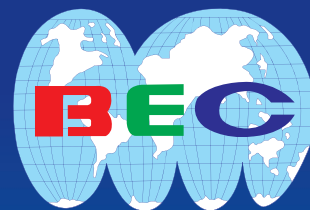


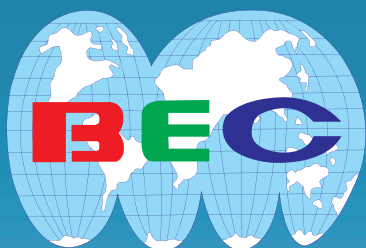
BEC WORLD PUBLIC COMPANY LIMITED



ANNUAL REPORT 2016

BEC WORLD

BROADCASTING
AND MEDIA BUSINESS &
PROGRAM SOURCING
AND PRODUCTION BUSINESS



**BEC WORLD
PUBLIC COMPANY LIMITED**

VISION

TO BE THE MARKET LEADER AND
THE BEST PROVIDER IN TV PRODUCTION
AND PRESENTATION OF THE HIGHEST
QUALITY NEWS, INFORMATION
AND ENTERTAINMENT PROGRAM.

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IMPORTANT FINANCIAL DATA

Unit : Million Baht

| | 2016 | 2015 | 2014 (Restated) |
|--------------------------------------|-------------|-------------|----------------------------|
| Total Assets | 14,931 | 14,957 | 16,745 |
| Total Liabilities | 7,821 | 6,769 | 7,889 |
| Total Shareholders' Equity | 7,110 | 8,188 | 8,856 |
| Revenues from Sales | 12,265 | 15,845 | 16,167 |
| Total Revenues | 12,534 | 15,981 | 16,321 |
| Gross Margin | 3,469 | 5,934 | 7,493 |
| Net Profit | 1,218 | 2,983 | 4,337 |
| Financial Ratio | 2016 | 2015 | 2014 (Restated) |
| Net Profit to Total Revenues | 9.72% | 18.67% | 26.57% |
| Return on Total Shareholders' Equity | 17.13% | 36.43% | 48.97% |
| Return on Total Assets | 8.16% | 19.94% | 25.90% |
| Net Profit per Share (Baht) | 0.61 | 1.49 | 2.17 |
| Dividend per Share (Baht) | 0.60 * | 1.40 | 2.00 |
| Book Value Per Share (Baht) | 3.56 | 4.09 | 4.43 |

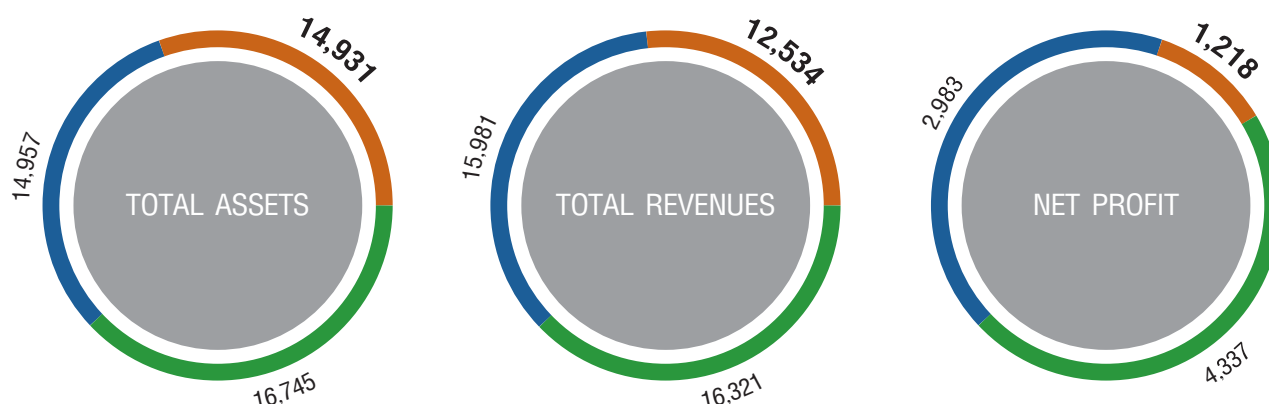
Remark : * Dividend for 2016 is only a proposal for payment, displaying in number for reference, which already included an interim dividend Baht 0.45 per share paid on September 14, 2016.

Dividend payment policy

The Company has a customary payment policy to pay dividend at least 90% of net profit to the shareholders as shown in consolidated financial statement, except in the case which it is required to invest in the significant projects. As for the subsidiaries, which 99.99% of shares are held by the Company, the dividends will be paid to the Company by mainly considering the cash flow of the Company and that subsidiary.

Unit : Million Baht

■ 2016 ■ 2015 ■ 2014



BOARD OF DIRECTORS REPORT



A handwritten signature in black ink, consisting of stylized cursive letters, positioned above the printed name.

(Somchai Boonnamsiri)

Chairman

To Shareholder of BEC World Public Company Limited

During 2016, the environment in our industry continued to weaken and considerably worse than the previous year. Although there was a recovery in the second quarter and steady in the third quarter, the economy was significantly down in the last quarter. Especially, after the sad news in the afternoon of October 13th, the media and entertainment business came to a standstill for almost a month. Consequently, BEC World could generate income in 2016 in the amount of Baht 11,151.2 million. Lower than the previous year in the amount of Baht 3,045.5 million or a decrease of 21.5%, despite the fact that we could generate more income of almost Baht 100 million from the new channels.

The advertising expenditure in Thailand has been declining since the first quarter of 2016, and unfortunately there was no sign indicating that there would be a trend reversal in the near term, BEC World Group, therefore, used its best effort to control cost and expenses to counter the slowdown in business. As a result cost and expenses of the Group in 2016 were considerably down from previous years especially after 2014 when additional investment for terrestrial digital television commenced.

Although cost and expenses in 2016 were well controlled, the decrease in advertisement revenue, subdued environment, and further aggravated by the mourning period at the end of the year, the profit for 2016 of BEC World, based on equity method, was Baht 1,218.3 million which was Baht 1,764.4 million or 59.2% lower than the previous year.

Despite of a significant drop in the net profit, the company financial status remains stable and healthy. It still was able to generate high cash flow from operation as before. However, due to the investment in the terrestrial digital television, cash flow from operation was used to pay license fee as well as additional investment in equipment, the company had to resort

to short term borrowing last year. The company, nevertheless, plans to seek the shareholders' approval to issue long term debenture to replace the said short term borrowing in the forthcoming AGM in order to strengthen further its financial status.

Looking forward, there is still no clear sign that the advertisement income will increase in 2017. There is, however, high expectation that the overall economic growth this year will be higher than last year coupled with a number of huge infrastructure investments would begin at a later part of this year, we anticipate that overall economic activities would increase and this would lead to a higher purchasing power of general consumers and thus encouraging more advertisement spending. The company will continue to enlarge the revenue generation efficiency while reasonably controlling cost and expenses.

Although the operating result of 2016 is lower than the previous year due to the aforesaid unfavorable factors, on behalf of the Board of Directors, I would like to express our gratitude to our employees, our partners, our customers, and of course our shareholders for the dedication, support, and understanding rendered to the company during this difficult time.

AUDIT COMMITTEE REPORT



A handwritten signature in black ink, consisting of a stylized 'A' followed by a series of loops and a final flourish.

(Arun Ngamdee)

Chairman of the Audit Committee
On behalf of the Audit Committee

To Shareholders of BEC World Public Company Limited

The Audit Committee was appointed by the Board of Director, comprising of three independent, namely Mr. Arun Ngamdee as Chairman, Mr. Prathan Rangsimaporn and Mr. Manit Boonprakob as members of the Committee. Our main duties and responsibilities are to review accuracy and sufficiency of financial reports of the Company, to provide adequate and effective internal audit and internal control system of the Company, to control the Company to comply with all related laws and regulations, to consider the reasonability of the connected transaction or transaction which causes conflict of the interest, to ensure sufficiency of disclosure of information by the Company, and to consider the appointment or termination of the Company auditors as well as proposing their remuneration.

During the year 2016, the Audit Committee held seven meetings which all members thereof have attended six meetings, some meetings were held with external auditor without management, having the followings significant matters:

1. Reviewing quarterly, annual and consolidated financial statements of the Company and its subsidiaries, prior to submission to the Board of Director, the Securities Exchange Commission and the Stock Exchange of Thailand. After due consideration of the said financial statements and discussions with auditors and management division, we are of the opinion that the above-mentioned financial statements are recorded in accordance with generally accepted financial report principles with accuracy, completeness and sufficient disclosure of information.

2. Evaluating sufficiency and appropriateness of the Company's internal control system, through the supervision and review of the Internal Audit Office and auditors; supporting and encouraging their independent operation; introducing to apply risk assessment as guideline for examining in order to mitigate from potential risk causing damage to business operation of the Company; and discussing with internal audit officer and external auditor to consider material suggestions for enhancing efficiency of their operation and internal control, presenting such suggestions to the executives and the Board of Director of the Company for their consideration including following up the adjustment and development of the work. We opine that the internal control system and risk management of the Company are sufficient and appropriate.

3. Reviewing compliance of relevant rules, regulations and laws of the Securities and the Stock Exchange of Thailand; following up compliance of laws regarding operation systems of the Company. We found that there is no significant matter concerning non-compliance of the aforesaid rules, regulations and laws.

4. Reviewing the connected transactions or transactions which may cause conflict of interest to be in compliance of the laws and regulations of Stock Exchange of Thailand. We are of the opinion that the aforesaid transactions are reasonable and for the best interest of the Company. The Company also discloses accurate and complete information.

5. Reviewing organization structure, scope and responsibilities as well as charter of Internal Audit Office and annual audit plan.

6. Reviewing and discussing with the auditor and management representative to acknowledge any issue(s) which might cause administrative difficulties or might have influence on the business operation of the Company including advice on how to improve presentation of financial report and disclosure of any information; providing advice to management division as deemed appropriate.

7. We have already evaluated our operations according to the charter of Audit Committee and we are of the opinion that we have fully complied with the aforesaid. The Audit Committee report and advice have been presented to the Board of Director for their acknowledgement regularly in every Board of Director meeting.

For the year 2017, the Audit Committee has proposed the Board of Director to further propose to Annual General Shareholder Meeting to appoint Dr. Virach Aphimeteetamrong and/or Mr. Chaiyakorn Aunpitipongsa and/or Mr. Apiruk Ati-anuwat and/or Dr. Preecha Suan, certified auditor of DR. VIRACH & ASSOCIATES COMPANY LIMITED as the Company's auditor for the accounting period for year 2017, since they are appropriate, competent, professional, in addition, their performance in the past are acceptable and reliable, the auditor are independent and they have no relationship with the Company and its subsidiaries. The audit fee for year 2017 as proposed is also reasonable and conform to the works of BEC World Group.

BOARD OF DIRECTORS

Somchai Boonnamsiri
Chairman
Independent Director



EXECUTIVE DIRECTOR



Somprasong Boonyachai
Director, Chairman of the Corporate
Governance Committee

Mrs. Ratana Maleenont
Director, Member of the Nomination
and Remuneration Committee,
Chief Financial Officer (CFO)

INDEPENDENT DIRECTOR



Mr. Arun Ngamdee
Independent Director,
Chairman of the Audit Committee

Mr. Prathan Rangsimaporn
Independent Director,
Member of the Audit Committee, Chairman of
the Nomination and Remuneration Committee

NON-EXECUTIVE DIRECTOR



Ms. Nipa Maleenont
Non-Executive Director

Mr. Matthew Kichodhan
Non-Executive Director



Mr. Prachum Maleenont
Vice-Chairman
Executive Director
Group Chief Executive Officer (G-CEO)



Ms. Amphorn Maleenont
 Director,
 Chief Operating Officer (COO)

Mrs. Ratchanee Nipatakusol
 Director,
 Member of the Corporate
 Governance Committee



Mr. Manit Boonprakob
 Independent Director, Member of the Audit
 Committee, Member of Nomination
 and Remuneration Committee

Mr. Chansak Fuangfu
 Independent Director,
 Member of the Corporate
 Governance Committee



Mr. Voravat Maleenont
 Non-Executive Director, Member of
 the Corporate Governance Committee

Mr. Tospol Maleenont
 Non-Executive Director, Member of
 the Corporate Governance Committee

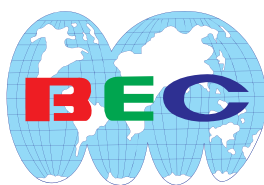
Mr. Chatchai Thiamtong
 Secretary of the Board of Directors

Mrs. Chalaiporn Itthithavorn
 Company Secretary



BROADCASTING AND MEDIA BUSINESS & PROGRAM SOURCING AND PRODUCTION BUSINESS





AS OF December 31, 2016

BROADCASTING AND MEDIA BUSINESS

TV Broadcasting



99.99% THE BANGKOK ENTERTAINMENT CO., LTD. (300)



99.99% BEC-MULTIMEDIA CO., LTD. (200)

Radio Broadcasting

99.99% YOU & I CORPORATION CO., LTD. (35)

New Media

99.99% SATELLITE TV BROADCASTING CO., LTD.* (1)

99.99% BANGKOK SATELLITE & TELECOMMUNICATION CO., LTD.* (25)

99.99% BECI CORPORATION LTD. (200)

PROGRAM SOURCING AND PRODUCTION

Documentary and Entertainment Programme Sourcing and Production

99.99% RUNGSIROJVANIT CO., LTD. (5)

99.99% NEW WORLD PRODUCTION CO., LTD. (5)

99.99% BANGKOK TELEVISION CO., LTD. (5)

99.99% BEC INTERNATIONAL DISTRIBUTION CO., LTD. (5)

└ **59.99%** TVB 3 NETWORK CO., LTD. (10)

Production of Shows, Music and Campaign Activities

59.99% BEC-TERO ENTERTAINMENT PUBLIC COMPANY LIMITED
(250 : Paid Up 200)

└ **59.99%** THAITICKETMAJOR CO., LTD. (10)

└ **50.00%** BEC-TERO SCENARIO CO., LTD. (40)

└ **99.99%** BEC-TERO RADIO CO., LTD. (49.96)

└ **49.00%** FOREVER BEC-TERO COMPANY LIMITED
(US\$ 100,000 : Paid Up US\$ 25,000)

└ **50.00%** BEC-TERO TRUE VISIONS COMPANY LIMITED
(50)

└ **99.99%** BEC-TERO MYANMAR COMPANY LIMITED
(US\$ 200,000)

└ **50.10%** LIVE NATION BEC TERO COMPANY LIMITED** (10)

Extended and Supporting Businesses

99.99% BEC BROADCASTING CENTER CO., LTD. (1)

99.99% BEC NEWS BUREAU CO., LTD. (5)

99.99% BEC STUDIO CO., LTD.* (5)

99.99% BEC ASSET CO., LTD. (30)

99.99% BEC IT SOLUTION CO., LTD (15)

Remark :

- % is shareholding percentage
- Number in brackets () is a number of registered capital (BHT Million)
- * No operation yet
- ** Investment of BEC-TERO Entertainment Plc. is equivalent to 50.10 %, has voting right 49.70 %

BUSINESS OPERATION OF BEC WORLD GROUP

On 31 December 2016, the BEC World Group comprises of BEC World Plc., the parent company; 22 subsidiary companies and 2 associated companies, which could be divided by type of business as follows:

1. Broadcasting and Media Business

1.1 TV Business

1.1.1 Analogue Terrestrial TV - Bangkok Entertainment Co., Ltd. (“Bangkok”), a subsidiary company, operates Thai TV Channel 3, a terrestrial analog system in nationwide free to air television in analog network under the concession agreement with MCOT Public Company Limited.

1.1.2 Digital Terrestrial TV (“DTTV”), National Business Service category, - BEC Multimedia Co., Ltd. (“BECM”), a subsidiary company of BEC World, won an auction for Licenses to use Allocated Frequencies for National Commercial Digital Television Services, from National Broadcasting and Telecommunications Commission (“NBTC”), which is (1) High-Definition Variety Category “3 HD Channel on channel 33”, (2) Standard-Definition Variety Category “3 SD Channel on channel 28” and (3) Standard-Definition for Kids and Family Category “3Family Channel on channel 13”. The said 3 licenses are for the period of 15 years, starting from 25 April 2014 to 24 April 2029.

In this regard, Bangkok Entertainment Co., Ltd. has made a settlement agreement with National Broadcasting Commission “NBC” in the presence of the Central Administration Court on 8 October 2014 that, in order to support national and NBC’s policy to change broadcasting system from Analog system to Digital system and to be in conform with the practice of all other Analog television operators, NBC authorized and approved BECM and Bangkok Entertainment Co., Ltd. to make a simulcast broadcasting, using Ch 3 analog to distribute simultaneously with Ch 33 HD digital channel. The said simulcasting is the same way as those of Ch 7 and Ch 9, which is “Real Time Pass Through” with 33 HD digital channel. The NBC meeting on 10 October 2014 already approved the amended program schedule of Ch 33 HD and Ch 33 HD has begun the simulcasting broadcasting of Ch 33 HD with Ch 3 since 10 October, 2014 onward.

1.1.3 Subscribed TV broadcasting: BEC World Group pays attention to subscribed TV broadcasting to broadcast its signal to viewer in nationwide and worldwide by already broadcasted its TV program to Japan and U.S.A, including looking for additional new business alliance in various countries.

1.2 Radio Broadcasting - Bangkok Entertainment Co., Ltd. operates MCOT radio station FM frequency 105.5MHz. You & I Corporation Co., Ltd. operates FM frequency FM 95.5 MHz, whereby BEC-TERO Radio Co., Ltd. is responsible for sale of air time and giving advice regarding program development.

1.3 New Media - i.e., internet and mobile phone related businesses, operated by BECi Corporation Ltd. We also look for opportunity to operate satellite TV business through Bangkok Satellite & Telecommunication Co., Ltd. and Satellite TV Broadcasting Co., Ltd.





2. Program Sourcing-Production, Distribution and Supporting Businesses

2.1 Entertainment and Documentary Program Sourcing, Production and Distribution operated by BEC World Public Co., Ltd., Rungsirojvanit Co., Ltd., New World Production Co., Ltd., Bangkok Television Co., Ltd., TVB 3 Network Co., Ltd., BEC International Distribution Co., Ltd. and BEC-TERO Entertainment Plc. BEC News Bureau Co., Ltd. provides news for broadcasting on radio and television, including selling some certain BEC's news to other news stations. In addition, Forever BEC-TERO Co, Ltd. also source and produce program for broadcasting in Republic of the Union of Myanmar.

2.2 Production of Variety Shows, content and Promotional campaign activities operated by BEC-TERO Entertainment Plc. Live Nation BEC-TERO Entertainment Co., Ltd., conducts business relating to foreign artist concert business in Thailand. BEC-TERO Scenario Co., Ltd. conducts business relating to musical play. BEC-TERO True Visions Co., Ltd. conducts business relating to sport activities management and services. Thai Ticket Major Co., Ltd. provides public relations activities and advertising services, as well as ticket sales (shows and bus tickets). BEC-TERO Myanmar Co., Ltd. provides shows ticket sale and reservation services, entertainment activity services and the sale of music and program products in Republic of the Union of Myanmar.

2.3 Extended and Supporting Businesses - BEC IT Solution Co., Ltd., provides information technology services. BEC Asset Co., Ltd. provides asset management and leases. BEC Broadcasting Center Co., Ltd. provides broadcasting facilities services. In addition, there is a plan to provide a wide range of production services, including TV studio and equipment for rental and post-production services by BEC STUDIO Co., Ltd.

At present, BEC World Public Co., Ltd. has a registered capital of Baht 2 billion divided into 2,000 million ordinary shares with par value at Baht 1 per share. The company's shares listed, under its abbreviation as "BEC", has begun trading on the SET on July 18, 1996. As of 31 December 2016, BEC WORLD Group employs around of 2,552 employees.

BEC World Public Co., Ltd. has its registered office at 3199 Maleenont Tower, Floor B1, G, 2, 3, 8, 9, 10, 30-34, Rama 4 Road, Klongton, Klongtoey, Bangkok, 10110, and can be reached by telephone at (66) 2204-3333, 2262-3333, by fax at (66) 2204-1384 and at its website: www.becworld.com.



POLICY AND OVERVIEW OF BUSINESS OPERATION

1. Vision, Objectives, Target or Strategy of Business Operation of BEC World group

Vision

To be a market leader and the best provider in TV production and presentation of the highest quality news, information and entertainment program.

Objectives

Being a leader in our service industry persistently and also reach all viewers, having a good and stable relationship. We also intend to efficiently use our existing resources and create work satisfaction for all customers. In addition, we put all our effort to provide the best services to our business partners and provide good benefits for all stakeholders.

Target

- To be the market leader and the best provider in business of production, program sourcing and presentation of the highest quality news, information and entertainment program. To be widely accepted in society and to have the highest proportion of market share.
- To expand business and to create opportunities in order to continuously and perpetually operate business.
- To broaden business in all aspects in order to provide the best service to all viewers and business partners in wider and deeper aspects and to create all-round, consistent and solid relationship.
- To create opportunities to efficiently use our existing resources.
- To create more work satisfaction to our personnel in order to attract, induce, improve and maintain more talented persons to work with us longer.
- To continuously and perpetually create high profits to the shareholders.

Strategy

- To have a clear characteristic and to provide service to precise target viewers for each period.
- To find the new path in order to reach more viewers in wider and deeper aspect including creating new TV Channels.
- To use our existing resources in order to expand the business, including to create and advertise new channels, together with creating viewer base, reducing the investing period in creating viewer base and using the existing programs and personnel at the most efficiency level.
- To put all our effort to use resource, personnel, business partners, old relationship in order to operate and expand business, together with creating new channels. Even though the new channels will have the different character, they will make the viewer to be familiar with the new channels easier and faster. This also enhances the management of resources, personnel and business partners of “BEC” as a whole.
- To use business extension and new channel production as an opportunity to recruit a new skilled personnel/ team to work with us in order to enhance fresh perspectives and broaden them to the diverse level. This will strengthen the organization as a whole.

2. The Division of Business Operation of BEC World Group

BEC World Group, as of 31 December 2016, comprises of BEC World Plc., the parent company; 22 subsidiary companies and 2 associated companies, which could be divided into two types of businesses, which are (1) subsidiary companies that the parent company hold majority shares and (2) the associated companies that the parent company and/or subsidiary companies enter into partnership with other business partners, that are not a related person, having experience and expertise in the said business operation. The aforesaid business operation can be divided into two major groups, which are (1) Broadcasting and Media Business and (2) Program Sourcing Production, Distribution and Supporting Businesses. The division of the said business operation among BEC World group companies is pursuant to job classification, expertise, resources and core value of such companies.

3. Investment policy in the subsidiary company and associated company

The Company has the policy to expand business which we have expertise in wider and deeper aspects. The expansion has been operated by the Company or the existing subsidiary companies pursuant to their experience, expertise and resources, in relation to the business expansion opportunity of such subsidiary company. However, sometimes the Company has to invest in establishing the new subsidiary companies or associated companies in order to operate in accordance with such expansion project as deemed appropriate. Notwithstanding, the Company has the policy to operate and expand the business by the Company and the subsidiaries, majority shares are held by the Company. In some circumstances, nevertheless, it is necessary to enter into partnership with other persons who have





experience, expertise and/or resource to establish the subsidiary companies as the joint-venture company, in which we believe that they would support such expansion and generate benefit to the Company. In this regard, we put all our effort to negotiate with our business partners to be the major shareholder of such subsidiary companies. However, in some cases, we have to accept some business partners as a major shareholder in such joint venture company since it is necessary to use associated companies in order to expand the business. Nevertheless, normally the associated company's business is not a core Company's business. Such business is only an extended and supporting business for the Company on core business in foreign countries.

4. Substantial change and development regarding business operation and management in the year 2015-2016

- On 26 and 27 December 2013, BEC Multimedia Co., Ltd. "BECM", the subsidiary of the Company, has entered into an auction for the 15 years Licenses to use Allocated Frequencies for National Commercial Digital Television Services ("License") held by National Broadcasting and Telecommunication Commission ("NBTC") for 3 categories which is (1) High-Definition Variety Category, (2) Standard-Definition Variety Category and (3) Standard-Definition for Kids and Family Category. In this regard, BECM won such auction for all 3 categories in the total amount of 6,471 Million Baht (Exclusive of VAT).
- The license period of the aforesaid 3 License is 15 years, starting from 25 April 2014 to 24 April 2029. BECM has begun the operation of new television channel broadcasting, which is (1) High-Definition Variety Category "3 HD Channel on channel 33", (2) Standard-Definition Variety Category "3 SD Channel on channel 28" and (3) Standard-Definition for Kids and Family Category "3 Family Channel on channel 13", since 25 April onward.
- In October 2014, Bangkok Entertainment Co., Ltd. has made a settlement agreement with NBC in the presence of the Central Administration Court on 8 October 2014 that, in order to support national and NBC's policy to change broadcasting system from Analog system to Digital system and to be in conform with the practice of all other Analog television operators, NBC authorized and approved BECM and Bangkok Entertainment Co., Ltd. to make a simulcast broadcasting, using Ch 3 analog to distribute simultaneously with Ch 33 HD digital channel. The said simulcasting is the same way as those of Ch 7 and Ch 9, which is "Real Time Pass Through" with Ch 33 HD digital channel. The NBC meeting on 10 October 2014, already approved the amended program schedule of Ch 33 HD and Ch 33 HD has begun the simulcasting broadcasting of Ch 33 HD with Ch3 since 10 October, 2014 onward.

- On 24 December 2014, BEC-TERO Entertainment Plc. has entered into a joint venture agreement with Live Nation (HK) Limited, a registered company under the law of Hong Kong, which is a subsidiary company of Live Nation Entertainment, Inc., a listed company in New York Stock Exchange, in order to establish Live Nation BEC-TERO Entertainment Co., Ltd. for operating concert for foreign artists in Thailand. The registered capital of Live Nation BEC-TERO Entertainment Co., Ltd. is 1,000,000 Baht, which dividing into 100,000 shares with 10 Baht par value per share. BEC-TERO Entertainment Plc. held 50,090 ordinary shares (constituted as 50.09% of registered capital) and Live Nation (HK) Limited held 49,900 shares (constituted as 49.91% of registered capital), dividing into 47,900 ordinary shares and 2,000 extraordinary shares, which entitled to 5 voting rights per share. Therefore, BEC-TERO Entertainment Co., Ltd.'s voting right in Live Nation BEC-TERO Entertainment Co., Ltd. is only 46.38%, as a result, Live Nation BEC-TERO Entertainment Co., Ltd. is deemed as an associate company held by BEC-TERO Entertainment Plc.

In May 2015, Live Nation BEC-TERO Entertainment Co., Ltd. has increased its registered capital from 1 Million Baht to 10 Million Baht, by issuing 900,000 ordinary shares with 10 Baht par value, whereby BEC-TERO Entertainment Plc. additionally invested in this corporation in the amount of 4,509,000 Baht for 450,900 shares. Therefore, BEC-TERO Entertainment Plc. has total investment in the said company in the amount of 5.01 Million Baht, equivalent to 50.10%. However, pursuant to the Articles of Association of Live Nation BEC-TERO Entertainment Co., Ltd., BEC-TERO Entertainment Plc. has the voting right only 49.70%. Therefore, BEC-TERO Entertainment Plc. is still the associate company, as previously informed.

During October and December 2015, Maleenont group, the shareholder, holding the shares approximately 47.03% of issued and offered shares, made the purchased transaction among the Maleenont group. However, the ratio of shares after such purchased transaction is still 47.03%. Therefore, such transaction has no effect on the management of BEC World group.

On the 1st of February 2016, BEC-TERO Entertainment Plc. ("BEC-TERO"), the subsidiary of the Company, sold all of its investment in BEC-TERO Sasana Sport Club Co., Ltd. (having the former name as BEC - TERO Sasana Co., Ltd.) in the amount of 135 Million Baht to Inspire Entertainment Co., Ltd.

Industrial Environment – Broadcasting and Advertising Media Business:

Domestic broadcasting business comprises 2 parts, i.e., (1) Free TV business and (2) Subscribed TV Business.

With respect to normal free TV business, currently, the free TV business was changed dramatically, there are 6 main TV networks which still broadcast in the old analogue system technology, where the 5 original networks (Channel 3 as operated by a BEC World's subsidiary company, Bangkok Entertainment Co., Ltd., Channel 5, Channel 7, Channel 9 and Channel 11) broadcast in VHF system and the new network, "Thai PBS" (originally operated under the





name “ITV”, then changed to “TITV” and finally, changed to a public service TV), broadcasts in UHF system. Even though all networks have nationwide broadcasting coverage, however, due to our reputation for decades, only two major networks (channel 3 and channel 7) have dominated the broadcasting industry with the aggregate percentage of viewers during primetime at 70% (this information does not include new channels from other broadcast system). Channel 7 has been accepted as the market leader in term of number viewers since it could establish its nationwide network coverage long before its peers and had advantage in creating viewer base. In addition, as Channel 7 focuses its target on viewers having a simple lifestyle the same as the lifestyle of country people, which are the majority viewers, Channel 7’s viewers market share is highest. For Channel 3, it had originally focused on viewers in city area, so the percentage sharing in viewers was smaller. Over the past twenty years, channel 3 has expanded its nationwide network coverage like other networks and offered variety of TV programs to increase the variety of viewers; however, it still has been the second rank in the viewership share. For other four channels, each of them has only around 10% or less of sharing while channel 11 has the least viewers in the normal environment, which is lower than the viewers of the new channels in digital system, after the program producers brought the programs out for distributing in their channels.

In fact, prior to the new channels in digital system operation, the TV business competition is not limited to only the current 6 original main antenna viewing channels, i.e. Channel 3, Channel 5, Channel 7, Channel 9, Channel 11 and Thai PBS Channel. There are currently over one hundred channels of Thai Free TV, aside from the 6 main channels, which we are familiar with. Such channels can only be viewed through satellite or cable. Therefore, only some viewers, who have installed satellite TV or cable TV, can view such channels. However, there are different of signal quality problem regarding viewing TV via antenna, resulting from various factors, i.e. viewer’s premise location, environment, viewer’s premises and signal transmission pillar; quality factor and the cost of installing and maintenance of the antenna (which is generally higher than the satellite TV). Subsequently, there has been a dramatically high increase in the number of the viewers “Stop using antenna/using satellite dish instead”. Nowadays, there are more than 70 percent of every viewer’s premise in Thailand which use Satellite TV receiver device in order to watch the TV program. Therefore, the TV business competition is not limited to only the current 6 main channels for many years already. In 2014, after the auction for 24 commercial digital TV licenses during the late 2013, some of those programs channels have moved their channel to also operate as digital terrestrial television channel operator as well. National Broadcasting and Telecommunications Commission (“NBTC”) decided to reform the terrestrial television business together with the change of technology for broadcasting the program, by authorizing operator to broadcast television program with the new technology called “Digital TV”. There are 48 new channels in digital TV system, consisting of 12 Public Channels, mostly operated by the government sector, 12 Community Channels, mostly operated by non-profit organization and 24 Business Channels, operated by private entity and state enterprise who won the auction and received the license from “NBTC”. The terrestrial television channels shall be opened to the public, generally, without any limitation and consideration from the audience. Only for the Business Channels and some Public Channels, the operators thereof could generate income from the advertisement, while most of Public

Channels are operated with the budget from the government sector; and Community Channels might be subsidized from NBTC. In the beginning period, commencing from April 2014, there are only 24 Business Channels and 4 Public Channels i.e. Channel 5, Channel 11, Thai PBS (which is operated by the former operators), and Parliament Channel, the new channel, since the process of issuing the Public Channel and Community Channel license have not begun.

To conduct and operate Digital TV, NBTC has divided all operation into 2 parts (by prohibiting the former TV channel business operator from being an owner of TV network together with TV service provider), i.e. (1) TV Network Provider is a broadcaster; and (2) TV Service Provider, responsible for providing TV program and earning income from advertisement.

As for the Network Provider, NBTC has already issued the license for “Royal Thai Army Radio and Television”, “The Government Public Relation Department”, “Thai PBS” and “MCOT” for 5 networks, in which “Royal Thai Army Radio and Television” obtain a license for 2 networks. All network providers have started their service on April 2014. NBTC further regulates that all Network Provider shall provide TV network in nationwide, which cover at least 50% of the total Thai population within the first year, at least 80% of the total Thai population within the second year, 90% within the third year and 95% within the fourth year, respectively.

The new 24 commercial services channels have been categorized into 3 main categories and 4 sub-categories, which is (1) 7 high definition and 7 standard definition “Variety” channels, (2) 7 “News” channel and (3) 3 standard definition “Kids, Youth and Family” channels. Such license for commercial services channel will be issued by the auction only. In addition, NBTC also regulates that each operator company is limited to only 3 sub-categories with either one of the high definition “Variety” channel or “News” channel. The term of license is 15 years.

The Auction for the commercial services channels has already completed with the average bidding price of 3,530 - 3,320 Million Baht for the high definition; “Variety” channel license, 2,355 - 2,200 Million Baht for the standard definition “Variety” channel license, 1,338 - 1,298 Million Baht for “News” channel license; and 666 - 648 Million Baht for “Kids, Youth and Family” channel license. The other bidder who failed in the auction, also made a bidding price a little lower than those of the winners.

“BEC-Multimedia” (“BECM”), a subsidiary company of BEC World, has won all the auction for 3 licenses. BECM made a decision to bid for the high definition “Variety” channel instead of the “News” channel. There are 5 groups who won the auction for 2 categories of TV license, i.e. “MCOT”, “True”, “GMM”, “Nation” and “TV Pool”. There are 11 companies, obtaining only 1 license.





With respect to the competition among the channel operators, even when there are not many TV Channels in the beginning, the competition among each TV Channels are very competitive from the starting point. TV Channels could not charge the viewer directly, advertisement income, the main income of TV Channels. Therefore, there is the two levels overlapping of market/customer/competition among TV Channels, which are “Viewer” and “Advertiser”. TV Channels need “Viewer” to become “Media” so that the customer, “Advertiser”, would advertise on such media. To be the most efficient and proficient “Media”, each TV Channels has been fighting over the viewer for the highest and longest view rate from the viewer. In addition, as viewer could only view one channel at a time, therefore, if such viewer is viewing a certain channel at a certain period of time, it means that any other channels are also losing a viewer at the same time, i.e. Winner Takes All. Such factors are the main reason for this serious competition from the starting point. As people mostly study/work during the day time and rest/sleep during the night time, the time when many people would become “Viewer” in the same time is limited to the evening time until sleeping time only. Therefore, it is certain that such time is the best time for TV Channels as “Media”. Furthermore, as most people often do not have to study/work on holidays/weekend, the day time of such holidays/weekend is therefore another good time for TV Channels as an efficiency and proficiency “Media”. As the market capitalization in television advertisement is still small in the past, the competition for advertisement has been packed mainly in those times, resulting in the even more serious competition in such time. However, since the market capitalization in television advertisement has been increasing constantly and became diversified, the competition is also reach the point that the entire broadcasting time is the current competition in television advertisement business.

