holding 99.99% of shares.

The Company and subsidiaries' related party transactions that can be categorized as normal business, with fair trading conditions:

1. Normal business, with general trading conditions:

Connected Company / Transactions	Value (Million Baht) As of December 31, 2017	Necessity and Appropriateness/ Opinion of Audit Committee
1. Triple T Broadband Public Company Limited		
Cost and Expense		
<ul style="list-style-type: none">A subsidiary paid TTTBB for fixed-line telephone service to support its hotel booking service. TTTBB offered the fixed-line telephone number service and the monthly fee is at the agreed rate.	0.03	The use of fixed-line telephone service by the subsidiary is a normal business transaction and the service fee is based on the market rate. Therefore, this transaction is regarded as reasonable at a fair price.
2. Triple T Internet Company Limited		
Sales and service income		
<ul style="list-style-type: none">The Company and subsidiaries provided advertising space via online media, magazine, radio and digital TV for TTTI.	20.80	Such services are a normal business transaction of the Company and subsidiaries as channels to promote TTTI's services. The price is comparable with the rate that the Company charges other customers. Therefore, this transaction is regarded as reasonable at a fair price.
<ul style="list-style-type: none">A subsidiary sold movie copyright to TTTI.	0.76	
Cost and Expense		
<ul style="list-style-type: none">The Company and subsidiaries paid for the space rental for co-location server.	7.68	The space rental for co-location server is a normal business transaction. TTTI provides Internet service solution with complete system and infrastructure including high speed internet connection and offers space rental for co-location server at a specially designed room. Service fee is based on the market rate. Therefore, the transaction is regarded as reasonable at a fair price.

Connected Company / Transactions	Value (Million Baht) As of December 31, 2017	Necessity and Appropriateness/ Opinion of Audit Committee
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Cost and Expense (continued)

- | | | |
|---|-------|---|
| <ul style="list-style-type: none"> The Company and subsidiaries paid TTTI for: <ol style="list-style-type: none"> Expense of high speed internet service for supporting TV, Mobile Internet and Radio businesses Expense of high speed internet service for supporting the office work. | 14.69 | <p>The use of high speed internet service is a normal business transaction. TTTI provides Internet service solution with complete system and infrastructure. Also, the office of TTTI is located in the same building as the Company. Thus, it is convenient for maintenance and this helps save travelling cost. Service fee is comparable with other providers. Therefore, the transaction is regarded as reasonable at a fair price.</p> |
| <ul style="list-style-type: none"> The Company paid TTTI for fixed-line telephone service for supporting call center operation. Meanwhile, the Company and a subsidiary used such telephone service for office communication purpose. | 0.89 | <p>The use of fixed-line telephone service is a normal business transaction and the service fee is based on the market rate and is comparable with other providers. Therefore, this transaction is regarded as reasonable at a fair price.</p> |

3. JasTel Network Company Limited

Cost and Expense

- | | | |
|---|------|--|
| <ul style="list-style-type: none"> The Company paid JasTel for the use of telecommunication network linking between systems of Jasmine International Tower and DTAC (Rangsit). | 1.33 | <p>The use of telecommunication network is a normal business transaction. JasTel is a provider of telecommunication via fiber-optic cable network with complete infrastructure. Service fee is based on the market rate comparable with that of other providers offering similar type of service. Therefore, this transaction is regarded as reasonable at fair price.</p> |
|---|------|--|

Connected Company / Transactions	Value (Million Baht) As of December 31, 2017	Necessity and Appropriateness/ Opinion of Audit Committee
----------------------------------	---	--

Cost and Expense (continued)

- | | | |
|--|------|--|
| <ul style="list-style-type: none"> The Company and a subsidiary paid JasTel for the rental of co-location server. | 1.11 | <p>The space rental for co-location server is a normal business transaction. JasTel provides Internet service solution with complete infrastructure and offers space rental for co-location server at a specially designed room. Service fee is based on the market rate. Therefore, this transaction is regarded as reasonable at a fair price.</p> |
|--|------|--|

4. Premium Asset Company Limited

Cost and Expense

- | | | |
|---|-------|--|
| <ul style="list-style-type: none"> The Company and subsidiaries paid PA for office related expenses, such as electricity charges as well as service fee for security guards and parking which are the expenses as per agreement. | 14.98 | <p>Such service is a normal transaction. PA is the owner of Jasmine International Tower and the fee is comparable to the rate collected from other tenants. Therefore, this transaction is regarded as reasonable at fair price.</p> |
|---|-------|--|

5. Jasmine Internet Company Limited

Cost and Expense

- | | | |
|--|------|--|
| <ul style="list-style-type: none"> The Company paid JINET for Internet corporate leased line service. | 0.18 | <p>The Internet corporate leased line service is a normal transaction. JINET is the Internet service solution, with efficient system and infrastructure. The service fee is at market rate. Therefore, this transaction is regarded as reasonable at fair price.</p> |
|--|------|--|

Connected Company / Transactions	Value (Million Baht) As of December 31, 2017	Necessity and Appropriateness/ Opinion of Audit Committee
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6. Jasmine International Group , such as TTTBB, TTTI, JINET, JASTEL, ACU, and PA

Cost and Expense

- | | | |
|---|------|--|
| <ul style="list-style-type: none"> The Company paid for training and seminar space and other expenses. | 0.11 | Such service is normal business transaction and the service fee is based on the market rate and the fee is comparable to the rate collected from other users. Therefore, this transaction is regarded as reasonable at a fair price. |
|---|------|--|

7. Green Star Environment Company Limited

Sales and service income

- | | | |
|--|------|---|
| <ul style="list-style-type: none"> A subsidiary earned revenues from sales of old books in form of paper scraps for recycling at higher price, compared with the rate that the subsidiary sold to other trade partners and the market rate. | 0.27 | Such transaction is normal business transaction and the service fee is based on the market rate. Therefore, this transaction is regarded as reasonable at a fair price. |
|--|------|---|

8. ACeS Regional Services Company Limited

Cost and Expense

- | | | |
|--|------|---|
| <ul style="list-style-type: none"> A subsidiary paid ACeS for back-up power service for the Company's Studios which are used for program productions. | 0.79 | Such service is normal business transaction and the service fee is based on the market rate. Therefore, this transaction is regarded as reasonable at a fair price. |
|--|------|---|

2. Transactions supporting normal business:

Connected Company / Transactions	Value (Million Baht) As of December 31, 2017	Necessity and Appropriateness/ Opinion of Audit Committee
1. Premium Asset Company Limited		
Space Rental		
<ul style="list-style-type: none"> The Company and subsidiaries paid PA for office rental. 	40.52	Such service is a normal transaction of Mono Group. PA is the owner of Jasmine International Tower and the fee is comparable to the rate collected from other tenants. Therefore, such transaction is regarded as reasonable at a fair price.
2. Dr. Phichani Bodharamik Foundation for Children and Seniors		
Cost and Expense		
<ul style="list-style-type: none"> The Company made donations to the foundation to support the construction of school buildings for charitable purpose 	1.00	The transaction is a supporting item for CSR of the Company, which is a normal expense item.

3. Asset or service transactions

Connected Company / Transactions	Value (Million Baht) As of December 31, 2017	Necessity and Appropriateness/ Opinion of Audit Committee
1. Pinvest Corporation Co., Ltd.		
Cost and Expense		
<ul style="list-style-type: none"> Subsidiary paid for vdo camera rental to PINVEST for use in business operation. The rates are comparable to the rates charged by the Group to other subscribers. 	15.00	The transaction is a normal business transaction and the rental rates is based on general commercial terms. Therefore, the transaction is reasonable and fair.

Internal Control and Risk Management

Realizing the importance of appropriate internal control which will enhance our business operation efficiency, the Company established the Audit Committee to review the adequacy and the efficiency of internal control and audit system. Also, the Committee shall review business operation of the Company in order to ensure the compliance with securities and stock exchange laws, SET requirements and other law relating to our business operation.

S.C. Accounting & Business Consultant (1995) Co., Ltd. has been employed to be the internal auditor of the Company since 2007 to assess our internal control system, report the operating results as well as monitoring the correction. Such report shall be submitted directly to the Audit Committee and the copy of report will be quarterly sent to the relevant management. Also, the summarized internal audit report will be quarterly presented to the meeting of the Board of Directors for their acknowledgement.

According the meeting of the Board of Directors No. 1/2018, held on February 21, 2018 where all members of the Audit Committee participating in the meeting, the Board of Directors assessed the internal control system by discussing with the management and the Audit Committee. The Audit Committee approved the 2017 internal control adequacy assessment form after discussing with the internal auditor based on the assessment divided into five aspects:

Part 1 Internal Control of the Organization

The Company set clear business goal and work plans, arranged organization structure and delegated appropriate management authority. To stress emphasis on human resources, the Company prepared the human resource planning, as well as arranging corporate governance policy for promoting executives and employees to adhere to such good practices which will lead to internal control adequacy and sustainable growth.

Part 2 Risk Assessment

The Company appointed the Risk Management Committee, consisting of high ranking executives of Mono Group to be responsible for formulating risk management policy, analyzing and assessing risks, planning risk management as well as monitoring the compliance with plans.

Part 3 Operation Control

The Company formulated the policy and the process to control business operation as well as IT control process. The working process has been monitored to ensure the compliance with established plans. In addition, the Company provided the business contingency plan to brace for any situation that may affect the Company's operation under the supervision of five Committees, including the Board of Directors, the Audit Committee, the Executive Committee, the Risk Management Committee and the Nomination and Remuneration Committee.

Part 4 IT System and Data Communication

The Company always makes decision based on correct, appropriate, sufficient and accessible data and provides internal and external communication channels.

Part 5 Monitoring System

The Company set the regular monitoring system for correcting errors in timely manners. The quarterly audit report shall be submitted directly to the Audit Committee and the Board of Directors.

In addition, the Audit Committee views that Miss Suansri Suankul, the Head of the Internal Audit Unit of the Company, possesses appropriate qualification to effectively perform her duty. She is responsible for complying with the approved annual working plans and reporting the audit results directly to the Audit Committee. After reviewing the internal control system of the Company, the Audit Committee found no significant errors that may affect the Company's operation.

The Board of Directors views that the Company's internal control system and risk management are sufficient and appropriate. The Company has set up the adequate and appropriate internal control system for supporting transactions among the major shareholder, directors, the management team and other related persons.

The Audit Committee and the management team continue to put emphasis on internal control and risk management for ensuring good corporate governance, adequate internal control for our business operation, appropriate management process for controlling risk at the acceptable level and the compliance with business operation-related law and regulations to enhance business operation accuracy and reliability.

Report of Board of Directors' Responsibilities to the Financial Statements

To Shareholders,

The Board of Directors is responsible for separate financial statements of Mono Technology Public Company Limited and consolidated financial statements of Mono Technology Public Company Limited and subsidiaries, including financial information presented in this annual report. The aforementioned financial statements have been prepared in accordance with Thai Financial Reporting Standards (TFRS), with appropriate accounting policies applied on a consistent basis. Where judgment and estimates were required, these were made with careful and reasonable consideration, and adequate disclosures have been made in the notes to the financial statements. These financial statements have been audited by independent certified auditors who have given their unqualified opinions.

The Board of Directors supports the practice of good corporate governance, risk management system and appropriate and efficient internal controls to ensure that the Company's financial information is accurate and complete, thus promoting our efficient, transparent and reliable business operation.

In this regard, the Board of Directors has appointed an Audit Committee comprising of three independent directors to be responsible for reviewing the accounting policy, financial reports, internal controls, internal audit and risk management system. The Audit Committee has also reviewed a disclosure of related party transactions. All comments of the Audit Committee on these issues have included in the Report of the Audit Committee, which is presented in this annual report.

The separate financial statements of the Company and the consolidated financial statements of Company and subsidiaries for the year ended December 31, 2017 have been audited by EY Office Limited — an external auditor. To conduct the audits and express an opinion in accordance with generally accepted auditing standards, the auditor was provided with all of the Company's records and related data. The auditor's opinion is presented in the independent auditor's report as part of this annual report.

The Board of Directors is of the opinion that the Company's overall internal control system is adequate and appropriate and can reasonably assure the creditability of the separate financial statements of the Company and the consolidated financial statements of the Company and subsidiaries for the year ended December 31, 2017.



(Mr. Pete Bodharamik)
Chairman

Report of Audit Committee

The Board of Directors of Mono Technology Public Company Limited appointed the Audit Committee which is three independent directors with expertise in accounting, finance, and organizational management. Name and attendances at meeting of each member of the Audit Committee is shown in the table below:

Name	Position	Attendances / Total of meetings (Times)
1. Mrs. Punnee Worawuthichongsathit	Chairperson of Audit Committee	5/5
2. Mr. Preecha Leelasithorn	Member of Audit Committee	5/5
3. Mr. Kriengsak Thiennukul	Member of Audit Committee	5/5

Miss Suansri Suankul was appointed as the Head of Internal Audit Unit and the Secretary to Audit Committee.

The Audit Committee has performed their duties according to the Audit Committee Charter specifying the scope of duties and responsibilities assigned by the Board of Directors and the Company's regulations that were stipulated in compliance with the SET's requirements. The committee also conducted self-assessment for evaluating their performance annually. In 2017, the Audit Committee held 5 meetings, including discussions between the Audit Committee and the management, the external auditor, and the internal auditor. There was also non-executive session that only the Audit Committee and auditors attended the meeting. In addition, the Audit Committee discussed with other committees such as Risk Management Committee and Nomination and Remuneration Committee.

