



(Translation)

Ref. MONO 012/2020

May 7, 2020

Subject: Notification of operating results and submission of report and financial statements for the first quarter of 2020

To: President
The Stock Exchange of Thailand

Enclosures: 1) A copy of financial report and consolidated financial statements
2) A summary of the operating results of the listed company and subsidiaries for the first quarter of 2020 (F45)

Mono Technology Public Company Limited (the “Company”) would like to submit the copy of financial report and financial statements for the first quarter of 2020 (ended March 31, 2020) reviewed by the auditor and the meeting of the Audit Committee No. 4/2020 held on May 7, 2020. These financial report and financial statements were also approved by the meeting of the Board of Directors No. 5/2020 held on May 7, 2020.

The Company’s auditor for the year 2020 was appointed and approved by the Board of Directors’ Meeting No. 4/2020 held on March 30, 2020. In this regard, the meeting of the Audit Committee No. 1/2020 held on February 27, 2020 resolved to approve the appointment of auditors from EY Office Limited to be the Company’s auditor for the year 2020. The Company shall propose the appointment of the auditor in the 2020 Annual General Meeting of Shareholders for approval. The detail is in MONO 011/2020. Details of operating results for the first quarter of 2020 can be summarized as follows.

1. Total Revenues

Unit: Million Baht

	YoY for 1 Quarter Compare Q1/20 with Q1/19				QoQ for 1 Quarter Compare Q1/20 with Q4/19			
	Q1/20	Q1/19	Increase (Decrease)	Percent	Q1/20	Q4/19	Increase (Decrease)	Percent
Advertising Revenues	293.9	481.6	(187.7)	(38.9)	293.9	368.5	(74.6)	(20.3)
Subscription Revenues	24.6	32.3	(7.7)	(23.9)	24.6	34.6	(10.0)	(28.9)
- <i>MVAS</i>	14.2	23.4	(9.2)	(39.2)	14.2	16.7	(2.5)	(15.0)
- <i>MonoMax</i>	10.4	8.9	1.5	16.9	10.4	17.9	(7.5)	(41.9)
Sponsorships Revenues	22.1	20.0	2.1	10.5	22.1	43.3	(21.2)	(48.9)
Other revenues	32.3	36.2	(3.9)	(10.8)	32.3	27.3	5.0	18.4
Total revenues	372.9	570.1	(197.2)	(34.6)	372.9	473.7	(100.8)	(21.3)

2. Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) and Net Profit

Unit: Million Baht

	YoY for 1 Quarter Compare Q1/20 with Q1/19				QoQ for 1 Quarter Compare Q1/20 with Q1/19			
	Q1/20	Q1/19	Increase (Decrease)	Percent	Q1/20	Q1/19	Increase (Decrease)	Percent
Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)	104.0	249.3	(145.3)	(58.3)	104.0	87.4	16.6	19.0
Net Profit (Loss)	(390.3)	(112.4)	(277.9)	(247.3)	(390.3)	(231.2)	(159.1)	(68.8)
One-Time Expense	121.3	1.0	120.3		121.3	5.3	116.0	
Profit (Loss) after the reduction of the expense	(269.0)	(111.4)	(157.6)	(141.5)	(269.0)	(225.9)	(43.1)	(19.1)

The operating results of the first quarter of 2020 ending March 31, 2020 revealed an increase of net loss amounting 277.9 million baht comparing to the same quarter of the previous year and increased by 159.1 million baht comparing to the fourth quarter of 2019. The reasons were as follows.

- 1) The outbreak of the Coronavirus has caused a widespread economic slowdown which affects many businesses and industries. This includes advertising industry as customers reduced advertising budget and suspended their marketing activities. Therefore, revenues from the Company's major businesses were affected.
 - Total revenue decreased by 197.0 million baht or 34.6 percent comparing to the same quarter of the previous year and decreased by 100.8 million baht or 21.3 percent comparing to the fourth quarter of 2019. This was mainly due to the decrease of advertising revenue amounting 187.7 million baht or 38.9 percent comparing to the same quarter of the previous year and decreased by 74.6 million baht or 20.3 percent comparing to the fourth quarter of 2019.
 - The total subscription of MonoMax during the time of social distancing to prevent the spread of COVID-19 increased over 40 percent. The dramatic growth also has a positive factor as MonoMax cooperates with 3BB and HBO Go to form the package 3BB Gigatainment. Nevertheless, March was the period of pre-registration service and therefore, there was no record of revenue in the first quarter of 2020. The revenue from the service will appear from April 2020 onwards.

Package	Subscriptions as of the end of 2019	Subscriptions as of the end of Q1/20
Package 250	33,000	28,000
Package Gigatainment	0	350,000
Total	33,000	378,000

- 2) Regarding the policy on organizational restructuring to increase the efficiency in management which started since the early of 2020, the Company has stopped non-profitable businesses or the businesses which the competition conditions have changed. The Company has to adjust the business plan to cope with the current situation. Consequently, the Company has one-time expense to be recognized totally 121.3 million baht.

2020 Business Plan

- The Company focuses on business operation under the new business structure including 1) Digital TV business MONO29 2) Video-on-demand MonoMax 3) Adjusting the work process so that it is up-to-date and satisfied customers and setting up digital marketing solution unit to work with online/offline activation unit and the media under Mono Group which are MONO29 with the 3rd rating of customer base in the country and the reliable online media like Mthai to form a complete online/offline service to fulfill all the needs of customers 4) Home shopping business 5) Being the agency to provide contents for 3BBTV service.
- The policy on cost and expense control will be applied in the circumstance when the period of the pandemic control is still uncertain. The control will cover issues including 1) cost of content 2) marketing budget 3) strict control of other expenses
- The Company will reduce the cost of movie and series production as the effect from the pandemic forced the production to stop. It is expected that the budget will be reduced by 50-80 percent which is approximately 200 million baht.
- The fact that the Company has taken the role as the master content provider to 3BB enhance the negotiation power of the Company towards copyright owners. This benefits the overall copyright management on every channel for the efficiency and effectiveness under the same amount of purchasing budget or lower.
- The Company will put more emphasis on the extension of MonoMax customer base by using B2B strategy as seen in the success of the cooperation with 3BB in 3BB Gigatainment service
- In the second quarter of 2020, the Company will prepare to present the advertising sales promotion plan in order to increase the number of customers from the first quarter of 2020 as the overall of advertising budget was reduced due to the economic situation which was affected by the pandemic.

Please be informed accordingly.

Yours sincerely,

(Mr. Patompong Sirachairat)
Chief Executive Officer