Regarding the business competition among the 6 TV operators in analogue system, actually there are only 5 TV network operators since Thai PBS was transformed into public TV service without advertisement since beginning of 2008. Nielsen Media research reported that spending budget on advertising via 5 TV stations was beyond 50%, compared to the whole budget for industrial environment since 1997 and it has been growing every single year except 2007 and 2008, which “ITV” was terminated and changed to “TiTV” before transforming into the current Public Broadcasting Service without commercial (Thai PBS) today. In addition, as the growth of 5 TV stations is higher than the whole industry, such television media’s advertising market share is going higher consecutively from 2011, to over 60%.

During the year 2016, “Nielsen Media Research” [Nielsen] reported that the advertising spending (“Adex”) continued its downward trend from the beginning of the year. Even there were improvements during the second and the third quarters, but the Adex are still lower year-on-year. During the last quarter of the year, the Adex fell deeply, especially after the sad news in the afternoon of the 13 October 2016 which caused the suspense of entertain and media businesses for more than a month afterward that. Nielsen reported that the advertising industry shrank 12 percent year-on-year in 2016 whereas Televisions fell deeper but still the major medium in the industry holding a lion share of the Adex as usual. When looking at the sources of the spending, Nielsen also reported that when compares with prior year most of the big advertisers spend less Adex this year whereas the biggest advertiser cut its spending over 40 percent; even there were those who still increased their spending but the increase is small. However, as the entertain and media businesses were suspended for more than a month in the last quarter of the year, therefore the year-on-year comparisons were distorted and may not represent the true behavior of the advertisers.

However, no one could confirm correctness and accuracy of such report. Although the market share of the two major operators is high, other operators is still aggressively competing to receive bigger market shares.

“BEC” programs also proceeded along with the market trend. In the beginning, “BEC” business was focused from evening time to sleeping time of most people. As the income distribution in the past is mostly in Bangkok. In the light of traffic jammed problem and Bangkokian life style, this make the best time for TV business is a bit late evening, i.e. after 20.00 until sleeping time. Such prime time is the best and the most expensive for advertisement of BEC. Subsequently, when the advertising fee is higher, BEC expands and adjusts BEC’s airtime to comply with the said higher fee by adding more prime time, focusing on the time before and after the aforesaid period of time, including, expanding business airtime to day time period as well by beginning on the day time of every weekend (Saturday – Sunday) and finally expanding such business airtime to daytime of every working day. Now, BEC has conducted TV business for 24 hours since 2011.

In “advertising media” business, the constancy of “reaching the viewer”/ “having the viewer” is the most important issue. Broadcasting in Digital TV system is a new technology which just recently been known to Thailand. It is significantly different from the old system (which has been broadcasting continuously for over 50 years). As for Digital TV, to reach the “Viewer” of Digital TV, it is subject to the broadcasting of Digital TV by “Network Provider”, commencing this upcoming April. Therefore, the rolling out of network and readiness of the receiver are the most essential factors to the number of the “reaching viewer”. In addition, as for the viewer part, before 2014, there was no single household in Thailand which capable of viewing this Digital TV Channels. Aside from the rolling out of network by Network Provider to reach their household, to “reach” the Digital TV channel, the viewers are also required to prepare their TV receiver and antenna as well. If any viewer, having a domicile in the area of municipality and the Network Provider is able to perform its obligation as specified by the regulator, such viewer is favoured to see and have no burden for installing exterior antenna on the roof. Living out of such area, the exploitation or receiving the said Digital TV is not possible.

Regarding the receiver, the viewers have several options in order to watch Digital TV channel depending on level of budget and preference. The easiest and most economical way (especially if viewing via internal antenna) is to use Set-Top Box which “NBTC” has gave the coupons in order to reduce the expense when purchasing it. This Set-Top Box will allow the viewers to watch the new channels via the original TV receiver. However, if the viewers would like to view TV program in higher definition, whether standard or high definition, the viewers is obliged to replace the previous TV receiver with the new TV receiver known as “flat screen”, having the capacity to display high definition programs. This will allow the viewers to watch new TV program channel in full capacity as the service providers provide. Although the said distribution of coupons for Set-Top Box expenses reduction in a certain area will be commenced upon the completion of network establishing in such area, however, as NBTC force the Cable and Satellite TV operator to broadcast all digital Business and Public Channel in their channel, 70 percent of television viewer is already able to watch Digital TV program via their former equipment. Therefore, the distribution of the said coupon is not a significant issue concerning the reaching of viewer, especially for those who does not have a receiver with capacity to display high definition program.





As BEC World group conduct the two “new channels”, this definitely enhance confidence for the investors/shareholders of “BEC” that there will be a continuity in the core business of BEC World after the present contract of “Channel3” will be expired soon. This is the new source of income for “BEC”. The new income shall satisfy all BEC personal and also attract, induce, improve and maintain the talented persons to work with us. This is the good opportunity for “BEC” to use our existing resources and programs to increase more efficiency, to provide a better service for our customers and to reach more viewers in wider areas. In addition, this also enhances relationship between BEC and viewer. The new “BEC” channels will have a clearer character than “old Channel 3” and aim to provide more precise service to the viewers than “old Channel 3”. Such channels, explicitly aim to attract the niche market. In this regard, we believe that there is no necessity and benefit for “BEC” to make the similar channel to the former one which is consistent with the business surrounding that it will have the number of new channels launching increasingly. At the beginning, the new channels will focus their investment on a short period each day which we believe they will “draw the viewers” and “generate income” to “BEC” in a short time. Even though “BEC” has advantage in using “old Channel 3” to advertise new programs, it would reduce the burden of investment and risk arising from the necessity of putting a large amount of money, resource and time to create viewer base for the new channels or to introduce the new channels to the viewers. Such short period will be decided by the target audience setting who will be the “Viewer” of the aforesaid channels, together with the behavior of such target group. When such programs succeed at a certain level, they will be used as a leading direction which will help making the business/service expansion easier and will ensure that the following programs will be on the right track. Such expansion will be based on the market influence (control) of such channels.

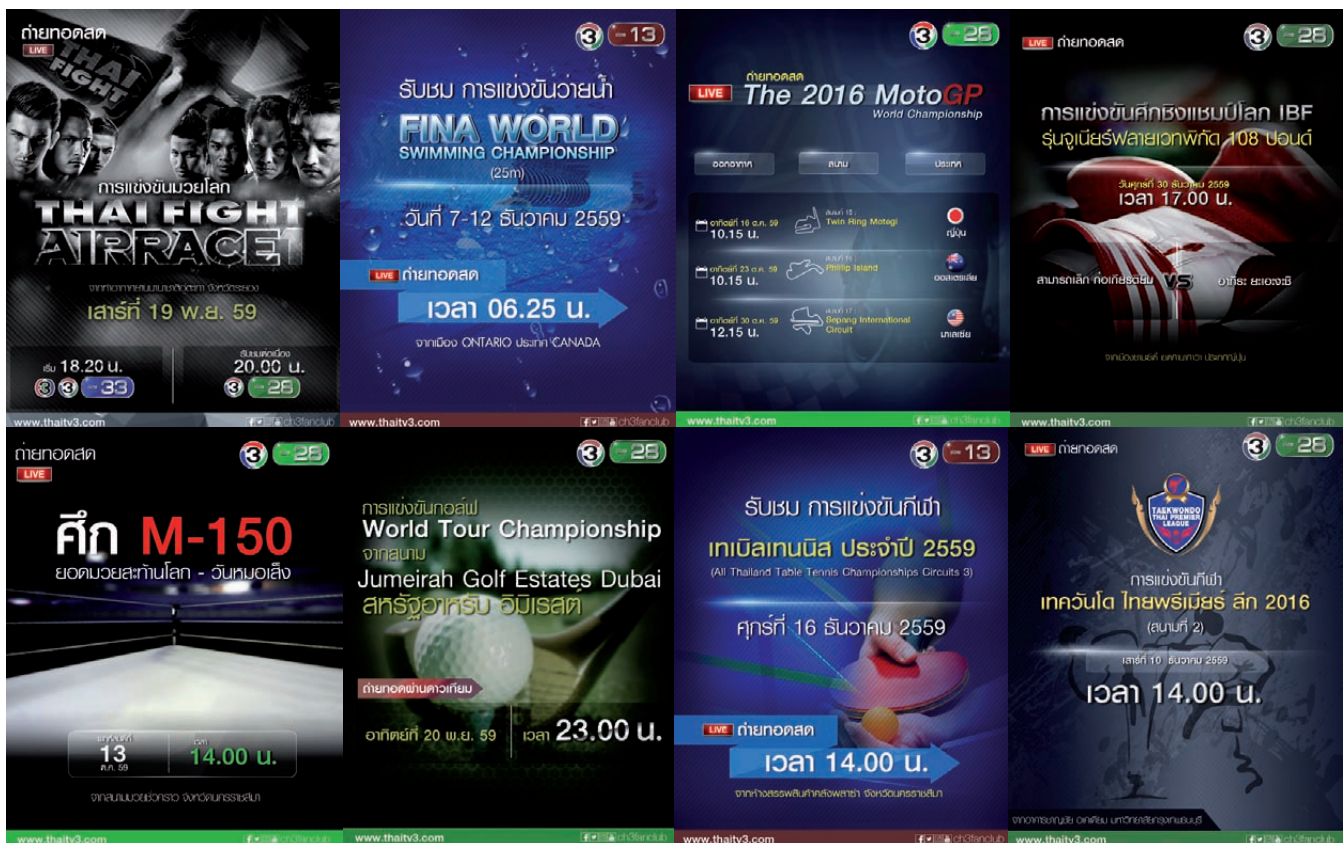
With respect to the non-terrestrial television channels, for instance, the TV channels are not required to use the antenna, e.g. the satellite television, cable television, television via internet, etc., which could be the paid or free channels. According to Broadcasting and Telecommunication Business Act, 2008, “NBTC” can authorize the operators who are interested in this business to apply for the license without auction. Earlier, due to the transition stage, there were many operators providing channel service without obtaining prior permission (since there was no regulation at that time). After that, “NBTC” allowed the interested operators to apply for the license, provided that “NBTC” would issue a temporary license for yearly basis to evaluate the business survival. The aforesaid licenses have issued more than 700 cases. Technically, “NBTC” should have no restriction regarding the issuance of the aforementioned license since this business has no restriction regarding the allocation of frequency resource.

As to subscribe TV business, previously, there has been only one national player who has obtained license and various small local operators. Subsequently, there has been a significant increase in the number of the “Stop using antenna/using satellite dish instead”. Nowadays there are more than 70 percent of every viewer’s premise in Thailand which use TV receiver in order to watch the TV program. As a result, there have been many national operators in subscribed TV business. Although those operators have been in the business for many decades, they have been unable to significantly expand their subscriber base. This causes many operators to change their business model from subscribed member service to be free TV on air for some TV programs without paying membership fee, to be observed by the viewer in priority and will use advertising fee to cover such costs. However, this business strategy does not work. BEC World group is one of the TV program distributors which grant its licenses to use the TV program to some subscribed TV operators. However, the competitive environment in this business is decreased since many business entrepreneurs cooperate among each other.



For radio business, competition is more intensive than TV broadcasting as there are a lot more players including both FM and AM frequencies. With narrower coverage than TV and the failure of grouping in order to broaden service area, each radio program or station has to focus on its niche audience market and has to have a clear market position. Improved and changing economic environment has benefited operators with clear market positions and created more competition among radio operators.

Each of our radio station has created its different niche market and become quite successful. Therefore, we put all our effort to expand radio business. However, as the establishment of the new independent regulatory body (NBC - National Broadcasting Commission), which started by the 1997 Constitution, has been postponed due to the establishment problem. Moreover, even NBTC Board has established already, it has not yet been implemented the provision of radio license, so most of the radio licenses became short-term licenses to be renewed on yearly basis causing the increase of competition to fight for the successful radio frequency and the increase of operating cost, as well as create business interruption if one could not be granted for maintaining the frequency. Although some programs could still be presented to another radio channels, this could reduce the profitability of the radio business. However, radio business would not create any impact against BEC World since the revenue from this business has not been significant proportion.



New media business, which includes internet websites and messaging service via mobile network, such as voice message, text message, still and dynamic image contents, also experienced rising competition as there have been more and more players getting into the market while market volume has been dramatically increased. However, we believe that key successful factors for this business are quality of content and effective marketing. Therefore, we are confident that BEC World group is well-prepared to compete with its peers. Sharing with this new media business will increase opportunity of the group to raise value of its programs. However, even this business has reasonable growth rate, it is considered very small. Therefore, BEC World group has not competed in this business yet, seriously.

Industrial Environment - Program Sourcing and Production Business:

For program sourcing and production business, besides sourcing programs for our own broadcasting business, we have also expanded into film production, live performance and sport competition arrangement. As for film production, even BEC World had revitalized the Thai film industry, but there have been a lot of new film producers coming into the market with at least one Thai film a week or even more. Therefore, BEC World group has decided to reduce its role in film production and focuses more on distribution of these Thai films to other countries. While live performance arrangement is quite diversified, the BEC World group has strong experience in organizing international performance of which there are only a few meaningful players. Moreover, BEC World group has forte background, extensive marketing and promotion network for its subsidiaries to engage in TV media and radio businesses. The competition has not been intensive due to BEC World group is a top choice among the leading players in this business for any operator who wishes to organize a show in Thailand.

Risk Factors:

Risk Factors of Business Operation

Growth of Advertising Costs and Expenses

As BEC World's major incomes have been derived from selling airtime to advertisers, the key risk factor is the growth of advertising spending of economic as a whole which depends on purchasing power of consumers in the country and competition among manufacturers who are the real advertising spenders. Though the management is unable to control these factors directly, we believe that this is not a serious concern for our business operation because main advertising spenders of TV and radio media are consumer product manufacturers, having a target mass market and having a persistent growth, as a result of growing economic and high competition in consumer product industries. In addition, the extension of economic as a whole and the change of society environment, from rural society to urban society, from sufficient society to consumption society have caused the higher competition and the entry of new advertisers resulting in growing of advertising spending. The risk that advertising spending will fall is very minimal and if happens, it would only be temporary. This is because the competition in advertising market is a factor to raise advertising money as well as media operated by BEC World group remains the most effective mean in reaching end-consumers main customers of majority advertisers.

Market Share Maintaining

The market of BEC World's major business overlaps in two dimensions as considered from the "Viewer" and the "Advertiser". The channels are required to have the "Viewer" in order to be "Media", as a result, it will then has the customers who are known as "Advertisers" using its service.

BEC World group continues to improve operating to be more efficient in order to draw more viewers than its competitors. However, whether the group can still maintain high rate of "Viewer" or enhancing its efficiency for consumers, are the risk factors despite of its success in improving efficiency of programs and sourcing. There is also competition risk with other operators, both old operators, improving their efficiency and new operators, acquiring new license to establish a new channel. In addition, audience of TV program may change to be viewer of new candidates. However, watching TV program is a behavior that seems to be habitual business. This allows the current successful operators to have more advantage than the new operators. Therefore, we believe that BEC World group may slightly have an effect from the aforesaid risk, even the "Viewer" may be distributed due to the diversity of channels and viewers.

Although the market share of the "Viewer" of BEC World group may decrease minimally owing to the "Viewer" distribution in relation to diversity of channels and preference, we believe that such decrease will not have any direct affect on BEC World group since this is a normal reaction, having an effect over most of operators in this business, except for the new operators who acquire more market share. This expansion of the viewer will expand to all market,



not specifically focus on any specific business entity. Regarding the new channels, to obtain the popularity in the first place, most of them, who was the program producers formerly, having been famous television programs, moved our programs from the former channel to their channels to take some of audiences. Consequently, the audience of the old channels was decreased. This could be seen that it was the change of position and name of competitor in the market only, however, there was not substantial change in the market competition. The other operators who acquire more market share will only gain it slightly, which is not adequate to have the potential to compete with the BEC World's current channels which still have the concentration of proportion of the "Viewer" higher than other operators. On the other hand, this could be a positive factor for the new channels of BEC World group which would expand to other market shares as the niche media, after previously focusing on being the mass media in the past.

With respect to market share of advertising business, due to the diversity of additional channels, there is a high possibility that BEC World group and most of the other operators in the same business will have a lower market share. However, BEC World group's income is still stable since such diversity will raise more competition which means the amount of advertising money will soaring rapidly than before and this will benefit every business operator.

Amendment of Broadcasting Operational Control

There is a risk from amending broadcasting operation control due to an establishment of independent regulatory body instead of government authority. However, BEC World group may have a little effect, since the Company was



legally granted to renew its concession to operate under protection of transitory provision of the Constitution and related laws. Although, the industry is affected by Operation of Radio and Television Broadcasting Business Act, which has been effective since first quarter of 2008, by reducing advertising time. However, all operators in this industry confront the same problem, this shall not change any, competition in the industry.

Renewal Operation Agreement

As the aforesaid independent entity has been just recently established and focused mainly on television business, together with the nature of short-term contracts which operate radio frequencies is granted on yearly basis, there is also a risk whether the group will be granted for renewal of operation of relevant radio frequencies. However, since the revenue generated from radio business is still small and the profitability is also low, the impact to the group is minimal if the group cannot carry on this business. However, the risk of TV business is lower than radio business, since the Company has its concession to further conduct its business until 2020. In addition, there is an advanced technology, changing "Analogue system", currently system, to be "Digital system", in which Channel 3 program has been simultaneous broadcasted on both Analogue and Digital system since October 2014, therefore, upon the expiration of the current analogue concession agreement in 2020, Channel 3 has the right to continue operating on Channel 33 until the licensing for using the frequency for providing digital terrestrial television in the category of business channel expired in 2029.

Substitute of TV media by new advertisement

The risks from potential substitutes of TV media include electronic media such as internet; new TV media such as Satellite TV, Digital TV, etc. BEC World group believes that, though there is more clear development in this area. However, there is no immediate impact on the operation of BEC World group from these new media in the near future especially in regard to selling advertising airtime. This is because advertising spending tends to concentrate on media which can effectively reach mass target group. Due to financial obligations whereby the end customers are required to increase their spending, and their habitual behavior, those new advertisements are only NICHE MARKET. In addition, main revenue of BEC World group comes from mass market position, and advertising budget, usually spent to media which can mainly reach target group of the advertiser. Similarly, impact on the group's business from subscribed TV's selling airtime as currently allowed by law is still small since the subscribed TV normally has small group of viewers which can be considered as niche market while free TV has viewer base throughout the country which is a mass market. Free TV advertising remains the most popular approach for consumer product manufacturers as the market sharing for Free TV remains quite high compared to other media. For other electronic media, such as, internet, although it has been new and become popular quickly, the access of users is limited and is regarded as a niche market as well. This new media is normally used as a supplementary media to free TV advertising and is only effective if the advertisers focus on niche market where mass market media may be too expensive for a small target market. These advertisers are not our main clients but they may establish new product/advertiser to raise competition in the market in the future which, eventually, will be benefit to BEC World group.

Risk of Operation and Management

Holding Shares of the Company by a Group of Majority Shareholders

Since Maleenont family holds majority shares approximately 47.03% of BEC World's total shares. Therefore, Maleenont family might be able to set management policy of the Company. However, the good corporate governance specified by the Company and other regulatory bodies could ensure and reduce such risk for minority shareholders. There are also some internal and external independent bodies supervising and auditing management and operation of the Company. Any transaction or resolution which is significant as specified by law, the Company always obtains a special resolution from shareholder's meeting before proceeding. In light of the above, the aforesaid factors could ensure and secure risk of operation and management of the Company.

Financial Risk

Risk of short - term loan

BEC World group decided to enter in to short - term loan agreement for using such loan in the business operation, while BEC World group has the equity of shareholder for almost 7,000 Million Baht, which is categorized as long - term investment source. Consequently, it was not necessary for BEC World group to use such long - term investment source for business operation in the past time.

On the 31st of December 2016, BEC World group entered into the short - term loan agreement with the financial institution, in the form of bill of exchange and promissory note in the amount of 2,510 Million Baht for using in the digital tv business operation. Such loan will be due from January 2017 to June 2017, respectively. Therefore, there will be a risk for BEC World group if the said short - term loan could not be renewed, causing the financial liquidity problems.

However, to prevent such risk, BEC World group has the plan for offering long - term debentures in order to transform short - term loan to be long - term loan, which will secure the loan management and conform with the long - term investment in digital TV business.



MANAGEMENT DISCUSSION AND ANALYSIS: MD&A

1. Overview of Business Operation and Substantial Change

BEC World has the core business in operating Thai TV Channel 3, a terrestrial analog system continuously for decades. In 2014, there was a substantial change whereby BEC World Group expanded its business by BEC Multimedia, the subsidiary company won an auction for Licenses to use Allocated Frequencies for National Commercial Digital Television Services, totally 3 licenses, which are (1) High-Definition Variety Category “3 HD Channel on channel 33” (since 10 October 2014, this channel has been used for simultaneously distributing Thai TV Channel 3), (2) Standard-Definition Variety Category “3 SD Channel on channel 28” and (3) Standard-Definition for Kids and Family Category “3 Family Channel on channel 13”.

The operation of three new channels is to ensure the investors and shareholders of “BEC” that there will be the continuity of the core Business of BEC World after the expiration of the current concession agreement with MCOT. In addition, it also generates more revenue to “BEC”.

Apart from the television business, BEC World group also operates the radio broadcasting business, new media business in relation to internet and mobile phone, together with other extended and supporting businesses, e.g. licensing, copyright of TV series, the organization of concerts or other activities as well as ticket sales and reservation services, etc.

Structure of BEC World Group

In 2016, there is no material change in structure group, except February 2016, BEC - TERO Entertainment Plc., the subsidiary of the Company sole its investment in BEC - TERO Sasana Co., Ltd. (changing name to TERO Sasana Sport Club Co., Ltd.) to Inspire Entertainment, the financial statement of BEC - TERO Sasana Co., Ltd. shall be no longer included in the consolidated financial. This is considered as a business decision for the benefit of the BEC World group, since the operation result of such company could not met the expectation.

Industrial Environment

During the year 2016, “Nielsen Media Research” [Nielsen] reported that Adex continued its downward trend from the beginning of the year. Even there were improvements during the second and the third quarters, but the Adex are still lower year-on-year. During the last quarter of the year, the Adex fell deeply, especially after the sad news in the afternoon of the October 13th which caused the suspense of entertain and media businesses for more than a month afterward that. Nielsen reported that the advertising industry shrank 12 percent year-on-year in 2016 whereas Televisions fell deeper but still the major medium in the industry holding a lion share of the Adex as usual. When looking at the sources of the spending, Nielsen also reported that when compares with prior year most of the big advertisers spend less Adex this year whereas the biggest advertiser cut its spending over 40 percent; even there were those who still increased their spending but the increase is small. However, as the entertain and media businesses were suspended for more than a month in the last quarter of the year, therefore the year-on-year comparisons were distorted and may not represent the true behavior of the advertisers.

Business Policy, Strategy and Decision

From the high level of competition among 24 television channels operators to fight for advertising revenue, BEC World realizes such competitive situation, therefore, there is a policy to confront with such situation. BEC World group has the policy to be the leader in sourcing and producing TV program to broadcast news and entertainment to be accepted by the public, especially the world class sport program and the foreign famous TV program. In addition, BEC World group develops our own TV program, constantly, in order to create the popularity among the viewers. With respect to the new channel in digital TV system, the said new channels will have a clearer character than “Channel 3” and aim to provide more precise service to the viewers than “Channel 3”. Such channels, explicitly aim to attract the niche market. The new channels will focus their investment on a short period each day which we believe they will “draw the viewers” and “generate income” to “BEC” in a short time. Even though “BEC” has advantage in using “Channel 3” to advertise new programs, such short period will be decided by the target audience setting who will be the “Viewer” of the aforesaid channels, together with the behavior of such target group. When such programs succeed at a certain level, they will be used as a leading direction which will help making the business/service expansion easier and will ensure that the following programs will be on the right track. Such expansion will be based on the market influence (control) of such channels.

In addition, BEC World group has the policy to control “cost” and “expenses” to be increased at the low rate to prevent the unnecessary payment during the period of waiting for the readiness and increasing of advertisement spending, which will be our income. This is our normal business practice which we have to create the viewer base, before obtaining from the advertisers. Obviously, from the control of service cost of the group, the cost is decreased in the amount of 814.8 Million Baht or 8.9%.

2. The Result of Operation and Capability of Making Profit

Due to the accounting policy for investments, the reported profit as shown in the separate statements is different from the report shown in the consolidated statements. This MD&A will discuss those numbers shown in the consolidated statements in order to avoid any confusion.

In 2016, BEC World group has the “net profit for this year” which is the part of shareholders’ equity in the amount of 1,218.3 Million Baht. This is lower than the net profit of last year in the amount of 1,764.4 Million Baht, or lower at 59.2%. Although, BEC World group could generate more income from the new channel in digital terrestrial system, however, the advertisement income from “Channel 3”, which is the main income of BEC World group, is lower than the income of the last year at the high rate. This is because (1) the demand of advertisement time in day-time was declined continuously since last year; and (2) the business operation was freeze for almost a month since the afternoon of 13 October 2016. Despite, BEC World group could control cost and expense, but it was not enough to diminish the impact of the decline in core income. Consequently, the profit of BEC World group is lower than the last year profit in the high amount and rate.

Revenue

Revenue form airtime sale

In 2016, BEC World group has revenue form airtime sale totally in the amount of 11,151.2 Million Baht, which is lower in the amount of 3,045.5 Million Baht or decreased by 21.5% comparing to the year of 2015 which BEC World group has revenue from the said airtime sale totally in the amount of 14,196.7 Million Baht. The said decrease is caused from the sale of airtime of “Channel 3” which is the core business of BEC World group, especially in the period beyond the prime time. In addition, the demand of advertisement time in day-time was declined and the motivation in the competition was also decreased due to the depressed economic, effected from the last year, resulting that the advertisement spending amount of big and small advertiser is lower, compared to the last year. Moreover, due to the freeze of operation for almost a month in since October 13, afternoon, the advertisement revenue was considerably decreased.

The revenue from the radio business is also decreased. Although, the revenue from the new digital TV channel is more than the revenue of last year for almost 100 Million Baht, the total advertisement revenue is decreased at the rate of 21.5%.

Revenue from licensing and other services

In 2016, BEC World group has revenue from licensing and other services totally in the amount of 541.2 Million Baht, or lower in the amount of 115.3 Million Baht or at the rate of 17.6% comparing to the year of 2015 which BEC World group has revenue thereof in the amount of 656.5 Million Baht. The reason for decrease of such revenue is excluding BEC-TERO Sasana Co., Ltd. revenue from the other revenue of the Company. In addition, the revenue from selling ticket is declined due to the decrease of the amount of activity held this year, from the effect of the economic, especially, in the last quarter, which all activities were cancelled or postponed.

Revenue from concerts and shows organizing

In 2016, World group has revenue from concerts and shows organizing totally in the amount of 470.2 Million Baht, or lower in the amount of 331.0 Million Baht or at the rate of 41.3% comparing to the year of 2015 which BEC World group has revenue thereof in the amount of 801.2 Million Baht. This is due to the assignment of foreign concerts in Thailand to Live Nation BEC-TERO Entertainment Co., Ltd. (the associated company) since the second half of the year of 2015 and the cancellation and postponement of all activities in the last quarter of the year. Therefore, the gross profit of concert and show is lower from the last year.

Revenue from selling merchandise

In 2016, BEC World group has revenue from selling merchandise in the amount of 103.2 Million Baht, lower than the previous year in the amount of 87.6 Million Baht or 45.9%. which the revenue of 2015 was 190.8 Million Baht. This is because the revenue from selling the Set Top Box as well as CD, DVD and music download of the music department is declined.

Other revenue

In 2016, BEC World group has other revenue in the amount of 268.8 Million Baht, higher in the amount of 132.6 Million Baht or 97.4%, comparing to the previous year, which there was the other revenue in the amount of 136.2 Million Baht since in 2016, there is the profit from selling the investment in BEC-TERO Sasana Co., Ltd. in the amount of 135.7 Million Baht; despite of the decrease of interest received in 2016.



Expenses

Cost of sales and services

In 2016, BEC World group has cost of sales and services in the amount of 8,371.0 Million Baht, lower in the amount of 814.8 Million Baht or 8.9%, comparing to the previous year which the said cost is 9,185.8 Million Baht due to the cost control policy, i.e. the decrease of (1) program cost (despite many international sport programs broadcasted via channel, e.g. UEFA Champion League, Olympics, etc.) and (2) the direct cost from selling merchandises and other related service, decreased by sales (including the decrease from excluding the service cost of BEC-TERO Sasana Co., Ltd.). Most cost is declined, except for (1) Digital TV network service fees which is increased from the network expansion, which is currently in the process; and (2) the depreciation of the equipment and tools in Digital TV business for the past two years.

Cost of organizing concerts and shows

In 2016, BEC World group has cost of organizing concerts and shows totally in the amount of 425.3 Million Baht, lower in the amount of 299.3 Million Baht or 41.4%, comparing to the year of 2015 which the cost thereof was 724.6 Million Baht. The additional cost was in accordance with the number of concerts and shows in 2016 which is less than the number in 2015, mentioned in the topic "Revenue from organizing concerts and shows"

Selling and administrative expenses

In 2016, BEC World group has selling expenses totally in the amount of 440.3 Million Baht, lower in the amount of 149.4 Million Baht or 25.3%, comparing to the year of 2015 which the cost thereof was 589.7 Million Baht. The decreased amount was due to the decreased number marketing activities events as well as the expenses from the sales in relation to the decreased direct incomes. Regarding the administrative expenses, it is 1,524.6 Million Baht, higher in the amount of 18.8 Million Baht or 1.2%, comparing to the year of 2015 which the cost thereof is 1,505.8 Million Baht. The additional amount is due to the doubtful debt amount.

Financial cost

In 2016, BEC World group has financial cost totally in the amount of 176.9 Million Baht, lower in the amount of 9.9 Million Baht or 5.3%, comparing to the year of 2015 which the cost thereof is 186.8 Million Baht. This is due to the amortization of interest of the licenses to use Allocated Frequencies which is lower than the previous year in the amount of 35.3 Million Baht, according to the remaining debt of license fees, which is decreased. However, the financial cost from the short-term loans for using as the working capital of BEC World group is increased in the amount of 25.4 Million Baht.

In 2016, The Company did not have any expense on technology and innovation Research and development.





Gross Profit, Net Profit, Shareholder Return on Investment and Return on Assets

| | 2016 | 2015 | Explanation |
|----------------------------------|------|------|--|
| Gross Profit | 28% | 37% | Decreased as a result of the sale of advertisement time of "Channel 3". Although, the Company could generate more income from Digital TV; and the Company could control the service cost to be lower than the cost of last year, it did not diminish the impact from the decrease of the advertisement revenue of the main channel, since most of costs is fixed cost. Therefore, the gross profit is reduced. |
| Net Profit | 10% | 19% | Reduced according to the decrease of advertisement income, while most of the service cost and operation expense is fixed. Therefore, despite of the control of the said expense, the gross profit is decreased. |
| Shareholder Return on Investment | 16% | 35% | Reduced according to the annual net profit. |
| Return on Assets | 8% | 19% | Reduced according to the annual net profit. While the total asset is slightly decreased since there is an additional investment in equipment, tools and program sourcing for creating the long term benefit for the group. |



3. Asset Management Capacity

Financial Status

Total Assets, Assets Component and Assets Quality

On 31 December 2016, the total assets of BEC World Group are 14,931.0 Million Baht, 26.6 Million Baht lower comparing to 2015 at 14,957.6 Million Baht. Current asset is 20.99% and the remaining is 79.01% non-current assets. In this regard, there are significant changes as follows:

Current Assets

- The remaining cash and cash equivalents and short-term investments is 1,299.5 Million Baht, 63.7 Million Baht, higher than the previous year. Although, the short term loans is higher for almost 2,300 Million Baht, however, due to the decrease of the annual profit, the third installment payment of digital TV license fees to NBTC and the payment of the dividend at the high rate as always, the increase of cash and cash equivalents is not high.
- The remaining account receivable and other receivable is in the amount of 1,002.7 Million Baht, lower in the amount of 292.4 Million Baht from the reduce of trade and other receivables as the revenue from selling advertisement time and other revenue is significantly downed in the end of the year, resulting that the account receivable is also reduced.
- Quality of Trade Receivable

Unit: Million Baht

| | 2016 | Ratio | 2015 | Ratio |
|--|---------|--------|---------|--------|
| Undue | 563.8 | 69.5% | 739.4 | 65.5% |
| Overdue, not over 3 months | 206.8 | 25.5% | 346.5 | 30.7% |
| Over 3 months but not more than 6 months | 11.8 | 1.5% | 13.2 | 1.2% |
| Over 6 months but not more than 12 months | 12.7 | 1.6% | 14.9 | 1.3% |
| Over 12 months upwards | 16.1 | 2.0% | 14.2 | 1.3% |
| Total | 811.2 | 100.0% | 1,128.2 | 100.0% |
| Minus: Doubtful debt | (15.40) | -1.9% | (14.40) | -1.3% |
| Allowance for goods returned | (2.70) | -0.3% | (3.10) | -0.3% |
| Net-Trade accounts receivable of third parties | 793.1 | 97.8% | 1,110.7 | 98.4% |
| Average debt collection period (days) | 30 | | 27 | |



The above table demonstrates that the quality of BEC World Group's trade receivable is good, without credit problem. The aggregate amount of undue and not over 3 months' overdue trade receivable is accounting to 95.0% of the total trade receivable. On the other hand, the amount of over 12 months' overdue trade receivable is only 2.0%. This is the result of the customer selection and strict debt collecting policy, shown by the low average debt collection period at only 27-30 days. In addition, BEC World also constantly evaluate the debtors in order to record the doubtful debt to reflect the actual book value of the debtors in every accounting period. The amount of doubtful debt in 2016 is only 1.3%, slightly increased comparing to 2015 at 1.9%.

In addition, the amount of doubtful debt of BEC World group from other receivables is increased in the amount of 37.6 Million Baht in 2016. Most of them is the debt by one of television program producer who bought his program back, but he could not make the payment within the due date. Therefore, BEC World group has to set the doubtful debt for this amount. However, BEC World group does not ignore for this outstanding debt. BEC World group is requesting him to settle such debt, closely.

- The remaining Net-Inventory is 4.7 Million Baht, reduced by 2.5 Million Baht, comparing to last year, from instant products in the category of music CD, by controlling the management of inventory product to be remained in the appropriate amount, in order to prevent the out-of-date product or deteriorated product problem, which might be incurred.
- The amount of BEC World Group's inventory is not high. Such inventory is comprising of instant products, i.e. Music CD from music department, Thai TV Series DVD and Channel 3's souvenir. BEC World Group also implements the constant inventory revaluation policy to record the allowance for diminution of inventories pursuant to the expected saleable value in every accounting period.
- The remaining other current assets is 746.7 Million Baht, increased by 63.6 Million Baht as a result of the withholding tax since some subsidiaries has a net loss. Therefore, such company could not benefit from the deducted withholding tax.