Duties of the Audit Committee can be summarized as follows:

1. To review the Company's quarterly and annual financial statements of 2017 and consolidated financial statements of the Company and subsidiaries before submission to the Board of Directors for approval. The Audit Committee inquired and listened to feedback from executives and auditors about the accuracy, completeness, and reliability of financial statements. Also, adequate financial information was disclosed in a timely manner. The Audit Committee agreed with the external auditors that the financial statements were accurate and in accordance with financial reporting standards. The Audit Committee considered the auditing results with external and internal auditors independently to hear clarification, findings, recommendations, and feedback of responsible persons.

2. To review related party transactions or the transactions which may have conflicts of interest and disclosure of such transactions in order to be in compliance with the laws, SET regulations, and SEC's requirements. The external auditors had an opinion that such transactions and related party transactions were completely disclosed in the notes to the financial statements. The Audit Committee agreed to the external auditors and also viewed that such transactions were in line with the related requirements and beneficial to business operations of the Company and subsidiaries.

3. To review the internal control, internal audit system, risk management as well as corruption risk prevention. The Audit Committee had worked in collaboration with auditors and the Head of Internal Audit Unit to quarterly review the internal control and audit system so that the measures were adequate and met

the established objectives by concerning about the enterprise risk management. The measures focus on having efficient resource management, appropriate asset maintenance, and measures to prevent corruption. The assessment of internal control was conducted according to guidelines of SEC. The Audit Committee had an opinion that the internal control and risk management of the Company were adequate and appropriate without significant problems and weak points.

4. To review the compliance with laws governing securities and exchange, business of the Company and subsidiaries as well as the Company's regulations. Based on the report of the internal auditor, executives, and external auditor, the Audit Committee viewed that there was no significant issues of the non-compliance with relevant laws or requirements.

5. To review the practice of good corporate governance. The Audit Committee reviewed and revised the corporate governance policy that the Company arranged in line with the SET's corporate governance guidelines. The Company arranged the Statements of Business Conducts, Code of Conduct for directors and employees with fair treatment of all customers, trade partners, and stakeholders. The Audit Committee also conducted evaluations on the compliance of their performance to the policy annually.

6. To review the internal audit function. The Audit Committee quarterly reviewed the audit results, gave suggestions, and monitored operation and correction as per significant results in order to promote good corporate governance, fraud protection policy, anti-corruption practice, and sufficient and appropriate internal control. The Audit Committee also reviewed the revision of internal audit charter to meet the international standard and suit the Company. In addition, the annual budget for employment of the Internal Audit Unit, the assessment of independency of the internal auditor's performance, and the adequacy and appropriateness of staff were also considered. After consideration on those matters, the Audit Committee viewed such issues were appropriate, without significant weak points.

7. To consider the nomination and appointment of the independent auditors and fix their remuneration in 2018 in order to propose the Board of Directors and the Annual General Meeting of Shareholders. After considering performance, independency, and remuneration level, the Audit Committee agreed to appoint Miss Krongkaew Limkittikul (Certified Public Accountant No. 5874), or Mr. Supachai Phanyawattano (Certified Public Accountant No. 3930), or Mr. Nattawut Santipet (Certified Public Accountant No. 5730) of EY Office Limited to serve as the Company and subsidiaries' external auditor again for 2018. The Company will incur auditor remuneration to the amount that is not exceeding 1,500,000 Baht and expense recognition of the audit fees for the Company and subsidiaries in consolidated financial statements for 2018 to the amount that is not exceeding 5,745,000 Baht.

The Audit Committee gives significance to corporate governance, adequate internal control that suit the Company's business operation, and taking into account the acceptable operational risk appetite so that accounting systems and financial reports are accurate and reliable. This includes being complied with laws and regulations related to the Company's business operation on continuing basis.

On Behalf of Audit Committee



(Mrs. Punnee Worawuthichongsathit)
Chairperson of Audit Committee

Report of Nomination and Remuneration Committee

Appointed by the Board of Directors, Nomination and Remuneration Committee consists of three members which are three independent directors. Name and attendances at meeting of each member of the committee is shown in the table below:

Name	Position	Attendances / Total of meetings (Times)
1. Mr. Preecha Leelasithorn	Chairman of Nomination and Remuneration Committee	2/2
2. Mrs. Punnee Worawuthichongsathit*	Member of Nomination and Remuneration Committee	2/2
3. Mr. Kriengsak Thiennukul	Member of Nomination and Remuneration Committee	2/2

* The meeting of the Board of Directors No. 1/2017 on January 10, 2017 passed a resolution to appoint Mrs. Punnee Worawuthichongsathit to be Member of Nomination and Remuneration Committee as the replacement of Mr. Soraj Asavaprapha who had resigned. To this regard, Mrs. Punnee Worawuthichongsathit shall retain her office for the remaining term of the former member.

Nomination and Remuneration Committee perform their duties according to the scope and responsibility defined by the charter of the Nomination and Remuneration Committee in order to:

1. Consider and express opinion on appointment of Member of Nomination and Remuneration Committee to replace the member who resigned and propose this matter to the meeting of the Board of Director for approval.
2. Consider and express opinion on election of directors retiring by rotation and propose this matter to the Board of Directors before seeking approval from the Annual General Meeting of Shareholders 2017.
Also, the Company complies with corporate governance principles by giving opportunity to all shareholders to nominate qualified person to be elected as the director. However, there was no nomination sent to the Company.
3. Consider and express opinion on fixing remuneration for directors and propose to the Board of Directors before seeking approval from the Annual General Meeting of Shareholders 2017.
4. Consider allowance payment for directors and bonus payment for executives for 2017.
5. Consider self-assessment results of the Nomination and Remuneration Committee.
6. Consider performance appraisal results of Chief Executive Officer.

Annually reporting to the Board of Directors, Nomination and Remuneration Committee shall appropriately perform their duties with efficiency and transparency for the benefits of the Company.

On behalf of Nomination and Remuneration Committee



(Mr. Preecha Leelasithorn)

Chairman of Nomination and Remuneration Committee

Management Discussion and Analysis

Financial Statements

The Company's Auditors

Year	Name of Auditor	Registration No.	Audit Firms
2015	Mr. Supachai Phanyawattano	3930	EY Office Limited
2016	Miss Krongkaew Limkittikul	5874	EY Office Limited
2017	Miss Krongkaew Limkittikul	5874	EY Office Limited

Audit Report Summary

The Company's consolidated and separate financial statements for 2015 – 2017 were audited by the aforementioned auditors, who were approved by SEC. In addition, financial statements of some overseas subsidiaries during 2015 – 2017 were audited by auditors in each country.

Regarding the financial statements for 2015 – 2017, the auditors expressed their unconditioned opinion toward the audited financial statements and were of opinion that the Company's financial statements represent financial position, operation results, and statement of cash flows for each year ended as the same day were correct in accordance with Thai Financial Reporting Standards (TFRS).

Summary of Financial Statements

Statements of financial position of the Company and subsidiaries as of December 31, 2015 – 2017

Statements of Financial Position	As of December 31					
	2017		2016		2015	
	Million Baht	%	Million Baht	%	Million Baht	%
Assets						
Current assets						
Cash and cash equivalents	129.83	2.26	86.81	1.61	194.29	3.68
Current investments - deposits with banks	0.23	0.00	0.23	0.01	0.22	0.00
Trade and other receivables	492.66	8.59	465.98	8.64	457.15	8.66
Inventories	10.50	0.18	8.83	0.16	9.91	0.19
Prepaid expenses	23.51	0.41	22.90	0.42	36.59	0.69
Other current assets	96.82	1.70	89.33	1.66	138.51	2.62
Total current assets	753.55	13.14	674.08	12.50	836.67	15.85
Non-current assets						
Restricted bank deposits	46.06	0.80	9.13	0.17	0.45	0.01
Investment in joint venture	46.83	0.82	51.23	0.95	-	-
Property, plant and equipment	760.55	13.26	777.36	14.42	716.69	13.59
Intangible assets	2,258.10	39.36	1,951.97	36.20	1,723.40	32.65
Cost of spectrum license	1,456.79	25.39	1,585.57	29.41	1,714.35	32.48
Deferred tax assets	258.97	4.51	210.85	3.91	210.78	3.99
Other non-current assets	155.75	2.72	131.47	2.44	75.40	1.43
Total non-current assets	4,983.05	86.86	4,717.58	87.50	4,441.07	84.15
Total assets	5,736.60	100.00	5,391.66	100.00	5,277.74	100.00

Statements of Financial Position	As of December 31					
	2017		2016		2015	
	Million Baht	%	Million Baht	%	Million Baht	%
Liabilities						
Current liabilities						
Short-term loans from banks	120.00	2.09	135.00	2.50	135.00	2.56
Trade and other payables	319.04	5.56	295.06	5.47	493.14	9.34
Current portion of long-term liabilities						
Long-term loans from banks	81.89	1.43	54.89	1.02	-	-
Cost of spectrum license payable	206.18	3.59	360.57	6.69	339.12	6.43
Liabilities under finance lease agreements	6.60	0.12	6.04	0.11	10.60	0.20
Income tax payable	3.40	0.06	0.30	0.01	-	-
Other current liabilities	65.29	1.14	77.37	1.43	41.62	0.79
Total current liabilities	802.40	13.99	929.23	17.23	1,019.48	19.32
Non-current liabilities						
Long-term liabilities, net of current portions						
Long-term loans from banks	1,440.84	25.12	1,338.99	24.83	725.46	13.75
Cost of spectrum license payable	695.32	12.12	708.84	13.15	1,069.41	20.26
Liabilities under finance lease agreements	6.03	0.11	3.09	0.06	8.74	0.16
Provision for long-term employee benefits	43.79	0.76	36.21	0.67	23.11	0.44
Deferred tax liabilities	8.99	0.16	9.69	0.18	7.98	0.15
Total non-current liabilities	2,194.97	38.26	2,096.82	38.89	1,834.70	34.76
Total liabilities	2,997.37	52.25	3,026.05	56.12	2,854.18	54.08
Shareholders' equity						
Registered capital	519.70		498.50		492.80	
Issued and fully paid-up capital	339.07	5.91	320.09	5.95	310.09	5.88
Premium on ordinary shares	3,440.90	59.98	2,935.69	54.45	2,749.19	52.09
Retained earnings						
Appropriated - statutory reserve	51.97	0.91	49.85	0.92	49.28	0.93
Unappropriated	(941.58)	(16.41)	(795.59)	(14.76)	(539.64)	(10.23)
Other components of shareholders' equity	(151.13)	(2.63)	(144.43)	(2.68)	(145.36)	(2.75)
Total parent 's equity	2,739.23	47.75	2,365.61	43.88	2,423.56	45.92
Non-controlling interests	-	-	-	-	-	-
Total shareholders' equity	2,739.23	47.75	2,365.61	43.88	2,423.56	45.92
Total liabilities and shareholders' equity	5,736.60	100.00	5,391.66	100.00	5,277.74	100.00

Statement of comprehensive income for the year ended December 31, 2015 – 2017

Statement of Comprehensive Income	Consolidated Financial Statements					
	For the year ended December 31					
	2017		2016		2015	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue						
Sales and service income	2,528.67	98.17	2,076.76	98.30	1,892.96	98.33
Other income	47.04	1.83	35.94	1.70	32.18	1.67
Total Revenues	2,575.71	100.00	2,112.70	100.00	1,925.14	100.00
Expenses						
Cost of sales and services	1,833.83	71.20	1,633.84	77.33	1,649.96	85.71
Selling and servicing expenses	139.39	5.41	107.57	5.09	229.65	11.93
Administrative expenses	448.34	17.41	417.92	19.78	449.91	23.37
Loss on impairment of investment in joint venture	-	-	21.30	1.01	-	-
Loss on impairment of intangible assets	4.94	0.19	23.78	1.13	2.73	0.14
Doubtful account	0.50	0.02	1.37	0.07	-	-
Total Expenses	2,427.00	94.23	2,205.78	104.41	2,332.25	121.15
Profit (loss) before share of loss from investment in a joint venture, finance cost and income tax income (expenses)	148.71	5.77	(93.08)	(4.41)	(407.11)	(21.15)
Share of loss from investment in joint venture	-	-	(1.81)	(0.09)	-	-
Profit (loss) before finance cost and income tax income (expenses)	148.71	5.77	(94.89)	(4.50)	(407.11)	(21.15)
Finance cost	(133.40)	(5.18)	(145.01)	(6.86)	(133.10)	(6.91)
Profit (loss) before income tax income (expenses)	15.31	0.59	(239.90)	(11.36)	(540.21)	(28.06)
Income tax income (expenses)	42.86	1.66	(9.65)	(0.45)	53.64	2.79
Profit (Loss) for the year	58.17	2.26	(249.55)	(11.81)	(486.57)	(25.27)
Exchange differences on translation of financial statements in foreign currency	(6.70)		0.92		8.47	
Actuarial gains (losses)	-		(7.15)		-	
Income tax effect	-		1.33		-	
Other comprehensive income for the year	(6.70)		(4.90)		8.47	
Total comprehensive income for the year	51.47		(254.45)		(478.10)	
Profit attributable to						
Profit attributable to equity holders of the Company	58.17		(249.55)		(486.57)	
Profit attributable to Non-controlling interests of the subsidiary	-		-		-	
Profit for the year attributable to	58.17		(249.55)		(486.57)	
Earnings per share						
Basic earnings (loss) per share	0.017		(0.079)		(0.158)	
Diluted earnings (loss) per share	0.015		(0.079)		(0.158)	
Weighted average number of ordinary shares (million shares)	3,351.57		3,172.66		3,085.56	

Statement of cash flows of the Company and subsidiaries for the year ended December 31, 2015 – 2017