Non-Current Assets

- The remaining available-for-sale securities is 254.0 Million Baht, increased by 27.97 Million Baht from Wave Entertainment PCL's investment. The cause of such increase is from the reconciliation of the investment to be fair value as of the end of the year. BEC World Group have a long-term investment policy over 1 year.
- Property, plant and equipment is 916.6 Million Baht, increased by 116.2 Million Baht following the investing of equipment and tools for digital TV new business expansion. There are 177.9 Million Baht depreciation during the course of the year.
- Intangible assets is 99.5 Million Baht, reduced by 22.3 Million Baht, from the reducing fees of football players and coaches in the amount of 14.9 Million Baht, and from excluding the financial statement of BEC-TERO Sasana Co., Ltd. The remaining intangible assets is due to the amortization of computer program throughout the year, in the amount of 21.5 Million Baht.
- Deferred right to use property is 609.4 Million Baht, reduced by 216.3 Million Baht pursuant to the 219.1 Million Baht deferred throughout the year by adding investment to replace some television equipment of the former "Channel 3" in the amount of 2.8 Million Baht.
- Deferred right to use frequency in the amount of 4,737.3 Million Baht, decreased by 483.7 Million Baht from the deferred frequency license for the operation of 3 digital TV channels in straight – line method for 15 years' license in the amount of 391.6 Million Baht. In addition, there is an adjustment of deferred right to use frequency value from the extending the due date of paying the said license fees of the fourth installment for additional three years (which changes the due date from 2019 to be 2022) pursuant to the Order of National Council for Peace No. 76/2559. Therefore, by reducing the amount which is required to be paid, the present value is reduced by 92.1 Million Baht.
- The remaining pictures rental, picture products, plays and copyright charges is 2,882.4 Million Baht, rose by 115.5 Million Baht. To support digital TV new business expansion and higher competition in advertising industry, new contents are required to increase the diversity and attraction, both domestically and internationally, in order to reach more viewer.

4. Liquidity

Cash Flow

In 2016, BEC World Group generated 4,021.2 Million Baht cash flows from operating activities. Nevertheless, there are payments for additional investment, especially from digital TV new business expansion, e.g. from the third installment payment, additional investment in equipment and tools and new content providing. In addition, there are also continual investment in the current business. As a result, the total cash flows spent on investment is equal to 3,793.1 Million Baht. Moreover, there is shareholder dividend payment in the amount of 2,300 Million Baht. Consequently, BEC World Group is required to seek for short term loans to increase the liquidity in the amount of 2,295.8 Million Baht. Furthermore, cash flows spending in financial activity is reduced by 37.8 Million Baht. As a result, BEC World Group's cash and cash equivalents at the end of 2016 is equal to 1,299.5 Million Baht, 190.3 Million Baht higher comparing to last year (after deducting cash and cash equivalents, transferring by the sales of the investment in subsidiaries in the amount of 13.3 Million Baht).

Important Liquidity Ratio

| | 2016 | 2015 | Explanation |
|----------------------------------|------|------|--|
| Liquidity Ratio (time) | 0.62 | 0.94 | Decreased due to the reduced profit, resulting to the reduction of cash and cash equivalents; and the increase of short - term loans for using such |
| Quick Ratio (time) | 0.47 | 0.74 | loan as working capital in business expansion. |
| Cash Flow Liquidity Ratio (time) | 0.94 | 1.65 | Reduced as a result of the decreasing of cash flows from operating activities. This is from the falling of annual net profit from the loss of digital TV business and the decrease of net profit of "Channel 3". |

The overall image of BEC World Group's liquidity this year shows that the amount of current assets is lower than the current liabilities, although BEC World Group is able to generate high cash flows from operating activities which is enough for paying the third installment of license fees, the investment in equipment, tools and quality content sourcing, but BEC World Group has a policy to pay a dividend payment at the high rate, by not lower than 90% of the net profit showing in the consolidated financial statement, therefore BEC World Group has to make a short term loan from the financial institution in order to increase the working capital and liquidity.



5. Source of Investment

The source of investment for the operation of business and additional investment of BEC World Group in 2016 derives from working capital, which can be clearly seen from 4,021.2 Million Baht cash flows from operating activities. However, in this fiscal year, BEC World Group is required to pay digital TV license fees and invest for expanding business, continuously as well as paying a dividend to shareholders as always, therefore, there is short-term loan from domestic financial institution from our subsidiary company in order to support the working capital, thus, the 2,510 Million Baht is short-term loan.

However, to mitigate any risk if BEC World Group could not renew the short term loan, BEC World Group has a plan to offer long term debentures, in order to transform short term loan to long term loan, which will secure the loan management and conform to the long - term investment in digital TV business.

BEC World Group's debt to equity ratio in 2016 is 1.10, increasing from 0.83 in 2015, from the rising of liabilities as a result of the additional short term loan.

Total Liabilities

On 31 December 2016, the total liabilities of BEC World Group are 7,820.8 Million Baht, 1,051.3 Million Baht higher comparing to 2015 at 6,769.5 Million Baht. The total current liabilities are 5,082.4 Million Baht (34.04%), 1,621.6 Million Baht higher than last year since there is short term loan for increasing working capital in digital TV business expansion in 2016.

The total non-current liabilities are 2,738.3 Million Baht (18.34%), 570.49 Million Baht lower than last year as there is third installment payment of digital TV license fee in 2016.

Shareholders' Equity

On 31 December 2016, the total shareholders' equity of BEC World Group are 7,110.2 Million Baht, 1,077.9 Million Baht lower comparing to 2015 at 8,188.10 Million Baht. The reason for this drop is from the dramatic decrease of annual net profit, which also cause retained earnings to reduce by 1,081.7 Million Baht. However, the "unrealized gain on investment for sales" which shown in the shareholders' equity is increased by 22.4 Million Baht from the improvement of Wave Entertainment PCL's investment market price. Nonetheless, the financial status of BEC World Group is still stable as always.

6. Liabilities and Management of Off-Balance Sheet Liabilities

Most of BEC World Group's liabilities are the obligations from the main business operation "channel 3", for instance, obligations under joint operation agreement with MCOT, obligations from the purchasing of foreign pictures and sport program and obligations from lease agreement in Maleenont Tower Building Office. There are also obligations from digital TV new business operation, such as, the television network services provider agreement for terrestrial digital TV system with Thai PBS and the satellite channel services agreement and signal merging services agreement, etc.

In addition, there are obligations under the commercial bank's guarantee, obligations from various guarantee, which is a normal business operation of BEC World Group. All of the aforementioned liabilities are completely shown in article 37 of notes to 2016 financial statements of "BEC".

7. Factors or Events which will Affect Financial Status or Operation in the Future

Most of the cost and expenses of BEC World Group is not directly related to revenue, but a direct fixed or variable to market conditions. Therefore, we believe that the growth of cost and expenses of BEC World Group will be similar to the country's inflation rate, which should still be in a low ratio. The fluctuation of Baht also does not have much effect to our business. The worries regarding the competition condition from the other operators in the same industry, which increased as a result of better market environment that might cause the increasing of the cost, is probably overly anxious. There are no deficient in resource in this business, and there is no clear successful factor that would require the bidding of resource in the business which BEC World Group operating.

Therefore, the efficiency of the capability of making profit is mainly due to the capability of generating revenue. Although, the factor of increasing revenue from selling airtime, which is the main income of group, is not the controlled factor by the administrative, however, it is depend on the growth rate of the expenses spending in advertisement via other media. When considering the market environment which is positively affected from the recovery of macroeconomic of the country, it could be indicated that there is a good opportunity of industry and BEC World group. We also believe that there is an opportunity to increase the efficiency of generating income from operation and capability of making profit. In addition, BEC World Group has a strong investment structure, excellent liquidity and no problem regarding the quality of asset, and, there will be a financial structure adjustment in order to transform short term loan to long term loan, which will be more secure, therefore, BEC World should have no financial problem.



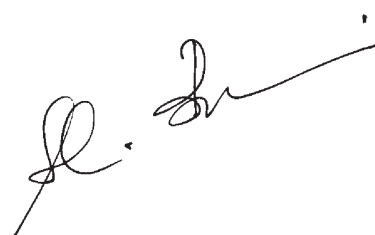
REPORT OF THE BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The accompanied financial statements comprised of Statements of Financial Position, Statements of Income, Statement of Comprehensive Income, Statements of Changes in Shareholders' Equity, Statement of Cash Flows and Notes to the Financial Statements have been prepared by the management in conformity with generally accepted financial report principles and appropriate accounting policies applied consistently and based on management's best estimates and judgments with adequate disclosure of material issues.

The Board of Directors has set up and maintained effective internal control system designed to provide the management with reasonable assurance that transactions are recorded properly, the assets are safeguarded and that material frauds and malpractices are precluded.

The Board of Director also appointed the Audit Committee, which comprises of independent non-executive directors to review the accuracy and sufficiency of the company's financial reports and to ensure the adequacy and the efficiency of the internal control systems of the Company. Opinion of the Audit committee is shown in Audit Committee's Report published in this Annual Report.

BEC World Plc. also arranged to have independent certified public accountant as auditor auditing the financial statements. The auditor performed audits of the financial statements in accordance with generally accepted auditing standards and expressed his independent opinion on the true and fair of the company's financial positions and performance of its operations as stated in the financial statements. Auditor's Report is also shown in this Annual Report



(Mr. Somchai Boonnamsiri)

Chairman

On behalf of the Board of Directors

AUDITOR'S REPORT

To The Shareholders of BEC World Public Company Limited

Opinion

I have audited the consolidated financial statements of BEC World Public Company Limited and its subsidiaries, which comprise the consolidated statements of financial position as at December 31, 2016, and the related consolidated statements of income, 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 BEC World Public Company Limited for the same period.

In my opinions, the financial statements referred to above present fairly, in all material respects, the financial position of BEC World Public Company Limited and its subsidiaries and of BEC World Public Company Limited as at December 31, 2016, 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 under the Royal Patronage of His Majesty the King 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 judgment, 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.

Testing the amount of deferred right to use spectrum

As at December 31, 2016, the consolidated financial statements of the Company have deferred right to use spectrum to provide digital television operating amount of Baht 4,737.30 million. Which is considered to be a significant asset in the Group's consolidated statements of financial position, was disclosed in Notes 4.16 and 18 to the financial statements. Digital television is at an intense competition, and as such, there is a risk that operation results may not be in line with initial forecasts, that the deferred right to use spectrum may possibly be impaired. Therefore, management involved judgment in the estimation cash flow of the recoverable amount in the future.

In evaluating the impairment of right to use spectrum by management, my audit procedures included, among others

- Gaining an understanding discounted cash flow projection, approved by management.
- Assessing the discounted cash flow projection by evaluating the key assumptions and actual operation results, as well as assessing the appropriateness of discount rate used and testing the computation of discounted cash flow projection.

- Evaluating the adequacy of the financial statements disclosures in accordance with Thai Financial Reporting Standards.

The results of a test are satisfactory, and in my opinions, the deferred right to use spectrum value is appropriate as stated.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, 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, 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 Company 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.



(Mr. Chaikorn Aunpitipongsa)

Certified Public Accountant Registration No. 3196

February 21, 2017

STATEMENTS OF FINANCIAL POSITION

BEC WORLD PUBLIC COMPANY LIMITED AND SUBSIDIARIES

AS AT DECEMBER 31, 2016

BAHT

| | | CONSOLIDATED | | SEPARATE FINANCIAL STATEMENTS | |
|---|----------------|----------------|----------------|----------------------------------|---------------|
| | | 2016 | 2015 | 2016 | 2015 |
| Notes | | | | | |
| <u>ASSETS</u> | | | | | |
| Current Assets | | | | | |
| Cash and cash equivalents | 4.2 and 5 | 1,299,531,146 | 1,122,539,458 | 271,348,405 | 160,991,884 |
| Short-term investments - fixed deposit at bank | | - | 113,271,607 | - | - |
| Trade and other receivables | 4.4, 4.5 and 7 | 1,002,718,523 | 1,295,145,006 | 1,087,963,920 | 1,091,376,463 |
| Current portion of receivable from investment disposal | 4.6 and 19 | 52,537,648 | - | - | - |
| Short-term loans to related parties | 8 | 28,452,800 | 28,663,600 | 3,813,460,028 | 2,871,604,517 |
| Inventories | 4.7 and 10 | 4,742,908 | 7,170,118 | 1,341,299 | 2,389,550 |
| Other current assets | 11 | 746,670,816 | 683,134,825 | 224,203,921 | 1,571,807,906 |
| Total Current Assets | | 3,134,653,841 | 3,249,924,614 | 5,398,317,573 | 5,698,170,320 |
| Non-current Assets | | | | | |
| Available-for-sale securities | 4.9 and 12 | 253,970,000 | 226,010,000 | 253,970,000 | 226,010,000 |
| Investments in associates | 4.10 and 13 | 146,488,806 | 159,500,347 | - | - |
| Investments in subsidiaries | 4.10 and 13 | - | - | 1,000,591,728 | 1,000,632,828 |
| Bank deposits with obligation | | 119,894,350 | 89,804,640 | - | - |
| Other long-term investments | 4.11 | 3,000,000 | 3,000,000 | - | - |
| Investments property | 4.12 and 14 | 67,850,000 | 67,850,000 | 650,000 | 650,000 |
| Property, plant and equipment | 4.13 and 15 | 916,641,425 | 800,421,307 | 33,751,550 | 18,694,065 |
| Intangible assets | 4.14 and 16 | 99,456,605 | 121,768,678 | 1,244,438 | 1,513,028 |
| Deferred right to use property | 4.15 and 17 | 609,408,113 | 825,732,470 | - | - |
| Deferred right to use spectrum | 4.16 and 18 | 4,737,296,757 | 5,220,969,122 | - | - |
| Receivable from investment disposal | 4.6 and 19 | 54,228,722 | - | - | - |
| Deferred additional compensation | 4.17 and 20 | 151,234,177 | 198,142,405 | - | - |
| Deferred pictures rental, picture products, plays and copyright charges | 4.18 and 21 | 2,882,400,967 | 2,766,890,337 | 1,879,170,053 | 1,752,337,469 |
| Deposit on pictures copyright | | 143,905,175 | 116,646,807 | 143,905,175 | 116,646,807 |
| Prepaid plays production | | 1,033,686,679 | 697,013,000 | 1,033,686,679 | 697,013,000 |
| Deferred tax assets | 4.20 and 33 | 367,960,977 | 292,743,618 | 29,701,781 | 18,027,903 |
| Other non-current assets | | 208,882,799 | 121,153,436 | 10,582,417 | 10,984,417 |
| Total Non-current Assets | | 11,796,305,552 | 11,707,646,167 | 4,387,253,821 | 3,842,509,517 |
| TOTAL ASSETS | | 14,930,959,393 | 14,957,570,781 | 9,785,571,394 | 9,540,679,837 |

Notes to the financial statements form an integral part of these statements.

STATEMENTS OF FINANCIAL POSITION

BEC WORLD PUBLIC COMPANY LIMITED AND SUBSIDIARIES

AS AT DECEMBER 31, 2016

BAHT

| Notes | CONSOLIDATED | | SEPARATE FINANCIAL STATEMENTS | |
|--|--------------|----------------|----------------------------------|---------------|
| | 2016 | 2015 | 2016 | 2015 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | | |
| Current Liabilities | | | | |
| Bank overdrafts and short-term borrowings | | | | |
| from financial institutions | 22 | 2,510,000,000 | 214,243,883 | 2,300,000,000 |
| Trade and other payables | 23 | 903,290,647 | 1,147,045,598 | 329,803,489 |
| Accrued expenses | | 411,631,028 | 536,206,902 | 56,804,447 |
| Current portion of financial leases | 4.19 และ 26 | 4,163,464 | 2,311,979 | - |
| Current portion of accrued right to use spectrum | 27 | 500,043,202 | 930,703,366 | - |
| Short-term borrowings from related parties | 24 | - | - | 1,307,826,250 |
| Corporate income tax payable | | 83,957,294 | 163,250,603 | 42,656,311 |
| Other current liabilities | 25 | 669,350,972 | 467,003,584 | 75,764,880 |
| Total Current Liabilities | | 5,082,436,607 | 3,460,765,915 | 4,112,855,377 |
| Non-current Liabilities | | | | |
| Financial leases | 4.19 and 26 | 8,665,066 | 4,742,764 | - |
| Accrued right to use spectrum | 27 | 2,110,795,192 | 2,729,987,909 | - |
| Provision for long-term employee benefits | 4.25 and 28 | 618,604,120 | 573,655,812 | 54,976,785 |
| Other non-current liabilities | | 270,000 | 340,000 | - |
| Total Non-current Liabilities | | 2,738,334,378 | 3,308,726,485 | 54,976,785 |
| Total Liabilities | | 7,820,770,985 | 6,769,492,400 | 4,167,832,162 |
| Shareholders' Equity | | | | |
| Share capital | | | | |
| Authorized share capital | | | | |
| 2,000,000,000 common stocks of Baht 1 par value | | 2,000,000,000 | 2,000,000,000 | 2,000,000,000 |
| Issued and paid-up share capital | | | | |
| 2,000,000,000 common stocks at Baht 1 each | | 2,000,000,000 | 2,000,000,000 | 2,000,000,000 |
| Premium on common stocks | | 1,166,724,373 | 1,166,724,373 | 1,166,724,373 |
| Retained earnings | | | | |
| Appropriated | | | | |
| Legal reserve | 31 | 200,000,000 | 200,000,000 | 200,000,000 |
| Unappropriated | | 3,385,769,364 | 4,467,479,047 | 2,119,697,422 |
| Other components of shareholders' equity | | 139,524,256 | 117,698,604 | 131,317,437 |
| Total Shareholders' Equity of Parent Company | | 6,892,017,993 | 7,951,902,024 | 5,617,739,232 |
| Non-controlling interests | | 218,170,415 | 236,176,357 | - |
| Total Shareholders' Equity | | 7,110,188,408 | 8,188,078,381 | 5,617,739,232 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | | 14,930,959,393 | 14,957,570,781 | 9,785,571,394 |

Notes to the financial statements form an integral part of these statements.

STATEMENTS OF INCOME

BEC WORLD PUBLIC COMPANY LIMITED AND SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2016

BAHT

| Notes | CONSOLIDATED | | SEPARATE FINANCIAL STATEMENTS | |
|---|----------------|----------------|----------------------------------|---------------|
| | 2016 | 2015 | 2016 | 2015 |
| REVENUES | | | | |
| Advertising income | 11,151,183,583 | 14,196,684,188 | 906,944,000 | 961,152,000 |
| Income from copyright and other services | 541,199,662 | 656,473,401 | 2,267,426,580 | 2,205,033,795 |
| Income from organizing concerts and shows | 470,187,902 | 801,183,238 | - | - |
| Sales of goods | 103,184,762 | 190,771,117 | 7,894,692 | 7,500,266 |
| Dividend income 13 | - | - | 980,984,210 | 2,564,780,408 |
| Other incomes | | | | |
| Interest income | 15,707,014 | 39,618,114 | 127,926,196 | 120,480,051 |
| Gain on investment disposal in subsidiary held by subsidiary | 135,686,385 | - | - | - |
| Others | 117,419,731 | 96,551,722 | 3,507,263 | 776,250 |
| Total other incomes | 268,813,130 | 136,169,836 | 131,433,459 | 121,256,301 |
| Total Revenues | 12,534,569,039 | 15,981,281,780 | 4,294,682,941 | 5,859,722,770 |
| EXPENSES | | | | |
| Cost of sales and services | 8,370,979,147 | 9,185,813,177 | 2,344,381,227 | 2,373,215,499 |
| Cost of organizing concerts and shows | 425,274,903 | 724,615,518 | - | - |
| Selling expenses | 440,343,556 | 589,669,294 | 4,286,161 | 6,695,431 |
| Administrative expenses | 1,524,633,189 | 1,505,789,965 | 279,382,272 | 229,460,705 |
| Loss on investment impairment in subsidiaries | - | - | 41,100 | 41,200 |
| Directors's remuneration 29 | 19,670,000 | 19,820,000 | 19,670,000 | 19,820,000 |
| Finance costs 30 | 176,905,239 | 186,752,735 | 84,364,612 | 62,399,597 |
| Total Expenses 32 | 10,957,806,034 | 12,212,460,689 | 2,732,125,372 | 2,691,632,432 |
| Share of profit (loss) of associates held by subsidiary | (12,167,997) | 36,632,888 | - | - |
| Profit before Income Tax Expenses | 1,564,595,008 | 3,805,453,979 | 1,562,557,569 | 3,168,090,338 |
| Income Tax Expenses 4.21 and 33 | 333,733,240 | 773,239,865 | 126,762,267 | 122,560,085 |
| Profit for the years | 1,230,861,768 | 3,032,214,114 | 1,435,795,302 | 3,045,530,253 |
| Profit attributable to | | | | |
| Equity holders of the parent | 1,218,290,317 | 2,982,705,075 | 1,435,795,302 | 3,045,530,253 |
| Non-controlling interests | 12,571,451 | 49,509,039 | - | - |
| | 1,230,861,768 | 3,032,214,114 | 1,435,795,302 | 3,045,530,253 |
| Earnings per share to equity holders of the parent | | | | |
| Basic Earnings Per Share 4.22 | 0.61 | 1.49 | 0.72 | 1.52 |
| Issued and paid-up 2,000,000,000 common stocks | | | | |

Notes to the financial statements form an integral part of these statements.

STATEMENTS OF COMPREHENSIVE INCOME

BEC WORLD PUBLIC COMPANY LIMITED AND SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2016

BAHT

| | CONSOLIDATED | | SEPARATE FINANCIAL STATEMENTS | |
|--|---------------|---------------|----------------------------------|---------------|
| | 2016 | 2015 | 2016 | 2015 |
| Profit for the years | 1,230,861,768 | 3,032,214,114 | 1,435,795,302 | 3,045,530,253 |
| Other Comprehensive Income (Loss):- | | | | |
| Translation of financial statements differences | (903,915) | 9,482,131 | - | - |
| Gain (loss) on remeasuring available-for-sale securities | 27,960,000 | (234,165,000) | 27,960,000 | (234,165,000) |
| Components of income tax | (5,592,000) | 46,833,000 | (5,592,000) | 46,833,000 |
| Gain (loss) on remeasuring available-for-sale securities-net of tax | 22,368,000 | (187,332,000) | 22,368,000 | (187,332,000) |
| Actuarial gain (loss) from employee benefit plan | - | (33,437,894) | - | 1,698,795 |
| Component of income tax | - | 6,347,132 | - | (339,759) |
| Actuarial gain (loss) from employee benefit plan-net of tax | - | (27,090,762) | - | 1,359,036 |
| Other comprehensive income (loss) for the years-net of tax | 21,464,085 | (204,940,631) | 22,368,000 | (185,972,964) |
| Total comprehensive income for the years | 1,252,325,853 | 2,827,273,483 | 1,458,163,302 | 2,859,557,289 |
| Total comprehensive income attributable to | | | | |
| Equity holders of the parent | 1,240,115,969 | 2,784,066,545 | 1,458,163,302 | 2,859,557,289 |
| Non-controlling interests | 12,209,884 | 43,206,938 | - | - |
| | 1,252,325,853 | 2,827,273,483 | 1,458,163,302 | 2,859,557,289 |

Notes to the financial statements form an integral part of these statements.

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

BEC WORLD PUBLIC COMPANY LIMITED AND SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2016

BAHT

| Notes | CONSOLIDATED | | | | | | | | |
|---|----------------------------------|--------------------------|-------------------|--|-------------------------------------|--------------------------------|------------------------------------|---------------------------|----------------------------|
| | Equity holders of the parent | | | | | | | | |
| | Issued and paid-up share capital | Premium on common stocks | Retained earnings | Other components of shareholders' equity | | | Total equity holders of the parent | Non-controlling interests | Total shareholders' equity |
| | | | | Unappropriated | Translation of financial statements | Available-for-sale investments | | | |
| Year 2015 Beginning balances, January 1, 2015 (as reported) Effect of the correction of accounting errors. 3 Beginning balances, January 1, 2015 (Restated) Comprehensive income (loss) for the year 2015 :- Comprehensive income (loss) for the year Actuarial losses from employee benefit plan - net of tax Total comprehensive income (loss) for the year 2015 Dividend payment 29 Subsidiary's dividend paid to non-controlling interests Ending balances, December 31, 2015 | 2,000,000,000 | 1,166,724,373 | 200,000,000 | 4,979,454,134 | 3,059,892 | 296,281,437 | 8,645,519,836 | 288,192,148 | 8,933,711,984 |
| | | | | (77,684,357) | | | (77,684,357) | (3,107) | (77,687,464) |
| | 2,000,000,000 | 1,166,724,373 | 200,000,000 | 4,901,769,777 | 3,059,892 | 296,281,437 | 8,567,835,479 | 288,189,041 | 8,856,024,520 |
| | | | | 2,982,705,075 | 5,689,275 | (187,332,000) | 2,801,062,350 | 53,301,895 | 2,854,364,245 |
| | | | | (16,995,805) | - | - | (16,995,805) | (10,094,957) | (27,090,762) |
| Year 2016 Beginning balances, January 1, 2016 Comprehensive income (loss) for the year 2016 Non-controlling interests decrease during the year from subsidiary disposal held by subsidiary Dividend payment 29 Subsidiary's dividend paid to non-controlling interests Ending balances, December 31, 2016 | 2,000,000,000 | 1,166,724,373 | 200,000,000 | 4,467,479,047 | 8,749,167 | 108,949,437 | 7,951,902,024 | 236,176,357 | 8,188,078,381 |
| | | | | 4,467,479,047 | 8,749,167 | 108,949,437 | 7,951,902,024 | 236,176,357 | 8,188,078,381 |
| | | | | 1,218,290,317 | (542,348) | 22,368,000 | 1,240,115,969 | 12,209,884 | 1,252,325,853 |
| | | | | (2,300,000,000) | | | (2,300,000,000) | 20 | (2,300,000,000) |
| | 2,000,000,000 | 1,166,724,373 | 200,000,000 | 3,385,769,364 | 8,206,819 | 131,317,437 | 6,892,017,993 | (30,215,846) | (30,215,846) |
| | | | | | | | | 218,170,415 | 7,110,188,408 |

Notes to the financial statements form an integral part of these statements.

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

BEC WORLD PUBLIC COMPANY LIMITED AND SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2016

BAHT

| Notes | SEPARATE FINANCIAL STATEMENTS | | | | | |
|---|----------------------------------|--------------------------|------------------------------|-----------------|--|----------------------------|
| | Issued and paid-up share capital | Premium on common stocks | Retained earnings | | Other components of shareholders' equity | Total shareholders' equity |
| | | | Appropriated - Legal reserve | Unappropriated | Other comprehensive income | |
| | | | | | Available-for-sale investments | |
| <u>Year 2015</u> | | | | | | |
| Beginning balances, January 1, 2015 | 2,000,000,000 | 1,166,724,373 | 200,000,000 | 3,337,012,831 | 296,281,437 | 7,000,018,641 |
| Comprehensive income (loss) for the year 2015 :- | | | | | | |
| Comprehensive income (loss) for the year | | | | 3,045,530,253 | (187,332,000) | 2,858,198,253 |
| Actuarial gains from employee benefit plan - net of tax | | | | 1,359,036 | - | 1,359,036 |
| Total comprehensive income (loss) for the year 2015 | | | | 3,046,889,289 | (187,332,000) | 2,859,557,289 |
| Dividend payment | | | | (3,400,000,000) | - | (3,400,000,000) |
| Ending balances, December 31, 2015 | 2,000,000,000 | 1,166,724,373 | 200,000,000 | 2,983,902,120 | 108,949,437 | 6,459,575,930 |
| <u>Year 2016</u> | | | | | | |
| Beginning balances, January 1, 2016 | 2,000,000,000 | 1,166,724,373 | 200,000,000 | 2,983,902,120 | 108,949,437 | 6,459,575,930 |
| Comprehensive income for the year 2016 | | | | 1,435,795,302 | 22,368,000 | 1,458,163,302 |
| Dividend payment | | | | (2,300,000,000) | - | (2,300,000,000) |
| Ending balances, December 31, 2016 | 2,000,000,000 | 1,166,724,373 | 200,000,000 | 2,119,697,422 | 131,317,437 | 5,617,739,232 |

Notes to the financial statements form an integral part of these statements.

STATEMENTS OF CASH FLOWS (1/4)

BEC WORLD PUBLIC COMPANY LIMITED AND SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2016

BAHT

| | CONSOLIDATED | | SEPARATE FINANCIAL STATEMENTS | |
|---|---------------|---------------|----------------------------------|-----------------|
| | 2016 | 2015 | 2016 | 2015 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Profit before income tax expenses | 1,564,595,008 | 3,805,453,979 | 1,562,557,569 | 3,168,090,338 |
| ADJUSTMENTS TO RECONCILE PROFIT BEFORE INCOME TAX EXPENSES TO NET CASH PROVIDED FROM (USED IN) OPERATIONS | | | | |
| Depreciation | 177,877,432 | 138,154,746 | 5,540,221 | 2,685,886 |
| Expenses from barter from investment disposal | 14,981,605 | - | - | - |
| Expenses from litigation | 28,908,831 | - | - | - |
| Amortization of intangible assets | 21,465,412 | 42,204,251 | 268,590 | 144,138 |
| Amortization of right to use property | 219,134,709 | 220,735,547 | - | - |
| Amortization of right to use spectrum | 391,559,469 | 392,190,519 | - | - |
| Amortization of additional compensation | 46,908,228 | 46,780,063 | - | - |
| Amortization of pictures rental, plays, picture products and copyright charges | 2,439,012,053 | 2,406,175,457 | 2,024,893,044 | 2,026,434,256 |
| Amortization of other non-current assets | 1,380,270 | 4,105,733 | - | - |
| Write-off of withholding tax | 13,961,501 | 4,481,319 | - | - |
| Decrease allowance for goods returned | (322,992) | (1,517,032) | - | - |
| Bad debts - Trade and other receivables | 742,587 | 3,769,075 | - | - |
| - Short-term loans to related parties | - | 7,605 | - | - |
| Increase in doubtful debt | | | | |
| - Trade and other receivables | 38,495,477 | 6,637,484 | 33,000,000 | - |
| - Short-term loans to related parties | - | - | 11,426,813 | 6,259,583 |
| Increase (decrease) in allowance for diminution of inventories | (2,126,732) | 3,322,483 | - | - |
| Increase in allowance for diminution of other current assets | 545,422 | - | - | - |
| Gain on disposal/unused equipment | (2,000,294) | (1,395,199) | (603,129) | (10,794) |
| Unrealized (gain) loss on exchange rates | (310,201) | (3,049,389) | 128,267 | 425,750 |
| Gain on revaluation of investments property | - | (2,700,000) | - | - |
| Dividend income | - | - | (980,984,210) | (2,564,780,408) |
| Gain on investment disposal in subsidiary held by subsidiary | (135,686,385) | - | - | - |
| Interest income | (15,707,014) | (39,618,114) | (127,926,196) | (120,480,051) |
| Finance cost | 176,905,239 | 186,752,735 | 84,364,612 | 62,399,597 |
| Long-term employee benefits expenses | 58,007,907 | 42,595,728 | 4,988,016 | 2,039,338 |
| Share of (profit) loss of associates held by subsidiary | 12,167,997 | (36,632,888) | - | - |
| Share of loss on subsidiary disposal held by subsidiary | 6,730,670 | - | - | - |
| Share of loss on non-controlling interests on disposal in subsidiary held by subsidiary | 20 | - | - | - |
| Loss on impairment of investments in subsidiaries | - | - | 41,100 | 41,200 |
| Profit from operation before changes in operating assets and liabilities items | 5,057,226,219 | 7,218,454,102 | 2,617,694,697 | 2,583,248,833 |

Notes to the financial statements form an integral part of these statements.

STATEMENTS OF CASH FLOWS (2/4)

BEC WORLD PUBLIC COMPANY LIMITED AND SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2016

BAHT

| | CONSOLIDATED | | SEPARATE FINANCIAL STATEMENTS | |
|---|-----------------|-----------------|----------------------------------|-----------------|
| | 2016 | 2015 | 2016 | 2015 |
| CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED) | | | | |
| (INCREASE) DECREASE IN OPERATING ASSETS ITEMS | | | | |
| Investments in Open-end Fund | - | 50,186,974 | - | - |
| Trade and other receivables | 281,245,058 | (43,148,113) | 3,412,543 | (125,944,071) |
| Inventories | 1,864,606 | (1,758,267) | 1,048,251 | (176,046) |
| Other current assets | 80,189,873 | 161,664,859 | (32,756,138) | (40,385,149) |
| Deposit on pictures copyright charges | (27,258,368) | (58,980,389) | (27,258,368) | (58,980,389) |
| Prepaid plays production | (336,673,679) | (101,509,000) | (336,673,679) | (101,509,000) |
| Other non-current assets | (14,923,452) | 2,377,614 | 402,000 | (836,620) |
| INCREASE (DECREASE) IN OPERATING LIABILITIES ITEMS | | | | |
| Trade and other payables | (271,902,037) | (9,425,231) | (185,739,692) | 67,748,352 |
| Accrued expenses | (153,402,928) | (18,698,465) | 109,194 | 1,592,947 |
| Other current liabilities | 217,556,338 | (237,975,003) | (7,435,515) | 4,244,650 |
| Provision for employee benefits | (11,692,886) | (5,984,680) | - | - |
| Other non-current liabilities | (70,000) | (20,000) | - | - |
| CASH PROVIDED FROM OPERATION | 4,822,158,744 | 6,955,184,401 | 2,032,803,293 | 2,329,003,507 |
| Interest expenses paid | (43,420,218) | (17,903,407) | (92,838,085) | (12,358,269) |
| Income tax expenses paid | (757,465,846) | (1,043,340,322) | (118,216,603) | (152,833,072) |
| Translation of financial statements differences | (60,371) | 1,006,358 | - | - |
| NET CASH PROVIDED FROM OPERATING ACTIVITIES | 4,021,212,309 | 5,894,947,030 | 1,821,748,605 | 2,163,812,166 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Decrease in fixed deposit at bank | 113,271,607 | 1,143,320,038 | - | - |
| (Increase) decrease in bank deposits with obligation | (30,089,710) | 242,396,039 | - | - |
| Interest income | 13,505,565 | 43,899,698 | 78,476,940 | 37,947,838 |
| Proceeds from dividend income | - | 39,274,957 | 2,380,973,677 | 2,664,782,408 |
| (Increase) decrease in short-term loans to related parties and other company | 20,000,000 | 390,081 | (923,462,412) | 123,520,358 |
| Proceeds from investments disposal in subsidiary held by subsidiary | 10,000,000 | - | - | - |
| Purchase of investments in associate | - | (4,509,000) | - | - |
| Purchase of equipment | (242,364,228) | (374,401,651) | (20,597,708) | (9,571,239) |
| Proceeds from equipment disposal | 17,732,988 | 4,340,145 | 603,131 | 11,215 |
| Increase in intangible assets | (13,644,963) | (55,883,331) | - | (1,239,209) |
| Increase in right to use property | (2,810,352) | (37,024,186) | - | - |
| Increase in pictures rental, picture products, plays and copyright charges | (2,587,522,683) | (3,271,890,592) | (2,545,125,628) | (3,243,850,323) |
| Proceeds from plays disposal | - | - | 360,400,000 | 421,264,000 |
| Payment for right to use spectrum | (1,091,200,000) | (1,053,100,000) | - | - |
| NET CASH USED IN INVESTING ACTIVITIES | (3,793,121,776) | (3,323,187,802) | (668,732,000) | (7,134,952) |

Notes to the financial statements form an integral part of these statements.