Statement of Cash Flows	Consolidated Financial Statements		
	For the year ended December 31		
	2017	2016	2015
	Million Baht	Million Baht	Million Baht
Net cash from operating activities	1,185.86	749.61	233.24
Net cash used in investing activities	(1,473.10)	(1,536.68)	(1,033.02)
Cash flows from financing activities	332.57	678.67	387.53
Increase (decrease) in translation adjustments	(2.31)	0.92	8.47
Net decrease in cash and cash equivalents	43.02	(107.48)	(403.78)

Key Financial Ratio

Financial Ratio	Consolidated Financial Statements		
	2017	2016	2015
Liquidity Ratio			
Liquidity Ratio (Time)	0.94	0.73	0.82
Quick Ratio (Time)	0.74	0.54	0.59
Cash Flow Liquidity Ratio (Time)	1.37	0.77	0.28
Account Receivable Turnover (Time)	5.76	5.04	4.23
Average Collection Period (Day)	63.38	72.42	86.19
Inventory Turnover (Time)	132.34	107.99	119.12
Average Sale Period (Day)	2.76	3.38	3.06
Account Payable Turnover (Time)	43.61	23.22	11.71
Average Payment Period (Day)	8.37	15.72	31.16
Cash Cycle (Day)	57.77	60.08	58.09
Profitability Ratio			
Gross Profit Margin (%)	27.28	20.18	12.69
Operating Profit Margin (%)	4.02	(6.21)	(23.21)
Other Profit Margin (%)	1.83	1.70	1.67
Operating Cash Flows to Operating Profit Ratio (%)	1,166.38	(580.98)	(53.09)
Net Profit Margin (%)	2.26	(11.81)	(25.27)
Return on Equity (ROE) (%)	2.28	(10.42)	(18.24)
Efficiency Ratio			
Return on Assets (ROA) (%)	2.67	(1.78)	(7.63)
Return on Fix Assets (ROFA) (%)	20.01	(22.74)	(68.19)
Total Assets Turnover (Time)	0.46	0.40	0.36
Financial Policy Ratio			
Debt to Equity Ratio (Time)	1.09	1.28	1.18
Interest Coverage (Time)	1.11	(0.65)	(3.06)
Cash Basic (Time)	0.70	0.48	0.15
Dividend Payout ^{1/} (%)	377.20	38.66	-

Remark : ^{1/}Calculated from the Net Profit according to the separate financial statements.

Management Discussion and Analysis

1) Overview of Operation Results

Revenue

Total revenue of the Company and subsidiaries for 2017 amounted to 2,575.71 million Baht, compared to 2,112.70 million Baht in 2016, increasing by 463.01 million Baht or 21.92 percent, with details summarized as follows:

Revenue	Consolidated Financial Statements			
	2017	2016	Increase (Decrease)	%
Sales and service income	2,528.67	2,076.76	451.91	21.76
Other income	47.04	35.94	11.10	30.88
Total	2,575.71	2,112.70	463.01	21.92

Sales and service income of the Company and subsidiaries for 2017 totaled 2,528.67 million Baht, compared to 2,076.76 million Baht in 2016, increasing by 451.91 million Baht, or 21.76 percent. Details of sales and service income can be categorized by business segment as follows:

Business Segment	Consolidated Financial Statements			
	2017	2016	Increase (Decrease)	%
Media business	2,370.90	1,980.76	390.14	19.70
Content business	157.77	96.00	61.77	64.34
Total	2,528.67	2,076.76	451.91	21.76

Revenue from media business comprising of the advertising and content subscription business of the Company and subsidiaries for 2017 was 2,370.90 million Baht, comparing to 1,980.76 million Baht in 2016, increasing by 390.14 million Baht or 19.70 percent. The increase of revenue mostly derives from TV advertising of the fact that a subsidiary has run business on SDTV under the name MONO29 channel with the concept of “Free TV with the greatest number of blockbuster movies and premium TV series”. MONO29 has gained TV rating and become top four favorite free digital TV channels, especially, the “Premium Blockbuster” program which offers premium movies drawing attention of advertising agencies and customers to advertise their products and services via our channel. This trend is continuously increasing. Currently, MONO29 ranked the third of the most popular TV channel.

Revenues from content business comprising movie, sport, music and other businesses of the Company and subsidiaries in 2017 amounted to 157.77 million Baht, increasing by 61.77 million Baht, or 64.34 percent from 96 million Baht of 2016. Due to

Movie Business In 2017, subsidiaries brought more movie contents into theaters, especially, the launch of the first film produced by “T Moment” production house under Mr. Visute Poolvorlaks, who has experience in the film industry, and it received a good response.

Sport Business Subsidiary owns “Mono Vampire” and “Mono Thewphaingarm” basketball clubs and sponsors Thailand’s basketball League by supporting “Stadium29” for competitions and broadcasting through various media. In addition, the subsidiary has got TV rights of big basketball tournament in the channel. As a result, it has been sponsored by more companies interested in basketball.

Music Business In 2017 Subsidiary started a project named “Mono Fresh Concert” which the concerts feature many well-known leading artists from different styles on the same stage, which was sponsored by GSB, and called “GSB Two-Tone Concerts”.

Other income of the Company and subsidiaries in 2017 was 47.04 million Baht, compared with 35.94 million Baht in 2016, increasing by 11.10 million Baht or 30.88 percent.

Cost, Expense, Finance Cost and Income Tax

Cost, expense, finance cost and income tax of the Company and subsidiaries in 2017 totaled 2,517.54 million Baht, compared to 2,362.25 million Baht in 2016, increasing by 155.29 million Baht or 6.57 percent.

Details	Consolidated Financial Statements			
	2017	2016	Increase (Decrease)	%
Cost of sales and services	1,833.83	1,633.84	199.99	12.24
Selling and servicing expenses	139.39	107.57	31.82	29.58
Administrative expenses	448.34	417.92	30.42	7.28
Loss on impairment of investment in joint venture	-	21.30	(21.30)	(100.00)
Loss on impairment of intangible assets	4.94	23.78	(18.84)	(79.23)
Doubtful account	0.50	1.37	(0.87)	(63.50)
Total expenses	2,427.00	2,205.78	221.22	10.03
Share of loss from investment in joint venture	-	1.81	(1.81)	(100.00)
Finance cost	133.40	145.01	(11.61)	(8.01)
Tax income (expenses)	(42.86)	9.65	(52.51)	544.15
Total	2,517.54	2,362.25	155.29	6.57

The increase in operating expenses was due to higher revenue affecting the Company and subsidiaries had higher expense. While the Company and subsidiaries had increased amortization cost of their rights from purchasing new contents from overseas film studios to support the broadcast of “MONO29” and on all platforms, with more than 2,000 movies in the series, more than 200 series, totally 4,000 episodes. The Company and subsidiaries also used more public relation media within the organization and external public relation media together with partners and more sponsors.

Net Profit

The Company and subsidiaries recorded the net profit for 2017 at 58.17 million Baht, comparing to net loss of 249.55 million Baht in 2016, increasing by 307.72 million Baht or 123.31 percent. This is because of higher advertising income of the subsidiaries resulting from higher ratings compared to last year’s performance.

2) Financial Position Analysis

Assets

The total assets of the Company and subsidiaries as of the end of 2017 amounted to 5,736.60 million Baht, increasing by 344.94 million Baht of 2016. This was in consequence of current assets increased in amount of 79.47 million Baht and non-current assets increased in amount of 265.47 million Baht.

An increase in current assets was mostly because:

Cash and bank deposits increased by 43.02 million Baht and trade and other receivables increased by 26.68 million Baht according to higher income.

An increase in non-current assets was mostly because:

The intangible assets amounted to 2,258.10 million Baht, increasing by 306.13 million Baht from content acquisition in support of the growth of Digital TV business and movie business, especially the film acquisition with top film studios.

Liabilities

As of the end of 2017, total liabilities of the Company and subsidiaries stood at 2,997.37 million Baht, decreasing by 28.68 million Baht from 2016 after the payment of the spectrum license cost of 167.91 million Baht, whereas long-term loan from bank increased 128.85 million Baht and trade and other payable rose 23.98 million Baht due to the increase of the creditors, fee for TV broadcasting license (NBTC) based on TV business revenue.

Shareholders' equity

Shareholders' equity of the Company and subsidiaries as of the end of 2017 was 2,739.23 million Baht, increasing by 373.62 million Baht from 2016 due largely to the 2017 profits in operating performance of 58.17 million Baht and the Company's paid-up share capital increased by 190 million shares, amounting to 524.19 million Baht. At the same time, there was a dividend payment for the year 2016 and an interim dividend for the year 2017 of 202.04 million Baht, resulting in a decrease in retained earnings of 145.99 million Baht.

Investment Structure

As of December 31, 2017, the Company and subsidiaries recorded the total liabilities of 2,997.37 million Baht, accounting for 52.25 percent of total assets. Shareholders' equity was 2,739.23 million Baht, accounting for 47.75 percent of total assets. Debt to Equity Ratio was 1.09 times, decreasing by 0.19 times from the year 2016.

Profitability

As of December 31, 2017, the Company and subsidiaries' gross profit margin was 27.28 percent, increasing by 7.10 percent from 2016. Net profit margin was 2.26 percent, increasing by 14.07 percent from 2016. A key factor for the increase in profitability ratio over year included the fact that "MONO29," ranking top four digital TV channels. As a result, subsidiary's revenue from TV advertising services increased.

Thus, the increasing profitability ratio and Return on Equity (ROE) for 2017 of 2.28 percent, rising by 12.70 percent from 2016 were due to higher profit as mentioned above.

Asset Management Ability

In 2017, the Company and subsidiaries' Return on Assets (ROA) was 2.67 percent, increasing by 4.45 percent from the previous year and Total Assets Turnover was 0.46 times which increased by 0.06 times from the previous year. This was because the contents of the Company and subsidiaries had effectively generated revenue and returns for the company, therefore, the profitability and asset yields were better than last year.

Liquidity and Capital Adequacy

In 2017, the Company and subsidiaries' liquidity ratio was 0.94 times, increasing by 0.21 times from the previous year. Quick Ratio was 0.74 times, increasing by 0.20 times from 2016. These were because cash and bank deposit rose and current liabilities decreased from license fees due within one year as NBTC extended the fee payment period to operators under Section 44.

In 2017, debt to equity ratio was 1.09 times, decreasing by 0.19 times from the previous year because the company had paid 190 million ordinary shares in the amount of 524.19 million Baht, while the liability decreased slightly

Liability Commitments

In 2017, the future minimum lease payments required under these operating lease and service contracts were as follows:

Unit : Million Baht

Payment Period	Amount
Within one year	159
More than one year but not exceeding 5 years	288
More than 5 years	312

Independent Auditor's Report

To the Shareholders of Mono Technology Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Mono Technology Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2017, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Mono Technology Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Mono Technology Public Company Limited and its subsidiaries and of Mono Technology Public Company Limited as at 31 December 2017, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

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

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

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

Revenue recognition

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

I have examined the revenue recognition of the Group by

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

Impairment of intangible assets and cost of spectrum license

As at 31 December 2017, intangible assets and cost of spectrum license totaled Baht 3,715 million, representing 65% of the Group's total assets, as described in Note 12 and 13 to the consolidated financial statements. Management's assessment was that there were indicators that these assets may be impaired. In determining the impairment loss, management had to exercise judgement with respect to the projections of future operating performance and plans for management of assets, and determination of an appropriate discount rate and key assumptions, which directly affect the amount of allowance for impairment loss on such assets.

I gained an understanding of and assessed the assumptions applied in preparing plans and cash flow projections, based on the understanding I gained of the process by which the figures were arrived at, comparison of the assumptions with external and internal sources of information and comparison of past cash flow projections with actual operating results in order to assess the exercise of management judgement in estimating cash flow projections. I also evaluated the discount rate applied by management through analysis of the moving average finance costs of the Group and of the industry, tested the calculation of the realisable values of the assets using the selected financial model and considered the impact of changes in key assumptions on those realisable values, especially changes in the discount rate and long-term revenue growth rates. Moreover, I reviewed the disclosures made with respect to the impairment assessment for intangible assets and cost of spectrum license.

Impairment of investments in subsidiaries and loans to subsidiaries

As at 31 December 2017, the Company had investments in subsidiaries and loans to subsidiaries amounting to Baht 3,027 million and Baht 709 million, respectively, representing 66 percent and 16 percent of total assets, respectively, as described in Notes 9 and 6 to the consolidated financial statements. Management's assessment was that there were indicators of impairment of these investments and loans. In determining the impairment loss, management had to exercise judgement with respect to the projections of future operating performance and plans of the subsidiaries, and determination of an appropriate discount rate and key assumptions, which directly affect the amount of allowance for impairment loss on such investments and loans.

I gained an understanding of and assessed the assumptions applied in preparing plans and cash flow projections, based on the understanding I gained of the process by which the figures were arrived at, comparison of the assumptions with external and internal sources of information and comparison of past cash flow projections with actual operating results in order to assess the exercise of management judgement in estimating cash flow projections. I also evaluated the discount rate applied by management through analysis of the moving average finance costs of the subsidiaries and of the industry, tested the calculation of the realisable values of the assets using the selected financial model and considered the impact of changes in key assumptions on those realisable values, especially changes in the discount rate and long-term revenue growth rates. Moreover, I reviewed the disclosures made with respect to the impairment assessment for investments in subsidiaries and loans to subsidiaries.

Deferred tax assets for unused tax losses

As at 31 December 2017, the Group had deferred tax assets for unused tax losses amounting to Baht 216 million, representing 4 percent of total assets. The Group has disclosed its accounting policy and details relating to deferred tax in Note 4 and Note 24, respectively, to the consolidated financial statements. A deferred tax asset is recognised when it is highly probable that the Group's taxable profit will be sufficient to allow utilisation of the deferred tax in the future. Determining whether there will be sufficient future taxable profit to utilise taxable losses requires significant management judgement with respect to preparation of business plans and projections of future taxable profit based on approved business plans. Therefore, there is a risk with respect to the amount of deferred tax assets.