STATEMENTS OF CASH FLOWS (3/4)

BEC WORLD PUBLIC COMPANY LIMITED AND SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2016

BAHT

| | CONSOLIDATED | | SEPARATE FINANCIAL STATEMENTS | |
|---|-----------------|-----------------|----------------------------------|-----------------|
| | 2016 | 2015 | 2016 | 2015 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | |
| Increase in bank overdrafts and short-term borrowings from financial institutions | 2,295,756,117 | 54,671,199 | 2,300,000,000 | - |
| Increase (decrease) in short-term borrowings from related parties | - | - | (1,042,660,084) | 1,250,000,000 |
| Dividend payment | (2,300,000,000) | (3,400,000,000) | (2,300,000,000) | (3,400,000,000) |
| Subsidiary's dividend paid to non-controlling interests | (30,215,846) | (95,217,622) | - | - |
| Payment of financial leases | (3,312,148) | (1,682,305) | - | - |
| NET CASH USED IN FINANCING ACTIVITIES | (37,771,877) | (3,442,228,728) | (1,042,660,084) | (2,150,000,000) |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 190,318,656 | (870,469,500) | 110,356,521 | 6,677,214 |
| CASH AND CASH EQUIVALENTS AS AT JANUARY 1, | 1,122,539,458 | 1,993,008,958 | 160,991,884 | 154,314,670 |
| LESS CASH AND CASH EQUIVALENTS TRANSFERRED OUT FROM DISPOSAL OF SUBSIDIARY HELD BY SUBSIDIARY (SUPPLEMENTARY STATEMENT 1) | (13,326,968) | - | - | - |
| CASH AND CASH EQUIVALENTS AS AT DECEMBER 31, | 1,299,531,146 | 1,122,539,458 | 271,348,405 | 160,991,884 |
| ADDITIONAL DISCLOSURE ITEMS TO CASH FLOWS STATEMENTS : NON-CASH ITEMS CONSIST OF | | | | |
| Increase receivable from investment disposal in subsidiary | 106,766,370 | - | - | - |
| Transferred accrued interest income to short-term loans to related parties | - | - | 29,819,912 | 81,630,675 |
| Transferred accrued interest expenses to short-term borrowings from related parties | - | - | 4,826,250 | 45,660,084 |
| Accrued dividend income | - | - | - | 1,399,989,467 |
| Transferred non-current assets to current assets | 1,448,104 | - | - | - |
| Transferred withholding tax over one year to non-current assets | 115,448,287 | 19,683,978 | - | - |
| Increase in equipment from assets payable | 64,527,472 | 36,465,298 | - | 148,000 |
| Increase in equipment from financial leases | 9,085,935 | 5,838,550 | - | - |
| Increase in intangible assets from assets payable | - | 501,250 | - | - |
| Subsidiary's dividend payable to non-controlling interests | - | 10,533 | - | - |
| Decrease non-controlling interests from accounting error restated | - | (3,107) | - | - |
| Increase investments in associate due to translation of financial statements differences on exchange rate | 843,544 | 8,475,773 | - | - |
| Available-for-sale securities Gain (loss) on remeasuring available-for-sale securities | 27,960,000 | (234,165,000) | 27,960,000 | (234,165,000) |
| Increase (decrease) non-controlling interests from translation of financial statements | (361,567) | 3,792,856 | - | - |
| Transferred depreciation to selling tickets program under process | 419,482 | 419,482 | - | - |
| Transferred deposit guarantee to non-current assets | - | 700,000 | - | - |
| Decrease adjusted of cost deferred right to use spectrum | (92,112,896) | - | - | - |
| Increase in other receivables from plays disposal | 33,000,000 | - | 33,000,000 | - |
| Effect of adjusted actuarial estimates from employee benefit plan | | | | |
| - Increase (decrease) deferred tax assets | - | 6,347,132 | - | (339,759) |
| - (Increase) decrease provision for long-term employee benefits | - | (33,437,894) | - | 1,698,795 |
| - (Increase) decrease retained earnings | - | 16,995,805 | - | (1,359,036) |
| - Decrease non-controlling interests | - | 10,094,957 | - | - |

Notes to the financial statements form an integral part of these statements.

STATEMENTS OF CASH FLOWS (4/4)

BEC WORLD PUBLIC COMPANY LIMITED AND SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2016

SUPPLEMENTARY STATEMENT 1

Investment disposal in subsidiary held by subsidiary

On February 1, 2016 BEC-TERO ENTERTAINMENT PUBLIC COMPANY LIMITED, the Company's subsidiary has sold its investment in BEC-TERO SASANA CO., LTD. Therefore, outstanding assets and liabilities are transferred out from the consolidation, as follows :

BAHT

| | | |
|---|--------------|---------------|
| Cash and cash equivalents | | 13,326,968 |
| Trade and other receivables | | 5,967,040 |
| Inventories | 4,666,752 | |
| Less Allowance for diminution of inventories | (1,977,416) | |
| Inventories-net | | 2,689,336 |
| Other current assets | | 4,649,304 |
| Equipment | | 5,727,909 |
| Intangible assets | | 14,911,106 |
| Other non-current assets | | 25,852,501 |
| Trade and other payables | | (36,525,631) |
| Accrued expenses | | (106,783) |
| Accrued interest | | (23,357) |
| Short-term borrowings from related parties | | (20,000,000) |
| Other current liabilities | | (15,204,606) |
| Provision for long-term employee benefits | | (1,366,713) |
| Investments in subsidiary at the beginning of the year | | (102,926) |
| Share of loss on subsidiary disposal held by subsidiary | | (6,730,670) |
| Investments in subsidiary as at disposal date | | (6,833,596) |
| Less Consideration from investment disposal | | |
| - Cash | (10,000,000) | |
| - Receivable from fair value of cash received | (73,852,789) | |
| - Barter receivables | (45,000,000) | (128,852,789) |
| Gain on investment disposal in subsidiary held by subsidiar | | 135,686,385 |

Notes to the financial statements form an integral part of these statements.

NOTES TO THE FINANCIAL STATEMENTS

BEC WORLD PUBLIC COMPANY LIMITED AND SUBSIDIARIES

DECEMBER 31, 2016

1. TYPE OF BUSINESS

1.1 General information

| | |
|------------------|--|
| Legal status | A juristic person established under Thai law and listed on the Stock Exchange of Thailand. |
| Company location | B1, G, 2 nd , 3 rd , 8 th , 9 th - 10 th and 30 th - 34 th Floors, at Maleenont Tower, 3199 Rama IV Road, Kwaeng Klongtan, Khet Klongtoey, Bangkok 10110, Thailand. |
| Type of business | (1) Providing, producing TV programmes and selling air time. (2) Holding shares in subsidiaries and associates which operate business as stated in Note 13 to the financial statements. |

1.2 Joint operation information

1.2.1 THE BANGKOK ENTERTAINMENT CO., LTD., a subsidiary of the Company has made an agreement for joint operation of color TV transmission with the Mass Communication Organization of Thailand (MCOT) dated April 28, 1978 as amended the first time on September 13, 1982, the second time on July 16, 1987 and the third time on May 2, 1989. The subsidiary was granted the right for joint operation of Channel 3 color Thai TV station's transmission until March 25, 2020. All property created or procured for the operation under this agreement shall be transferred to the MCOT on the date the subsidiary creates or procures. The subsidiary has the right to use such property.

Under the above agreement, the subsidiary has to pay annual compensation to the Mass Communication Organization of Thailand as specified in the agreement.

1.2.2 THE BANGKOK ENTERTAINMENT CO., LTD., a subsidiary of the Company has made an agreement to lease air time for operating programme and advertisement with the Mass Communication Organization of Thailand dated January 25, 1990 as amended on September 22, 1994. The subsidiary was granted the right to operate programme and advertise through an MCOT FM radio station, at 105.5 MH frequency in Bangkok until January 31, 2020. To be consistent with the term of the agreement for joint operation of color TV transmission as amended, it is agreed that if the agreement for joint operation of color TV transmission is terminated before its term for whatever reason, this agreement shall be deemed terminated.

Under the above agreement, the subsidiary has to pay the monthly air time and other expenses to the MCOT as specified in the agreement.

1.2.3 In August 2004, the Mass Communication Organization of Thailand (MCOT) was dissolved and MCOT Public Company Limited was set up to take over all the existing business, rights, liabilities, obligations and assets of the MCOT.

1.3 Right to use the spectrum to provide terrestrial digital television service in the type of national commercial service

BEC MULTIMEDIA CO., LTD., a subsidiary of the Company, won the auctions for licenses to use the spectrum to provide terrestrial digital television service in the type of national commercial service ("License Agreement") including

3 licenses - General (variety) high-definition category, General (variety) standard-definition category, and Kids and family category from The National Broadcasting and Telecommunications Commission (NBTC). License Agreement allowed a period of 15 years from the date of permission. (Commencing on April 25, 2014 and ending April 24, 2029.)

Under the above licenses agreement, the subsidiary is required to pay a license fees, other charges and delivery of an annuity to Broadcasting and Telecommunications Research and Development Fund for the Public Interest announced by the NBTC.

In order to comply with the condition before acquiring licenses on February 10, 2014, the subsidiary entered into Lease Agreement to lease for digital terrestrial television network service with Thai Public Broadcasting Service (TPBS), in order to broadcast digital television signal via TPBS multiplexes starts date April 1, 2014 to June 16, 2028, which the subsidiary will have to pay services fee specified in the agreement.

2. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

The consolidated and the separate financial statements are prepared in accordance with the Accounting Standards and Financial Reporting Standards issued by Federation of Accounting Professions under the Accounting Profession Act, B.E. 2547 (2004), and the Accounting Act, B.E. 2543 (2000) and the Notification of the Office of the Securities and Exchange Commission, except the financial statements of BEC-TERO MYANMAR COMPANY LIMITED and FOREVER BEC-TERO COMPANY LIMITED, the subsidiary and associate of BEC-TERO Entertainment Public Company Limited, are prepared in accordance with the Accounting Standards of REPUBLIC OF THE UNION OF MYANMAR. In preparation of consolidated financial statements, they are adjusted to be under the same accounting policy as parent company.

2.1 These consolidated financial statements included the financial statements of BEC World Public Company Limited and its subsidiaries and its equity in associates as follows:

| PARTICULARS | | % HOLDING | | ESTABLISHED IN |
|---|---|-----------|-------|-------------------|
| | | 2016 | 2015 | |
| SUBSIDIARIES DIRECTLY HELD BY THE COMPANY | | | | |
| 1. | THE BANGKOK ENTERTAINMENT CO., LTD. | 99.99 | 99.99 | THAILAND |
| 2. | RUNGSIROJVANIT CO., LTD. | 99.99 | 99.99 | THAILAND |
| 3. | NEW WORLD PRODUCTION CO., LTD. | 99.99 | 99.99 | THAILAND |
| 4. | BEC BROADCASTING CENTER CO., LTD. | 99.99 | 99.99 | THAILAND |
| 5. | YOU & I CORPORATION CO., LTD. | 99.99 | 99.99 | THAILAND |
| 6. | BEC ASSET CO., LTD. | 99.99 | 99.99 | THAILAND |
| 7. | BEC STUDIO CO., LTD. | 99.99 | 99.99 | THAILAND |
| 8. | BEC INTERNATIONAL DISTRIBUTION CO., LTD. | 99.99 | 99.99 | THAILAND |
| 9. | BEC NEWS BUREAU CO., LTD. | 99.99 | 99.99 | THAILAND |
| 10. | BANGKOK TELEVISION CO., LTD. | 99.99 | 99.99 | THAILAND |
| 11. | BANGKOK SATELLITE & TELECOMMUNICATION CO., LTD. | 99.99 | 99.99 | THAILAND |
| 12. | BEC IT SOLUTION CO., LTD. | 99.99 | 99.99 | THAILAND |
| 13. | SATELLITE TV BROADCASTING CO., LTD. | 99.99 | 99.99 | THAILAND |
| 14. | BEC-TERO ENTERTAINMENT PUBLIC CO., LTD. | 59.99 | 59.99 | THAILAND |

| PARTICULARS | % HOLDING | | ESTABLISHED IN |
|---|-----------|-------|--|
| | 2016 | 2015 | |
| 15. BECI CORPORATION LTD. | 99.99 | 99.99 | THAILAND |
| 16. BEC MULTIMEDIA CO., LTD. | 99.99 | 99.99 | THAILAND |
| <u>SUBSIDIARY HELD BY BEC INTERNATIONAL DISTRIBUTION CO., LTD.</u> | | | |
| 1. TVB 3 NETWORK CO., LTD. | 59.99 | 59.99 | THAILAND |
| <u>SUBSIDIARIES HELD BY BEC-TERO ENTERTAINMENT PUBLIC COMPANY LIMITED</u> | | | |
| 1. THAITICKETMAJOR CO., LTD. | 59.99 | 59.99 | THAILAND |
| 2. BEC-TERO SCENARIO CO., LTD. | 50.00 | 50.00 | THAILAND |
| 3. BEC-TERO SASANA CO., LTD. (RENAME : BEC-TERO SPORT CLUB CO., LTD.) | - | 99.99 | THAILAND |
| 4. BEC-TERO RADIO CO., LTD. | 99.99 | 99.99 | THAILAND |
| 5. BEC-TERO TRUE VISIONS CO., LTD. | 50.00 | 50.00 | THAILAND |
| 6. BEC-TERO MYANMAR COMPANY LIMITED | 99.99 | 99.99 | REPUBLIC OF THE UNION OF MYANMAR |
| <u>ASSOCIATES HELD BY BEC-TERO ENTERTAINMENT PUBLIC COMPANY LIMITED</u> | | | |
| 1. FOREVER BEC-TERO COMPANY LIMITED | 49.99 | 49.99 | REPUBLIC OF THE UNION OF MYANMAR |
| 2. LIVE NATION BEC-TERO ENTERTAINMENT CO.,LTD. | 50.10 | 50.10 | THAILAND |

2.2 Inter-company balances and transactions of the Company and subsidiaries have been eliminated from the consolidated financial statements.

2.3 The accounting standards that became effective in the current accounting year are as follows :

1. Conceptual Framework for Financial Reporting (revised 2015)

Thai Accounting Standards (TAS)

2. TAS 1 (revised 2015) Presentation of Financial Statements
3. TAS 2 (revised 2015) Inventories
4. TAS 7 (revised 2015) Statement of Cash Flows
5. TAS 8 (revised 2015) Accounting Policies, Changes in Accounting Estimates and Errors
6. TAS 10 (revised 2015) Events After the Reporting Period
7. TAS 11 (revised 2015) Construction Contracts
8. TAS 12 (revised 2015) Income Taxes
9. TAS 16 (revised 2015) Property, Plant and Equipment
10. TAS 17 (revised 2015) Leases
11. TAS 18 (revised 2015) Revenue
12. TAS 19 (revised 2015) Employee Benefits

| | | |
|-----|-----------------------|--|
| 13. | TAS 20 (revised 2015) | Accounting for Government Grants and Disclosure of Government Assistance |
| 14. | TAS 21 (revised 2015) | The Effects of Changes in Foreign Exchange Rates |
| 15. | TAS 23 (revised 2015) | Borrowing Costs |
| 16. | TAS 24 (revised 2015) | Related Party Disclosures |
| 17. | TAS 26 (revised 2015) | Accounting and Reporting by Retirement Benefit Plans |
| 18. | TAS 27 (revised 2015) | Separate Financial Statements |
| 19. | TAS 28 (revised 2015) | Investments in Associates and Joint Ventures |
| 20. | TAS 29 (revised 2015) | Financial Reporting in Hyperinflationary Economies |
| 21. | TAS 33 (revised 2015) | Earnings Per Share |
| 22. | TAS 34 (revised 2015) | Interim Financial Reporting |
| 23. | TAS 36 (revised 2015) | Impairment of Assets |
| 24. | TAS 37 (revised 2015) | Provisions, Contingent Liabilities and Contingent Assets |
| 25. | TAS 38 (revised 2015) | Intangible Assets |
| 26. | TAS 40 (revised 2015) | Investment Property |
| 27. | TAS 41 | Agriculture |

Thai Financial Reporting Standards (TFRS)

| | | |
|-----|------------------------|--|
| 28. | TFRS 2 (revised 2015) | Share-based Payment |
| 29. | TFRS 3 (revised 2015) | Business Combinations |
| 30. | TFRS 4 (revised 2015) | Insurance Contracts |
| 31. | TFRS 5 (revised 2015) | Non-current Assets Held for Sale and Discontinued Operations |
| 32. | TFRS 6 (revised 2015) | Exploration for and Evaluation of Mineral Assets |
| 33. | TFRS 8 (revised 2015) | Operating Segments |
| 34. | TFRS 10 (revised 2015) | Consolidated Financial Statements |
| 35. | TFRS 11 (revised 2015) | Joint Arrangements |
| 36. | TFRS 12 (revised 2015) | Disclosure of Interests in Other Entities |
| 37. | TFRS 13 (revised 2015) | Fair Value Measurement |

Thai Accounting Standard Interpretations (TSIC)

| | | |
|-----|------------------------|---|
| 38. | TSIC 10 (revised 2015) | Government Assistance - No Specific Relation to Operating Activities |
| 39. | TSIC 15 (revised 2015) | Operating Leases - Incentives |
| 40. | TSIC 25 (revised 2015) | Income Taxes - Changes in the Tax Status of an Enterprise or Its Shareholders |
| 41. | TSIC 27 (revised 2015) | Evaluating the Substance of Transactions in the Legal Form of a Lease |
| 42. | TSIC 29 (revised 2015) | Disclosure - Service Concession Arrangements |
| 43. | TSIC 31 (revised 2015) | Revenue - Barter Transactions Involving Advertising Services |
| 44. | TSIC 32 (revised 2015) | Intangible Assets - Web Site Costs |

Thai Financial Reporting Standard Interpretations (TFRIC)

| | | |
|-----|------------------------|--|
| 45. | TFRIC 1 (revised 2015) | Changes in Existing Decommissioning, Restoration and Similar Liabilities |
| 46. | TFRIC 4 (revised 2015) | Determining Whether an Arrangement Contains a Lease |
| 47. | TFRIC 5 (revised 2015) | Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds |

| | | |
|-----|-------------------------|---|
| 48. | TFRIC 7 (revised 2015) | Applying the Restatement Approach under TAS 29 (revised 2015) Financial Reporting in Hyperinflationary Economies |
| 49. | TFRIC 10 (revised 2015) | Interim Financial Reporting and Impairment |
| 50. | TFRIC 12 (revised 2015) | Service Concession Arrangements |
| 51. | TFRIC 13 (revised 2015) | Customer Loyalty Programmes |
| 52. | TFRIC 14 (revised 2015) | TAS 19 (revised 2015) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction |
| 53. | TFRIC 15 (revised 2015) | Agreements for the Construction of Real Estate |
| 54. | TFRIC 17 (revised 2015) | Distributions of Non-cash Assets to Owners |
| 55. | TFRIC 18 (revised 2015) | Transfers of Assets from Customers |
| 56. | TFRIC 20 (revised 2015) | Stripping Costs in the Production Phase of a Surface Mine |
| 57. | TFRIC 21 (revised 2015) | Levies |

These accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standard interpretations do not have any significant impact on the financial statements.

2.4 The Federation of Accounting Professions has issued the new accounting standards but not yet effective.

Effective for fiscal years beginning on or after January 1, 2017

Thai Accounting Standards (TAS)

| | | |
|-----|-----------------------|--|
| 1. | TAS 1 (revised 2016) | Presentation of Financial Statements |
| 2. | TAS 2 (revised 2016) | Inventories |
| 3. | TAS 7 (revised 2016) | Statement of Cash Flows |
| 4. | TAS 8 (revised 2016) | Accounting Policies, Changes in Accounting Estimates and Errors |
| 5. | TAS 10 (revised 2016) | Events After the Reporting Period |
| 6. | TAS 11 (revised 2016) | Construction Contracts |
| 7. | TAS 12 (revised 2016) | Income Taxes |
| 8. | TAS 16 (revised 2016) | Property, Plant and Equipment |
| 9. | TAS 17 (revised 2016) | Leases |
| 10. | TAS 18 (revised 2016) | Revenue |
| 11. | TAS 19 (revised 2016) | Employee Benefits |
| 12. | TAS 20 (revised 2016) | Accounting for Government Grants and Disclosure of Government Assistance |
| 13. | TAS 21 (revised 2016) | The Effects of Changes in Foreign Exchange Rates |
| 14. | TAS 23 (revised 2016) | Borrowing Costs |
| 15. | TAS 24 (revised 2016) | Related Party Disclosures |
| 16. | TAS 26 (revised 2016) | Accounting and Reporting by Retirement Benefit Plans |
| 17. | TAS 27 (revised 2016) | Separate Financial Statements |
| 18. | TAS 28 (revised 2016) | Investments in Associates and Joint Ventures |
| 19. | TAS 29 (revised 2016) | Financial Reporting in Hyperinflationary Economies |
| 20. | TAS 33 (revised 2016) | Earnings Per Share |
| 21. | TAS 34 (revised 2016) | Interim Financial Reporting |
| 22. | TAS 36 (revised 2016) | Impairment of Assets |

| | | |
|-----|------------------------|--|
| 23. | TAS 37 (revised 2016) | Provisions, Contingent Liabilities and Contingent Assets |
| 24. | TAS 38 (revised 2016) | Intangible Assets |
| 25. | TAS 40 (revised 2016) | Investment Property |
| 26. | TAS 41 (revised 2016) | Agriculture |
| 27. | TAS 104 (revised 2016) | Accounting for Troubled Debt Restructuring |
| 28. | TAS 105 (revised 2016) | Accounting for Investments in Debt and Equity Securities |
| 29. | TAS 107 (revised 2016) | Financial Instruments Disclosure and Presentation |

Thai Financial Reporting Standards (TFRS)

| | | |
|-----|------------------------|--|
| 30. | TFRS 2 (revised 2016) | Share-based Payment |
| 31. | TFRS 3 (revised 2016) | Business Combinations |
| 32. | TFRS 4 (revised 2016) | Insurance Contracts |
| 33. | TFRS 5 (revised 2016) | Non-current Assets Held for Sale and Discontinued Operations |
| 34. | TFRS 6 (revised 2016) | Exploration for and Evaluation of Mineral Resources |
| 35. | TFRS 8 (revised 2016) | Operating Segments |
| 36. | TFRS 10 (revised 2016) | Consolidated Financial Statements |
| 37. | TFRS 11 (revised 2016) | Joint Arrangements |
| 38. | TFRS 12 (revised 2016) | Disclosure of Interests in Other Entities |
| 39. | TFRS 13 (revised 2016) | Fair Value Measurement |

Thai Accounting Standard Interpretations (TSIC)

| | | |
|-----|------------------------|--|
| 40. | TSIC 10 (revised 2016) | Government Assistance - No Specific Relation to Operating Activities |
| 41. | TSIC 15 (revised 2016) | Operating Leases - Incentives |
| 42. | TSIC 25 (revised 2016) | Income Taxes - Changes in the Tax Status of an Entity or Its Shareholders |
| 43. | TSIC 27 (revised 2016) | Evaluating the Substance of Transactions Involving the Legal Form of a Lease |
| 44. | TSIC 29 (revised 2016) | Service Concession Arrangements: Disclosure |
| 45. | TSIC 31 (revised 2016) | Revenue - Barter Transactions Involving Advertising Services |
| 46. | TSIC 32 (revised 2016) | Intangible Assets - Web Site Costs |

Thai Financial Reporting Standard Interpretations (TFRIC)

| | | |
|-----|-------------------------|---|
| 47. | TFRIC 1 (revised 2016) | Changes in Existing Decommissioning, Restoration and Similar Liabilities |
| 48. | TFRIC 4 (revised 2016) | Determining Whether an Arrangement Contains a Lease |
| 49. | TFRIC 5 (revised 2016) | Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds |
| 50. | TFRIC 7 (revised 2016) | Applying the Restatement Approach under TAS 29 (revised 2016) Financial Reporting in Hyperinflationary Economies |
| 51. | TFRIC 10 (revised 2016) | Interim Financial Reporting and Impairment |
| 52. | TFRIC 12 (revised 2016) | Service Concession Arrangements |
| 53. | TFRIC 13 (revised 2016) | Customer Loyalty Programmes |
| 54. | TFRIC 14 (revised 2016) | TAS 19 (revised 2016) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction |
| 55. | TFRIC 15 (revised 2016) | Agreements for the Construction of Real Estate |
| 56. | TFRIC 17 (revised 2016) | Distributions of Non-cash Assets to Owners |

- 57. TFRIC 18 (revised 2016) Transfers of Assets from Customers
- 58. TFRIC 20 (revised 2016) Stripping Costs in the Production Phase of a Surface Mine
- 59. TFRIC 21 (revised 2016) Levies

Management of group companies is evaluating the impact of such accounting standards on the financial statements in the year when they are adopted.

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

3. REVISED ACCOUNTING ERRORS

A subsidiary of the Company has adjusted its accounting errors on digital television licenses to use the spectrum due to the payment term of digital television licenses to use the spectrum is beyond the normal credit term, a subsidiary of the Company is required to compare the cost of digital television licenses to use the spectrum with the cash equivalent based on present value of instalments at the recognition date and recognise the difference between this amount and the total payments as financial cost over the period of payment term of digital television licenses to use the spectrum. A subsidiary of the Company has to restate the financial statements in cost of digital television licenses to use the spectrum in accordance with TAS 38 Intangible Assets with retrospective adjustments in accordance with TAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Therefore, the retained earnings at January 1, 2015, were adjusted with the effect of accounting errors as follows:

BAHT

| CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEAR ENDED DECEMBER 31, 2015 | AS PREVIOUSLY REPORTED | ADJUSTMENTS | AS RESTATED |
|---|------------------------------|--------------|---------------|
| Unappropriated-Beginning balances, January 1, 2015 | | | |
| Equity holders of the parent | 4,979,454,134 | (77,684,357) | 4,901,769,777 |
| Non-controlling interests | 288,192,148 | (3,107) | 288,189,041 |

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Revenues and expenses recognition

Revenues and expenses are recorded on an accrual basis.

Income from advertising is recorded as revenues whenever the service is broadcasting via television and radio.

Income from pictures, plays and copyright products are recorded as revenues upon the transmission dates or sales.

Income from organizing concert and live shows are recorded after the action performed.

Income from royalties from plays are charged at fixed amounts which the licensee cannot refund and the licensor has no further obligations subsequent to granting the rights, the royalties are recognized as income in full when the licensee is entitled to exploit the rights under the terms of the agreement.

Sales of goods are recognized when the significant risks and rewards of ownership of goods have passed to the buyer.

Dividend income is recorded when shareholder's right to receive is established.

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

4.2 Cash and cash equivalents

Cash and cash equivalents are cash on hand and at bank, and all highly liquid investments due not more than 3 months from the date of acquisition with no obligation.

4.3 Investments in Open-end Fund

Investments in Open-end Fund are considered as trading securities, stated at fair value. Cost of disposed investments during the period is calculated by the weighted average method.

4.4 Trade accounts receivable and allowance for doubtful accounts

Trade accounts receivable are stated at net realizable value. The Company provides allowance for doubtful accounts by estimating from the uncollectible accounts receivable based on the past experience in debt collection and the current status of outstanding debtors on the statement of financial position date.

4.5 Allowance for goods returned

The estimation for goods returned is set up by assessing from the past experience and other relative factors.

4.6 Receivable from investment disposal

Receivable from investment disposal is measured at cash equivalent receiving by installments discounted to present value using the Company's incremental borrowing rate. The difference between the cash equivalent and total settlement to be made is recognised as interest income over the receiving periods.

4.7 Inventories

Inventories for sale are stated at cost or net realizable value, whichever is the lower. Cost is calculated by the weighted average method.

Programmes which are not yet transmitted are stated at cost and will be recognized as cost after the transmission.

Provision for diminution in value of obsolete, deteriorated inventories which are expected to be unsalable by considering the current condition of inventories.

4.8 Concerts and television programs under process

Concerts under process are amortized to cost of production after proportion of performed.

Television programmes under process are stated at cost of production under processing and producing, which will be recorded to cost whenever the copyrights are transferred and submitted or after transmission.

4.9 Available-for-sale securities

Available-for-sale securities are marketable securities with the objective for long-term investments which stated at fair value. The Company recognized revaluation of available-for-sale securities as separate item in other comprehensive income (loss) under the caption "Available-for-sale securities".

4.10 Investments in associates and subsidiaries

Associates are companies in which the group of the Company has significant influence and power to participate in determining the financial and operating policies of the associates but not up to the level of governing such policies. Investments in associates shown in the consolidation are presented by the equity method.

Subsidiaries are companies in which the group of the Company has power to govern the financial and operating policies. The Company included the subsidiaries in the consolidated financial statements since the date that the group Company has power to govern until the date of the power to govern is ended. The investments in subsidiaries for the separate financial statements are presented by the cost method net after the allowance for impairment.

4.11 Investments in other companies

Investments in other companies are those companies in which the group of the Company has shareholding but has no power to govern or participate in setting up any policy. Investments in other companies are stated at cost.

4.12 Investments property

Investments property consists of land and structures presented by fair value. The Company and its subsidiaries recognized gain or losses on investments property incurred during the period were duly presented in the gain or loss.

4.13 Property, plant and equipment

Property, plant and equipment are stated at cost. Depreciation is calculated by the straight-line method based on the estimated useful life of assets, as follows:

| PARTICULARS | USEFUL LIFE (YEARS) |
|--|---------------------|
| Building | 20 |
| Office furniture and equipment | 3 - 10 |
| Utilities system | 5 |
| Television and radio operating equipment | 5 |
| Leasehold improvement | 5 |
| Motor vehicles | 5 - 10 |
| Processing and tools equipment | 5 |

4.14 Intangible assets

The computer softwares are amortized to expenses by the straight-line method based on the estimated useful life of 3-10 years.

Royalty football players and coach are amortized to cost by the straight-line method based on the period of time specified in the contract.

4.15 Deferred right to use property

Deferred right to use property is amortized to expenses by the remaining periods of concession or by the straight-line method based on the estimated useful life of the following assets:

| PARTICULARS | USEFUL LIFE (YEARS) |
|--|---|
| Building | 5-20 or the remaining periods of concession |
| Building improvement | 5 |
| Other structures | 5 |
| Color television and radio transmitter | 10 or the remaining periods of concession |
| Color television and radio equipment | 5-10 |
| Television relay vehicles | 5-10 |
| Network station property | 5 or the remaining periods of concession |

4.16 Deferred right to use spectrum

The carrying amount of deferred right to use spectrum consists of expenditures that are directly attributable to the licenses to use the spectrum to provide digital television service in the type of national commercial service, is measured at cash price equivalent installments discounted to present value using a company's incremental borrowing rate stated at cost less accumulated amortization. The difference between the cash price equivalent and the total payments to be made is recognised as a financial cost over the license fee payment periods, amortised from the date that it is ready to provide service.

Deferred right to use spectrum is amortized to expenses by the straight-line method according to the periods of licensing agreement.

4.17 Deferred additional compensation

Deferred additional compensation is amortized to expenses by the straight-line method according to the remaining periods of concession.

4.18 Deferred pictures rental, picture products, plays and copyright charges

| | |
|-------------------|---|
| Pictures rental | are amortized to expenses by the straight-line method according to the period specified in the agreement or portion of pictures transmission as specified in the agreement or according to the right as obtained for transmission. |
| Picture products | are amortized to cost by the ratio of revenues received based on the estimated total revenues. |
| Plays charges | are amortized to expenses at 20% per annum since the acquisition and will be amortized to expenses until the balance is equal to 20% of initial cost when the whole story is transmitted for the first time. After that, the straight-line method will be applied to amortize within 5 years. |
| Copyright charges | are amortized to expenses by the straight-line method according to the period specified in the agreement. |

4.19 Leases

Operating leases

Leases where most of substantial risks and rewards of ownership of assets remain with the leasing company are accounted for as operating leases. Rental applicable to such operating leases are charged to expenses in the statements of income over the lease term.

Financial leases

Financial leases are the leases which transfer to the Company's subsidiary most of substantial risks and rewards of ownership other than legal title. At the inception, the fair value of the leased assets is recorded together with the obligation, excluding interest element, to pay future rental. Interest or finance charges are recognized as expenses in the statements of income in proportion to the principal balance.

4.20 Deferred tax assets/liabilities

Deferred tax assets/liabilities are recognized for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes as at the statements of financial position date. They will be realised in future period when the income is realised, or the expenses provided for are actually incurred and considered deductible for income tax purposes.

Deferred tax assets are recognized for deductible temporary differences or addtible tax are deferred tax liabilities if it is highly probable that the Company will generate sufficient taxable profits from its future operations to utilise these assets.

At each statements of financial position date, the Company reviews and reduces the carrying amount of deferred tax assets/liabilities to the extent that it is no longer probable that sufficient taxable profit be available to allow all or part of the deferred tax asset or deferred tax liabilities to be utilised.

4.21 Income tax expenses

Income tax expenses from profit/loss for the period consist of current income tax and deferred tax. Income tax expenses recognized in income statement unless part of transaction recorded in shareholders' equity recorded directly to equity.

4.22 Earnings per share

Basic earnings per share are calculated by dividing the annual net profit by the number of issued and paid-up common stocks at the end of the year.

4.23 Foreign currency transactions

Foreign currency transactions incurred during the period are recorded in Baht at the rate ruling on the date of transactions. Outstanding foreign currency assets and liabilities on the statement of financial position date are converted to Baht at the rates of exchange in effect on that date. Gains or losses on exchange rates are credited or charged to operations during the year.

For preparation of the consolidated financial statements, the financial statements of the subsidiary denominated in foreign currencies are converted to Baht based on the following exchange rates:

- Assets and liabilities were translated by the average exchange rates at the end of the year.
- Shareholders' equity and depreciation were translated by the exchange rate in effect on the transaction dates.
- Revenues and expenses were translated by the average exchange rates for the year.

The translation of financial statement differences in foreign currencies was shown under other comprehensive income.

4.24 Barter income

Barter income arose from the exchange of different goods or service for other goods or service, of which is recognized at fair value of those goods or service in exchange.

4.25 Employee benefits

Short-term employee benefits

The Company and its subsidiaries recognized salaries, wages, bonuses and contributions to the social security fund as expenses when incurred.

Long-term employee benefits

Defined contribution plan

The Company and its subsidiaries provide a provident fund, which is a defined contribution plan, the assets of which are held in a separate trust fund and managed by the external fund manager. Such provident fund is contributed by payments from employees and the Company. Contributions to the provident fund are charged to the statements of income in the incurred period.

Defined benefit plan

The provision for employee retirement benefits is recognized as an expense of operations over the employee's service period. It is calculated by estimating the amount of future benefit earned by employees in return for service provided to the Company in the current and future periods, with such benefit being discounted to determine the present value. The reference point for setting the discount rate is the yield rate of government bonds as at the reporting date. The calculation is performed by a qualified actuary using the Projected Unit Credit Method.

4.26 Significant accounting judgments and estimates

In preparation of financial statements in accordance with generally accepted accounting principles requires management to use judgments on various estimates and assumptions that will affect the reported amounts of revenues, expenses, assets and liabilities including the disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions of significant accounting relate primarily to allowance for doubtful accounts, allowance for goods returned, provision for diminution in value of inventories, allowance for depreciation of plant and equipment, amortization of intangible assets, deferred tax assets or liabilities and provision for long-term employee benefits. All other estimates mentioned above are further disclosed in the corresponding notes to the financial statements.

5. CASH AND CASH EQUIVALENTS

BAHT

| PARTICULARS | CONSOLIDATED | | SEPARATE FINANCIAL STATEMENTS | |
|---|---------------|---------------|-------------------------------|-------------|
| | 2016 | 2015 | 2016 | 2015 |
| Cash and bank deposit | 1,297,857,149 | 1,090,697,007 | 271,348,405 | 160,991,884 |
| Short term investments in fixed deposit | 1,673,997 | 31,842,451 | - | - |
| Cash and cash equivalents | 1,299,531,146 | 1,122,539,458 | 271,348,405 | 160,991,884 |

6. INVESTMENTS IN OPEN-END FUND

Investments in Open-end Fund are trading securities. The difference between fair value and cost is shown as allowance for investment value adjustment in Open-end Fund. Gains on investments in Open-end Fund incurred during the year were duly presented in the statements of income as follows:

BAHT

| PARTICULARS | CONSOLIDATED | |
|--|--------------|---------|
| | 2016 | 2015 |
| Gain on disposal of investments in open-end Fund | - | 531,606 |

7. TRADE AND OTHER RECEIVABLES

BAHT

| PARTICULARS | CONSOLIDATED | | SEPARATE FINANCIAL STATEMENTS | |
|--|---------------|---------------|-------------------------------|---------------|
| | 2016 | 2015 | 2016 | 2015 |
| Trade accounts receivable | | | | |
| Current | 563,842,122 | 739,438,169 | - | 1,820,875 |
| Overdue within 3 months | 206,785,972 | 346,515,145 | 21,400 | - |
| Over 3 to 6 months | 11,803,784 | 13,166,576 | 1,095,348 | - |
| Over 6 to 12 months | 12,677,706 | 14,914,203 | - | - |
| Over 12 months | 16,083,005 | 14,163,666 | - | - |
| Total | 811,192,589 | 1,128,197,759 | 1,116,748 | 1,820,875 |
| Less Allowance for doubtful accounts | (15,378,611) | (14,463,429) | - | - |
| Allowance for goods returned | (2,735,857) | (3,058,849) | - | - |
| Trade accounts receivable-net | 793,078,121 | 1,110,675,481 | 1,116,748 | 1,820,875 |
| Trade accounts receivable of related parties | 56,466,393 | 82,958,567 | 1,086,554,093 | 1,088,593,721 |
| Total trade accounts receivable-net | 849,544,514 | 1,193,634,048 | 1,087,670,841 | 1,090,414,596 |
| Other receivables | 76,877,677 | 36,196,397 | 33,293,079 | 961,867 |
| Other receivables of related parties | 113,876,627 | 65,314,561 | - | - |
| Less Allowance for doubtful accounts | (37,580,295) | - | (33,000,000) | - |
| Total other receivables-net | 153,174,009 | 101,510,958 | 293,079 | 961,867 |
| Trade and other receivables-net | 1,002,718,523 | 1,295,145,006 | 1,087,963,920 | 1,091,376,463 |

8. SHORT-TERM LOANS TO RELATED PARTIES

BAHT

| PARTICULARS | CONSOLIDATED | | SEPARATE FINANCIAL STATEMENTS | | INTEREST RATE (%) | |
|--|--------------|------|----------------------------------|--------------|---------------------|-------------|
| | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 |
| COMPANY LOANS TO | | | | | | |
| - SUBSIDIARIES | | | | | | |
| 1. BEC BROADCASTING CENTER CO., LTD. | | | | | | |
| Beginning balances | - | - | 50,000,000 | 90,000,000 | | |
| Settlement during the years | - | - | (50,000,000) | (40,000,000) | | |
| Ending balances | - | - | - | 50,000,000 | 3.250-3.750 | 3.250-3.750 |
| 2. YOU & I CORPORATION CO., LTD. | | | | | | |
| Beginning balances | - | - | 93,740,811 | 90,663,397 | | |
| Increase during the year | - | - | 2,500,000 | - | | |
| Compound interest | - | - | 3,240,340 | 3,077,414 | | |
| Ending balances | - | - | 99,481,151 | 93,740,811 | 3.300-3.550 | 3.375-3.550 |
| Less Allowance for doubtful accounts | - | - | (99,481,151) | (93,740,811) | | |
| Total short-term loans-net | - | - | - | - | | |
| 3. BEC ASSET CO., LTD. | | | | | | |
| Beginning balances | - | - | 133,659,066 | 120,560,158 | | |
| Increase during the year | - | - | - | 16,000,000 | | |
| Compound interest | - | - | 3,741,899 | 4,224,266 | | |
| Settlement during the years | - | - | (20,668,250) | (7,125,358) | | |
| Ending balances | - | - | 116,732,715 | 133,659,066 | 3.250-3.550 | 3.250-3.875 |
| 4. BEC INTERNATIONAL DISTRIBUTION CO., LTD. | | | | | | |
| Beginning balances | - | - | 5,634,297 | 5,452,128 | | |
| Compound interest | - | - | 186,473 | 182,169 | | |
| Ending balances | - | - | 5,820,770 | 5,634,297 | 3.250-3.450 | 3.250-3.450 |
| Less Allowance for doubtful accounts | - | - | (5,820,770) | (5,634,297) | | |
| Total short-term loans-net | - | - | - | - | | |
| 5. TVB 3 NETWORK CO., LTD. | | | | | | |
| Beginning balances | - | - | 56,700,000 | 53,700,000 | | |
| Increase during the year | - | - | 5,500,000 | 3,000,000 | | |
| Ending balances | - | - | 62,200,000 | 56,700,000 | 3.500-3.800 | 3.500-4.125 |
| Less Allowance for doubtful accounts | - | - | (62,200,000) | (56,700,000) | | |
| Total short-term loans-net | - | - | - | - | | |

| PARTICULARS | CONSOLIDATED | | SEPARATE FINANCIAL STATEMENTS | | INTEREST RATE (%) | |
|--|--------------|-------------|----------------------------------|---------------|---------------------|-------------|
| | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 |
| 6. BANGKOK TELEVISION CO., LTD. | | | | | | |
| Beginning balances | - | - | 289,149,851 | 511,026,125 | | |
| Increase during the year | - | - | 300,000,000 | - | | |
| Compound interest | - | - | - | 10,351,226 | | |
| Settlement during the years | - | - | (210,076,113) | (232,227,500) | | |
| Ending balances | - | - | 379,073,738 | 289,149,851 | 3.250-3.500 | 3.250-3.450 |
| 7. BEC MULTIMEDIA CO., LTD. | | | | | | |
| Beginning balances | - | - | 2,211,256,250 | 2,078,167,500 | | |
| Increase during the year | - | - | 1,000,000,000 | 650,000,000 | | |
| Compound interest | - | - | 22,522,500 | 61,256,250 | | |
| Settlement during the years | - | - | (61,256,250) | (578,167,500) | | |
| Ending balances | - | - | 3,172,522,500 | 2,211,256,250 | 3.300-3.625 | 3.375-4.125 |
| 8. BEC NEWS BUREAU CO., LTD. | | | | | | |
| Beginning balances | - | - | 187,539,350 | 120,000,000 | | |
| Increase during the year | - | - | 30,000,000 | 65,000,000 | | |
| Compound interest | - | - | 128,700 | 2,539,350 | | |
| Settlement during the years | - | - | (72,536,975) | - | | |
| Ending balances | - | - | 145,131,075 | 187,539,350 | 3.250-3.550 | 3.250-3.550 |
| TOTAL SHORT-TERM LOANS TO SUBSIDIARIES-NET | - | - | 3,813,460,028 | 2,871,604,517 | | |
| SUBSIDIARY COMPANY LOANS TO | | | | | | |
| - Associate held by subsidiary | | | | | | |
| 1. FOREVER BEC-TERO CO., LTD. | | | | | | |
| Beginning balances | 28,663,600 | 26,179,280 | - | - | | |
| Add(Less) Gain (loss) on exchange rates | (210,800) | 2,484,320 | - | - | | |
| Beginning balances | 28,452,800 | 28,663,600 | - | - | 7.00 | 7.00 |
| - Related party held by subsidiary | | | | | | |
| 2. BEC-TERO COM COM CO., LTD.* | | | | | | |
| Beginning balances | - | 8,160,000 | - | - | | |
| Less Allowance for doubtful accounts | - | (7,769,915) | - | - | | |
| short-term loans-net | - | 390,085 | - | - | | |
| Settlement from the liquidation | - | (390,081) | - | - | | |
| Bad debt | - | (4) | - | - | | |
| Ending balances | - | - | - | - | - | 2.00 |
| TOTAL SHORT-TERM LOANS TO RELATED PARTIES-NET | 28,452,800 | 28,663,600 | 3,813,460,028 | 2,871,604,517 | | |

* BEC-TERO COM COM CO., LTD has completed the liquidation on July 23, 2015.

9. SHORT-TERM LOANS TO OTHER COMPANY

BAHT

| PARTICULARS | CONSOLIDATED | | INTEREST RATE (%) | |
|--|--------------|------|-------------------|------|
| | 2016 | 2015 | 2016 | 2015 |
| BEC-TERO SASANA CO., LTD. (RENAME : TERO SASANA SPORT CLUB CO., LTD.) | | | | |
| Beginning balance | - | - | | |
| Short-term loans to other company transferred from loans to subsidiary disposal | 20,000,000 | - | | |
| Settlement during the year | (20,000,000) | - | | |
| Ending balance | - | - | 1.375 | - |

10. INVENTORIES

BAHT

| PARTICULARS | CONSOLIDATED | | SEPARATE FINANCIAL STATEMENTS | |
|--|--------------|-------------|-------------------------------|-----------|
| | 2016 | 2015 | 2016 | 2015 |
| Finished goods | 9,202,154 | 16,008,156 | 1,341,299 | 2,389,550 |
| Programmes not yet on air | 331,040 | 56,396 | - | - |
| Other goods | 1,220 | 1,220 | - | - |
| Total | 9,534,414 | 16,065,772 | 1,341,299 | 2,389,550 |
| Less provision for diminution in value of inventories | (4,791,506) | (8,895,654) | - | - |
| TOTAL INVENTORIES - NET | 4,742,908 | 7,170,118 | 1,341,299 | 2,389,550 |

11. OTHER CURRENT ASSETS

BAHT

| PARTICULARS | CONSOLIDATED | | SEPARATE FINANCIAL STATEMENTS | |
|--|--------------|-------------|-------------------------------|---------------|
| | 2016 | 2015 | 2016 | 2015 |
| Concerts and television programmes under process | 23,042,267 | 17,576,762 | - | - |
| Revenue Department Receivable | 200,890,904 | 158,038,978 | 19,700,987 | 22,342,455 |
| Undue input tax | 19,903,011 | 42,985,469 | 9,621,246 | 13,067,650 |
| Withholding Tax | 263,630,553 | 119,454,490 | - | - |
| Accrued interest income | 5,696,947 | 6,406,113 | 94,160,718 | 74,531,374 |
| Prepaid expenses | 161,700,996 | 128,797,570 | 71,509,356 | 51,386,068 |
| Prepaid copyright | 36,360,627 | 161,081,517 | - | - |
| Dividend receivable | - | - | - | 1,399,989,467 |
| Others | 35,445,511 | 48,793,926 | 29,211,614 | 10,490,892 |
| OTHER CURRENT ASSETS | 746,670,816 | 683,134,825 | 224,203,921 | 1,571,807,906 |

12. AVAILABLE-FOR-SALE SECURITIES

BAHT

| PARTICULARS | CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS | |
|--|--|---------------|
| | 2016 | 2015 |
| WAVE ENTERTAINMENT PUBLIC COMPANY LIMITED | | |
| Cost | 266,046,765 | 266,046,765 |
| Less Adjustment of investment revaluation | (176,223,561) | (176,223,561) |
| Fair value on the date of reclassification | 89,823,204 | 89,823,204 |
| Add Gain on remeasuring available-for-sale securities | 164,146,796 | 136,186,796 |
| Available-for-sale securities-Fair value | 253,970,000 | 226,010,000 |

13. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

BAHT

| PARTICULARS | (%) HOLDING | | COST METHOD | | EQUITY METHOD | |
|---|--------------|-------|---------------|---------------|---------------|------|
| | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 |
| 1. THE BANGKOK ENTERTAINMENT CO., LTD. | 99.99 | 99.99 | 299,999,200 | 299,999,200 | | |
| 2. RUNGSIROJVANIT CO., LTD. | 99.99 | 99.99 | 34,999,510 | 34,999,510 | | |
| 3. NEW WORLD PRODUCTION CO., LTD. | 99.99 | 99.99 | 59,999,160 | 59,999,160 | | |
| 4. BEC BROADCASTING CENTER CO., LTD. | 99.99 | 99.99 | 42,996,990 | 42,996,990 | | |
| 5. YOU & I CORPORATION CO., LTD. | 99.99 | 99.99 | 34,999,300 | 34,999,300 | | |
| 6. BEC ASSET CO., LTD. | 99.99 | 99.99 | 29,999,930 | 29,999,930 | | |
| 7. BEC STUDIO CO., LTD. | 99.99 | 99.99 | 4,999,930 | 4,999,930 | | |
| 8. BEC INTERNATIONAL DISTRIBUTION CO., LTD. | 99.99 | 99.99 | 4,999,930 | 4,999,930 | | |
| 9. BEC NEWS BUREAU CO., LTD. | 99.99 | 99.99 | 4,999,930 | 4,999,930 | | |
| 10. BANGKOK TELEVISION CO., LTD. | 99.99 | 99.99 | 4,999,930 | 4,999,930 | | |
| 11. BANGKOK SATELLITE & TELECOMMUNICATION CO., LTD. | 99.99 | 99.99 | 24,999,930 | 24,999,930 | | |
| 12. BEC IT SOLUTION CO., LTD. | 99.99 | 99.99 | 14,999,930 | 14,999,930 | | |
| 13. SATELLITE TV BROADCASTING CO., LTD. | 99.99 | 99.99 | 999,930 | 999,930 | | |
| 14. BEC-TERO ENTERTAINMENT PUBLIC CO., LTD. | 59.99 | 59.99 | 122,116,158 | 122,116,158 | | |
| 15. BECI CORPORATION LTD. | 99.99 | 99.99 | 199,992,000 | 199,992,000 | | |
| 16. BEC MULTIMEDIA CO., LTD. | 99.99 | 99.99 | 199,992,000 | 199,992,000 | | |
| INVESTMENTS IN SUBSIDIARIES | | | 1,086,093,758 | 1,086,093,758 | | |
| LESS ALLOWANCE FOR IMPAIRMENT | | | (85,502,030) | (85,460,930) | | |
| TOTAL INVESTMENTS IN SUBSIDIARIES-NET (SEPARATE - FINANCIAL STATEMENTS) | | | 1,000,591,728 | 1,000,632,828 | | |

| PARTICULARS | (%) HOLDING | | COST METHOD | | EQUITY METHOD | |
|---|-------------|-------|-------------|-----------|---------------|-------------|
| | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 |
| ASSOCIATES HELD BY BEC-TERO ENTERTAINMENT PUBLIC CO., LTD. | | | | | | |
| 1. FOREVER BEC-TERO COMPANY LIMITED | 49.00 | 49.00 | 386,610 | 386,610 | 132,107,272 | 140,226,374 |
| 2. LIVE NATION BEC-TERO ENTERTAINMENT CO.,LTD.* | 50.10 | 50.10 | 5,009,900 | 5,009,900 | 14,381,534 | 19,273,973 |
| TOTAL INVESTMENTS IN ASSOCIATES HELD BY SUBSIDIARY (CONSOLIDATED) | | | | | 146,488,806 | 159,500,347 |

* held as investments in associates because BEC-TERO ENTERTAINMENT PUBLIC COMPANY LIMITED, has the right to vote at meeting of 49.70%

TRANSACTIONS OF SUBSIDIARIES

The subsidiary held by BEC-TERO ENTERTAINMENT PUBLIC COMPANY LIMITED

BEC-TERO SASANA COMPANY LIMITED

On February 1, 2016, BEC-TERO ENTERTAINMENT PUBLIC COMPANY LIMITED, a subsidiary of the Company, has sold its investment in BEC-TERO SASANA CO., LTD. (RENAME : TERO SASANA SPORT CLUB CO., LTD.) amount of Baht 135 million, to INSPIRE ENTERTAINMENT CO., LTD., the details of term of payment as following:

- Cash receiving
 - The first installment in amount of Baht 10 million, received on January 26, 2016.
 - The second installment in amount of Baht 40 million, receive in post dated cheque on May 15, 2017.
 - The third installment in amount of Baht 40 million, receive in post dated cheque on May 15, 2018.
- Receiving the right to advertise in printing media of SIAMSPORT amount of Baht 45 million, by dividing the right into 3 years, from 2016 to 2018 Baht 15 million per year using the fair value method to determine the pricing of advertising rate.

A subsidiary of the Company recognised receivable from investments disposal at cash equivalent by discounting to present value using a company's incremental borrowing rate. The difference between the cash equivalent and total settlement to be made is recognised as a interest income over the receiving periods. (See Note 19)

A subsidiary of the Company recognised gain on the sale of investment in the consolidated financial statements in amount of Baht 135.69 million.

Summarized financial information of associates

Financial information of the associates are summarized, as follow:

MILLION BAHT

| Company's name | Total assets | | Total liabilities | | Total revenues | | Prot (loss) | |
|--|--------------|--------|-------------------|--------|----------------|--------|-------------|-------|
| | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 |
| FOREVER BEC-TERO COMPANY LIMITED | 577.73 | 626.09 | 304.97 | 339.91 | 352.12 | 373.89 | (14.85) | 45.60 |
| LIVE NATION BEC-TERO ENTERTAINMENT CO., LTD. | 29.91 | 237.64 | 1.20 | 199.17 | 214.78 | 335.35 | (9.77) | 28.52 |

| PARTICULARS | TYPE OF BUSINESS | PAID-UP CAPITAL | | DIVIDEND | |
|--|--|-----------------|-------------|-------------|---------------|
| | | 2016 | 2015 | 2016 | 2015 |
| <u>SUBSIDIARIES</u> | | | | | |
| 1. THE BANGKOK ENTERTAINMENT CO., LTD. | Operating business of TV and radio stations | 300,000,000 | 300,000,000 | 299,999,200 | 1,499,996,000 |
| 2. RUNGSIROJVANIT CO., LTD. | Providing, producing TV programmes and sell air time for advertising | 5,000,000 | 5,000,000 | 299,995,800 | 449,993,700 |
| 3. NEW WORLD PRODUCTION CO., LTD. | Providing, producing TV programmes and sell air time for advertising | 5,000,000 | 5,000,000 | - | - |
| 4. BEC BROADCASTING CENTER CO., LTD. | Servicing studio equipment | 1,000,000 | 1,000,000 | 99,993,000 | 49,996,500 |
| 5. YOU & I CORPORATION CO., LTD. | Producing radio programmes, operating radio station | 35,000,000 | 35,000,000 | - | - |
| 6. BEC ASSET CO., LTD. | Own and leasing assets | 30,000,000 | 30,000,000 | 29,999,930 | 19,999,953 |
| 7. BEC STUDIO CO., LTD. * | Producing programmes and servicing studio equipmen | 5,000,000 | 5,000,000 | - | - |
| 8. BEC INTERNATIONAL DISTRIBUTION CO., LTD | Providing, producing TV programmes | 5,000,000 | 5,000,000 | - | - |
| 9. BEC NEWS BUREAU CO., LTD. | Producing news programmes | 5,000,000 | 5,000,000 | - | - |
| 10. BANGKOK TELEVISION CO., LTD. | Providing, producing TV programmes and sell air time for advertising | 5,000,000 | 5,000,000 | 199,997,200 | 399,994,400 |
| 11. BANGKOK SATELLITE & TELECOMMUNICATION CO., LTD. * | Satellite uplink-downlink services | 25,000,000 | 25,000,000 | - | - |
| 12. BEC IT SOLUTION CO., LTD. | Information technology services, retail of computer accessories and maintenance service | 15,000,000 | 15,000,000 | 24,999,883 | 19,999,907 |
| 13. SATELLITE TV BROADCASTING CO., LTD. * | Satellite uplink-downlink services | 1,000,000 | 1,000,000 | - | - |
| 14. BEC-TERO ENTERTAINMENT PUBLIC COMPANY LIMITED) | Providing and producing TV programmes and sell air time for TV advertising; producing and promoting music for organizing concert, producing pictures and plays | 200,000,000 | 200,000,000 | 5,999,997 | 124,799,948 |
| 15. BECI CORPORATION LTD. | Invest in internet business | 200,000,000 | 200,000,000 | 19,999,200 | - |
| 16. BEC MULTIMEDIA CO., LTD. | Operating business of Digital TV | 200,000,000 | 200,000,000 | - | - |
| <u>COMPANIES HELD BY</u> | | | | | |
| 1. BEC INTERNATIONAL DISTRIBUTION CO., LTD. SUBSIDIARY | | | | | |
| 1. TVB 3 NETWORK CO., LTD. | Providing and producing TV programmes and sell air time | 10,000,000 | 10,000,000 | - | - |

* YET OPERATING

| PARTICULARS | TYPE OF BUSINESS | PAID-UP CAPITAL | | DIVIDEND | |
|---|--|---------------------------|---------------------------|---------------|---------------|
| | | 2016 | 2015 | 2016 | 2015 |
| 2. BEC-TERO ENTERTAINMENT PUBLIC COMPANY LIMITED | | | | | |
| <u>SUBSIDIARIES</u> | | | | | |
| 1. THAITICKETMAJOR CO., LTD. | Servicing for producing advertisement, reserve and selling show ticket, servicing to make seats reservation and sell bus tickets | 10,000,000 | 10,000,000 | 30,599,949 | 17,999,970 |
| 2. BEC-TERO SCENARIO CO., LTD. | Organizing show on the stage | 40,000,000 | 40,000,000 | 5,799,995 | - |
| 3. BEC-TERO SASANA CO., LTD. (RENAME : TERO SASANA SPORT CLUB CO., LTD.) | Managing a football club | - | 10,000,000 | - | - |
| 4. BEC-TERO RADIO CO., LTD. | Producing radio programmes | 49,960,800 | 49,960,800 | - | - |
| 5. BEC-TERO TRUE VISIONS CO., LTD. | Organizing and managing the sports activities. | 50,000,000 | 50,000,000 | - | - |
| 6. BEC-TERO MYANMAR COMPANY LIMITED | Service for ticketing, television program production, entertainment event, and distribution services for audio/video CD production in REPUBLIC OF THE UNION OF MYANMAR | 6,215,219 (USD200,000) | 6,215,219 (USD200,000) | - | - |
| <u>ASSOCIATES</u> | | | | | |
| 1. FOREVER BEC-TERO COMPANY LIMITED | Provide and produce entertainment show also sell air time for TV advertising REPUBLIC OF THE UNION OF MYANMAR | 789,000 (USD25,000) | 789,000 (USD25,000) | - | 39,274,957 |
| 2. LIVE NATION BEC-TERO ENTERTAINMENT CO., LTD. | Organizing international concert in Thailand | 10,000,000 | 10,000,000 | - | - |
| TOTAL DIVIDEND | | | | 1,017,384,154 | 2,622,055,335 |
| - DIVIDEND RECEIVED FROM SUBSIDIARIES | | | | 980,984,210 | 2,564,780,408 |
| - DIVIDEND RECEIVED FROM SUBSIDIARIES HELD BY SUBSIDIARY | | | | 36,399,944 | 17,999,970 |
| - DIVIDEND RECEIVED FROM ASSOCIATE HELD BY SUBSIDIARY | | | | - | 39,274,957 |

14. INVESTMENTS PROPERTY

| PARTICULARS | CONSOLIDATED | | SEPARATE FINANCIAL STATEMENTS | |
|--------------------------------------|--------------|------------|-------------------------------|-----------|
| | 2016 | 2015 | 2016 | 2015 |
| Cost | 64,601,435 | 64,601,435 | 763,980 | 763,980 |
| Add(Less) Gain (loss) on revaluation | 3,248,565 | 3,248,565 | (113,980) | (113,980) |
| Fair Value | 67,850,000 | 67,850,000 | 650,000 | 650,000 |

Fair value is assessed by independent appraiser with market comparative method.

15. PROPERTY, PLANT AND EQUIPMENT

BAHT

| PARTICULARS | CONSOLIDATED | | | | | | | |
|--|--------------------------------|-----------------|--------------------------------|-----------------------|----------------|-------------------------------|---------------------------|---------------|
| | Office furniture and equipment | Utility systems | Television and radio equipment | Leasehold improvement | Motor vehicles | Tool and processing equipment | Assets under installation | Total |
| Cost | | | | | | | | |
| January 1, 2015 | 808,407,636 | 147,668,567 | 359,534,998 | 213,056,501 | 522,347,485 | 256,973,716 | 37,570,580 | 2,345,559,483 |
| Purchases | 134,757,233 | 774,248 | - | 7,090,197 | 38,978,678 | 4,121,599 | 230,983,544 | 416,705,499 |
| Disposal/unused | (41,294,805) | - | - | (1,918,094) | (7,033,338) | (77,650) | - | (50,323,887) |
| Transferred to/from | 12,365,268 | 3,426,316 | 814,800 | 1,464,400 | - | - | (18,070,784) | - |
| December 31, 2015 | 914,235,332 | 151,869,131 | 360,349,798 | 219,693,004 | 554,292,825 | 261,017,665 | 250,483,340 | 2,711,941,095 |
| Purchases | 46,297,689 | 344,789 | - | 4,612,100 | 22,564,903 | 908,458 | 241,249,696 | 315,977,635 |
| Decrease from disposal of subsidiary | (3,900,604) | - | - | (2,783,100) | (1,244,000) | - | - | (7,927,704) |
| Disposal/unused | (8,687,157) | - | (177,969) | (94,830) | (23,201,418) | - | (14,846,533) | (47,007,907) |
| Transferred to/from | 373,889,586 | - | - | - | 11,380,230 | - | (385,269,816) | - |
| December 31, 2016 | 1,321,834,846 | 152,213,920 | 360,171,829 | 221,427,174 | 563,792,540 | 261,926,123 | 91,616,687 | 2,972,983,119 |
| Accumulated depreciation | | | | | | | | |
| January 1, 2015 | 611,322,527 | 115,006,858 | 323,630,065 | 182,155,531 | 372,949,819 | 215,259,748 | - | 1,820,324,548 |
| Depreciation for the year 2015 | 72,767,701 | 10,245,645 | 8,526,855 | 5,901,477 | 27,399,043 | 13,314,025 | - | 138,154,746 |
| Disposal/unused | (40,740,920) | - | - | (122,862) | (6,506,228) | (8,978) | - | (47,378,988) |
| Transferred to the computer softwares under installation | 419,482 | - | - | - | - | - | - | 419,482 |
| December 31, 2015 | 643,768,790 | 125,252,503 | 332,156,920 | 187,934,146 | 393,842,634 | 228,564,795 | - | 1,911,519,788 |
| Depreciation for the year 2016 | 113,232,546 | 10,502,624 | 8,019,230 | 6,093,061 | 28,898,260 | 11,131,711 | - | 177,877,432 |
| Decrease from disposal of subsidiary | (1,865,469) | - | - | (270,934) | (63,392) | - | - | (2,199,795) |
| Disposal/unused | (8,421,349) | - | (41,339) | (94,826) | (22,717,699) | - | - | (31,275,213) |
| Transferred to the computer softwares under installation | 419,482 | - | - | - | - | - | - | 419,482 |
| December 31, 2016 | 747,134,000 | 135,755,127 | 340,134,811 | 193,661,447 | 399,959,803 | 239,696,506 | - | 2,056,341,694 |
| Net book value | | | | | | | | |
| December 31, 2015 | 270,466,542 | 26,616,628 | 28,192,878 | 31,758,858 | 160,450,191 | 32,452,870 | 250,483,340 | 800,421,307 |
| December 31, 2016 | 574,700,846 | 16,458,793 | 20,037,018 | 27,765,727 | 163,832,737 | 22,229,617 | 91,616,687 | 916,641,425 |

| PARTICULARS | SEPARATE FINANCIAL STATEMENTS | | | | | |
|---------------------------------|--------------------------------|-----------------|----------------|--------------------------------|---------------------------|-------------|
| | Office furniture and equipment | Utility systems | Motor vehicles | Tools and processing equipment | Assets under installation | Total |
| Cost | | | | | | |
| January 1, 2015 | 136,593,790 | 19,940,747 | 38,702,611 | 608,099 | 1,053,650 | 196,898,897 |
| Purchases | 4,686,206 | 35,848 | 3,520,000 | 1,477,185 | - | 9,719,239 |
| Disposal/unused | (9,597,462) | - | (44,860) | - | - | (9,642,322) |
| Transferred to/from | 908,150 | 145,500 | - | - | (1,053,650) | - |
| December 31, 2015 | 132,590,684 | 20,122,095 | 42,177,751 | 2,085,284 | - | 196,975,814 |
| Purchases | 13,094,958 | - | 7,499,000 | 3,750 | - | 20,597,708 |
| Disposal/unused | (185,000) | - | (3,650,000) | - | - | (3,835,000) |
| December 31, 2016 | 145,500,642 | 20,122,095 | 46,026,751 | 2,089,034 | - | 213,738,522 |
| Accumulated depreciation | | | | | | |
| January 1, 2015 | 131,216,669 | 19,390,739 | 34,297,475 | 332,928 | - | 185,237,811 |
| Depreciation for the year 2015 | 1,779,005 | 149,666 | 557,752 | 199,463 | - | 2,685,886 |
| Disposal/unused | (9,597,089) | - | (44,859) | - | - | (9,641,948) |
| December 31, 2015 | 123,398,585 | 19,540,405 | 34,810,368 | 532,391 | - | 178,281,749 |
| Depreciation for the year 2016 | 3,596,435 | 168,393 | 1,390,135 | 385,258 | - | 5,540,221 |
| Disposal/unused | (184,999) | - | (3,649,999) | - | - | (3,834,998) |
| December 31, 2016 | 126,810,021 | 19,708,798 | 32,550,504 | 917,649 | - | 179,986,972 |
| Net book value | | | | | | |
| December 31, 2015 | 9,192,099 | 581,690 | 7,367,383 | 1,552,893 | - | 18,694,065 |
| December 31, 2016 | 18,690,621 | 413,297 | 13,476,247 | 1,171,385 | - | 33,751,550 |

16. INTANGIBLE ASSETS

BAHT

| PARTICULARS | CONSOLIDATED | | | |
|--|------------------------|------------------------------------|---|---------------|
| | The computer softwares | Royalty football players and coach | The computer softwares under installation | Total |
| <u>Cost</u> | | | | |
| January 1, 2015 | 142,681,014 | 113,328,735 | 36,459,957 | 292,469,706 |
| Purchases | 29,745,695 | 23,154,687 | 3,484,199 | 56,384,581 |
| Disposal/unused | (1,395,940) | - | - | (1,395,940) |
| Transferred from equipment | - | - | 419,482 | 419,482 |
| Transferred to/from | 3,537,000 | - | (3,537,000) | - |
| December 31, 2015 | 174,567,769 | 136,483,422 | 36,826,638 | 347,877,829 |
| Purchases | 7,910,551 | - | 5,734,412 | 13,644,963 |
| Decrease from disposal of subsidiary | - | (136,483,422) | - | (136,483,422) |
| Transferred from equipment | - | - | 419,482 | 419,482 |
| Transferred to/from | 21,920,000 | - | (21,920,000) | - |
| December 31, 2016 | 204,398,320 | - | 21,060,532 | 225,458,852 |
| <u>Accumulated amortization</u> | | | | |
| January 1, 2015 | 88,149,992 | 97,150,801 | - | 185,300,793 |
| Amortization for the year 2015 | 17,782,736 | 24,421,515 | - | 42,204,251 |
| Disposal/unused | (1,395,893) | - | - | (1,395,893) |
| December 31, 2015 | 104,536,835 | 121,572,316 | - | 226,109,151 |
| Decrease from disposal of subsidiary | - | (121,572,316) | - | (121,572,316) |
| Amortization for the year 2016 | 21,465,412 | - | - | 21,465,412 |
| December 31, 2016 | 126,002,247 | - | - | 126,002,247 |
| <u>Net book value</u> | | | | |
| December 31, 2015 | 70,030,934 | 14,911,106 | 36,826,638 | 121,768,678 |
| December 31, 2016 | 78,396,073 | - | 21,060,532 | 99,456,605 |

| PARTICULARS | SEPARATE FINANCIAL STATEMENTS | | |
|--|-------------------------------|---|-------------|
| | The computer softwares | The computer softwares under installation | Total |
| <u>Cost</u> | | | |
| January 1, 2015 | 2,349,890 | 337,000 | 2,686,890 |
| Purchases | 1,239,209 | - | 1,239,209 |
| Disposal/unused | (1,395,940) | - | (1,395,940) |
| Transferred to/from | 337,000 | (337,000) | - |
| December 31, 2015 | 2,530,159 | - | 2,530,159 |
| December 31, 2016 | 2,530,159 | - | 2,530,159 |
| <u>Accumulated amortization</u> | | | |
| January 1, 2015 | 2,268,886 | - | 2,268,886 |
| Amortization for the year 2015 | 144,138 | - | 144,138 |
| Disposal/unused | (1,395,893) | - | (1,395,893) |
| December 31, 2015 | 1,017,131 | - | 1,017,131 |
| Amortization for the year 2016 | 268,590 | - | 268,590 |
| December 31, 2016 | 1,285,721 | - | 1,285,721 |
| <u>Net book value</u> | | | |
| December 31, 2015 | 1,513,028 | - | 1,513,028 |
| December 31, 2016 | 1,244,438 | - | 1,244,438 |

17. DEFERRED RIGHT TO USE PROPERTY

BAHT

| PARTICULARS | CONSOLIDATED | | | | | | | | |
|---------------------------------|--------------|----------------------|------------------|--|--------------------------------------|---------------------------|--------------------------|---------------------------|---------------|
| | Building | Building improvement | Other structures | Color television and radio transmitter | Color television and radio equipment | Television relay vehicles | Network station property | Assets under installation | Total |
| <u>Cost</u> | | | | | | | | | |
| January 1, 2015 | 94,571,922 | 64,797,373 | 1,819,856 | 338,373,974 | 942,263,339 | 22,107,790 | 2,312,581,051 | 29,033,637 | 3,805,548,942 |
| Increase | - | - | - | - | 37,000,000 | - | 24,186 | - | 37,024,186 |
| December 31, 2015 | 94,571,922 | 64,797,373 | 1,819,856 | 338,373,974 | 979,263,339 | 22,107,790 | 2,312,605,237 | 29,033,637 | 3,842,573,128 |
| Increase | - | - | - | - | - | - | 42,990 | 2,767,362 | 2,810,352 |
| Transferred to/from | - | - | - | 31,793,532 | - | - | 7,467 | (31,800,999) | - |
| December 31, 2016 | 94,571,922 | 64,797,373 | 1,819,856 | 370,167,506 | 979,263,339 | 22,107,790 | 2,312,655,694 | - | 3,845,383,480 |
| <u>Accumulated amortization</u> | | | | | | | | | |
| January 1, 2015 | 85,908,529 | 63,810,072 | 1,819,852 | 279,672,420 | 611,676,425 | 17,454,806 | 1,735,763,007 | - | 2,796,105,111 |
| Amortization for the year 2015 | 1,677,562 | 433,135 | - | 12,600,901 | 89,980,816 | 1,983,087 | 114,060,046 | - | 220,735,547 |
| December 31, 2015 | 87,586,091 | 64,243,207 | 1,819,852 | 292,273,321 | 701,657,241 | 19,437,893 | 1,849,823,053 | - | 3,016,840,658 |
| Amortization for the year 2016 | 1,677,563 | 266,663 | - | 13,555,152 | 88,060,336 | 1,506,358 | 114,068,637 | - | 219,134,709 |
| December 31, 2016 | 89,263,654 | 64,509,870 | 1,819,852 | 305,828,473 | 789,717,577 | 20,944,251 | 1,963,891,690 | - | 3,235,975,367 |
| <u>Net book value</u> | | | | | | | | | |
| December 31, 2015 | 6,985,831 | 554,166 | 4 | 46,100,653 | 277,606,098 | 2,669,897 | 462,782,184 | 29,033,637 | 825,732,470 |
| December 31, 2016 | 5,308,268 | 287,503 | 4 | 64,339,033 | 189,545,762 | 1,163,539 | 348,764,004 | - | 609,408,113 |

18. DEFERRED RIGHT TO USE SPECTRUM

BAHT

| PARTICULARS | CONSOLIDATED | |
|--|---------------|---------------|
| | 2016 | 2015 |
| Cost | | |
| Deferred right to use spectrum - brought forward | 5,882,857,778 | 5,882,857,778 |
| Less Adjustment cost of deferred right to use spectrum | (92,112,896) | - |
| Deferred right to use spectrum - carried forward | 5,790,744,882 | 5,882,857,778 |
| Accumulated amortization | | |
| Accumulated amortization - brought forward | 661,888,656 | 269,698,137 |
| Add Amortization of right to use spectrum for the year | 391,559,469 | 392,190,519 |
| Accumulated amortization - carried forward | 1,053,448,125 | 661,888,656 |
| Deferred right to use spectrum-net carried forward | 4,737,296,757 | 5,220,969,122 |

BEC MULTIMEDIA CO., LTD., a subsidiary of the Company, won the auctions for licenses to use the spectrum to provide digital television service in the type of national commercial service ("License Agreement") including 3 licenses with price of auction totaling Baht 6,471 million (Excluding VAT) and the auction document charges amount of Baht 3 million, a subsidiary of the Company recognized deferred right to use spectrum totaling Baht 6,474 million. A subsidiary of the Company, recognised the cost of deferred right to use spectrum with the cash equivalent based on present value of installments this amount Baht 5,882.86 million.