I assessed the estimates of future taxable profit by checking the required information and key economic assumptions used in the projections against information from both external and internal sources, with particular consideration given to information and assumptions that directly affect revenue growth and gross profit margin. Furthermore, I compared past profit projections with actual taxable profits to assess the exercise of management judgement in estimating taxable profits. I also tested the calculation of future taxable profit based on the above information and assumptions, and considered the effects of changes to key assumptions on the projected future taxable profits, especially in respect of long-term revenue growth. In addition, I reviewed the disclosures of information regarding temporary differences and unused tax losses for which deferred tax assets were not recognised by the Group.

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

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



Krongkaew Limkittikul

Certified Public Accountant (Thailand) No. 5874

EY Office Limited

Bangkok: 21 February 2018

Consolidated Financial Statements

Mono Technology Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2017

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
Assets					
Current assets					
Cash and cash equivalents		129,827,648	86,808,404	67,106,873	25,649,996
Current investments - bank deposits		232,693	229,563	2,979	2,939
Trade and other receivables	7	492,662,568	465,976,391	566,421,976	476,362,478
Inventories	8	10,496,526	8,829,228	-	-
Prepaid expenses		23,507,844	22,900,801	5,766,083	5,692,246
Other current assets		96,826,099	89,336,117	8,041,936	9,430,088
Total current assets		<u>753,553,378</u>	<u>674,080,504</u>	<u>647,339,847</u>	<u>517,137,747</u>
Non-current assets					
Restricted bank deposits	30.2	46,058,565	9,128,667	220,293	106,351
Investments in subsidiaries	9	-	-	3,026,825,626	2,956,825,986
Investment in a joint venture	10	46,832,501	51,226,023	-	-
Loans to subsidiaries	6	-	-	708,750,000	498,900,000
Property, plant and equipment	11	760,550,444	777,356,703	41,761,625	55,217,289
Intangible assets	12	2,258,095,254	1,951,972,846	70,981,549	126,718,918
Cost of spectrum license	13	1,456,793,326	1,585,572,586	-	-
Deferred tax assets	24	258,965,037	210,848,028	3,119,976	2,512,441
Other non-current assets		155,755,084	131,474,183	55,959,378	55,304,873
Total non-current assets		<u>4,983,050,211</u>	<u>4,717,579,036</u>	<u>3,907,618,447</u>	<u>3,695,585,858</u>
Total assets		<u><u>5,736,603,589</u></u>	<u><u>5,391,659,540</u></u>	<u><u>4,554,958,294</u></u>	<u><u>4,212,723,605</u></u>

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

Mono Technology Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2017

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from banks	14	120,000,000	135,000,000	-	15,000,000
Trade and other payables	15	319,038,196	295,054,561	179,570,197	197,722,055
Current portion of long-term liabilities					
Long-term loans from banks	16	81,892,729	54,893,750	-	-
Cost of spectrum license payable	17	206,176,617	360,566,258	-	-
Liabilities under finance lease agreements	18	6,599,924	6,043,515	1,405,954	3,244,571
Income tax payable		3,406,726	296,513	-	-
Other current liabilities		65,286,025	77,371,407	11,116,796	11,196,920
Total current liabilities		<u>802,400,217</u>	<u>929,226,004</u>	<u>192,092,947</u>	<u>227,163,546</u>
Non-current liabilities					
Long-term liabilities - net of current portion					
Long-term loans from banks	16	1,440,837,930	1,338,985,017	-	-
Cost of spectrum license payable	17	695,321,168	708,841,790	-	-
Liabilities under finance lease agreements	18	6,028,606	3,094,482	-	1,405,955
Provision for long-term employee benefits	19	43,792,432	36,210,278	19,243,927	16,615,939
Deferred tax liabilities	24	8,990,111	9,691,493	-	-
Total non-current liabilities		<u>2,194,970,247</u>	<u>2,096,823,060</u>	<u>19,243,927</u>	<u>18,021,894</u>
Total liabilities		<u>2,997,370,464</u>	<u>3,026,049,064</u>	<u>211,336,874</u>	<u>245,185,440</u>

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

Mono Technology Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2017

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
Shareholders' equity					
Share capital	20				
Registered					
5,196,999,975 ordinary shares					
(2016: 4,984,999,975 ordinary shares)					
of Baht 0.1 each		<u>519,699,998</u>	<u>498,499,998</u>	<u>519,699,998</u>	<u>498,499,998</u>
Issued and fully paid-up					
3,390,740,224 ordinary shares					
(2016: 3,200,935,537 ordinary shares)					
of Baht 0.1 each		339,074,023	320,093,554	339,074,023	320,093,554
Premium on ordinary shares		3,440,898,002	2,935,691,191	3,440,898,002	2,935,691,191
Retained earnings					
Appropriated - statutory reserve	22	51,970,000	49,850,000	51,970,000	49,850,000
Unappropriated (deficit)		(941,578,833)	(795,591,899)	511,679,395	661,903,420
Other components of shareholders' equity		<u>(151,130,067)</u>	<u>(144,432,370)</u>	-	-
Total shareholders' equity		<u>2,739,233,125</u>	<u>2,365,610,476</u>	<u>4,343,621,420</u>	<u>3,967,538,165</u>
Total liabilities and shareholders' equity		<u>5,736,603,589</u>	<u>5,391,659,540</u>	<u>4,554,958,294</u>	<u>4,212,723,605</u>

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

Mono Technology Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2017

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
Profit or loss:					
Revenues					
Sales and service income		2,528,674,011	2,076,756,211	804,304,719	968,888,871
Dividend income	9	-	-	158,993,673	232,391,285
Other income		47,037,539	35,947,941	85,439,475	94,574,782
Total revenues		<u>2,575,711,550</u>	<u>2,112,704,152</u>	<u>1,048,737,867</u>	<u>1,295,854,938</u>
Expenses					
Cost of sales and services		1,833,826,580	1,633,841,862	679,824,078	786,404,261
Selling and servicing expenses		139,390,512	107,572,475	33,765,157	21,355,789
Administrative expenses		448,340,683	417,921,961	223,626,143	200,305,077
Loss on impairment of investments in subsidiaries	9	-	-	43,000,000	9,887,000
Loss on impairment of investment in a joint venture		-	21,300,000	-	-
Loss on impairment of intangible assets	12	4,941,744	23,777,955	-	11,459,384
Doubtful debts		504,414	1,367,215	13,857,790	-
Total expenses		<u>2,427,003,933</u>	<u>2,205,781,468</u>	<u>994,073,168</u>	<u>1,029,411,511</u>
Profit (loss) before share of loss from investment in a joint venture, finance cost and income tax income (expenses)		148,707,617	(93,077,316)	54,664,699	266,443,427
Share of loss from investment in a joint venture	10	-	(1,810,826)	-	-
Profit (loss) before finance cost and income tax income (expenses)		148,707,617	(94,888,142)	54,664,699	266,443,427
Finance cost		(133,392,926)	(145,013,948)	(326,396)	(1,223,672)
Profit (loss) before income tax income (expenses)		15,314,691	(239,902,090)	54,338,303	265,219,755
Income tax income (expenses)	24	42,858,402	(9,650,668)	(402,301)	(5,735,548)
Profit (loss) for the year		<u>58,173,093</u>	<u>(249,552,758)</u>	<u>53,936,002</u>	<u>259,484,207</u>

Mono Technology Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the year ended 31 December 2017

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currency		(6,697,697)	924,761	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Actuarial loss	19	-	(7,158,687)	-	(3,059,458)
Less: Income tax effect	24	-	1,334,842	-	611,892
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		-	(5,823,845)	-	(2,447,566)
Other comprehensive income for the year		<u>(6,697,697)</u>	<u>(4,899,084)</u>	<u>-</u>	<u>(2,447,566)</u>
Total comprehensive income for the year		<u>51,475,396</u>	<u>(254,451,842)</u>	<u>53,936,002</u>	<u>257,036,641</u>
Earnings per share	26				
Basic earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company		<u>0.017</u>	<u>(0.079)</u>	<u>0.016</u>	<u>0.082</u>
Diluted earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company		<u>0.015</u>	<u>(0.079)</u>	<u>0.014</u>	<u>0.078</u>

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

Mono Technology Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2017

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Cash flows from operating activities				
Profit (loss) before tax	15,314,691	(239,902,090)	54,338,303	265,219,755
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:				
Depreciation	95,711,367	79,659,602	17,129,471	20,558,524
Amortisation	834,003,376	676,462,420	5,977,574	2,959,271
Amortisation of spectrum license cost	128,779,260	128,779,260	-	-
Doubtful debts	504,414	1,367,215	-	1,912,261
Doubtful debts - loans to subsidiaries (reversal)	-	-	13,857,790	(14,394,960)
Reduction of inventories to net realisable value (reversal)	(2,437,866)	(818,789)	-	-
Loss on impairment of investments in subsidiaries	-	-	43,000,000	9,887,000
Loss on impairment of investment in a joint venture	-	21,300,000	-	-
Dividend income	-	-	(158,993,673)	(232,391,285)
Share of loss from investment in a joint venture	-	1,810,826	-	-
(Gain) loss on disposals of equipment	29,076	1,344,376	(45,185)	(9,315)
Loss on impairment of intangible assets	4,941,744	23,777,955	-	11,459,384
Loss on write-off of intangible assets	-	3,561,308	-	294,808
Unrealised (gain) loss on exchange	(19,009)	79,919	-	(322,066)
Withholding tax written off	2,048,099	636,584	20,429	123,960
Provision for long-term employee benefits	8,148,576	5,606,406	2,643,150	1,634,148
Interest income	(1,732,630)	(644,929)	(21,542,408)	(31,230,633)
Interest expenses	133,392,926	145,013,948	326,396	1,223,672
Profit (loss) from operating activities before changes in operating assets and liabilities	1,218,684,024	848,034,011	(43,288,153)	36,924,524
Operating assets (increase) decrease				
Trade and other receivables	(23,801,091)	(18,153,351)	(22,253,888)	194,448,037
Inventories	770,567	1,900,803	-	-
Prepaid expenses	(784,371)	13,585,214	(222,810)	12,156,897
Other current assets	1,651,513	33,562,175	(865,608)	(166,304)
Other non-current assets	214,431	3,007,408	(150,927)	517,167
Operating liabilities increase (decrease)				
Trade and other payables	33,991,664	(109,939,950)	(21,027,258)	(88,409,089)
Other current liabilities	(15,475,038)	43,703,035	(734,994)	864,349
Cash flows from (used in) operating activities	1,215,251,699	815,699,345	(88,543,638)	156,335,581
Cash paid for corporate income tax	(72,863,550)	(67,398,330)	(22,646,510)	(30,545,809)
Withholding tax refund received	43,470,346	1,307,083	21,112,664	-
Net cash flows from (used in) operating activities	1,185,858,495	749,608,098	(90,077,484)	125,789,772

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

Mono Technology Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2017

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Cash flows from investing activities				
Interest income	1,732,630	644,929	27,471,166	22,765,450
Increase in current investments - bank deposits	(3,130)	(6,163)	(40)	(2,939)
(Increase) decrease in loans to subsidiaries	-	-	(224,350,000)	1,880,139,023
(Increase) decrease in restricted bank deposits	(36,929,898)	(8,678,108)	(113,941)	2,996
Cash paid for purchases of investments in subsidiaries	-	-	(112,999,640)	(2,399,999,925)
Cash paid for purchase of investment in a joint venture	-	(74,336,849)	-	-
Dividend income	-	-	187,892,695	289,189,155
Acquisition and cash paid to settle payables from purchases of property, plant and equipment	(75,348,656)	(193,701,851)	(3,544,820)	(6,205,312)
Acquisition and cash paid to settle payables from purchases of intangible assets	(1,157,268,684)	(848,648,509)	(47,218,725)	(3,513,131)
Proceeds from sales of equipment	715,911	41,560	558,409	194,468
Cash paid for spectrum license	(206,000,000)	(412,000,000)	-	-
Net cash flows used in investing activities	(1,473,101,827)	(1,536,684,991)	(172,304,896)	(217,430,215)
Cash flows from financing activities				
Cash paid for interest expenses	(95,125,860)	(74,539,996)	(177,424)	(1,264,608)
Decrease in bank overdrafts and short-term loans from banks	(15,000,000)	-	(15,000,000)	-
Cash received from long-term loans from banks	128,851,891	668,418,767	-	-
Repayment of liabilities under finance lease agreements	(8,420,532)	(10,202,043)	(3,244,571)	(2,888,592)
Proceeds from increase in share capital	524,187,280	95,000,000	524,187,280	95,000,000
Dividend paid	(201,926,028)	(4,014)	(201,926,028)	(3,834)
Net cash flows from financing activities	332,566,751	678,672,714	303,839,257	90,842,966
Increase (decrease) in translation adjustments	(2,304,175)	924,761	-	-
Net increase (decrease) in cash and cash equivalents	43,019,244	(107,479,418)	41,456,877	(797,477)
Cash and cash equivalents at beginning of year	86,808,404	194,287,822	25,649,996	26,447,473
Cash and cash equivalents at end of year	129,827,648	86,808,404	67,106,873	25,649,996
Supplemental disclosures of cash flow information				
Non-cash transactions				
Payable of acquisition of equipment	9,378,111	16,987,735	-	-
Payable of acquisition of intangible assets	83,114,733	95,315,889	5,000,000	-
Purchase of intangible assets settled with ordinary shares	-	101,500,000	-	101,500,000
Assets acquired under finance lease agreements	11,911,065	-	-	-
Settlement of loan to a subsidiary with assets	-	-	642,210	22,673,360

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

Mono Technology Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2017

(Unit: Baht)

	Consolidated financial statements							
	Retained earnings		Other components of shareholders' equity				Total shareholders' equity	
			Other comprehensive income	Differences on business combination under common control				Total other components of shareholders' equity
Issued and fully paid-up share capital	Premium on ordinary shares	Appropriated	Unappropriated (deficit)	Exchange differences on translation of financial statements in foreign currency				
Balance as at 1 January 2016	310,093,554	2,749,191,191	49,280,000	(539,645,296)	7,008,036	(152,365,167)	(145,357,131)	2,423,562,318
Loss for the year	-	-	-	(249,552,758)	-	-	-	(249,552,758)
Other comprehensive income for the year	-	-	-	(5,823,845)	924,761	-	924,761	(4,899,084)
Total comprehensive income for the year	-	-	-	(255,376,603)	924,761	-	924,761	(254,451,842)
Increase share capital (Note 20)	10,000,000	186,500,000	-	-	-	-	-	196,500,000
Transfer retained earnings to statutory reserve	-	-	570,000	(570,000)	-	-	-	-
Balance as at 31 December 2016	320,093,554	2,935,691,191	49,850,000	(795,591,899)	7,932,797	(152,365,167)	(144,432,370)	2,365,610,476
Balance as at 1 January 2017	320,093,554	2,935,691,191	49,850,000	(795,591,899)	7,932,797	(152,365,167)	(144,432,370)	2,365,610,476
Profit for the year	-	-	-	58,173,093	-	-	-	58,173,093
Other comprehensive income for the year	-	-	-	-	(6,697,697)	-	(6,697,697)	(6,697,697)
Total comprehensive income for the year	-	-	-	58,173,093	(6,697,697)	-	(6,697,697)	51,475,396
Increase share capital (Note 20)	18,980,469	505,206,811	-	-	-	-	-	524,187,280
Dividend paid (Note 28)	-	-	-	(202,040,027)	-	-	-	(202,040,027)
Transfer retained earnings to statutory reserve	-	-	2,120,000	(2,120,000)	-	-	-	-
Balance as at 31 December 2017	339,074,023	3,440,898,002	51,970,000	(941,578,833)	1,235,100	(152,365,167)	(151,130,067)	2,739,233,125

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

Mono Technology Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2017

(Unit: Baht)

	Separate financial statements				
	Issued and fully paid-up share capital	Premium on ordinary shares	Retained earnings		Total shareholders' equity
			Appropriated	Unappropriated	
Balance as at 1 January 2016	310,093,554	2,749,191,191	49,280,000	405,436,779	3,514,001,524
Profit for the year	-	-	-	259,484,207	259,484,207
Other comprehensive income for the year	-	-	-	(2,447,566)	(2,447,566)
Total comprehensive income for the year	-	-	-	257,036,641	257,036,641
Increase share capital (Note 20)	10,000,000	186,500,000	-	-	196,500,000
Transfer retained earnings to statutory reserve	-	-	570,000	(570,000)	-
Balance as at 31 December 2016	<u>320,093,554</u>	<u>2,935,691,191</u>	<u>49,850,000</u>	<u>661,903,420</u>	<u>3,967,538,165</u>
Balance as at 1 January 2017	320,093,554	2,935,691,191	49,850,000	661,903,420	3,967,538,165
Profit for the year	-	-	-	53,936,002	53,936,002
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	53,936,002	53,936,002
Increase share capital (Note 20)	18,980,469	505,206,811	-	-	524,187,280
Dividend paid (Note 28)	-	-	-	(202,040,027)	(202,040,027)
Transfer retained earnings to statutory reserve	-	-	2,120,000	(2,120,000)	-
Balance as at 31 December 2017	<u>339,074,023</u>	<u>3,440,898,002</u>	<u>51,970,000</u>	<u>511,679,395</u>	<u>4,343,621,420</u>

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

Notes to consolidated financial statements

For the year ended 31 December 2017

1. General information

Mono Technology Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Mr. Pete Bodharamik is the major shareholder of the Company. The registered office of the Company is at 200 Jasmine International Tower 16th Floor, Moo 4 Chaengwattana Road, Pakkred, Nonthaburi. The Company and its subsidiaries are principally engaged in the following businesses:

- a) Media business, consisting of TV, radio, online and portable devices
- b) Content business, consisting of movie business, sports business, music business, entertainment business, games business, travel business and horoscope business

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 11 October 2016, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Mono Technology Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2017 (Percent)	2016 (Percent)
<u>Held by the Company</u>				
Mono Generation Company Limited	Production, distribution and provision of entertainment content services, magazines and general books, together with motion pictures, music and other entertainment media	Thailand	100	100
Mono Travel Company Limited	Provision of hotel accommodation, tour package and air ticket services, together with production and provision of content services	Thailand	100	100
Mono Production Company Limited	Provision of location services, production of TV and other programming, together with provision of entertainment content services	Thailand	100	100
Mono Info Systems Company Limited	Production and provision of enterprise software and digital content	Thailand	100	100
Mono Music Company Limited	Production and distribution of entertainment content and provision of related services, including organisation of entertainment-related activities through all types of media	Thailand	100	100
Mono Radio Company Limited	Radio station and broadcasting business	Thailand	100	100
Mono Radio Broadcast Company Limited	Radio station and broadcasting business	Thailand	100	100
Mono Talent Studio Company Limited	Provision of actor and artist services and provision of entertainment content through all types of media	Thailand	100	100

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2017 (Percent)	2016 (Percent)
T Moment Company Limited	Production and distribution of motion pictures, together with provision of entertainment content services	Thailand	100	100
Mono Play Company Limited	Provision of a range of games software services for the purpose of online entertainment through mobile and website platforms	Thailand	100	-
Mono Astro Company Limited	Provision of horoscope services by fortune-tellers and astrologists through various channels	Thailand	100	-
PT Mono Technology Indonesia (1 percent held by Mono Generation Company Limited)	Provision of entertainment content through various channels (dissolved and currently in process of liquidation)	Indonesia	99	99
Mono Technology Vietnam Company Limited	Provision of entertainment content through various channels (dissolved and currently in process of liquidation)	Vietnam	100	100
Mono Technology Hong Kong Limited	Provision of entertainment content through various channels	Hong Kong	100	100

Held by the subsidiaries

A subsidiary held by Mono Generation Company Limited

Mono Film Company Limited	Production and distribution of motion pictures, television programs, together with provision of entertainment content services	Thailand	100	100
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Subsidiaries held by Mono Production Company Limited

Mono Sport Entertainment Company Limited	Organisation of sports events and all types of related activities, including management of sports teams and clubs	Thailand	100	100
Mono Broadcast Company Limited	Broadcasting and television business	Thailand	100	100

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
 - c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
 - d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
 - e) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currency” in the statements of changes in shareholders’ equity.
 - f) Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.
- 2.3 The separate financial statements present investments in subsidiaries and a joint venture under the cost method.

3. New financial reporting standards

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

During the year, the Company and its subsidiaries have adopted the revised financial reporting standards and interpretations (revised 2016) and new accounting treatment guidance which are effective for fiscal years beginning on or after 1 January 2017. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company’s and its subsidiaries’ financial statements.

b) Financial reporting standards that will become effective in the future

During the current year, the Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations (revised 2017) which are effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements.

The management of the Company and its subsidiaries believe that the revised financial reporting standards will not have any significant impact on the financial statements when they are initially applied.

4. Significant accounting policies

4.1 Revenue recognition

Sales of goods

Sales of goods are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

Rendering of services

Revenues from mobile value added services, advertising and other services relating to the internet, TV and radio businesses are recognised when services have been rendered taking into account the stage of completion.

Where royalties from motion picture rights are charged at fixed amounts, the royalties cannot be refunded by the licensee and the licensor has no obligations subsequent to granting the rights, the royalties are recognised as income in full when the licensee is entitled to exploit the rights under the terms of the agreement.

Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

Dividends

Dividends are recognised when the right to receive the dividends is established.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Trade and other receivables

Trade and other receivables are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

4.4 Inventories

Compact discs, video compact discs and digital versatile discs are valued at the lower of cost (under the first-in, first-out method) and net realisable value.

Magazines and pocket books are valued at the lower of cost (under the specific identification method) and net realisable value.

4.5 Investments

- a) Investment in a joint venture is accounted for in the consolidated financial statements using the equity method.
- b) Investments in subsidiaries and a joint venture are accounted for in the separate financial statements using the cost method, net of allowance for impairment loss (if any).

4.6 Property, plant and equipment/Depreciation

Land is stated at cost. Building and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of building and equipment is calculated by reference to their costs, on the straight-line basis over the following estimated useful lives:

	Useful lives
Building	40 years
Land improvement	20 years
Building and leasehold improvement	5, 10 years
Furniture, fixtures and office equipment	4, 5 years
Computer and equipment	3 - 5 years
Motor vehicles	5 years

Depreciation is charged to profit or loss. No depreciation is provided on land and assets under installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.8 Intangible assets and cost of spectrum license/Amortisation

Intangible assets and cost of spectrum license are recognised at cost, with the cost of the spectrum license measured at the cash equivalent price, which is the present value of the installments payable. The difference between the total payment to be made and the cash equivalent price is recognised as a finance cost over the license fee payment period, and amortised from the time the Company is ready to provide commercial service.

Following the initial recognition, the intangible assets and cost of spectrum license are carried at cost less accumulated amortisation and allowance for loss on impairment (if any) of assets.

Intangible assets and cost of spectrum license with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

	Useful lives
Cost of spectrum license	Contract period
Cost of website	10 years
Films, music and video copyright	5, 10 years or contract period
Other copyright	3, 5, 10 years or contract period
Computer software	5, 10, 20 years or contract period

4.9 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company and its subsidiaries, whether directly or indirectly, or which are under common control with the Company and its subsidiaries.

They also include individuals or enterprises which directly or indirectly own a voting interest in the Company and its subsidiaries that gives them significant influence over the Company and its subsidiaries, key management personnel, directors, and officers with authority in the planning and direction of the Company's and its subsidiaries' operations.

4.10 Long-term leases

Leases of equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases are depreciated over the useful life of the asset.

Leases of buildings and equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

4.11 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are charged to profit or loss.

4.12 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the property, plant and equipment or intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining 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. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company and its subsidiaries could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit and loss.

4.13 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Company, its subsidiaries and their employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company and its subsidiaries. The fund's assets are held in a separate trust fund and the Company's and its subsidiaries' contributions are recognised as expenses when incurred.

Defined benefit plans

The Company and its subsidiaries have obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

4.14 Provisions

Provisions are recognised when the Company and its subsidiaries have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.15 Income tax

Income tax income (expense) represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company and its subsidiaries recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company and its subsidiaries review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Impairment of investments

The Company and its subsidiaries treat investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgement of the management.

Property, plant and equipment/Depreciation

In determining depreciation of building and equipment, the management is required to make estimates of the useful lives and residual values of the building and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Intangible assets

The initial recognition and measurement of intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

Litigation

The Company has contingent liabilities as a result of litigation. The Company's management has used judgement to assess of the results of the litigation and believes that no loss will result. Therefore no contingent liabilities are recorded as at the end of reporting period.

6. Related party transactions

During the years, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company, its subsidiaries and those related parties.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		Transfer pricing policy
	2017	2016	2017	2016	
<u>Transactions with the subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Sales and service income	-	-	6	7	Contract price or as agreed upon
Dividend income	-	-	159	232	Announced rate
Interest income	-	-	20	31	3 percent per annum
Other income	-	-	52	52	Contract price
Service revenue sharing payments	-	-	422	464	Contract price or as agreed upon
Sales promotion expenses	-	-	10	6	Contract price or as agreed upon
Other expenses	-	-	-	2	Contract price or as agreed upon
Sales of intangible assets	-	-	102	-	As agreed upon
<u>Transactions with related companies</u>					
Sales and service income	22	29	7	14	Contract price or as agreed upon
Cost of sales and services	14	14	6	10	Contract price or as agreed upon
Rental and service expenses	58	61	38	40	Contract price or as agreed upon
Other expenses	14	15	13	14	Contract price or as agreed upon

The balances of the accounts between the Company, its subsidiaries and those related parties were as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<u>Trade receivables - related parties (Note 7)</u>				
Subsidiaries	-	-	10	6
Related companies (related by common shareholders and directors)	2	4	1	2
Total trade receivables - related parties	2	4	11	8
<u>Other receivables - related parties (Note 7)</u>				
Subsidiaries	-	-	351	194
<u>Dividends receivable - related party (Note 7)</u>				
Subsidiary	-	-	26	55
<u>Deposits and retentions - related parties</u>				
Related companies (related by common shareholders and directors)	7	7	6	6
<u>Trade payables - related parties (Note 15)</u>				
Subsidiaries	-	-	74	117
Related companies (related by common shareholders and directors)	11	-	-	-
Total trade payables - related parties	11	-	74	117
<u>Other payables - related parties (Note 15)</u>				
Subsidiaries	-	-	18	5
Related companies (related by common shareholders and directors)	19	23	14	18
Total other payables - related parties	19	23	32	23

Loans to subsidiaries

The balances of loans between the Company and its subsidiaries and the movements were as follows:

(Unit: Million Baht)

	Separate financial statements			
	Balance as at 31 december 2016	Increase during the year	Decrease during the year	Balance as at 31 december 2017
Mono Generation Company Limited	10	-	(10)	-
Mono Travel Company Limited	9	-	(3)	6
Mono Production Company Limited	105	17	-	122
Mono Music Company Limited	62	-	(62)	-
PT Mono Technology Indonesia	12	-	-	12
Mono Technology Vietnam Company Limited	11	-	-	11
Mono Radio Company Limited	81	22	-	103
Mono Radio Broadcast Company Limited	5	-	-	5
Mono Talent Studio Company Limited	9	10	-	19
Mono Broadcast Company Limited	190	190	-	380
Mono Sport Entertainment Company Limited	28	61	-	89
Total	522	300	(75)	747
Less: Allowance for doubtful accounts	(23)	(15)	-	(38)
Total loans to subsidiaries - net	499	285	(75)	709

The balances represent loans to subsidiaries in the form of promissory notes, which are unsecured and carry interest at a rate of 3 percent per annum. The loans are repayable on demand. However, the Company has no intention to call for loan repayment from the subsidiaries within one year; therefore, the Company classifies these loans as non-current assets.