The license to use the spectrum for 3 licenses consist :

- | | |
|---|--|
| 1. General high-definition category | The license fee amount of Baht 3,530 million |
| 2. General standard-definition category | The license fee amount of Baht 2,275 million |
| 3. Kids and family category | The license fee amount of Baht 666 million |

The terms and conditions specified in the auction, the subsidiary made its first license payment for 3 licenses totaling Baht 1,561.24 million (including VAT) including deposit guarantee on application for spectrum licensing amount of Baht 203 million and placed the letter of guarantee from a commercial bank to guarantee the remaining payment amount of Baht 5,362.73 million (including VAT) for The National Broadcasting and Telecommunications Commission on February 10, 2014, the remaining fees amount of Baht 5,011.90 million, will be paid within 5 years from the date of receipt of the license, separate payments as follows:

- | | |
|------------------------------|---|
| 2 nd installments | Due within 30 days after the maturity period of 1 year from the date of receipt of the license totaling Baht 1,053.10 million (excluding VAT), the company paid on May 22, 2015. |
| 3 rd installments | Due within 30 days after the maturity period of 2 years from the date of receipt of the license totaling Baht 1,091.20 million (excluding VAT), the company paid on May 23, 2016. |
| 4 th installments | Due within 30 days after the maturity period of 3 years from the date of receipt of the license totaling Baht 1,091.20 million (excluding VAT). |

5th installments Due within 30 days after the maturity period of 4 years from the date of receipt of the license totaling Baht 888.20 million (excluding VAT).

6th installments Due within 30 days after the maturity period of 5 years from the date of receipt of the license totaling Baht 888.20 million (excluding VAT).

On December 20, 2016, National Council for Peace and Order (NCPO) issued an order under Section 44 to promote the business of radio broadcasting, television broadcasting and telecommunications for public interest. The order allows the license holders, who were unable to comply with the initial terms and conditions of license fee payment from the fourth installment onwards, to extend the payment term by providing a written notification to NBTC in advance. In case NBTC deems the requests appropriate, the rest of license fee payments was extended from the fourth installment onwards to 3 years extension, which was originally from the final installment due in 2019 to 2022.

A subsidiary of the company will exercise the extension rights for the rest of license fee payment. The subsidiary adjusted the cost deferred right to use spectrum by using discounted cash flow to present value to decrease in amount of Baht 92,112,896.

19. RECEIVABLE FROM INVESTMENT DISPOSAL

BAHT

| CONSOLIDATED | 2016 | 2015 |
|---|--------------|------|
| Cash receiving | | |
| Future value of cash received (See Note 13) | 80,000,000 | - |
| Less Deferred interest | (6,147,211) | - |
| Interest income for the year | 2,895,186 | - |
| Deferred interest-net | (3,252,025) | - |
| Fair value of cash to be received | 76,747,975 | - |
| Barter receivable (See Note 13) | 45,000,000 | - |
| Less Expenses from barter during the year | (14,981,605) | - |
| Total receivable from investment disposal | 106,766,370 | - |

BAHT

| CONSOLIDATED | 2016 | | |
|----------------------------------|-------------------------------|-------------------|--------------------------------|
| | Future value of cash received | Deferred interest | Present value of cash received |
| Current portion | 55,018,395 | (2,480,747) | 52,537,648 |
| Over 1 year but not over 2 years | 55,000,000 | (771,278) | 54,228,722 |
| Total | 110,018,395 | (3,252,025) | 106,766,370 |

Portion of receivable from investment disposal receive within one year, is shown under current assets.

20. DEFERRED ADDITIONAL COMPENSATION

In July 2011, THE BANGKOK ENTERTAINMENT COMPANY LIMITED, the Company's subsidiary had paid additional compensation to MCOT Public Company Limited amount of Baht 405 million. The subsidiary has amortized deferred additional compensation to expenses by the straight-line method according to the remaining periods of concession under agreement for joint operation of color TV transmission.

BAHT

| PARTICULARS | CONSOLIDATED | |
|---|--------------|--------------|
| | 2016 | 2015 |
| Deferred Additional Compensation - Net brought forward | 198,142,405 | 244,922,468 |
| Less Amortization of additional compensation | (46,908,228) | (46,780,063) |
| Deferred Additional Compensation - Net carried forward | 151,234,177 | 198,142,405 |

21. DEFERRED PICTURES RENTAL, PICTURE PRODUCTS, PLAYS AND COPYRIGHT CHARGES

BAHT

| PARTICULARS | CONSOLIDATED | | SEPARATE FINANCIAL STATEMENTS | |
|--|-----------------|-----------------|-------------------------------|-----------------|
| | 2016 | 2015 | 2016 | 2015 |
| Deferred Pictures Rental, Picture Products, Play and Copyright Charges-net brought forward | 2,766,890,337 | 1,901,175,202 | 1,752,337,469 | 956,185,402 |
| Add Increase during the years | 2,587,522,683 | 3,271,890,592 | 2,545,125,628 | 3,243,850,323 |
| Less Decrease by sales | (33,000,000) | - | (393,400,000) | (421,264,000) |
| Total | 5,321,413,020 | 5,173,065,794 | 3,904,063,097 | 3,778,771,725 |
| Less Amortization for the years | (2,439,012,053) | (2,406,175,457) | (2,024,893,044) | (2,026,434,256) |
| Deferred Pictures Rental, Picture Products, Play and Copyright Charges-net carried forward | 2,882,400,967 | 2,766,890,337 | 1,879,170,053 | 1,752,337,469 |

22. BANK OVERDRAFTS AND SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

BAHT

| PARTICULARS | CONSOLIDATED | | SEPARATE FINANCIAL STATEMENTS | |
|---|---------------|-------------|-------------------------------|------|
| | 2016 | 2015 | 2016 | 2015 |
| Bank overdrafts from financial institutions | - | 4,243,883 | - | - |
| Promissory note | 510,000,000 | 210,000,000 | 300,000,000 | - |
| Bill of exchange | 2,000,000,000 | - | 2,000,000,000 | - |
| Total bank overdrafts and short-term borrowings from financial institutions | 2,510,000,000 | 214,243,883 | 2,300,000,000 | - |

Bank overdrafts and promissory note are guaranteed by director of subsidiary and the subsidiary (See Note 37.7.2).

The Company has borrowings from the financial institutions by issuing promissory note and bill of exchange amount of Baht 2,300 million with interest rate at 2.70 - 3.25 per annum, without collateral, which maturity within February 2017 - June 2017.

23. TRADE AND OTHER PAYABLES

BAHT

| PARTICULARS | CONSOLIDATED | | SEPARATE FINANCIAL STATEMENTS | |
|--------------------------------|--------------|---------------|-------------------------------|-------------|
| | 2016 | 2015 | 2016 | 2015 |
| Trade accounts payables | 768,979,857 | 1,021,158,039 | 328,203,065 | 509,704,631 |
| Other payables | 134,310,790 | 125,887,559 | 1,600,424 | 5,714,192 |
| Total trade and other payables | 903,290,647 | 1,147,045,598 | 329,803,489 | 515,418,823 |

24. SHORT-TERM BORROWINGS FROM RELATED PARTIES

| PARTICULARS | CONSOLIDATED | | SEPARATE FINANCIAL STATEMENTS | | INTEREST RATE (%) PER ANNUM | |
|--|--------------|------|----------------------------------|---------------|--------------------------------|-------------|
| | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 |
| BORROWINGS FROM SUBSIDIARIES | | | | | | |
| 1. THE BANGKOK ENTERTAINMENT CO., LTD. | | | | | | |
| Beginning balances | - | - | 620,724,459 | 300,000,000 | | |
| Increase during the year | - | - | - | 900,000,000 | | |
| Compound interest | - | - | - | 20,724,459 | | |
| Repayment during the years | - | - | (620,724,459) | (600,000,000) | | |
| Ending balances | - | - | - | 620,724,459 | 3.250 | 3.250-3.875 |
| 2. RUNGSIROJVANIT CO., LTD. | | | | | | |
| Beginning balances | - | - | 1,574,935,625 | 750,000,000 | | |
| Increase during the years | - | - | 205,000,000 | 1,000,000,000 | | |
| Compound interest | - | - | 4,826,250 | 24,935,625 | | |
| Repayment during the years | - | - | (724,935,625) | (200,000,000) | | |
| Ending balances | - | - | 1,059,826,250 | 1,574,935,625 | 3.250-3.875 | 3.250-3.875 |
| 3. NEW WORLD PRODUCTION CO., LTD. | | | | | | |
| Beginning balances | - | - | - | - | | |
| Increase during the year | - | - | 16,000,000 | - | | |
| Ending balances | - | - | 16,000,000 | - | 3.250 | - |
| 4. BEC BROADCASTING CENTER CO., LTD. | | | | | | |
| Beginning balances | - | - | - | - | | |
| Increase during the year | - | - | 50,000,000 | - | | |
| Repayment during the year | - | - | (50,000,000) | - | | |
| Ending balances | - | - | - | - | 3.250 | - |
| 5. BEC STUDIO CO., LTD. | | | | | | |
| Beginning balances | - | - | - | - | | |
| Increase during the year | - | - | 8,000,000 | - | | |
| Ending balances | - | - | 8,000,000 | - | 3.250 | - |
| 6. BANGKOK SATELLITE & TELECOMMUNICATION CO., LTD. | | | | | | |
| Beginning balances | - | - | - | - | | |
| Increase during the year | - | - | 44,000,000 | - | | |
| Ending balances | - | - | 44,000,000 | - | 3.250 | - |

| PARTICULARS | CONSOLIDATED | | SEPARATE FINANCIAL STATEMENTS | | INTEREST RATE (%) PER ANNUM | |
|---|--------------|------|----------------------------------|---------------|--------------------------------|-------|
| | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 |
| 7. BEC IT SOLUTION CO., LTD. | | | | | | |
| Beginning balances | - | - | - | - | | |
| Increase during the year | - | - | 5,000,000 | - | | |
| Ending balances | - | - | 5,000,000 | - | 3.250 | - |
| 8. BECI CORPORATION LTD. | | | | | | |
| Beginning balances | - | - | 150,000,000 | - | | |
| Increase during the years | - | - | 100,000,000 | 150,000,000 | | |
| Repayment during the year | - | - | (75,000,000) | - | | |
| Ending balances | - | - | 175,000,000 | 150,000,000 | 3.250 | 3.250 |
| Total short-term borrowings from subsidiaries | - | - | 1,307,826,250 | 2,345,660,084 | | |
| SUBSIDIARY OF THE SUBSIDIARY BORROWINGS FROM | | | | | | |
| - RELATED COMPANY | | | | | | |
| 1. TRUE VISIONS GROUP CO., LTD. | | | | | | |
| Beginning balances | - | - | - | - | | |
| Increase during the year | 300,000 | - | - | - | | |
| Repayment during the year | (300,000) | - | - | - | | |
| Ending balances | - | - | - | - | 7.000 | - |
| Total short-term borrowings from subsidiaries | - | - | 1,307,826,250 | 2,345,660,084 | | |

25. OTHER CURRENT LIABILITIES

| PARTICULARS | CONSOLIDATED | | SEPARATE FINANCIAL STATEMENTS | |
|---|--------------|-------------|-------------------------------|------------|
| | 2016 | 2015 | 2016 | 2015 |
| Revenue Department payable | 95,832,789 | 129,754,919 | 16,640,881 | 18,314,123 |
| Undue sale tax | 46,758,544 | 71,082,629 | 58,783,169 | 63,025,352 |
| Cash received from selling tickets the contracting companies | 119,559,221 | 127,816,252 | - | - |
| Unearned revenues | 394,936,508 | 129,492,180 | - | - |
| Others | 12,263,910 | 8,857,604 | 340,830 | 1,857,011 |
| Total other current liabilities | 669,350,972 | 467,003,584 | 75,764,880 | 83,196,486 |

26. FINANCIAL LEASES

BAHT

| PARTICULARS | CONSOLIDATED | |
|---------------------------------|--------------|-------------|
| | 2016 | 2015 |
| Minimum amount to be paid | | |
| Within 1 year | 4,792,205 | 2,717,527 |
| Over 1 year but within 5 years | 9,243,040 | 5,247,370 |
| Total | 14,035,245 | 7,964,897 |
| Less Deferred interest expenses | (1,206,715) | (910,154) |
| Total | 12,828,530 | 7,054,743 |
| Less Current portion | (4,163,464) | (2,311,979) |
| Financial leases-Net | 8,665,066 | 4,742,764 |

Financial leases are vehicle leases and payable on a monthly basis. This will be completed by the year 2017 - 2020
Portion of financial leases due within one year, is shown under current liabilities.

27. ACCRUED RIGHT TO USE SPECTRUM

BAHT

| PARTICULARS | CONSOLIDATED | | | | | |
|----------------------------------|--------------------------|-------------------|---------------------------|--------------------------|-------------------|---------------------------|
| | 2016 | | | 2015 | | |
| | Future value of payments | Deferred interest | Present value of payments | Future value of payments | Deferred interest | Present value of payments |
| Current portion | 545,600,000 | (45,556,798) | 500,043,202 | 1,091,200,000 | (160,496,634) | 930,703,366 |
| Over 1 year but not over 5 years | 1,877,900,000 | (196,186,933) | 1,681,713,067 | 2,867,600,000 | (137,612,091) | 2,729,987,909 |
| Over 5 years | 444,100,000 | (15,017,875) | 429,082,125 | - | - | - |
| Total | 2,867,600,000 | (256,761,606) | 2,610,838,394 | 3,958,800,000 | (298,108,725) | 3,660,691,275 |

| PARTICULARS | CONSOLIDATED | |
|---|-----------------|-----------------|
| | 2016 | 2015 |
| Present value at the beginning | 3,660,691,275 | 4,544,967,875 |
| <u>Less</u> Payment of the digital television license fee | (999,244,523) | (1,007,751,196) |
| Payment of the interest expenses | (91,955,477) | (45,348,804) |
| Total payment of the digital television license fee | (1,091,200,000) | (1,053,100,000) |
| Amortization of interest for spectrum licensing for the years | 133,460,015 | 168,823,400 |
| <u>Less</u> Changes the cost for spectrum licensing (See Note 18) | (92,112,896) | - |
| Present value at the ending | 2,610,838,394 | 3,660,691,275 |

Accrued right to use spectrum are the licenses fees to use the spectrum and payable on a yearly basis. This will be completed by the year 2022 (See note 18).

Portion of accrued right to use spectrum due within one year, is shown under current liabilities.

28. PROVISION FOR LONG-TERM EMPLOYEE BENEFITS

| PARTICULARS | CONSOLIDATED | | SEPARATE FINANCIAL STATEMENTS | |
|--|--------------|-------------|-------------------------------|------------|
| | 2016 | 2015 | 2016 | 2015 |
| Defined benefit obligation | | | | |
| Beginning balances | 573,655,812 | 503,606,870 | 49,988,769 | 49,648,226 |
| Actuarial (gain) losses from employee benefit plan | - | 33,437,894 | - | 1,698,795 |
| <u>Add</u> Current service cost | 42,443,877 | 31,413,591 | 3,599,778 | 1,488,007 |
| Interest cost | 15,564,030 | 11,182,137 | 1,388,238 | 551,331 |
| <u>Less</u> Benefit paid during the years | (11,692,886) | (5,984,680) | - | - |
| <u>Less</u> Employee benefits decreased from investments disposal in subsidiary held by subsidiary | (1,366,713) | - | - | - |
| Ending balances | 618,604,120 | 573,655,812 | 54,976,785 | 49,988,769 |

The principle assumptions used in determining the employee benefit liabilities are shown as follows:

| PARTICULARS | CONSOLIDATED | SEPARATE FINANCIAL STATEMENTS |
|---|--------------------|-------------------------------|
| Discount rate | 2.8 % per annum | 2.8 % per annum |
| Salary increase rate (depends on the age) | 3 - 10 % per annum | 3 - 10 % per annum |
| Staff turnover rate (depends on the age) | 0 - 19 % per annum | 0 - 10 % per annum |

Sensitivity analysis on key assumption changes are as follows:

BAHT

| PARTICULARS | 2016 | |
|---|--------------|-------------------------------|
| | CONSOLIDATED | SEPARATE FINANCIAL STATEMENTS |
| Discount rate -1.0% | 665,347,319 | 56,307,078 |
| Discount rate (base) | 618,604,120 | 54,976,785 |
| Discount rate +1.0% | 603,562,710 | 53,791,781 |
| Expected rate of salary increase -1.0% | 600,576,673 | 53,652,245 |
| Expected rate of salary increase (base) | 618,604,120 | 54,976,785 |
| Expected rate of salary increase +1.0% | 668,087,697 | 56,440,535 |

29. DIVIDEND PAYMENT AND DIRECTORS' REMUNERATION

On August 15, 2016, the Board of Direction's Meeting No. 4/2016 was held and has a resolution to pay interim dividend for 2,000 million shares at Baht 0.45 per share amount of Baht 900 million. The interim dividend payment was made on September 14, 2016.

On April 28, 2016, the Ordinary General Shareholders' Meeting was held and has acknowledged the payment of interim dividend during the year 2015 to the shareholders following the Board of Directors's Meeting held on August 6, 2015, which has a resolution to pay interim dividend at Baht 0.70 per share amount of Baht 1,400 million. The interim dividend payment was made on September 2, 2015 and has a resolution to pay dividend for the results of their operation for the second half of the year 2015 at Baht 0.70 per share amount of Baht 1,400 million, dividend payment was made on May 26, 2016. Total dividend payment following the resolution at Baht 1.40 per share amount of Baht 2,800 million. The Meeting also approved to pay the directors' remuneration for the year 2016 directors' bonus amount of Baht 18 million and meeting allowance at the rate specified.

On April 29, 2015, the Ordinary General Shareholders' Meeting was held and has acknowledged the payment of interim dividend during the year 2014 to the shareholders following the Board of Directors's Meeting held on August 7, 2014, which has a resolution to pay interim dividend at Baht 1.00 per share amount of Baht 2,000 million. The interim dividend payment was made on September 4, 2014 and has a resolution to pay dividend for the results of their operation for the second half of the year 2014 at Baht 1.00 per share amount of Baht 2,000 million, dividend payment was made on May 28, 2015. Total dividend payment following the resolution at Baht 2.00 per share amount of Baht 4,000 million. The Meeting also approved to pay the directors' remuneration for the year 2015 directors' bonus amount of Baht 18 million and meeting allowance at the rate specified.

30. FINANCE COSTS

BAHT

| PARTICULARS | CONSOLIDATED | | SEPARATE FINANCIAL STATEMENTS | |
|---|--------------|-------------|-------------------------------|------------|
| | 2016 | 2015 | 2016 | 2015 |
| Amortization of interest spectrum licensing | 133,460,015 | 168,823,400 | - | - |
| Interest expenses | 43,445,224 | 17,929,335 | 84,364,612 | 62,399,597 |
| Total finance costs | 176,905,239 | 186,752,735 | 84,364,612 | 62,399,597 |

31. LEGAL RESERVE

In compliance with the Public Company Act, B.E. 2535 (1992), the Company has to set up legal reserve at least 5% of annual net profit less deficits brought forward (if any) until meet 10% of authorized share capital. Such legal reserve is not allowed to pay for dividend. The Company has completely appropriated for legal reserve in compliance with the legal requirement.

32. EXPENSES BY NATURE

BAHT

| PARTICULARS | CONSOLIDATED | | SEPARATE FINANCIAL STATEMENTS | |
|---|----------------|----------------|-------------------------------|---------------|
| | 2016 | 2015 | 2016 | 2015 |
| (Increase)decrease in changes of finished goods | 1,864,606 | (1,758,267) | 1,048,251 | (176,046) |
| Production expenses | 5,485,477,545 | 6,031,220,970 | 2,082,633,842 | 2,099,618,745 |
| Organizing concerts and shows expenses | 425,274,903 | 724,615,518 | - | - |
| Director and management benefit expenses | 167,459,509 | 179,336,007 | 46,665,883 | 50,756,180 |
| Employee benefit expenses | 1,621,046,794 | 1,722,652,964 | 83,723,582 | 80,184,378 |
| Depreciation | 177,877,432 | 138,154,746 | 5,540,221 | 2,685,886 |
| Amortization of intangible assets | 21,465,412 | 42,204,251 | 268,590 | 144,138 |
| Amortization of right to use property | 219,134,709 | 220,735,547 | - | - |
| Amortization of right to use spectrum | 391,559,469 | 392,190,519 | - | - |
| Amortization of additional compensation | 46,908,228 | 46,780,063 | - | - |
| Amortization of other non-current assets | 1,380,270 | 4,105,733 | - | - |
| Agencies and promotions expenses | 440,343,556 | 589,669,294 | 4,286,161 | 6,695,431 |
| Building and place expenses | 479,693,623 | 522,629,789 | 97,447,032 | 87,592,899 |
| Other expenses | 1,478,319,978 | 1,599,923,555 | 410,511,810 | 364,130,821 |
| Total | 10,957,806,034 | 12,212,460,689 | 2,732,125,372 | 2,691,632,432 |

33. INCOME TAX

Corporate income taxes of the Company and subsidiaries for the years ended December 31, 2016 and 2015 were calculated from the accounting profit and adjusted with other revenues and some expenses which are exempted from income tax, such as dividend income etc. or being disallowable expenses in income tax computation purposes such as doubtful debt and loss on impairment, etc.

The Company has calculated corporate income taxes at the rate of 20 percent.

The corporate income taxes of subsidiaries are calculated at the rate of 15 and 20 percent.

The corporate income taxes of a subsidiary of the Company's subsidiary established under foreign law are calculated at a rate of 25 percent.

Income taxes expenses recognized in statements of income consist:

BAHT

| PARTICULARS FOR THE YEARS ENDED DECEMBER 31, | CONSOLIDATED | | SEPARATE FINANCIAL STATEMENTS | |
|--|--------------|--------------|-------------------------------|-------------|
| | 2016 | 2015 | 2016 | 2015 |
| The corporate income tax for the years | 414,542,599 | 788,434,766 | 144,028,145 | 122,967,953 |
| Deferred tax from the temporary difference and the reversal of the temporary | (80,809,359) | (15,194,901) | (17,265,878) | (407,868) |
| Income tax expenses | 333,733,240 | 773,239,865 | 126,762,267 | 122,560,085 |

As at December 31, 2016 and 2015, the deferred tax assets/liabilities arose from the following temporary differences:

BAHT

| PARTICULARS | CONSOLIDATED | | SEPARATE FINANCIAL STATEMENTS | |
|--|---------------|---------------|-------------------------------|---------------|
| | 2016 | 2015 | 2016 | 2015 |
| Temporary differences in the income statements | | | | |
| Allowance for doubtful accounts receivable | 3,597,948 | 3,310,035 | - | - |
| Allowance for available-for-sale securities | 176,223,561 | 176,223,561 | 176,223,561 | 176,223,561 |
| Allowance for diminution of other current assets | 545,422 | - | - | - |
| Calculate depreciation difference from tax rate | 16,742,778 | 16,742,778 | - | - |
| Provision for employee benefits | 610,136,785 | 532,774,489 | 54,976,785 | 51,687,564 |
| (Gain) loss on revaluation investments property | (3,248,565) | (3,248,565) | 113,980 | 113,980 |
| Calculate amortization of right to use spectrum difference from tax rate | 333,616,164 | 226,523,248 | - | - |
| Calculation of gain on sale of investments difference from tax rate | 3,252,025 | - | - | - |
| Amortization copyright plays disposal difference from tax rate | 81,341,375 | - | 81,341,375 | - |
| Allowance for damage of litigations | 28,908,831 | - | - | - |
| Unused tax losses | 752,835,354 | 615,843,676 | - | - |
| Total | 2,003,951,678 | 1,568,169,222 | 312,655,701 | 228,025,105 |
| Temporary differences in the retained earnings | | | | |
| Provision for employee benefits | - | 31,735,663 | - | (1,698,795) |
| Temporary differences in the shareholders' equity | | | | |
| Unrealized gain on remeasuring available-for-sale securities | (164,146,796) | (136,186,796) | (164,146,796) | (136,186,796) |
| Total | 1,839,804,882 | 1,463,718,089 | 148,508,905 | 90,139,514 |
| Deferred tax assets calculated from tax rate of 20% | 367,960,977 | 292,743,618 | 29,701,781 | 18,027,903 |

34. TRANSACTIONS WITH RELATED PARTIES

The Company and subsidiaries have certain transactions with the related parties which are related through the shareholding or having shareholders or co-directors. Such transactions incur in normal business at market price which are comparable to the trading transactions with others. The effects of these transactions were reflected in the accompanying financial statements on the bases mutually agreed by the Company and subsidiaries with parties concerned as follows :

| RELATED PARTIES | RELATIONSHIP |
|--|---|
| 1. Subsidiaries | See Note 13 |
| 2. Associates held by subsidiary | See Note 13 |
| 3. Related companies | |
| 3.1 MALEENONT TOWER CO., LTD. | Shareholders and /co-directors |
| 3.2 MILLIONAIRE PROPERTY FUND | MALEENONT TOWER CO., LTD., is major investment unit holder |
| 3.3 WAVE ENTERTAINMENT PUBLIC COMPANY LIMITED AND SUBSIDIARY | Co-directors |
| 3.4 THAI FIGHT CO., LTD. | Directors and related parties are shareholders |
| 4. Related companies of subsidiary | |
| 4.1 TELEVISION BROADCASTS LIMITED | The holding company of TVB 3 NETWORK CO., LTD., a subsidiary company of BEC INTERNATIONAL DISTRIBUTION CO., LTD. |
| 4.2 FOREVER GROUP CO., LTD. | The holding company of Forever BEC-TERO CO., LTD., an associate of BEC-TERO ENTERTAINMENT PUBLIC COMPANY LIMITED |
| 4.3 TRUE VISIONS GROUP CO., LTD. | The holding company of BEC-TERO TRUE VISIONS CO., LTD., a subsidiary company of BEC-TERO ENTERTAINMENT PUBLIC COMPANY LIMITED |
| 4.4 LIVE NATION (HK) LIMITED | The holding company of LIVE NATION BEC-TERO ENTERTAINMENT CO.,LTD., an associate of BEC-TERO ENTERTAINMENT PUBLIC COMPANY LIMITED |

The significant transactions with related parties are as follows:

BAHT

| STATEMENTS OF FINANCIAL POSITION TRANSACTIONS | CONSOLIDATED | | SEPARATE FINANCIAL STATEMENTS | |
|---|--------------|-------------|-------------------------------|---------------|
| | 2016 | 2015 | 2016 | 2015 |
| 1. Trade and other receivables (Note 7) | | | | |
| Trade accounts receivable | | | | |
| - Subsidiaries | - | - | 1,086,554,093 | 1,088,593,721 |
| - Related companies | 1,611,558 | 427,656 | - | - |
| - Associates held by subsidiary | 524,324 | 25,782,863 | - | - |
| - Related company of subsidiary | 54,330,511 | 56,748,048 | - | - |
| Total trade accounts receivables | 56,466,393 | 82,958,567 | 1,086,554,093 | 1,088,593,721 |
| Other receivables | | | | |
| - Associates held by subsidiary | 113,876,627 | 65,314,561 | - | - |
| Total other receivables | 113,876,627 | 65,314,561 | - | - |
| Total trade and other receivables | 170,343,020 | 148,273,128 | 1,086,554,093 | 1,088,593,721 |
| 2. Short-term loans extended (Note 8) | | | | |
| - Subsidiaries-net | - | - | 3,813,406,028 | 2,871,604,517 |
| - Associates held by subsidiary | 28,452,800 | 28,663,600 | - | - |
| Total | 28,452,800 | 28,663,600 | 3,813,406,028 | 2,871,604,517 |
| 3. Dividend receivable | | | | |
| - Subsidiaries | - | - | - | 1,399,989,467 |
| 4. Other current assets | | | | |
| - Subsidiaries | - | - | 101,560,716 | 81,539,575 |
| - Associates held by subsidiary | 4,665,478 | 4,840,584 | - | - |
| - Related companies of subsidiary | - | 604,800 | - | - |
| Total | 4,665,478 | 5,445,384 | 101,560,716 | 81,539,575 |
| 5. Purchase of plays | | | | |
| - Related companies | 53,075,000 | - | 53,075,000 | - |
| 6. Sale of plays (Note 21) | | | | |
| - Subsidiary | - | - | 360,400,000 | 421,264,000 |
| 7. Prepaid production plays | | | | |
| - Related companies | 20,000,000 | - | 20,000,000 | - |
| 8. Other non-current assets | | | | |
| Leased building deposits | | | | |
| - Related companies | 48,011,788 | 46,666,864 | 10,419,744 | 10,419,744 |
| 9. Trade and other payable | | | | |
| - Subsidiaries | - | - | 113,819,400 | 155,012,612 |
| - Associates held by subsidiary | 300,000 | 2,148,280 | - | - |
| - Related companies | 43,934,509 | 8,221,283 | - | 147,286 |
| - Related companies of subsidiary | 4,778,137 | 4,778,900 | - | - |
| Total | 49,012,646 | 15,148,463 | 113,819,400 | 155,159,898 |

| STATEMENTS OF FINANCIAL POSITION TRANSACTIONS | CONSOLIDATED | | SEPARATE FINANCIAL STATEMENTS | |
|---|--------------|------------|-------------------------------|---------------|
| | 2016 | 2015 | 2016 | 2015 |
| 10. Short-term borrowings (Note 24) | | | | |
| - Subsidiaries | - | - | 1,307,826,250 | 2,345,660,084 |
| 11. Accrued interest | | | | |
| - Subsidiaries | - | - | 24,347,274 | 37,646,997 |
| - Related companies of subsidiary | 860,793 | 1,729,636 | - | - |
| Total | 860,793 | 1,729,636 | 24,347,274 | 37,646,997 |
| 12. Other current liabilities | | | | |
| - Subsidiaries | - | - | 58,781,769 | 63,016,272 |
| - Associates held by subsidiary | 6,542,070 | 38,989,803 | - | - |
| - Related companies | 105,000 | 5,158,027 | - | - |
| - Related companies of subsidiary | 1,350,355 | 489,562 | - | - |
| Total | 7,997,425 | 44,637,392 | 58,781,769 | 63,016,272 |

| INCOME STATEMENT TRANSACTIONS FOR THE YEARS ENDED DECEMBER 31, | CONSOLIDATED | | SEPARATE FINANCIAL STATEMENTS | |
|---|--------------|------------|-------------------------------|---------------|
| | 2016 | 2015 | 2016 | 2015 |
| 13. Advertisement income | | | | |
| - Subsidiaries | - | - | 906,944,000 | 961,152,000 |
| - Associates held by subsidiary | 9,638,850 | 16,631,000 | - | - |
| - Related companies | 9,236,000 | 37,800,000 | - | - |
| Total | 18,874,850 | 54,431,000 | 906,944,000 | 961,152,000 |
| 14. Income from copyright and other services | | | | |
| - Subsidiaries | - | - | 2,258,937,166 | 2,198,565,121 |
| - Associates held by subsidiary | 23,324,609 | 27,456,614 | - | - |
| - Related companies | 3,296,972 | 2,351,291 | - | - |
| - Related companies of subsidiary | 3,098,644 | 2,876,045 | - | - |
| Total | 29,720,225 | 32,683,950 | 2,258,937,166 | 2,198,565,121 |
| 15. Income from organizing concerts and shows | | | | |
| - Associates held by subsidiary | 4,899,469 | 26,194,813 | - | - |
| - Related companies | - | 83,271 | - | - |
| - Related companies of subsidiary | - | 3,533,725 | - | - |
| Total | 4,899,469 | 29,811,809 | - | - |
| 16. Sales of goods | | | | |
| - Subsidiaries | - | - | 5,589,324 | 2,632,724 |
| - Related companies of subsidiary | 18,072,866 | 99,443,938 | - | - |
| Total | 18,072,866 | 99,443,938 | 5,589,324 | 2,632,724 |
| 17. Dividend income (Note 13) | | | | |
| - Subsidiaries | - | - | 980,984,210 | 2,564,780,408 |

| INCOME STATEMENT TRANSACTIONS FOR THE YEARS ENDED DECEMBER 31, | CONSOLIDATED | | SEPARATE FINANCIAL STATEMENTS | |
|---|--------------|-------------|-------------------------------|-------------|
| | 2016 | 2015 | 2016 | 2015 |
| 18. Other income | | | | |
| - Subsidiaries | - | - | 126,587,710 | 119,158,471 |
| - Associates held by subsidiary | 21,812,736 | 5,797,515 | - | - |
| - Related companies of subsidiary | 631,869 | 616,325 | - | - |
| Total | 22,444,605 | 6,413,840 | 126,587,710 | 119,158,471 |
| 19. Cost of sales and services | | | | |
| - Subsidiaries | - | - | 278,867,158 | 511,757,034 |
| - Associates held by subsidiary | 13,840,896 | 26,926,339 | - | - |
| - Related companies | 154,867,565 | 201,556,637 | 688,643 | 215,346 |
| Total | 168,708,461 | 228,482,976 | 279,555,801 | 511,972,380 |
| 20. Cost of organizing concerts and shows | | | | |
| - Associates held by subsidiary | 1,692,235 | 10,470,882 | - | - |
| 21. Selling expenses | | | | |
| - Associates held by subsidiary | - | 424,561 | - | - |
| 22. Administrative expenses | | | | |
| - Subsidiaries | - | - | 44,362,970 | 35,143,288 |
| - Associates held by subsidiary | 608,000 | 7,304,168 | - | - |
| - Related companies | 140,086,880 | 138,537,400 | 47,485,122 | 44,639,800 |
| Total | 140,694,880 | 145,841,568 | 91,848,092 | 79,783,088 |
| 23. Interest expenses | | | | |
| - Subsidiaries | - | - | 54,242,423 | 55,809,733 |
| - Related companies of subsidiary | 30,974 | 25,928 | - | - |
| Total | 30,974 | 25,928 | 54,242,423 | 55,809,733 |

35. FINANCIAL INFORMATION BY SEGMENT

The Company and its subsidiaries operate in one industrial segment, that is the business of entertainment and recreation which operate in geographical areas, Thailand and Republic of the Union of Myanmar. Therefore, the revenues, profit and all assets shown in the consolidated and the separate financial statements are related to the aforesaid business segment and geographical areas. The amount of business segment in the Republic of the Union of Myanmar is immaterial.