Directors and management's benefits

During the years, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Short-term employee benefits	48	45	29	28
Post-employment benefits	1	1	1	1
Total	49	46	30	29

Guarantee obligations with related parties

The Company and its subsidiaries have outstanding guarantee obligations with its related parties, as described in Note 30.2 a) to the consolidated financial statements.

7. Trade and other receivables

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Trade receivables - related parties (Note 6)	2	4	11	8
Trade receivables - unrelated parties	161	164	55	87
Accrued revenues	305	251	123	131
Dividends receivable - related party (Note 6)	-	-	26	55
Other receivables - related parties (Note 6)	-	-	351	194
Other receivables - unrelated parties	31	49	-	1
Total	499	468	566	476
Less: Allowance for doubtful accounts	(6)	(2)	-	-
Trade and other receivables - net	493	466	566	476

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

(Unit: Million Baht)

Age of receivables	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<u>Trade receivables - related parties</u>				
Not yet due	2	4	2	3
Past due				
Up to 3 months	-	-	1	1
3 - 6 months	-	-	2	1
6 - 12 months	-	-	2	1
Over 12 months	-	-	4	2
Total trade receivables - related parties	2	4	11	8
<u>Trade receivables - unrelated parties</u>				
Not yet due	121	81	53	44
Past due				
Up to 3 months	35	87	2	43
3 - 6 months	2	7	-	-
6 - 12 months	-	6	-	-
Over 12 months	26	10	-	-
Total	184	191	55	87
Less: Allowance for sales return	(23)	(27)	-	-
	161	164	55	87
Less: Allowance for doubtful accounts	(6)	(2)	-	-
Total trade receivables - unrelated parties - net	155	162	55	87
Total trade receivables - net	157	166	66	95

8. Inventories

(Unit: Million Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2017	2016	2017	2016	2017	2016
Finished goods	13	14	(4)	(6)	9	8
Work in process	1	1	-	-	1	1
Total	14	15	(4)	(6)	10	9

During the current year, the subsidiary reversed the write-down of cost of inventories by Baht 2 million (2016: Baht 1 million), and reduced the amount of inventories recognised as expenses during the year.

9. Investments in subsidiaries

(Unit: Million Baht)

Company's name	Separate financial statements					
	Paid-up capital		Cost		Dividend received during the year	
	2017	2016	2017	2016	2017	2016
Mono Generation Company Limited	982	982	902	902	-	-
Mono Travel Company Limited	20	20	9	9	-	-
Mono Info Systems Company Limited	8	8	8	8	143	232
Mono Production Company Limited	1,820	1,820	1,820	1,820	-	-
Mono Music Company Limited	106	38	123	55	-	-
Mono Radio Company Limited	1	1	1	1	-	-
Mono Radio Broadcast Company Limited	-	-	-	-	-	-
Mono Talent Studio Company Limited	5	5	5	5	-	-
T Moment Company Limited	90	50	90	50	-	-
Mono Play Company Limited	2	-	2	-	9	-
Mono Astro Company Limited	2	-	2	-	7	-
PT Mono Technology Indonesia	4	4	4	4	-	-
Mono Technology Hong Kong Limited	107	107	107	107	-	-
Mono Technology Vietnam Company Limited	10	10	10	10	-	-
Total			3,083	2,971	159	232
Less: Allowance for impairment of investments			(56)	(14)		
Total investments in subsidiaries - net			3,027	2,957		

T Moment Company Limited (“T Moment”)

On 10 January 2017 and 21 February 2017, meetings of the Company’s Board of Directors passed resolutions to pay up a further 7.5 percent and 12.5 percent, respectively, of registered share capital of T Moment (with 45 percent of the registered share capital being called up), or totals of Baht 15 million and Baht 25 million, respectively. The Company’s shareholding in the subsidiary remained unchanged. On 8 February 2017 and 2 June 2017, respectively, the Company made full payments of such share capital.

Mono Play Company Limited (“Mono Play”) and Mono Astro Company Limited (“Mono Astro”)

On 21 February 2017, a meeting of the Company’s Board of Directors passed resolutions to approve the establishment of Mono Play and Mono Astro, which were both registered with the Ministry of Commerce on 22 February 2017 with a registered share capital of Baht 5 million each (50,000 ordinary shares with a par value of Baht 100). The Company invested in 49,997 ordinary shares of Mono Play, at a price of Baht 100 per share, or for a total of Baht 5 million (with 50 percent of the registered share capital being called up) and 49,997 ordinary shares of Mono Astro, at a price of Baht 100 per share, or for a total of Baht 5 million (with 50 percent of the registered share capital being called up). On 21 March 2017, the Company made payments of Baht 2.5 million each for the called-up share capital. As a result, the Company holds 100 percent of all issued shares of both companies.

Mono Technology Vietnam Company Limited

On 8 May 2017, a meeting of the Company’s Board of Directors approved the registration of the dissolution of Mono Technology Vietnam Company Limited, which is currently in the process of liquidation.

Mono Music Company Limited (“Mono Music”)

On 8 November 2017, the Company’s Board of Directors meeting No. 5/2017 passed a resolution to increase the registered share capital of Mono Music by Baht 68 million, from Baht 38 million (380,000 ordinary shares with a par value of Baht 100 each) to Baht 106 million (1,060,000 ordinary shares with a par value of Baht 100 each) by issuing 680,000 additional ordinary shares with a par value of Baht 100 each to the Company. This increase in share capital does not have any effect to the Company’s interest in this subsidiary. The Company made full payment of the share capital, amounting to Baht 68 million, on 24 November 2017 and Mono Music registered the increase in its share capital with the Ministry of Commerce on 27 November 2017.

As at 31 December 2017, the net asset value of the subsidiaries was Baht 387 million (2016: Baht 382 million) lower than the cost of the investments. The Company assessed the recoverable amount of its investment in subsidiaries based on the higher of a calculation of fair value less costs to sell and a value-in-use calculation, using cash flow projections. It was concluded that the recoverable amounts of investments in Mono Music and Mono Technology Hong Kong Limited were lower than the carrying amounts, amounting to Baht 26 million and Baht 17 million, respectively. The Company therefore recognised allowance for impairment loss on these investments in subsidiaries totaling Baht 43 million in profit or loss in the separate financial statements for the current year. The Company’s management believed that the allowance for impairment is sufficient in the current situation.

10. Investment in a joint venture

In June 2016, a subsidiary (Mono Technology Hong Kong Limited) invested in a joint venture with another company to establish Yunnan Mono Digital Technology Company Limited in China, with a registered share capital of USD 8 million (62.5 percent called up). Details of this investment are as follows:

(Unit: Million Baht)

Joint venture	Nature of business	Consolidated financial statements					
		Shareholding percentage		Cost		Carrying amounts based on equity method	
		2017 (percent)	2016 (percent)	2017	2016	2017	2016
Yunnan Mono Digital Technology Company Limited	Provided information and entertainment content	42	42	74	74	72	72
Less: Allowance for impairment of investment				(21)	(21)	(21)	(21)
Translation adjustments				(4)	-	(4)	-
Total				49	53	47	51

On 10 February 2017, a meeting of Yunnan Mono Digital Technology Company Limited's Board of Directors approved its dissolution, which was registered on 13 February 2017. Currently, it is in the process of liquidation. Therefore, during the current year, the subsidiary did not recognise any share of comprehensive income from the investment in Yunnan Mono Digital Technology Company Limited (2016: Recognised its share of loss amounting to Baht 2 million) in the consolidated financial statements. The share of comprehensive income from investment in this joint venture was calculated based on the financial statements prepared by the joint venture's management.

As at 31 December 2017, the net asset value of the joint venture was approximately Baht 53 million, consisting of a bank deposit of approximately Baht 53 million. This bank deposit is in the process of being refunded to the subsidiary.

Summarised information about comprehensive income of Yunnan Mono Digital Technology Company Limited is presented below.

(Unit: Million Baht)

	2017	2016
Total comprehensive income - loss	-	5

11. Property, plant and equipment

(Unit: Million Baht)

	Consolidated financial statements						
	Land and land improvement	Building, building and leasehold improvement	Furniture, fixtures and office equipment	Computer and equipment	Motor vehicles	Assets under installation	Total
Cost:							
1 January 2016	244	73	159	253	25	227	981
Additions	-	6	43	14	-	78	141
Disposals	-	(1)	(1)	(2)	-	-	(4)
Transfers in (out)	12	288	-	-	-	(300)	-
31 December 2016	256	366	201	265	25	5	1,118
Additions	-	3	34	26	1	16	80
Disposals	-	-	(1)	(8)	(1)	-	(10)
Transfers in (out)	2	13	5	-	-	(20)	-
31 December 2017	258	382	239	283	25	1	1,188
Accumulated depreciation:							
1 January 2016	-	24	75	152	13	-	264
Depreciation for the year	1	12	31	34	2	-	80
Depreciation on disposals	-	(1)	(1)	(1)	-	-	(3)
31 December 2016	1	35	105	185	15	-	341
Depreciation for the year	2	24	35	34	1	-	96
Depreciation on disposals	-	-	(1)	(8)	(1)	-	(10)
31 December 2017	3	59	139	211	15	-	427
Net book value:							
31 December 2016	255	331	96	80	10	5	777
31 December 2017	255	323	100	72	10	1	761
Depreciation for the year							
2016 (Baht 62 million included in cost of services, and the balance in administrative expenses)							80
2017 (Baht 78 million included in cost of services, and the balance in administrative expenses)							96

(Unit: Million Baht)

	Separate financial statements				
	Leasehold improvement	Furniture, fixtures and office equipment	Computer and equipment	Motor vehicles	Total
Cost:					
1 January 2016	36	28	122	7	193
Additions	-	1	5	-	6
31 December 2016	36	29	127	7	199
Additions	-	1	3	-	4
Disposals	-	-	(7)	-	(7)
31 December 2017	36	30	123	7	196
Accumulated depreciation:					
1 January 2016	14	20	86	4	124
Depreciation for the year	3	4	12	1	20
31 December 2016	17	24	98	5	144
Depreciation for the year	3	3	11	-	17
Depreciation on disposals	-	-	(7)	-	(7)
31 December 2017	20	27	102	5	154
Net book value:					
31 December 2016	19	5	29	2	55
31 December 2017	16	3	21	2	42
Depreciation for the year					
2016 (Baht 8 million included in cost of services, and the balance in administrative expenses)					20
2017 (Baht 7 million included in cost of services, and the balance in administrative expenses)					17

For the year 2016, Borrowing costs amounting to Baht 3 million were capitalised. The weighted average rate of 6.5 percent per annum was used to determine the amount of borrowing costs eligible for capitalisation.

As at 31 December 2017, the Company and its subsidiaries had vehicles and equipment with net book values Baht 8 million (2016: Baht 12 million) (the Company only: Baht 4 million (2016: Baht 6 million)) which were acquired under finance lease agreements.

As at 31 December 2017, certain items of equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 182 million (2016: Baht 142 million) (the Company only: Baht 104 million (2016: Baht 89 million)).

The subsidiary has mortgaged land with structures thereon with a net book value of Baht 547 million (2016: Baht 550 million) as collateral against a long-term loan facility of Baht 250 million from a bank.

12. Intangible assets

(Unit: Million Baht)

	Consolidated financial statements					
	Website copyright	Films, music and video copyright	Other copyright	Program computer	Advance payments and work in process	Total
Cost:						
1 January 2016	84	1,630	123	50	483	2,370
Additions	-	2	6	2	922	932
Disposals	(1)	(485)	(4)	-	-	(490)
Transfers in (out)	-	772	140	14	(926)	-
31 December 2016	83	1,919	265	66	479	2,812
Additions	-	1	1	6	1,137	1,145
Disposals	-	(496)	(9)	-	-	(505)
Transfers in (out)	-	835	46	-	(881)	-
31 December 2017	83	2,259	303	72	735	3,452

(Unit: Million Baht)

	Consolidated financial statements					
	Website copyright	Films, music and video copyright	Other copyright	Program computer	Advance payments and work in process	Total
Accumulated amortisation:						
1 January 2016	29	571	26	17	-	643
Amortisation for the year	5	621	41	9	-	676
Amortisation on disposals	(1)	(484)	(1)	-	-	(486)
31 December 2016	33	708	66	26	-	833
Amortisation for the year	5	773	44	12	-	834
Amortisation on disposals	-	(496)	(9)	-	-	(505)
31 December 2017	38	985	101	38	-	1,162
Allowance for impairment loss:						
1 January 2016	1	-	-	-	3	4
Increase during the year	16	11	3	-	-	30
Decrease during the year	(4)	-	(3)	-	-	(7)
31 December 2016	13	11	-	-	3	27
Increase during the year	-	1	4	-	-	5
31 December 2017	13	12	4	-	3	32
Net book value:						
31 December 2016	37	1,200	199	40	476	1,952
31 December 2017	32	1,262	198	34	732	2,258
Amortisation for the year						
2016 (Baht 673 million included in cost of services, and the balance in administrative expenses)						676
2017 (Baht 829 million included in cost of services, and the balance in administrative expenses)						834

(Unit: Million Baht)

	Separate financial statements				
	Website copyright	Films, music and video copyright	Program computer	Advance payments and work in process	Total
Cost:					
1 January 2016	11	9	4	14	38
Additions	-	12	1	104	117
Transfers in (out)	-	-	14	(14)	-
31 December 2016	11	21	19	104	155
Additions	-	-	4	48	52
Disposals	-	-	-	(102)	(102)
31 December 2017	11	21	23	50	105
Accumulated amortisation:					
1 January 2016	4	7	2	-	13
Amortisation for the year	-	1	2	-	3
31 December 2016	4	8	4	-	16
Amortisation for the year	-	1	5	-	6
31 December 2017	4	9	9	-	22
Allowance for impairment loss:					
1 January 2016	1	-	-	-	1
Increase during the year	-	11	-	-	11
31 December 2016	1	11	-	-	12
31 December 2017	1	11	-	-	12
Net book value:					
31 December 2016	6	2	15	104	127
31 December 2017	6	1	14	50	71
Amortisation for the year					
2016 (Baht 2 million included in cost of services, and the balance in administrative expenses)					3
2017 (Baht 2 million included in cost of services, and the balance in administrative expenses)					6

13. Cost of spectrum license

Mono Broadcast Company Limited ("Broadcast") won a digital TV spectrum license auction for variety Standard Definition (SD) ("the license") held by the National Broadcasting and Telecommunications Commission ("NBTC"). The license is valid for 15 years from the date of the license (25 April 2014). Broadcast was required to make payment for the bid price of Baht 2,250 million (exclusive of VAT) under the following payment conditions:

- 1) Payment of the minimum bid price, amounting to Baht 380 million, was to be paid in 4 installments, in accordance with the conditions stipulated by NBTC, within 3 years of the date the license was granted.
- 2) The portion of the license fees in excess of the minimum bid price, amounting to Baht 1,870 million, was to be paid in 6 installments, in accordance with the conditions stipulated by NBTC, within 5 years from the date the license was granted.

Subsequently, on 20 December 2016, an announcement in the Government Gazette informed licensees who intend to extend the period of payment of the remaining license fee to notify NBTC. Broadcast did this, through a letter dated 2 February 2017, and on 22 February 2017 received a letter from NBTC approving an extension of the term for payment of the remaining license fee, together with interest, in accordance with the terms and conditions stipulated by NBTC. Following the extension, Broadcast is therefore required to pay the remaining license fee of Baht 1,160 million (the cost of the spectrum license based on the bid price (exclusive of VAT) as at that date) as follows:

- 1) Payment of the remainder of the minimum bid price, amounting to Baht 38 million, is to be paid in two installments, in accordance with the conditions stipulated by NBTC, within 4 years of the date the license was granted.
- 2) The portion of the license fees in excess of the minimum bid price, amounting to Baht 1,122 million, is to be paid in 6 installments, in accordance with the conditions stipulated by NBTC, within 8 years from the date the license was granted.

During the current year, Broadcast paid Baht 206 million of the bid price of the spectrum license (2016: Baht 412 million) and provided a bank guarantee to NBTC as a guarantee of payment of the remaining amount.

In addition, Broadcast is required to pay license fee, other fees and fee for the Broadcasting and Telecommunications Research and Development Fund for the Public Interest as specified by NBTC.

In compliance with preconditions to receive the license, on 17 January 2014, Broadcast entered into a lease agreement to lease for digital terrestrial television service with the Royal Thai Army Radio and Television Station (“RTART”) to broadcast digital television signal via RTART multiplexes. The service will be valid from 17 January 2014 to 31 May 2028 and Broadcast must pay a monthly service fee as stipulated in the agreement.

The net book value of cost of spectrum license is presented below.

(Unit: Million Baht)

	Consolidated financial statements	
	2017	2016
Cost	1,932	1,932
Less: Accumulated amortisation	(475)	(346)
Net book value	<u>1,457</u>	<u>1,586</u>

During the year, Broadcast amortised cost of spectrum license amounting to Baht 129 million (2016: Baht 129 million).

14. Short-term loans from banks

Short-term loans from banks of the Company and its subsidiaries, on which interest is changed at a rate close to the Minimum Loan Rate, are secured by the Company and its subsidiaries.

15. Trade and other payables

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Trade payables - related parties (Note 6)	11	-	74	117
Trade payables - unrelated parties	41	33	21	6
Other payables - related parties (Note 6)	19	23	32	23
Other payables - unrelated parties	66	51	19	13
Accrued expenses	90	76	29	39
Accounts payable for purchases of assets	92	112	5	-
Total trade and other payables	<u>319</u>	<u>295</u>	<u>180</u>	<u>198</u>

16. Long-term loans from banks

(Unit: Million Baht)

Loan	Interest rate (Percent)	Repayment schedule	Consolidated financial statements	
			2017	2016
1	MLR minus a certain spread specified in the agreement	The loan is to be settled on a quarterly basis in 24 installments. The first installment will be due on 30 September 2017 and settlement is to be completed by 30 June 2023.	1,325	1,166
2	MLR	The loan is to be settled on a monthly basis in 84 installments. The first installment was due on 31 December 2017 and settlement is to be completed by 31 May 2023.	198	228
Total			1,523	1,394
Less: Current portion			(82)	(55)
Long-term loans from banks - net of current portion			1,441	1,339

The subsidiaries' loans are secured by the mortgage of a subsidiary's land with structures thereon, as described in Note 11 to the consolidated financial statements, the assignment of rights to receive all service income from areas and the provision of guarantees by the Company.

The loan agreements stipulate certain practices and covenants such as the maintenance of certain debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the agreements, and the shareholdings of current shareholders.

As at 31 December 2017, the Company and its subsidiaries had no long-term credit facilities which have not yet been drawn down (2016: Baht 184 million).

17. Cost of spectrum license payable

(Unit: Million Baht)

	Consolidated financial statements	
	2017	2016
Cost of spectrum license payable	954	1,160
Less: Deferred interest expenses	(53)	(91)
Total	901	1,069
Less: Portion due within one year	(206)	(360)
Cost of spectrum license payable - net of current portion	695	709

Cost of spectrum license payable was required to make payment on a yearly basis. This will be completed by the year 2022, as described in Note 13 to the consolidated financial statements.

18. Liabilities under finance lease agreements

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Liabilities under finance lease agreements	14	10	1	5
Less: Deferred interest expenses	(1)	(1)	-	(1)
Total	13	9	1	4
Less: Portion due within one year	(7)	(6)	(1)	(3)
Liabilities under finance lease agreements - net of current portion	6	3	-	1

The Company and its subsidiaries have entered into the finance lease agreements with leasing companies for rental of motor vehicles and equipment for use in their operations, whereby they are committed to pay rental on a monthly basis. The terms of the agreements are generally between 3 and 5 years.

Future minimum lease payments required under the finance lease agreements were as follows:

(Unit: Million Baht)

	As at 31 December 2017					
	Consolidated financial statements			Separate financial statements		
	Less than 1 year	1-5 years	Total	Less than 1 year	1-5 years	Total
Future minimum lease payments	8	6	14	1	-	1
Deferred interest expenses	(1)	-	(1)	-	-	-
Present value of future minimum lease payments	7	6	13	1	-	1

(Unit: Million Baht)

	As at 31 December 2016					
	Consolidated financial statements			Separate financial statements		
	Less than 1 year	1-5 years	Total	Less than 1 year	1-5 years	Total
Future minimum lease payments	7	3	10	4	1	5
Deferred interest expenses	(1)	-	(1)	(1)	-	(1)
Present value of future minimum lease payments	6	3	9	3	1	4

19. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Provision for long-term employee benefits at beginning of year	36	23	17	12
Included in profit or loss (included in administrative expenses):				
Current service cost	7	5	2	2
Interest cost	1	1	-	-
Included in other comprehensive income:				
Actuarial loss arising from				
Financial assumptions changes	-	3	-	1
Experience adjustment	-	4	-	2
Provision for long-term employee benefits at end of year	44	36	19	17

As at 31 December 2017 and 2016, the weighted average duration of the liabilities for long-term employee benefit was 17 years (the Company only: 17 years).

Significant actuarial assumptions are summarised below:

(Unit: Percent per annum)

	Consolidated/Separate financial statements	
	2017	2016
Discount rate	3.5	3.5
Salary increase rate	5	5

The result of sensitivity analysis on significant assumptions that increase (decrease) the present value of the long-term employee benefit obligation is summarised below:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Discount rate				
Increase 50 basis points	(5)	(3)	(2)	(1)
Decrease 50 basis points	2	3	1	2
Salary increase rate				
Increase 100 basis points	7	7	3	3
Decrease 100 basis points	(8)	(6)	(4)	(3)

20. Share capital

	Approve by	Ordinary shares (shares)	Par value (Baht per share)	Registered Share capital (Baht)	Registration date
Balance as at 1 January 2016		4,927,999,975	0.1	492,799,998	
1) Cancellation of unissued ordinary shares remaining from the general mandate for the year 2015	Annual General Meeting of the shareholders on 27 April 2016	(258,000,000)	0.1	(25,800,000)	10 May 2016
2) Issue of 265 million ordinary shares under a general mandate and 50 million ordinary shares to support the increase in capital for the specified purpose of utilising the capital raised	Annual General Meeting of the shareholders on 27 April 2016	315,000,000	0.1	31,500,000	11 May 2016
Balance as at 31 December 2016		4,984,999,975		498,499,998	
1) Cancellation of unissued ordinary shares	Annual General Meeting of the shareholders on 26 April 2017	(122,000,000)	0.1	(12,200,000)	8 May 2017
2) Issue of ordinary shares under a general mandate	Annual General Meeting of the shareholders on 26 April 2017	334,000,000	0.1	33,400,000	9 May 2017
Balance as at 31 December 2017		<u>5,196,999,975</u>		<u>519,699,998</u>	

	Ordinary shares (shares)	Par value (Baht per share)	Issued and fully paid-up share capital (Baht)	Premium on ordinary shares (Baht)	Registration date
Balance as at 1 January 2016	3,100,935,537	0.1	310,093,554	2,749,191,191	
1) On 23 February 2016, the Company received payments of subscription to 50 million ordinary shares with a price of Baht 1.9 per share, or a total amount of Baht 95 million.	50,000,000	0.1	5,000,000	90,000,000	26 February 2016
2) On 3 June 2016, the Company allotted 50 million newly issued ordinary shares at a price of Baht 2.03 per share, or for a total amount of Baht 101.5 million, to fund payment for movie rights and screenplays amounting to approximately Baht 103 million. Since the offer price was less than 90 percent of the weighted average market price, a silent period requirement was to be applied, in accordance with the notification of the Stock Exchange of Thailand.	50,000,000	0.1	5,000,000	96,500,000	7 June 2016
Balance as at 31 December 2016	3,200,935,537		320,093,554	2,935,691,191	
1) On 12 and 13 January 2017, the Company allotted the 143 million newly issued ordinary shares to certain investors by way of private placements at an offering price of Baht 2.85 per share, or for a total amount of Baht 407.55 million.	143,000,000	0.1	14,300,000	393,250,000	19 January 2017
2) On 29 September 2017, the Company allotted additional ordinary shares as a result of the exercise of warrants to purchase newly issued ordinary shares (Note 21)	46,804,687	0.1	4,680,469	111,956,811	4 October 2017
Balance as at 31 December 2017	3,390,740,224		339,074,023	3,440,898,002	

21. Warrants

On 12 September 2014, the Extraordinary General Meeting of the Company's shareholders passed a resolution approving the issuance of a first tranche of 1,540 million warrants to purchase the Company's ordinary shares (MONO-W1) to existing shareholders, free of charge. The warrants, which were issued in a ratio of 15 warrants for every 14 existing ordinary shares, have an exercise period of 5 years from the date of issuance, and are exercisable every 3 months. One warrant provides the right to purchase one ordinary share (with a par value of Baht 0.1 each) at an exercise price of Baht 2.5. The first exercise date is the last business day of December 2014. The Company issued and allocated the warrants to the existing shareholders on 17 October 2014.

Subsequently, on 2 June 2016, the Company passed a resolution approving an adjustment of the exercise price and the exercise ratio of MONO-W1 for the purpose of preserving the interests of the holders, from the existing exercise price of Baht 2.5 per share to Baht 2.492 per share and from the existing exercise ratio of 1 warrant to 1 ordinary share to 1 warrant to 1.003 ordinary shares.

Details of the exercises of warrants are as follows:

Exercise date	Exercised warrants (Warrants)	Cash received from exercise (Million Baht)	Issued and fully paid-up share capital (Million Baht)	Registration date
23-29 December 2014	121,183	-	308	8 January 2015
31 March 2015	814,379	2	308	8 April 2015
30 September 2015	20,000,000	50	310	5 October 2015
29 September 2017	46,664,694	117	339	4 October 2017
29 December 2017	6,448	-	339	8 January 2018

As at 31 December 2017, 1,432,395,941 warrants (2016: 1,479,067,065 warrants) were unexercised.

22. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

23. Expenses by nature

Significant expenses classified by nature are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Salaries, wages and other employee benefits	542	493	178	169
Cost of mobile value added services	180	232	542	644
Depreciation and amortisation	1,059	885	23	24
Advertising and sales promotion expenses	114	82	31	18
Utilities expenses	103	112	68	75

24. Income tax

Income tax (income) expenses for the years are made up as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Current income tax:				
Current income tax charge	5	7	-	6
Adjustment in respect of income tax of previous year	1	-	1	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(49)	3	(1)	-
Income tax (income) expenses reported in the statement of comprehensive income	(43)	10	-	6

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Deferred tax on actuarial loss	-	(1)	-	(1)

The reconciliation between accounting profit (loss) and income tax (income) expenses is shown below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Accounting profit (loss) before tax	15	(240)	54	265
Applicable tax rate (percent)	20	20	20	20
Accounting profit (loss) before tax multiplied by income tax rate	3	(48)	11	53
Adjustment in respect of income tax of previous year	1	-	1	-
Effects of reversal of temporary differences recognised in the past	25	3	-	-
Effects of:				
Promotional privileges (Note 25)	(25)	(46)	-	-
Dividend income	-	-	(32)	(46)
Tax loss for the year for which a deferred tax asset was not recognised	25	102	9	-
Temporary difference and tax loss for the prior years for which deferred tax assets were recognised	(80)	-	-	-
Others	8	(1)	11	(1)
Income tax (income) expenses reported in the statement of comprehensive income	(43)	10	-	6

The tax rates enacted at the end of the reporting period of the subsidiaries in overseas countries are between 16.5 and 25 percent (2016: 16.5 and 25 percent).

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Million Baht)

	Consolidated financial statements			
	Statements of financial position		Profit or loss in Statements of comprehensive income	
	As at 31 December		For the years ended 31 December	
	2017	2016	2017	2016
Deferred tax assets (liabilities)				
Allowances for sales return and doubtful accounts	-	4	(4)	2
Accumulated amortisation - intangible assets	(10)	(11)	1	(1)
Cost of spectrum license	37	-	37	-
Provision for long-term employee benefits	6	6	-	(1)
Unused tax loss	216	200	16	2
Others	1	2	(1)	-
Deferred tax relating to origination and reversal of temporary differences			49	2
Deferred tax assets - net	250	201		
Presented as follows:				
Deferred tax assets	259	211		
Deferred tax liabilities	(9)	(10)		
Total	250	201		

(Unit: Million Baht)

	Separate financial statements			
	Statements of financial position		Profit or loss in Statements of comprehensive income	
	As at 31 December		For the years ended 31 December	
	2017	2016	2017	2016
Deferred tax assets (liabilities)				
Allowance for doubtful accounts	-	-	-	1
Accumulated amortisation - intangible assets	(1)	(1)	-	-
Provision for long-term employee benefits	4	4	-	(2)
Others	-	-	1	-
Deferred tax relating to origination and reversal of temporary differences			1	(1)
Deferred tax assets - net	3	3		

As at 31 December 2017, the subsidiaries had deductible temporary differences and unused tax losses totaling Baht 806 million (2016: Baht 826 million), on which deferred tax assets have not been recognised as the subsidiaries believe future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

The unused tax losses amounting to Baht 769 million will expire by 2022.

25. Promotional privileges

Mono Info Systems Company Limited (“MIS”) has received promotional privileges from the Board of Investment for the software business, pursuant to the investment promotion certificate No. 1029(7)/2554 issued on 11 January 2011. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax for a period of 8 years from the date of the promoted operations begin generating revenues (31 July 2011).

MIS’s revenues from the promoted operations for the year ended 31 December 2017 amounted to Baht 175 million (2016: Baht 283 million).

26. Earnings per share

Basic earnings (loss) per share is calculated by dividing profit (loss) for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

Diluted earnings (loss) per share is calculated by dividing profit (loss) for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year.

The following table sets forth the computation of basic and diluted earnings (loss) per share:

	Consolidated financial statements					
	Profit (loss) for the year		Weighted average number of ordinary shares		Earnings (loss) per share	
	2017 (Million Baht)	2016 (Million Baht)	2017 (Million shares)	2016 (Million shares)	2017 (Baht)	2016 (Baht)
Basic earnings (loss) per share						
Profit (loss) attributable to equity holders of the Company	58	(250)	3,352	3,173	0.017	(0.079)
Effect of dilutive potential ordinary shares						
Warrants offered to existing shareholders	-	-	490	153		
Diluted earnings (loss) per share						
Profit (loss) attributable to ordinary shareholders						Anti-
assuming the conversion of warrants to ordinary shares	58	(250)	3,842	3,326	0.015	dilutive

	Separate financial statements					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2017 (Million Baht)	2016 (Million Baht)	2017 (Million shares)	2016 (Million shares)	2017 (Baht)	2016 (Baht)
Basic earnings per share						
Profit attributable to equity holders of the Company	54	259	3,352	3,173	0.016	0.082
Effect of dilutive potential ordinary shares						
Warrants offered to existing shareholders	-	-	490	153		
Diluted earnings per share						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	54	259	3,842	3,326	0.014	0.078

27. Provident fund

The Company, its subsidiaries and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company, its subsidiaries and their employees contribute to the fund monthly at the rates of 3-7 percent of basic salary. The fund, which is managed by TISCO Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2017 amounting to Baht 15 million (2016: Baht 14 million) (the Company only: Baht 6 million (2016: Baht 6 million)) were recognised as expenses.

28. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht per share)
Final dividends for 2016	Annual General Meeting of the shareholders on 26 April 2017	100	0.03
Interim dividends for 2017	Board of Directors meeting on 8 November 2017	102	0.03
Total dividends paid for 2017		202	0.06

29. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The Company's and its subsidiaries' operations are carried on mainly in Thailand. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable geographical area.

The following table presents revenue and profit information regarding the Company's and its subsidiaries' operating segments for the years.

(Unit: Million Baht)

	Media business ⁽¹⁾		Content business ⁽²⁾		Adjustments and eliminations		Consolidation	
	2017	2016	2017	2016	2017	2016	2017	2016
Sales and service income								
Revenues from external customers	2,371	1,981	158	96	-	-	2,529	2,077
Inter-segment revenues	-	-	258	124	(258)	(124)	-	-
Total revenues	<u>2,371</u>	<u>1,981</u>	<u>416</u>	<u>220</u>	<u>(258)</u>	<u>(124)</u>	<u>2,529</u>	<u>2,077</u>
Segment profit (loss)	914	616	(224)	(197)			690	419
Unallocated income and expenses:								
Other income							47	36
Selling and servicing expenses							(139)	(108)
Administrative and other expenses							(450)	(440)
Share of loss from investment in a joint venture							-	(2)
Finance cost							(133)	(145)
Income tax income (expenses)							43	(10)
Profit (loss) for the year							<u>58</u>	<u>(250)</u>

(1) Media business consists of TV, radio, online and portable devices.

(2) Content business consists of movie business, sports business, music business, entertainment business, games business, travel business and horoscope business.

For the years 2017 and 2016, the Company and its subsidiaries have revenues from two major customers, arising from media and content businesses.

30. Commitments and contingent liabilities

30.1 Capital commitments

As at 31 December 2017, the subsidiaries had capital commitments of approximately Baht 530 million (2016: Baht 437 million), relating to the purchases of movie rights.

30.2 Guarantees

- a) The Company has guaranteed bank credit facilities of its subsidiaries (exclusive of guarantees provided for bank guarantees as described in Note 30.2 c) to the consolidated financial statements) totaling Baht 1,800 million (2016: Baht 1,765 million).
- b) The subsidiaries has guaranteed bank credit facilities of the Company amounting to Baht 35 million (2016: Baht 35 million).
- c) As at 31 December 2017, the Company and its subsidiaries had outstanding bank guarantees of Baht 1,041 million and USD 6 million (2016: Baht 1,365 million) (the Company only: Baht 5 million (2016: Baht 5 million)) issued by banks on behalf of the Company and its subsidiaries to guarantee contractual performance. The bank guarantees are secured by guarantees provided by the Company and its subsidiaries and pledges of their saving deposits.

30.3 Operating lease and service commitments

The Company and its subsidiaries had entered into several lease agreements in respect of the lease of office building space and service contracts. The terms of the agreements were generally between 1 and 15 years.

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Payable:				
in up to 1 year	159	174	31	28
in over 1 year and up to 5 years	288	299	34	21
in over 5 years	312	369	-	-

30.4 Litigation

- a) In June 2015, the Company was sued by an unrelated company through the Central Intellectual Property and International Trade Court in a civil case and criminal case that the Company infringed the copyright to broadcast a live sports program, seeking compensation of Baht 34 million plus interest at a rate of 7.5 percent per annum on the principal until settlement is completed.

On 17 January 2017, the Central Intellectual Property and International Trade Court announced its judgement on the lawsuit in a civil case. The Court of First Instance ordered the Company to pay compensation of Baht 3 million plus interest on the principal at a rate of 7.5 percent per annum until settlement is completed. Subsequently, on 4 April 2017, the Company appealed the judgement of the Court of First Instance to the Court of Appeal for Specialized Cases, and on 29 January 2018, the Court of Appeal for Specialized Cases read its judgement in the civil case, which was to order dismissal of the plaintiff's action. The Company therefore does not need to pay compensation in accordance with the judgement of the Court of First Instance, and the case is finalised.

On 25 April 2017, the Central Intellectual Property and International Trade Court read its judgement on the lawsuit in the criminal case, which was to order the Company to pay compensation of Baht 0.1 million. On 25 July 2017, the Company appealed the judgement of the Court of First Instance and the case is being considered by the Court of Appeal for Specialized Cases, which has set a date of 27 February 2018 to announce its judgement.

The Company's management is confident that no significant losses will be incurred as a result of the lawsuit, and therefore no provision has been made for the contingent liabilities in its accounts.

- b) In July 2017, the Company was sued by an unrelated company through the Central Intellectual Property and International Trade Court in a criminal case for infringement on the online broadcast rights of video and audio content via its website.

On 15 December 2017, the Central Intellectual Property and International Trade Court accepted the lawsuit, and is currently investigating evidence.

The Company's management is confident that no significant losses will be incurred as a result of the lawsuit, and therefore no provision has been made for the contingent liabilities in its accounts.

31. Financial instruments

31.1 Financial risk management

The Company's and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, current investments, trade and other receivables, loans, trade and other payables, short-term and long-term borrowings and financial lease liabilities. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade and other receivables and loans. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. However, the Company and its subsidiaries are exposed to concentrations of credit risk with respect to trade receivables because they have a few major customers who are in the same industry. The maximum exposure to credit risk is limited to the carrying amounts of trade and other receivables and loans as stated in the statement of financial position.

Interest rate risk

The Company's and its subsidiaries' exposure to interest rate risk relates primarily to its cash at banks, current investments, loans, short-term and long-term borrowings and financial lease liabilities. Most of the Company's and its subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

Foreign currency risk

The Company's and its subsidiaries' exposure to foreign currency risk arises mainly from trading and service transactions or loans that are denominated in foreign currencies. The Company and its subsidiaries seek to reduce this risk by entering into forward exchange contracts from time to time when they consider appropriate. Generally, the forward contracts mature within one year.

As at 31 December 2017, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Consolidated financial statements				Average exchange rate	
	Financial assets		Financial liabilities			
	2017 (Million)	2016 (Million)	2017 (Million)	2016 (Million)	2017	2016
					(Baht per 1 foreign currency unit)	
Kyat	-	10	-	2	0.0239	0.0262

Foreign currency	Separate financial statements				Average exchange rate	
	Financial assets		Financial liabilities			
	2017	2016	2017	2016	2017	2016
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
Rupiah	-	5,417	-	-	0.0024	0.0027
Kyat	-	10	-	2	0.0239	0.0262

Foreign exchange contracts outstanding are summarised below.

As at 31 December 2017			
Foreign currency	Bought amount (Million)	Contractual exchange rate of bought amount (Baht per 1 foreign currency unit)	Maturity date
US dollar	1	33.0900	15 May 2018

As at 31 December 2016			
Foreign currency	Bought amount (Million)	Contractual exchange rate of bought amount (Baht per 1 foreign currency unit)	Maturity date
US dollar	3	35.8400	28 June 2017

31.2 Fair values of financial instruments

Since the majority of the Company's and its subsidiaries' financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

32. Capital management

The primary objective of the Company's and its subsidiaries' capital management is to ensure that they have appropriate capital structure in order to support their business and maximise shareholder value. As at 31 December 2017, the Group's debt-to-equity ratio was 1.08:1 (2016: 1.28:1) and the Company's was 0.05:1 (2016: 0.06:1).

33. Events after the reporting period

On 21 February 2018, the Company's Board of Directors meeting No. 1/2018 passed the following significant resolutions:

- a) To propose to a meeting of shareholders for consideration a resolution to declare a dividend of Baht 0.03 per share, totaling Baht 102 million, from the retained earnings as at 31 December 2017. The amount of the dividend to be paid excludes a dividend to be paid for the Company's additional ordinary shares issued as a result of the exercise of MONO-W1 on 30 March 2018.
- b) To propose to a meeting of shareholders for consideration a resolution to decrease the Company's registered share capital by Baht 33.4 million, from Baht 519,699,997.50 (5,196,999,975 ordinary shares with a par value of Baht 0.1 each) to Baht 486,299,997.50 (4,862,999,975 ordinary shares with a par value of Baht 0.1 each), through the cancellation of 334 million unissued ordinary shares with a par value of Baht 0.1 each.
- c) To approve the payment of a further 5 percent of the registered share capital of T Moment Company Limited (with 50 percent of the registered share capital being called up), or a total of Baht 10 million. The Company's shareholding in the subsidiary remained unchanged.
- d) To approve the payment of a further 50 percent of the registered share capital of Mono Astro Company Limited (with the registered share capital being fully called up), or a total of Baht 2.5 million. The Company's shareholding in the subsidiary remained unchanged.

34. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 21 February 2018.



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