36. REGISTERED PROVIDENT FUND

The Company and its subsidiaries have set up and registered provident fund in accordance with the Provident Fund Act B.E. 2530 (1987), in order to be the savings and welfare promotion, as well as the fringe benefits upon resignation or retirement to its employees according to the Company's regulation. The fund is partly contributed by the employees and another part by the Company at the rate 3-5% of their basic salaries. Hereby, the Company has appointed the Kasikorn Asset Management Company Limited to be the fund manager

Provident fund contributions made by the Company and its subsidiaries for their employees and recorded as expenses in the income statements for the years ended December 31, 2016 and 2015 are Baht 40.71 million (the Company Baht 2.20 million) and Baht 39.22 million (the Company Baht 2.17 million), respectively.

37. COMMITMENTS AND CONTINGENT LIABILITIES

37.1 Commitments

As at December 31, 2016, the subsidiaries have commitments, as follows:

MILLION BAHT

| PARTICULARS | CONSOLIDATED |
|--|--------------|
| Bank guarantees | |
| - guarantee for compliance with the terms of payment spectrum to provide terrestrial digital television service in the type of national commercial service | 3,068.00 |
| - guarantee for compliance with Lease Agreement to lease for digital terrestrial television network service | 206.72 |
| - guarantee for payment of the broadcast live match, match records and others of international football programs | 181.01 |
| - guarantee of agreement for joint operation of color TV transmission | 10.00 |
| - guarantee for improvement of tools and equipment according to the agreement for joint operation of color TV transmission as amended No.3 | 71.52 |
| - Others | 10.36 |

37.2 Commitments on long-term leases

As at December 31, 2016, the Company and its subsidiaries have commitments on long-term leases, as follows:

- The Company and its subsidiaries have entered into Lease Agreement to lease the office space of Maleenont Tower, on B1, G, 2nd- 11th, 21st- 28th and 30th- 34th floors, at 3199 Rama IV Road, Kwaeng Klongtan, Khet Klongtoey, Bangkok with Millionaire Property Fund for the total period of 3 years.
- Its subsidiary has entered into Lease Agreement to lease the space of Maleenont Tower (M II), on B2 and 2nd- 12th Floors for the period of 3 years, commencing from April 9, 2016 to April 8, 2019.
- Its subsidiary has entered into Lease Agreement to lease the space of BAIYOK II Building, 84th Floor for the period of 3 years, commencing from March 17, 2014 to March 16, 2017.

MILLION BAHT

| PARTICULARS | CONSOLIDATED | SEPARATE FINANCIAL STATEMENTS |
|--|--------------|-------------------------------|
| Space rental, equipment and furnishing on the leased space (per month) | | |
| Maleenont Tower | 6.10 | 2.05 |
| Maleenont Tower (M II) | 2.86 | - |
| BAIYOK II Building | 1.20 | - |
| Total | 10.16 | 2.05 |
| Common services (per month) | | |
| Maleenont Tower | 4.07 | 1.37 |
| Maleenont Tower (M II) | 1.90 | - |
| Total | 5.97 | 1.37 |
| Total | 16.13 | 3.42 |

- Its subsidiary of BEC-TERO ENTERTAINMENT PUBLIC COMPANY LIMITED has entered into Land Sub-Lease Agreement with a person for the period of 8 years and 11 months, commencing from February 1, 2016 to December 31, 2024. As at December 31, 2016 payments are as follows:

MILLION BAHT

| PARTICULARS | MINIMUM AMOUNT |
|----------------------------------|----------------|
| Current portion | 1.20 |
| Over 1 year but not over 5 years | 6.00 |
| Over 5 years | 5.04 |
| Total | 12.24 |

37.3 Commitments on joint-operation contracts with MCOT

As at December 31, 2016, BANGKOK ENTERTAINMENT CO., LTD., has according to the Television Joint-operation of color TV transmission contract, to pay annual compensation to MCOT, as follows:

MILLION BAHT

| PARTICULARS | MINIMUM AMOUNT |
|----------------------------------|----------------|
| Current portion | 221.37 |
| Over 1 year but not over 5 years | 538.25 |
| Total | 759.62 |

As at December 31, 2016, BANGKOK ENTERTAINMENT CO., LTD., has to pay annual compensation according to the Contract of Operating and Advertisement through an MCOT FM radio station, at 105.5 MH frequency to MCOT, as follows:

MILLION BAHT

| PARTICULARS | MINIMUM AMOUNT |
|----------------------------------|----------------|
| Current portion | 26.44 |
| Over 1 year but not over 5 years | 63.76 |
| Total | 90.20 |

37.4 As at December 31, 2016, commitments of Lease Agreement to lease for digital terrestrial television network service between BEC MULTIMEDIA CO., LTD., with TPBS as follows:

MILLION BAHT

| PARTICULARS | MINIMUM AMOUNT |
|----------------------------------|----------------|
| Current portion | 276.00 |
| Over 1 year but not over 5 years | 1,104.00 |
| Over 5 years | 1,783.00 |
| Total | 3,163.00 |

37.5 Commitments on satellite signal services and integrated signal services

37.5.1 BEC MULTIMEDIA CO., LTD., a subsidiary of the Company, entered into a satellite signal services with THAICOM PUBLIC COMPANY LIMITED for the period of 3 years, commencing from April 25, 2014 to April 24, 2017. As at December 31, 2016 payments are as follows:

MILLION BAHT

| PARTICULARS | MINIMUM AMOUNT |
|-----------------|---------------------------|
| Current portion | 13.31 (USD 369,739.95) |

37.5.2 BEC MULTIMEDIA CO., LTD., a subsidiary of the Company, entered into a integrated signal services with TC BROADCASTING COMPANY LIMITED for the period of 3 years, commencing from April 25, 2014 to April 24, 2017. As at December 31, 2016 payments are as follows :

MILLION BAHT

| PARTICULARS | MINIMUM AMOUNT |
|-----------------|-------------------------|
| Current portion | 0.37 (USD 10,260.00) |

37.5.3 BEC MULTIMEDIA CO., LTD., a subsidiary of the Company, entered into a contract the high-speed communication circuit services with INTERLINK TELECOM COMPANY LIMITED for the period of 3 years, commencing from May 1, 2014 to April 30, 2017. As at December 31, 2016 payments are as follows :

MILLION BAHT

| PARTICULARS | MINIMUM AMOUNT |
|-----------------|----------------|
| Current portion | 1.10 |

37.5.4 BEC MULTIMEDIA CO., LTD., a subsidiary of the Company, entered into a integrated signal services Preemptible Transponder with THAI COM PUBLIC COMPANY LIMITED for the period of 8 years 6 months and 25 days, commencing from September 1, 2015 to March 25, 2024. As at December 31, 2016 payments are as follows :

MILLION BAHT

| PARTICULARS | MINIMUM AMOUNT |
|----------------------------------|------------------------------|
| Current portion | 27.58 (USD 766,100.04) |
| Over 1 year but not over 5 years | 110.32 (USD 3,064,400.16) |
| Over 5 years | 61.68 (USD 1,713,084.81) |
| Total | 199.58 |

37.6 Commitments on right charges under buying forward contract

The Company and subsidiaries have commitments on right charges under buying forward contract, as at December 31, 2016 are as follows:

MILLION BAHT

| PARTICULARS | MINIMUM AMOUNT | |
|-----------------------------------|-------------------------------|-------------------------------|
| | CONSOLIDATED | SEPARATE FINANCIAL STATEMENTS |
| Current portion | | |
| - Foreign pictures | 136.32 | 136.32 |
| - International football programs | 277.52 | - |
| - Volleyball | 192.62 (USD 5,355,000.00) | 157.69 (USD 4,380,000.00) |
| - Music copyright | 36.00 (USD 1,000,000.00) | - |
| Over 1 year but not over 5 years | | |
| - Foreign pictures | 4.53 | 4.53 |
| - Volleyball | 464.07 (USD 12,890,000.00) | 464.07 (USD 12,890,000.00) |
| - Music copyright | 18.00 (USD 500,000.00) | - |
| Total | 1,129.06 | 762.61 |

37.7 Commitments from guarantees

37.7.1 The Company has commitments from guarantees as follows :

- Guarantees for compliance with the terms of payment of spectrum to provide terrestrial digital television service in the type of national commercial service for BEC MULTIMEDIA CO., LTD., a subsidiary of the Company with a certain financial institution in amount of Baht 3,068 million.
- Guarantees for compliance with Lease Agreement to Lease for digital terrestrial television network service for BEC MULTIMEDIA CO., LTD., a subsidiary of the Company with a certain financial institution in amount of Baht 206.72 million
- Guarantees for compliance with the terms of payment of the broadcast live match, match records and others of international football programs for BANGKOK ENTERTAINMENT CO., LTD., a subsidiary of the Company with a certain financial institution in amount of Baht 108.01 million

37.7.2 BEC-TERO ENTERTAINMENT PUBLIC COMPANY LIMITED, the Company's subsidiary has commitments from guarantees as follows :

- Guarantees for the loans of BEC-TERO RADIO CO., LTD. (The subsidiary of BEC-TERO ENTERTAINMENT PUBLIC COMPANY LIMITED), to a certain financial institution in amount not exceed of Baht 120 million.
- Guarantees to comply with the contract of Forever Group Co., Ltd. (The related company of BEC-TERO ENTERTAINMENT PUBLIC COMPANY LIMITED) with THAICOM PUBLIC COMPANY LIMITED in amount not exceed USD 1,200,000.
- Guarantees to comply with the contract of Forever BEC-TERO Co., Ltd., (The associate of BEC-TERO ENTERTAINMENT PUBLIC COMPANY LIMITED) and Forever Group Co., Ltd. (The holding company of Forever BEC-TERO Co., Ltd.) with the UNION DES ASSOCIATIONS EUROPEENNES DE FOOTBALL in amount not exceed USD 4,000,000.

38. LITIGATION

According to BEC-TERO ENTERTAINMENT PUBLIC COMPANY LIMITED, a subsidiary of the Company, had a dispute in a claim for a breach of contract in the amount of EUR 2.57 million to arbitration in Singapore, the subsidiary company terminated the process to resolve disputes by arbitration in order to the claimant sue to the Thai Court as normal. The subsidiary company expects no negative effect therefore, the contingent expenses from the outcome of such case have not been accounted for.

39. DISCLOSURE OF FINANCIAL INSTRUMENTS

The Company and its subsidiaries have information relating to financial instruments both in and off statements of financial position, as follows:

39.1 Accounting policies and procedure

See Note 4.

39.2 Risk from breach of contracts

- Due to the contracting parties do not follow the requirement in the contract which caused damage to the Company and its subsidiaries.

- Risk from concentration of credit is minimal even most of the trade accounts receivable of the Company and its subsidiaries are advertising agencies, due to businesses of the group spread through out the industries and not concentrated within any particular agency or group of agencies and the group has closely monitored each trade account receivable business. Thus, the Company and its subsidiaries do not expect any material damage from this kind of risk.
- For the financial assets shown in the statements of financial position, the book value of such assets is net from various provisions to be estimated fair value. Such provisions are assumed to be the highest value of risk incurred from breach of contracts.

39.3 Risk relating to interest rate

Risk from the fluctuation in interest rate may have negative effect to the Company and its subsidiaries for the current and the following years. Management believes that they can manage the contingent risk, due to the Company has set up a plan and follow up the situation closely.

39.4 Risk from exchange rate

The Company and subsidiaries have risk from the fluctuation of foreign exchange rates, due to some debtors and creditors arisen from the trading in foreign currencies. The Company will make the forward exchange contract, in case of Baht currency is highly fluctuated and it is appropriate for the situation.

39.5 Fair value of financial instruments

The following methods and assumptions are used to estimate the fair value of financial instruments:

- Financial assets shown at book value which equal to estimated fair value.
- Financial liabilities shown at book value almost the same with fair value, due to such liabilities will be matured in short term.

40. RECLASSIFICATION

The Company certain accounting transactions in the consolidated financial statements for the year ended December 31, 2015 have been reclassified to conform to the consolidated financial statements for the year ended December 31, 2016. The reclassifications had no effect to previously reported profit or shareholders' equity.

41. FINANCIAL STATEMENTS APPROVAL

These financial statements are duly approved by the Company's directors on February 21, 2017.

REVENUE STRUCTURE

Revenue Structure of the Group during the Previous Three Years, 2016, 2015 and 2014, respectively.

(All these revenues are net of intra-group transactions.)

| Product/Service | Provided by Company Limited | 2016 | | 2015 | | 2014 | |
|---|---|---|---|---|---|---|---|
| | | Million Baht | % | Million Baht | % | Million Baht | % |
| Advertising Income | | | | | | | |
| From Television | BEC World Plc. Bangkok Entertainment ¹ Rungsirojanit ¹ BEC Multimedia ¹ BEC-Tero Entertainment ² and sub. | | | | | | |
| Total advertising income from television | | 10,885.28 | 86.84 | 13,832.25 | 86.55 | 14,718.79 | 90.18 |
| From Radio Station | Bangkok Entertainment ¹ You & I Corporation ¹ BEC-Tero Entertainment ² and sub. | | | | | | |
| Total advertising income from radio station | | 265.90 | 2.12 | 364.43 | 2.28 | 368.61 | 2.26 |
| Total Advertising Income | | 11,151.18 | 88.96 | 14,196.68 | 88.83 | 15,087.40 | 92.44 |
| Income from Copyright and Other Services | BEC World Plc. Bangkok Entertainment ¹ Bangkok Television ¹ BEC-Tero Entertainment ² and sub. BEC Multimedia ¹ BEC International Distribution ¹ BEC IT Solution ¹ BEC ASSET ¹ BECI Corporation and sub. ¹ | 5.76 5.58 80.43 346.72 3.27 2.93 0.80 - 95.71 | 0.04 0.04 0.65 2.77 0.03 0.02 0.01 - 0.76 | 6.47 0.89 49.58 509.35 1.25 2.88 2.26 - 83.80 | 0.04 0.00 0.31 3.19 0.01 0.02 0.02 - 0.52 | 1.69 0.49 20.39 412.78 - 2.68 0.47 0.08 52.42 | 0.01 0.01 0.12 2.53 - 0.02 0.00 0.00 0.32 |
| Income from copyright and Other Services | | 541.20 | 4.32 | 656.48 | 4.11 | 491.00 | 3.01 |
| Income from concerts and shows | BEC-Tero Entertainment ² and sub. | 470.19 | 3.75 | 801.18 | 5.02 | 389.18 | 2.39 |
| Sales of goods | BEC World Plc. BEC IT Solution ¹ BEC-Tero Entertainment ² and sub. | 103.18 | 0.82 | 190.77 | 1.19 | 90.89 | 0.56 |
| Income from sell right | BEC-Tero Entertainment ² and sub. | - | - | - | - | 108.40 | 0.66 |
| Total Income from Sales and Services. | | 12,265.75 | 97.85 | 15,845.11 | 99.15 | 16,166.87 | 99.06 |
| Other Income | | 268.81 | 2.15 | 136.17 | 0.85 | 154.15 | 0.94 |
| Total Revenue | | 12,534.56 | 100.00 | 15,981.28 | 100.00 | 16,321.02 | 100.00 |

Notes ¹ 99.99% held by BEC World Public Company Limited

² 59.99% held by BEC World Public Company Limited

REVENUE STRUCTURE AND CHANGES FROM THE PREVIOUS YEAR

BEC World's major revenue is advertising income came mainly from sales of Thai TV Color Channel 3's commercial airtime.. Other significant sales revenue is income from copyright and other services came mainly from income from entertainment activities arrangement, right to use our programs, movies and dramas (soap-opera) for sale of VCD/DVD within the country; income from right to broadcast movies in foreign countries; service fees from selling show tickets and selling bus tickets; revenue from Mobile Entertainment, and other services etc. Revenue from sale of products mainly derives from music's distributions under record labels, SONY MUSIC (THAILAND), LOVEiS and SONY MUSIC INTERNATIONAL, while other income came mainly from interest earnings and return from investments.

In 2016, the advertisement revenue via Channel 3, which is the main income of BEC World group, is much lower than the previous year, due to the low demand of advertisement time in day-time in accordance to the low competition among advertisers. Subsequently, there is a little motivation to invest due to the depressed economic, continuously from the previous year. Therefore, both big and small advertisers spend their advertisement fees with us, lower than the previous year. In addition, because of the freeze of business for almost a month since the afternoon of October 13 and the lower advertisement fees in radio business compared to the previous year, although we could generate advertisement revenue from new digital TV, for almost 100 Million Baht, however total advertisement revenue of BEC World group in 2016 is only 11,151.2 Million Baht, lower than the previous year in the amount of 3,045 Million Baht or 21.5%. Despite, there are almost 100 new advertisers using our supporting business in 2016, which is the benefit of BEC World group in the long term, the number of advertisers is continuously lower since last year, as the number of former advertisers stopping spending their money on advertisement is less than the new comer. Furthermore, the "Concert and event business" revenue and margin are also reduced, due to the transfer of all foreign concert event to the associated company since the second half year of 2015 and the cancellation of event in the end of last year. Moreover, revenue from copyright licensing and other services together with revenue from sale of products are also decreased as per the market environment.

LIST OF TOP TEN LARGEST SHAREHOLDERS

List of major shareholders

(a) As of 30 August 2016, the latest closing of the company share registrar within the last fiscal year, including holding shares of relevant persons and shareholders who are under the same controller group as follow:

| | Name of the shareholders | Number of shares held | Percentage |
|-----|---|-----------------------|------------|
| 1. | Maleenont Group* | 940,600,000 | 47.03 |
| 2. | CHASE NOMINEES LIMITED | 223,940,917 | 11.20 |
| 3. | Thai NVDR Co., Ltd. | 114,413,606 | 5.72 |
| 4. | THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED, FUND SERVICES DEPARTMENT | 98,663,000 | 4.93 |
| 5. | NORTRUST NOMINEES LTD-CL AC | 81,250,434 | 4.06 |
| 6. | STATE STREET BANK EUROPE LIMITED | 50,907,079 | 2.55 |
| 7. | BNP PARIBAS SECURITIES SERVICES LUXEMBOURG | 40,725,811 | 2.04 |
| 8. | Social Security Office | 24,668,600 | 1.23 |
| 9. | CHASE C.S. CENTRAL NOMINEES LIMITED | 21,415,600 | 1.07 |
| 10. | GIC PRIVATE LIMITED | 21,390,398 | 1.07 |

Remark: * As of 30 August 2016, the latest closing of the company share registrar within the last fiscal year, detail of the Maleenont Group is as follows:

| Name of the shareholders | Number of shares held | Percentage | Name of the shareholders | Number of shares held | Percentage |
|-----------------------------|-----------------------|------------|-----------------------------|-----------------------|------------|
| 1. Ms. Ratana Maleenont | 168,134,120 | 8.41 | 13. Mr. Noppatee Maleenont | 23,515,000 | 1.18 |
| 2. Ms. Amphorn Maleenont | 117,575,000 | 5.88 | 14. Ms. Navaree Maleenont | 23,515,000 | 1.18 |
| 3. Ms. Nipa Maleenont | 117,575,000 | 5.88 | 15. Ms. Navasinee Maleenont | 23,515,000 | 1.18 |
| 4. Mr. Prachum Maleenont | 66,575,000 | 3.33 | 16. Ms. Cathleen Maleenont | 17,634,380 | 0.88 |
| 5. Mr. Saran NipatakusoJ | 58,787,500 | 2.94 | 17. Mr. Jiravat Maleenont | 17,000,000 | 0.85 |
| 6. Mr. Jaturont Nipatakusol | 58,787,500 | 2.94 | 18. Ms. Nobchulee Maleenont | 17,000,000 | 0.85 |
| 7. Ms. Ornuma Maleenont | 29,393,750 | 1.47 | 19. Ms. Paralee Maleenont | 17,000,000 | 0.85 |
| 8. Mr. Voravat Maleenont | 29,393,750 | 1.47 | 20. Ms. Tracy Ann Maleenont | 16,460,500 | 0.82 |
| 9. Ms. Vallipa Maleenont | 29,393,750 | 1.47 | 21. Ms. Ann Maleenont | 16,460,500 | 0.82 |
| 10. Mr. Chadin Maleenont | 29,393,750 | 1.47 | 22. Ms. Piyawadee Maleenont | 8,230,250 | 0.41 |
| 11. Mr. Tospol Maleenont | 23,515,000 | 1.18 | 23. Ms. Prissana Maleenont | 8,230,250 | 0.41 |
| 12. Ms. Pinkamol Maleenont | 23,515,000 | 1.18 | | | |

(b) Members of Maleenont family – The Maleenont, is majority shareholder of the Company that could set management policy and control business operation of the Company, significant, whereby BEC World is the main business of the Maleenont.

Dividend payment policy

BEC World Plc. has its policy to pay dividend at the rate of not lower than 90% of its net profits of each fiscal year, except in the year which it is required to invest hugely in important projects. The dividend payments from the subsidiaries, most of which BEC has about 99.99% ownership, depends largely upon cash flow projections of the company and such subsidiary in order to follow this dividend payment policy.

| Year | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|--------------------------------------|--------|--------|--------|--------|---------|---------|
| Net Income per Share | 1.49 | 2.17 | 2.79 | 2.39 | 1.77 | 1.65 |
| Dividend per Share | 1.40 | 2.00 | 2.60 | 2.25 | 1.80 | 1.65 |
| Ratio of Dividend per Net Profit (%) | 93.96% | 92.17% | 93.19% | 94.14% | 101.69% | 100.00% |

MANAGEMENT AND CORPORATE GOVERNANCE

Board of Directors

BEC World's Board of Directors consists of 14 directors, which is a unitary Board comprising 5 executive directors and 9 non-executive directors, 5 out of which are independent directors. This is adequate to audit the Company's management as required under the CG rules for registered company.

Board of Directors

As of March 21, 2017, the Company's Board of Directors comprised 14 directors, as follows:

| | | | |
|-----|----------------|--------------|---|
| 1. | Mr. Somchai | Boonnamsiri | Independent Director / Chairman of the Board ⁽⁶⁾ |
| 2. | Mr. Prachum | Maleenont | Director / Vice-Chairman of the Board ⁽⁶⁾ |
| 3. | Mr. Somprasong | Boonyachai | Director ⁽⁵⁾ |
| 4. | Miss Ratana | Maleenont | Director |
| 5. | Miss Amphorn | Maleenont | Director |
| 6. | Mrs. Ratchanee | Nipatakusol | Director |
| 7. | Miss Nipa | Maleenont | Non-Executive Director |
| 8. | Mr. Chansak | Fuangfu | Independent Director |
| 9. | Mr. Arun | Ngamdee | Independent Director/ Audit Director |
| 10. | Mr. Prathan | Rangsimaporn | Independent Director/ Audit Director |
| 11. | Mr. Manit | Boonprakob | Independent Director/ Audit Director |
| 12. | Mr. Matthew | Kichodhan | Non-Executive Director |
| 13. | Mr. Voravat | Maleenont | Non-Executive Director ⁽⁴⁾ |
| 14. | Mr. Tospol | Maleenont | Non-Executive Director ⁽⁴⁾ |

Mr. Chatchai Thiamtong is Board of Director's Secretary.

CV showing experiences of the directors and the executive officers are displayed in page 140-147

Remark : The amendment of directors detail during 2016 and March 21, 2017, is as follows:

- (1) Mr. Vichai Maleenont, the Chairman, resigned from the director position, with effect from August 15, 2016;
- (2) Mr. Prasarn Maleenont, retired from the director position since he passed away on October 16, 2016;
- (3) Mr. Pravitt Maleenont, resigned from the director position, with effect from November 9, 2016;
- (4) The Board of Director No. 5/2559, appointed Miss Tracy Ann Maleenont, Mr. Voravat Maleenont and Mr. Tospol Maleenont as the director in the vacant position, with effect from November 10, 2016;
- (5) The Board of Director No. 1/2560 acknowledged the resignation from the director position of Miss Tracy Ann Maleenont and appointed Mr. Somprasong Boonyachai as the director in the vacant position. In addition, the Board of Director appointed Mr. Somprasong Boonyachai as the executive director, with effect from January 18, 2017;
- (6) The Board of Director No. 2/2560 appointed Mr. Somchai Boonnamsiri as Chairman and appointed Mr. Prachum Maleenont as Vice Chairman, with effect from February 23, 2017;

Authorized Directors

Authorized directors are, Miss. Ratana Maleenont, Mr. Prachum Maleenont, Miss. Amphorn Maleenont, Miss. Nipa Maleenont and Mrs. Ratchanee Nipatakusol, in which any two directors to jointly sign with the Company seal.

Scope of Authority of the Board of Directors

The Board of Directors is the highest body of the Company which shall determine vision, direction, policy and make decision for the best interest of the Company and shareholders on a long term basis, as well as giving advice and considering the operation of the Executive Committee who has responsibilities to administrate and control the management to be in accordance with laws, Company's objectives and regulations as well as the Board of Shareholder's decisions. The Board of Directors may delegate one or more directors or other persons to perform any act(s) on behalf of the Board of Directors.

Measures to prevent Conflict of Interest

The Board of Directors has set measures to prevent conflict of interest by requiring Directors and Executive Committee to inform to the Company Secretary if the director or his/her close relative(s) and person(s) related to the directors has any interest in the transaction to be entered into with the management agreement, the Company, or the Company's subsidiaries. The Company Secretary will compile as well as reporting information to Audit Directors and consideration of permission for any transactions following procedures, including completely disclosing any transactions regarding to regulations.

Performance of The Board of Directors

In 2016, the Board of Directors convened 5 meetings.

| | Name-Family Name | Number of attendance time | Number of meetings |
|----|---|---------------------------|--------------------|
| 1 | Mr. Vichai Maleenont ⁽¹⁾ | 1 | 3 |
| 2 | Mr. Prasarn Maleenont ⁽²⁾ | 2 | 4 |
| 3 | Mr. Pravitt Maleenont ⁽³⁾ | 3 | 4 |
| 4 | Mr. Somchai Boonnamsiri | 5 | 5 |
| 5 | Mr. Prachum Maleenont | 4 | 5 |
| 6 | Miss Ratana Maleenont | 5 | 5 |
| 7 | Miss Amphorn Maleenont | 5 | 5 |
| 8 | Mrs. Ratchanee Nipatakusol | 5 | 5 |
| 9 | Miss Nipa Maleenont | 5 | 5 |
| 10 | Mr. Chansak Fuangfu | 4 | 5 |
| 11 | Mr. Arun Ngamdee | 4 | 5 |
| 12 | Mr. Prathan Rangsimaporn | 5 | 5 |
| 13 | Mr. Manitt Boonprakob | 5 | 5 |
| 14 | Mr. Matthew Kichodhan | 4 | 5 |
| 15 | Miss Tracy Ann Maleenont ^{(4) (5)} | 1 | 1 |
| 16 | Mr. Voravat Maleenont ⁽⁴⁾ | 1 | 1 |
| 17 | Mr. Tospol Maleenont ⁽⁴⁾ | 1 | 1 |

Remark : During the year of 2016, there is an amendment of directors and their performance as follows:

- (1) Mr. Vichai Maleenont, the Chairman, resigned from the director position, with effect from August 15, 2016;
- (2) Mr. Prasarn Maleenont passed away on October 16, 2016;
- (3) Mr. Pravitt Maleenont, resigned from the director position, with effect from November 9, 2016;
- (4) The Board of Director No. 5/2559, in which the meeting held on November 10, 2016, appointed Miss Tracy Ann Maleenont, Mr. Voravat Maleenont and Mr. Tospol Maleenont as the director in the vacant position, with effect from November 10, 2016;
- (5) The Board of Director No. 1/2560 acknowledged the resignation from the director position of Miss Tracy Ann Maleenont with effect from January 5, 2017.

Executive Officers

Executive Board

During the year 2016, executives comprised the follow:

- | | | | |
|----|----------------|--------------------------|--|
| 1. | Mr. Prasan | Maleenont ⁽¹⁾ | Chief Executive Officer (CEO) |
| 2. | Mr. Prachum | Maleenont | Senior Vice President, New Media Business Division |
| 3. | Miss Ratana | Maleenont | Senior Vice President, Finance and Accounting Division |
| 4. | Miss Amphorn | Maleenont | Senior Vice President, Production Division |
| 5. | Mrs. Ratchanee | Nipatkusol | Senior Vice President, Marketing and Sale Division |
| 6. | Mr. Pravit | Maleenont ⁽²⁾ | Senior Vice President, Television Business Division |
- Mr. Chatchai Thiamtong Vice President, Finance and Secretary of Executive Board

The amendment of Executive Board during 2016 is as follows:

- (1) Mr. Prasarn Maleenont passed away on October 16, 2016;
- (2) Mr. Pravit Maleenont, resigned from the director position, with effect from November 9, 2016;

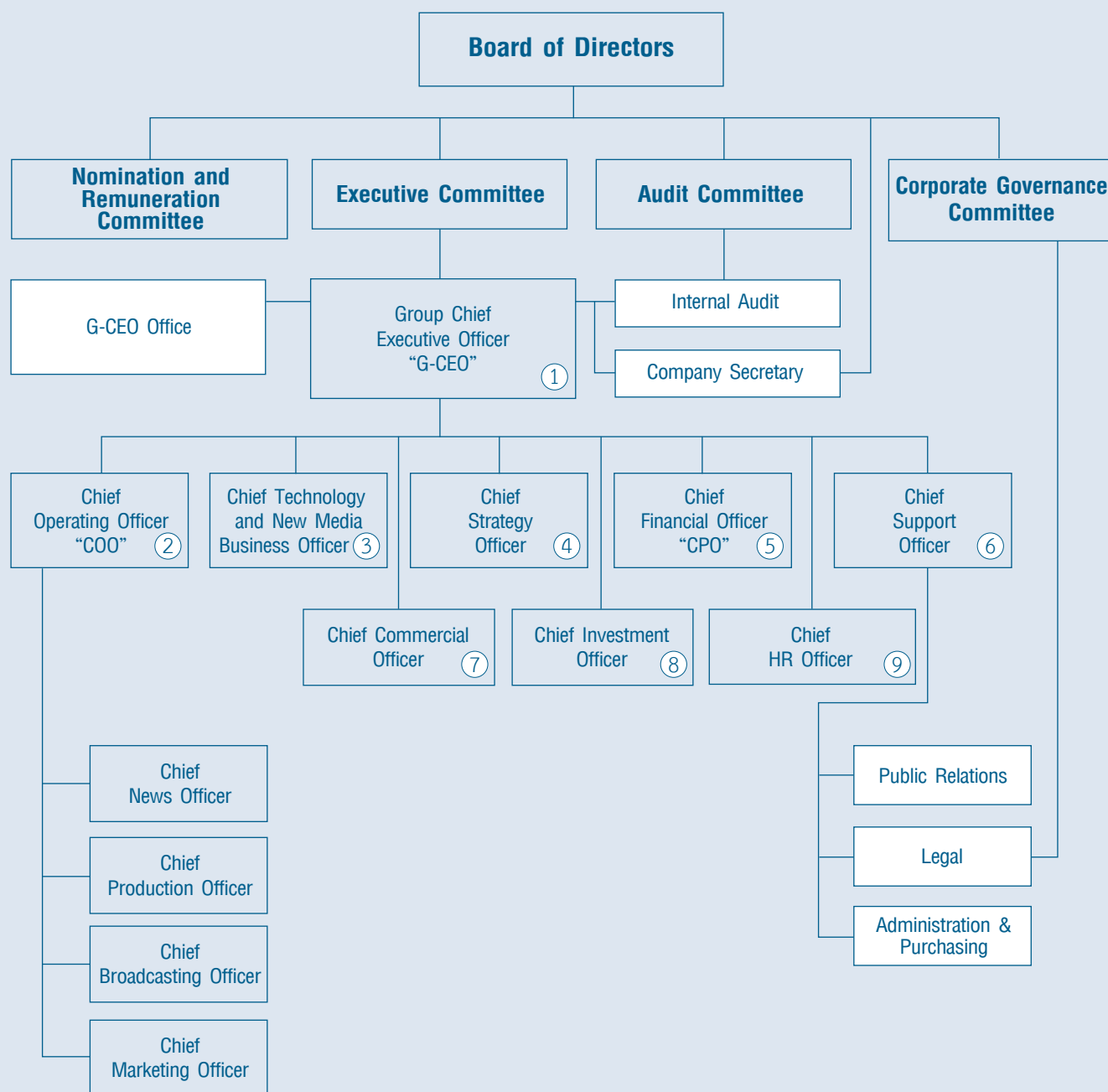
The amendment of Executive Officers during 2017 is as follows:

The Board of Director's Meeting of BEC World Plc. in the Meeting No. 5/2560, held on the 21st of March 2017, passed resolutions regarding the adjustment of internal management structure. The Executive Board proposed their opinion to the Board of Directors to consider the adjustment of internal management structure in order to strengthen the television business which is the core business and to create new job position to support the business expansion to generate new income. In addition, the Nomination and Remuneration Committee proposed the name of senior candidates to take the position in accordance with the revised structure. Therefore, the Director Board passed the resolution to revise the internal management structure as proposed by the Executive Board. These appointments are effective from the 21st of March 2017, onwards. Furthermore, the meeting approve the appointment of senior executives, as follows:

- 1. Appointing Mr. Prachum Maleenont – Vice Chairman and Executive Director, as Group Chief Executive Officer (“G-CEO”),
- 2. Appointing Ms. Amphorn Maleenont – Director and Executive Director, as Chief Operating Officer. (“COO”)
- 3. Certifying and specifying new position name for Miss Ratana Maleenont - Director and and Executive Director, as Chief Financial Officer (“CFO”)

Management Structure BEC World Plc.

as of 21 March 2017



Remark : ① - ⑨ means "Executives" as specified in the Notification of the Securities and Exchange Commission

Compensation of Directors and Management in 2016

(1) Monetary Compensation for the Directors and Management

At the end of 2016, the Company had 14 directors and had 5 executive officers, 4 of them were also the Company's directors. The Company's directors and management received monetary compensation in 2016 as follows:

- (a) Compensation to directors: Baht 19,770,000.-
(The company has only specified Compensation to directors in monetary, i.e., meeting allowance and remuneration. Other extra compensations are not designated.)
- (b) Aggregate amount of compensation to all executive officers Baht: 26,995,883.-
(i.e., salary, vehicle and living allowance, bonus, and contribution to provident fund).

Table showing compensation to directors in 2016

In 2016, the Board of Directors convened 5 meetings, the Audit Committee convened 7 meetings and the Nominating Committee convened 2 meetings. The meeting details and the amount of compensation can be summarized as follows:

| | Name-Family name | | Meeting Allowance | Remuneration | Total |
|----|------------------|-------------------|-------------------|--------------|-----------|
| 1 | Mr. Vichai | Maleenont (1) | 30,000 | 653,000 | 683,000 |
| 2 | Mr. Prasan | Maleenont (2) | 40,000 | 591,000 | 631,000 |
| 3 | Mr. Pravit | Maleenont (3) | 60,000 | 677,000 | 757,000 |
| 4 | Mr. Somchai | Boonnamsiri | 100,000 | 1,100,000 | 1,200,000 |
| 5 | Mr. Prachum | Maleenont | 120,000 | 1,250,000 | 1,370,000 |
| 6 | Miss Ratana | Maleenont | 140,000 | 2,390,000 | 2,530,000 |
| 7 | Miss Amphorn | Maleenont | 100,000 | 1,250,000 | 1,350,000 |
| 8 | Mrs. Ratchanee | Nipatakusol | 140,000 | 1,250,000 | 1,390,000 |
| 9 | Miss Nipa | Maleenont | 100,000 | 1,250,000 | 1,350,000 |
| 10 | Mr. Chansak | Fuangfu | 80,000 | 1,100,000 | 1,180,000 |
| 11 | Mr. Arun | Ngamdee | 220,000 | 1,250,000 | 1,470,000 |
| 12 | Mr. Prathan | Rangsimaporn | 220,000 | 1,135,000 | 1,355,000 |
| 13 | Mr. Manit | Boonprakob | 240,000 | 1,135,000 | 1,375,000 |
| 14 | Mr. Matthew | Kichodhan | 80,000 | 1,250,000 | 1,350,000 |
| 15 | Miss Tracy Ann | Maleenont (4) (5) | 20,000 | 573,000 | 593,000 |
| 16 | Mr. Voravat | Maleenont (4) | 20,000 | 573,000 | 593,000 |
| 17 | Mr. Tospol | Maleenont (4) | 20,000 | 573,000 | 593,000 |

Remark : The amendment of directors' detail in 2016 is as follows:

- (1) Mr. Vichai Maleenont resigned from director position with effect from August 15, 2016;
- (2) Mr. Prasan Maleenont passed away on October 16, 2016;
- (3) Mr. Pravit Maleenont resigned from director position with effect from November 9, 2016;
- (4) The Board of Directors No. 5/2559 passed the resolution for appointing Miss Tracy Ann Maleenont Mr. Voravat Maleenont and Mr. Tospol Maleenont to be directors of the Company in the vacant positions, with effect from November 10, 2016, onwards;
- (5) The Board of Directors No. 1/2560 acknowledged the resignation from the director position of Miss. Tracy Ann Maleenont, with effect from January 5, 2016. In addition, the meeting passed the resolution to appoint Mr. Somprasong Boonyachai to be director of the Company in the vacant position. Furthermore, the meeting appointed Mr. Somprasong Boonyachai as the Executive Director, with effect from January 18, 2016 onwards.

(2) Other compensations which are not monetary

- None -

The Company Secretary

Appointment and specified responsibilities of Company Secretary: On 7 August, 2008, The Board of Directors meeting No. 4/2551 has appointed Mrs.Chalaiporn Ittithavorn to be the Company Secretary, commencing from 7 August, 2008, having minimum responsibility as required by laws, i.e., meeting arrangement, preparation and keeping of minutes for both the Board of Directors and shareholders meeting, including, report regarding director and management's interest. In case there is any pending issue in the meeting, the Company Secretary shall co-operate with various divisions to inform the Board of Directors or sub-committee meeting resolution to the relevant divisions for their acknowledgement, as well as to follow up the compliance thereof. Apart from minimum requirement prescribed by laws, the Board of Directors has assigned the Company Secretary to follow up and inform rules and regulations prescribed by SEC and SET and all relevant laws concerning business operation of the Company. In addition, the Company Secretary shall be responsible for activities of the Board of Directors, and all sub-committees collecting and proposing any training program for the Board of Directors and coordinating to process and facilitate the seminar registration for the Board of Directors including assigning to supervise IR Unit's works with the responsibilities to handle all activities of shareholders/investors and to provide information to analysts and investors. The Board of Directors has arranged for adequate number of officers at the Company Secretarial Office for assisting the performance of the Company Secretary. Company Secretary Information is displayed in page 149

Personnel

The Company believes in the importance of appropriate manpower allocation taking the size of the Company into account and preparation for the future plan. On 31 December 2016, the BEC World group has total of 2,552 employees divided by the course of work as follows:

| | | |
|---|--------------|----------------|
| - Television broadcasting and media | 1,657 | persons |
| - Sourcing and producing documentaries, entertainment programme | 140 | persons |
| - Radio broadcasting | 115 | persons |
| - Production of Shows, Music, and Campaign Activities | 530 | persons |
| - Chain and Supporting Businesses | 110 | persons |
| Total | <u>2,552</u> | <u>persons</u> |

Employee remuneration: Suitable remuneration is the essential factor in promoting personnel's courage and morale as well as building up their loyalty to the organization in a long term basis. The Company considers paying the total remuneration to the employees for the year 2016 in an amount of 1,621.1 Million Baht, which such amount already included the remuneration of the Company's employees in the amount of 110.7 Million Baht, consisting of salary, over time expenses, allowance, bonus, contribution to the provident fund, medical allowance and other welfares. The details of such remuneration is shown in the social responsibility report, under the subject sincerely "support" the services to improve the knowledge and ability pursuant to their mission, as well as to create love and good relationship in the organization during employment period.

Throughout 2016, the Company and its subsidiaries has expenses on officer training seminars in an amount of Baht 6.7 Million Baht.

Corporate Governance

1. Corporate Governance Policy

The Board of Directors has paid attention to Good Corporate Governance policy by implementing the CG policy to the business operation. The Board of Directors is of the view that Good Corporate Governance will improve effective and efficiency of the Company business operation, promoting the stability and lasting growth, increasing the investment value of the shareholder in the long term and strengthen faith and trust in the organization for the entire employee, shareholder, investor and interested person. The Board of Directors has implemented the following Good Corporate Governance suggested by SET;

1. The Company shall operate the business with transparency, which can be examined and shall disclose sufficient information to all related parties correctly, not misleading in material information. The Company shall not conceal any information which should be notified. The information to be disclosed/notified must be up to date and communicated within due time and thoroughly.
2. The Company has regulated the policy, which is direction of the important Company operation in advance every year. The Board of Directors shall paid attention to the internal control and assessment system to supervise the executive operation to be efficient and in accordance with the policy. The Company shall always concern about business risk by providing adequate risk control and management.
3. The Company shall honor rights and treatment to shareholder and all groups of interested party with honesty, equality and fairness.
4. All directors shall perform their duty with honest and shall not take any advantage from information or opportunities of the Company for themselves or the third party. In addition, the Board of Directors shall control and prevent any conflicts with respect to the Company's interest.
5. The Board of Directors shall control and manage business operation to be in accordance with the Company's objective and shareholder's resolution with prudence under the Company's Article of Association, law and business ethics. All business decision shall be made under reliable and adequate information. The Board of Directors shall conduct their duty with their best endeavor, efficiency and responsibility.

The Board of Directors shall always review the Corporate Governance policy and guidance to the policy to update such policy to be up-to-date and to prepare the better implementation of the said policy of the organization.

2. Subcommittee

2.1 Director Structure

The Board of Directors has established sub-committees to assist for management or scrutiny of some certain matters. These sub-committees are, Executive Committee, Audit Committee, Corporate Governance Committee and Nominating and Remuneration Committee. The Board of Directors is the highest body of the Company which shall determine vision, direction and policy of the Company and make decision for the best interest of the Company and shareholders on a long term basis, as well as giving advice.

In conducting the management, the Board of Directors has assigned the Executive Committee, comprising 5 directors, each of them has duty to supervise and control routine works of each business line, depending on expertise, interest, capability, and suitability of each person. Chairman of the Executive Committee shall be the person who is responsible for supervision and control of the management. The Executive Committee shall comply with direction/policy and principles of good corporate governance from the Board of Directors form and impose business plan. The Group Chief Executive Officer "G-CEO" shall manage and control all performance of the executive officers.

The Audit Committee has duty to audit the management's performance. It has major role in auditing the financial report to ensure the accuracy of financial statements as required by the generally accepted accounting standard. The accounting policy has been properly selected and strictly complied, which includes the audit conducted to ensure sufficient disclosure of material information, information relating to connected transaction or transactions which may have conflict of interest.

The Corporate Governance Committee shall support the Director's operation by stipulating corporate governance policy and practice guideline, which is in accordance with the international standard corporate governance policy. The Company should comply with this corporate governance policy in order to encourage the concrete operation as well as promoting the Company to grow sustainably with the moral, transparent and accountable operation. This will encourage the reliability to the shareholders, investors, the interested person and any related person.

The Nomination and Remuneration Committee shall promote the director's operation by specifying the specification of candidate who is proper qualification for being director / highest executive. This committee shall also specify the rule and procedure for recruiting the person in various profession who has the proper qualification and having no the prohibited specification under the law, to be proposed for the director appointment to the Board of Directors meeting and the Shareholders meeting, respectively. In the event that the director retires before his/her term, the Nomination and Remuneration Committee shall propose the candidate to the Board of Directors meeting, so that the Board of Directors shall consist of the knowledge, capability and various professional person in order to support the operation of the Company group.

Executive Committee

As at 21 March 2017, the Company's Executive Committee comprised 5 executive directors as follows:

- | | | |
|-------------------|------------|---|
| 1. Mr. Prachum | Maleenont | Executive Director, New Media Business Division |
| 2. Miss Ratana | Maleenont | Executive Director, Finance and Accounting Division |
| 3. Miss Amphorn | Maleenont | Executive Director, Production Division |
| 4. Mrs. Ratchanee | Nipatkusol | Executive Director |
| 5. Mr. Somprasong | Boonyachai | Executive Director |

Remark : The amendment of Executive Committee's detail in 2016 is as follows:

- (1) Mr. Vichai Maleenont - the Chairman, resigned from director position with effect from August 15, 2016;
- (2) Mr. Prasan Maleenont - the Vice Chairman, passed away on October 16, 2016;
- (3) Mr. Pravit Maleenont - the Executive, the Television Business division, resigned from director position with effect from November 9, 2016;
- (4) The Board of Directors meeting passed the resolution to appoint Mr. Somprasong Boonyachai to be director of the Company in the vacant position. Furthermore, the meeting appointed Mr. Somprasong Boonyachai as the Executive Director, with effect from January 18, 2016 onwards.

Scope of Authority of the Executive Committee and the Executive Officers

The Board of Directors has appointed the Executive Committee to be a working group responsible for routine management of the Company. Currently, the Company's Executive Committee comprised 5 directors, each of them has duty to supervise and control routine works of each business unit, depending on expertise, interest, capability, and suitability of each person. They also hold positions of directors in subsidiaries. Chairman of the Executive Committee shall be the person who is responsible for supervision and control of the Executive Committee. The Executive Committee shall obtain direction/policy and principles of good corporate governance from the Board of Directors to determine the operation plan with the Group Chief Operating Officer responsible for supervision and control of the executive officers' management and performance. The Board of Directors has delegated authority to the Executive Committee to perform the duty on behalf of the Board of Directors. However, for certain matters which are new or relate to more line of commands, the Executive Committee may refer the matter to the Board of Directors for approval on a case by case basis, such as, in case of joint investment with others for new business.

Performance of Duty of the Executive Committee and the Executive Officers

The Executive Committee and the executive officers normally convene the meeting once a month.

Audit Committee

The Board of Directors has appointed the Audit Committee pursuant to the regulation of SEC and SET, consisting of 3 independent directors. In addition, the Board of Directors has established the Internal Audit Office as another division in the Company and prescribed its Charter for supporting its performance. The Internal Audit Office shall directly report its performance to the Audit Committee.

The Board of Directors has approved roles, duties, responsibilities and Charter of the Audit Committee in writing; The Audit Committee has consistently reported their performance result to the Board of Directors at every meeting. Further, the report of past year performance is also shown on the Annual Report page 4-5.

As at 31 December 2016, the Audit Committee comprised 3 directors as follows:

1. Mr. Arun Ngamdee Chairman of the Audit Committee
 2. Mr. Prathan Rangsimaporn Audit Committee
 3. Mr. Manit Boonprakob Audit Committee
- Mr. Chatchai Thiamtong, secretary of the Audit Committee

(2) The Audit Committee who has knowledge and understanding in accounting and finance and has experience in auditing the Company financial statement is Mr. Manit Boonprakob, a certified public accountant, registration no. 2929. Currently, Mr. Manit Boonprakob is the Committee on Professional Ethics of Accounting Profession under the royal patronage of His Majesty the King. The details is as shown in the detail of director in page 146

Scope of Authority of the Audit Committee

The Company's Audit Committee has scope of authority and responsibility toward the Board of Directors as follows:

1. To verify and ensure the accuracy and sufficiency of the Company's financial reports;
2. To verify and ensure the efficiency and suitability of the Company's internal control and internal audit system, consider the independency of the internal audit office, approve the appointment, transfer or terminate employment of the head of internal audit office or other related divisions responsible for internal control;
3. To verify and ensure the Company's compliance with laws regarding Securities and Exchange Control, rules and regulations of the Stock Exchange and laws relating to the Company's businesses;
4. To consider, select, nominate for appointment of independent person to be the Company's auditor, propose compensation for the Company's auditor and propose the termination of the auditor including to attend the meeting with the auditor without the management's attendance at least once a year;
5. To consider connected transaction or transaction which may be subject to conflict of interest to comply with the laws and regulations of the SET in order to ensure that such transaction is reasonable and done for the best interest of the Company;
6. To prepare the Audit Committee's report for disclosure in the Company's annual report.
7. To perform any other duties as assigned by the Board of Directors and as agreed by the Audit Committee.

Performance of Duty of the Audit Committee

In 2016, the Committee convened 7 meetings, having details as follows.

| | Name-Family Name | Number of attendance time | Number of meetings |
|----|--------------------------|---------------------------|--------------------|
| 1. | Mr. Arun Ngamdee | 7 | 7 |
| 2. | Mr. Prathan Rangsimaporn | 6 | 7 |
| 3. | Mr. Manit Boonprakob | 7 | 7 |

The Nominating Committee

The Board of Directors has appointed the Nominating Committee, consisting of 3 directors, to assist the Board of Directors in looking for qualified director and management of the Company by setting minimum criteria and qualifications for qualified candidate to be a management and director of the Company in accordance with the prescribed official and transparent rules and methods. Apart from considering professional directors, the Nominating Committee also looks for candidate from various professionals in order to make the Board of Directors comprising of qualified directors who can support the BEW World group's business. The Nominating Committee is entitled to perform their duties independently to propose candidates for directorship to the shareholder meeting for further approval. In case director completes his directorship term, the Company, by the Nominating Committee, shall select the qualified candidate to be proposed to the shareholders meeting for consideration.

During 2016, the Nominating Committee comprised 3 directors as follows:

- | | | |
|-------------------|-------------|--------------------------------------|
| 1. Miss Ratana | Maleenont | Chairman of the Nominating Committee |
| 2. Mr. Prachum | Maleenont | Nominating Committee |
| 3. Mrs. Ratchanee | Nipatakusol | Nominating Committee |

Scope of Authority of the Nominating Committee

The Nominating Committee has scope of authority and responsibility toward the Board of Directors as follows:

1. To determine procedures and criteria to nominate directors of the Company, including top management of the Company for transparency purpose;
2. To select persons qualified for nomination as new director or top management;
3. To provide opinion to the Board of Directors and to report the result of performance to the Board of Directors regularly.

Performance of Duty of the Nominating Committee

In 2016, the Nominating Committee convened 2 meetings, having detail as follow.

| | Name-Family Name | Number of attendance time | Number of meetings |
|---|----------------------------|---------------------------|--------------------|
| 1 | Miss Ratana Maleenont | 2 | 2 |
| 2 | Mr. Prachum Maleenont | 2 | 2 |
| 3 | Mrs. Ratchanee Nipatakusol | 2 | 2 |

The amendment of the Nominating Committee in 2016

In the Board of Directors No. 4/2560, held on 10 March 2017, the Board acknowledged the resignation from the Nominating Committee position of Mr. Prachum Maleenont and Mrs. Ratchanee Nipatakusol. Subsequently, the Board passed the resolution to revise the structure of Nominating Committee as well as adding the responsibility and changing the name to be Nomination and Remuneration Committee. The Nomination and Remuneration Committee, as of 21 March 2017, comprised two independent directors and one executive director, totally, three directors, as follows:

- | | | |
|----------------|--------------|---|
| 1. Mr. Prathan | Rangsimaporn | Chairman of Nomination and Remuneration Committee |
| 2. Mr. Manit | Boonprakob | Nomination and Remuneration Committee |
| 3. Miss Ratana | Maleenont | Nomination and Remuneration Committee |

Mr. Chatchai Thiamtong, Secretary of the Nomination and Remuneration Committee

In this regard, the Nomination and Remuneration Committee will consider a charter and propose such charter to the Board of Directors for consideration and approval in due course.

Corporate Governance Committee

The Board of Directors of BEC World Plc. supports the operation of the company group to be conformed the good corporate governance and business ethic. The Board of Directors No. 4/2560, held on 10 March 2017, passed the resolution to appoint the Corporate Governance Committee in order to support the operation of the Board of Directors, by stipulating the policy in relation to the good corporate governance and general practice to be in accordance with the international good corporate governance which the Company should conform thereto. This will encourage the concrete operation in the Company according to good corporate governance, as well as promoting the Company to grow sustainably arising from the operation with moral, transparent and accountability. This also creates the reliability to the shareholders, investors, interested person and all related person.

Corporate Governance Committee, consisting of the following persons:

- | | | |
|-------------------|-------------|--|
| 1. Mr. Somprasong | Boonyachai | Chairman of Corporate Governance Committee |
| 2. Mrs. Ratchanee | Nipatakusol | Corporate Governance Committee |
| 3. Mr. Chansak | Fuangfu | Corporate Governance Committee |
| 4. Mr. Voravat | Maleenont | Corporate Governance Committee |
| 5. Mr. Tospol | Maleenont | Corporate Governance Committee |
| 6. Mr. Chadej | Tangcharoen | Corporate Governance Committee and Secretary |

Mrs. Chalaiporn Ittithavorn is the Assistant Secretary of Corporate Governance Committee

The Corporate Governance Committee will consider a charter and propose such charter to the Board of Directors for consideration and approval in due course.

3. Nomination and Appointing of Directors and Executive Officers

3.1 Independent Director

To nominate any Independent Director and submit such candidate the personnel for the Annual General Meeting to appoint as the Company Independent Director, apart from the criteria regarding education, training and work experience qualification, the Board of Directors also considers such candidate shall have no qualification and background contrary to definition of “Independent Director” imposed by law.

Independent Director means a director who is independent in giving opinion. The Board of Directors reviewed qualifications of the independent director as follows:

- 1) Director who may hold shares in the Company not more than 0.5% of the total shares entitled to cast vote.
- 2) Director who does not have management duty in the Company or subsidiary.
- 3) Director who is independent from the management and the controlling shareholders.
- 4) Director who shall not be close relative or the person who has received or had interest jointly with the management, the major shareholders or the controlling shareholders.
- 5) Director who does not have business relationship significantly with the Company which can influence opinion to be given independently.
- 6) Director who is not the employee or staff who has received salary regularly during two years before assuming the position.

During the previous the fiscal year, no Independent director has material business relationship with the Company or provide any professional service to the Company.

3.2 Nomination and Appointing of Directors and Executive Officers

Since 21 March 2017, the selection for the nominating of the Company Director and Executive Officers is considered by the Nomination and Remuneration Committee without the condition of being any shareholder representative. The shareholder is free to nominate any person who has proper qualification by sending the name, education and work background to the Company via the Company website before the Board of Directors meeting for calling annual general shareholder meeting each year. For the Company Director Election, as the Article of Association of the Company specified that the voting right shall be 1 share per 1 vote without any right for cumulative voting; therefore, the shareholder is unable to divide their voting right during the election to make any candidate have more or less vote than other candidate.

4 Corporate governance of subsidiary company and associated company

(1) Corporate governance of subsidiary company and associated company

The Company's investment policy in order to expand the Company's business is to expand into 2 ways, which are 1.) by BEC World Plc.'s direct investment or 2.) through BEC-TERO Entertainment Plc., the subsidiary company, in which the Company holds 60% of shares. Such expansion include both the establishment of the new business entities and the new companies. The said new companies are more likely to be the subsidiary companies than associated companies. However, in some expansion cases, which we enter into partnership with third parties, BEC World and BEC-TERO tend to establish the joint-venture company. The investment policy for such joint-venture company is that BEC World or BEC-TERO will be the major shareholder of the said joint-venture company, provided that it will hold more than 50% of shares in order to be able to control the management direction and also the vote

in the shareholder meeting. As for the subsidiary companies and associated companies' corporate governance, the Company will nominate its executive directors to be the directors and executive directors of the said companies as pursuant to the investment proportion. In this regard, the Company's executive directors are able to effectively monitor the joint-venture company's operation and also control its policy making in the significant business.

The control of investment expansion in form of subsidiary company's establishment allows the Company's Board of Directors and Executive Committee to be able to closely monitor overall operation. This is because the Company has to conduct financial report within the end of every month, together with every company in the Company's group in the same accounting system. This will increase the capability to conduct financial report rapidly in the same standard. Regarding the transaction with the related person, acquisition or disposal of asset transaction or other significant transactions, the Company strives to fully conform to procedure, rules and regulations of government authorities. The Work System Compliance and Development Division, Internal Audit Office will study and monitor rules and regulations of Capital Market Supervisory Board, the Securities and Exchange Commission and Stock Exchange of Thailand, including other regulatory authorities (if any). It will, then, prepare work manual, acknowledge the relevant division and ensure its conformity thereto, including provide suggestion and recommendation in order to comply with such regulations.

As for the management of subsidiary companies, Internal Audit Division, Internal Audit Office, has assessed the system, analyzed, evaluated and provided suggestion and information regarding the said assessment. This is to enhance the efficiency of the subsidiary company's operation, together with having the appropriate and concisely adequate internal control system and risk management. When the Internal Audit Office has found any issues which may cause any potential problem, it will, then, inform the executive of the subsidiary companies, and provide the suggestion to resolve it. In case the subsidiary companies are obliged to determine any significant transactions, for instance, capital increase or decrease, merger and acquisition, dissolution, such subsidiary companies have to have consent of executive directors or the Board of Directors of the Company. This depends on the size of such transaction whether it is a significant transaction or not.

(2) The Company has no shareholders' agreement

5. Prevention on Exploitation of Internal Data

The Company has realized significance of prevention of insider trading by Director, Management (as defined as "Management") and employee, whether for personnel gain or for trading the Company security, including taking caution for the disclosing of such information to any irrelevant party prior to the appropriate time, since such disclosure could cause unfairness to the shareholder and investor. Therefore, the Company has regulated the course of action for the Director, Management and employee who has accessed to the internal data that they should strictly forfeit from trading the Company's security for two weeks prior to and after the Company's general information disclosure, whether it is the Company's operation result or significant development or any information that would affect the Company's share price. The Secretary of the Board of Directors has previously made the memorandum requesting the cooperation to the Director and Management (as defined as "Management") from time to time to emphasize the Director and Management's obligation under the law for reporting any change of security holding to the Board of Directors' meeting. In 2016, every director and executive gives full cooperation to comply with the Company's policy.

In addition, with respect to Clause 1.4 of employee's ethics to the customers in employee manual, it specifies that the employee shall keep the customer's confidential and shall not seek any benefit from such information. In addition, Clause 3.5 of the said employee's ethic also specifies that the employee shall not ask for or receive any benefit from the customer in return for the work in his/her position.

6. Auditor Compensation

(1) Audit Fee

In 2016, the Company and its subsidiaries paid the auditing fees to Dr. Virach and Associates Co., Ltd. in the amount of 7,500,000 Baht (Seven Million Five Hundred Thousand Baht), in accordance with the amount approved in AGM 2016.

(2) Non - Audit Fee

- none -

7. Good Corporate Governance Practice

Corporate Governance (CG) Compliance Report BEC World PLC 2016

Section 1 Shareholder Rights and Section 2 Equal Treatment to all Shareholders:

Shareholder Rights Protection

1. The Board of Directors has prescribed CG policy regarding shareholder rights and equal treatment to all shareholders as follows:
 - The Company shall honor rights and treatment to shareholder and all groups of interested party with honesty, equality and fairness.
 - The Company shall operate the business with transparency, which can be examined and shall disclose sufficient information to all related parties correctly, not misleading in material information. The Company shall not conceal any information which should be notified. The information to be disclosed/notified must be up to date and communicated within due time and thoroughly.

Practically, the Board of Directors encourages the shareholder to exercise their rights by voting in the shareholder's meeting, whether for the appointing or dismissing the director, the director's compensation, the auditor appointing and compensation or the dividend payment. The shareholder is entitled to inquire the operation result, including inquiring about any development that might affect the Company. Previously, the number of local institutions investors and foreign investors who exercise their vote during the shareholder meeting is increasing gradually. In addition, many of the local institutions investors and foreign investors are frequently visiting the Management to inquire the investment and development policy of the Company. Furthermore, the Company also held the analyst meeting every quarter, on the day after the filing of financial statement to SET, to clarify the additional information regarding the information disclosed in the financial statement, including information regarding business tendency to support the decision of shareholder and investor

2. The internal department responsible for facilitating all shareholders: The Board of Directors has assigned the Investor Relation unit ("IR") to assist and facilitate shareholders including to disclosing and providing information to shareholders. Shareholders and Investors can reach such information via the Company's website "www.becworld.com" or if the shareholders would like to contact the company via IR and the company secretary, they can contact the Company via e-mail address: ir@becworld.com. In addition, the shareholders can contact the Company via post or present themselves at the Company's office, located at 30th Fl., Maleenont Tower, No.3199, Rama IV Road, Klongton Sub-District, Klongtoey District, Bangkok 10110, Tel: 02 262 3635, Fax: 02 262 3170.
3. The disclosure of information and the contact: The disclosure of information shall be made thoroughly, equally and update, such information must provide sufficient, correct and complete information beneficial for their investment and decisions. After submitting information via the Stock Exchange of Thailand's electronic system, the Company shall also disclose the information on its website, www.becworld.com. The information has been prepared in 2 versions i.e. Thai and English version for foreign shareholders. Channel for obtaining information of the Company: Besides those information provided in website of the Stock Exchange of Thailand ("SET"), www.set.or.th, the shareholders and investors can also follow up such information via the company's website; namely www.becworld.com.
4. The Company always gives priority to equal treatment to all shareholders, whether institutions investors or minority shareholder, both Thai and Foreign nationality, without discrimination. In addition, the Company has a policy to encourage all classes of shareholders to attend the meeting, exercising their voting right and giving comment in the shareholder meeting. In this regard, the Company prepared and sent invitation letters, supporting documents, and other documents explaining the required documents which the shareholders shall present prior to such meeting. There are 2 versions of documents i.e. Thai and English versions and to be sent to all shareholders in advance before the meeting date.

5. The Company has facilitated shareholders to fully exercise their rights for attending and voting in the meeting. In no cases shall the Company do anything that would restrict the right to attend the meeting and vote. To illustrate, (1) The Company chose a meeting location in which is located in the center of the city, having the convenient transportation in order to facilitate the shareholders / proxies to travel and attend the meeting. (2) The Company has sent Proxy Form B and C, to facilitate the shareholders who could not attend the meeting to be able to exercise their voting right, to all shareholders together with an invitation letter. The proxy form shall enable the shareholders to vote in each agenda, especially for director appointment, the shareholders are able to vote, individually. The shareholders are entitled to empower a third person as a proxy holder to attend the meeting or authorize independent directors whose names specified by the company as a proxy holder to vote on behalf of themselves. In this stage, the shareholders can send the filled and voted Proxy Form to the Company via post before the meeting date, which is not burden the shareholders too much. (3) As for the registration for attending the meeting, the Company has provided the computer system to assist the registration, attend the meeting and assess the voting result in each agenda. In addition, the Company also provided the voting ballot for the shareholders at the registration point for the convenient of the vote count.
6. The proposal of agenda and candidate director: Should any shareholders wish to propose the issue for shareholder meeting, including any suggestion, the name and detail of the person who they deemed to be qualified for the director position, including in case of the shareholder has the question regarding any agenda; they should propose the issue, question and the supporting information for consideration to The Board of Directors in advance before the meeting via website “www.becworld.com” or via post to the Company Secretary, located at 30th Fl., Maleenont Tower, No.3199, Rama IV Road, Klongton Sub-District, Klogtoey District, Bangkok 10110, Tel: 02 262 3635, Fax: 02 262 3170. Upon receiving any proposal from the shareholder, the Company, by the Company’s Secretary, shall propose the said matter to the Company’s Board of Directors for consideration within meeting agenda in due time prior to the Board of Directors request for annual general shareholders meeting. In case any shareholder proposes any agenda, the Company will receive and consider only agenda which would be useful to all shareholders on the condition that such request is possible for the Board to comply and it is not contrary to laws and related regulations. Under such terms and conditions, the Company will add such request as meeting agenda, accordingly, including director opinion regarding such matter. In case the Board of Directors opines that such matter, proposed by shareholder is not related with the company’s business activities or useful for the sake of the shareholder or such request has too short period to consider, the Board of Directors will assign the Company Secretary to contact such shareholder to clarify the reason for refusal of such matter to be included in the agenda, or inform name of such candidate for acknowledgement of the shareholders meeting only; However, In 2016, there has been no minority shareholders proposed any matter(s) to be included in agendas for the meetings, proposed the candidate to be voting as director, including there has no question sending prior the meeting.

Invitation Letter

7. With respect to the AGM 2016, the board of directors considered to contain the agendas as prescribed by laws, whereas, the shareholders, taking a position of Managements, did not propose any additional agendas to the Board of Directors meeting. The normal agenda for AGM are (1) to acknowledge the Board of Director report (2.) considering to approve the financial statement for the Fiscal Year as of December 31, 2016 (3.) considering replacement of directors by rotation retirement (4.) considering director remuneration for the Year 2017 [the Company makes payment only meeting allowance and compensation to its directors] (5.) considering the appointment of auditor and auditing Fee for the Year 2017 (6.) considering approving profit allocation, in which the Articles of Association protects the right of shareholders by specifying that the Company shall pay the dividend to shareholders equally as per the ratio of shares held.
8. According to the invitation letter for AGM2016, it contains the information regarding the date, time and place of the meeting and agenda of meeting. The Company has arranged for disclosure of information, supporting each agenda properly for acknowledgement and consideration, and specified the objectives and reasons, the resolution of the Board of Directors of each agenda as proposed. The Company has delivered the invitation letter and supporting documents in English for foreign shareholders. The documents delivered were as follows:

- Agenda for director election: preliminary information of each candidate (such as prefix, name, age, director category, period, educational/training background, work experience including any information which may cause a conflict of interest against the Company's business, position in other companies, dividing to listed company and non-listed company, the Company's security holding ratio, previous year performance, etc.). In 2016, there were 4 directors. The Nominating Committee opined that the Board of Director and the Shareholders should elect the aforesaid retired directors for another term. The said retired directors' qualification has been reconsidered by the Nominating Committee. The Nominating Committee considered and opined that four retired directors have qualified and have no prohibited qualification under the Public Company Act, as well as having no offence record under Securities and Exchange Act. In addition, they have the strong background in the Company business, which is the benefit for the Company. In the preceding term, they performed their obligation with responsibility, care and honesty, which is in accordance with the law, objectives and the resolution of the shareholders meeting. In addition, they could well control the Company's business. Therefore, the Nominating Committee opines that the retired directors should be re-elected as the director of the Company. In addition, three of the said retired directors are the Independent Directors, which the Company showed the definition of Independent Director for shareholders' consideration.
- Agenda for director compensation: Since there has been no sub-committee appointed by the Board of Directors to propose the remuneration of the directors to annual general meeting of shareholder, the Board of Directors has jointly considered this matter by them. To determine the compensation rate, apart from considering the method of paying the compensation, the Board of Director also considered the amount of compensation as well. As such, the Board of Director considered the rate of the compensation by comparing the compensation rate of other companies in the same industry, and other companies, having similar income and profit. In addition, the trend of the Company's operation, the direction of industry as well as other environment factors have been taken into consideration. To propose this agenda, the Board of Directors properly discussed and expressed their views for shareholders' decision. As for 2016 AGM, the Board of Directors has considered to propose the compensation rate for the directors as the same rate of 2015. The compensation rate of the directors proposed to the shareholder meeting shall be in monetary form only namely attendance fee and directors' pension and the Board of Directors had not proposed additional beneficial offers to the meeting for consideration.
- Agenda for auditor appointment and auditing fee: the Audit Committee has been appointed by the Board of Directors to consider, elect, appoint and propose the name of the auditor and auditing fee for BEC World group, as well as to propose the termination of the auditor. As for 2016, the Audit Committee has jointly considered this matter and proposed the name of the former auditor to be the auditor of BEC World group for the another year. The names of the former auditor and auditing firm and also explained reason for appointing the former auditor has been specified in the supporting documents for meeting. The Audit Committee opined that the auditor had proper qualification, knowledge and expertise in profession. In addition, the operational result of the previous year was acceptable and satisfy. The auditor was also independent, having no relationship with the Company and its subsidiaries. Furthermore, the Audit Committee considered the appropriateness of auditing fee incremental, by comparing with the quantity of increased works, the auditing fees of other listed companies in the same industry, the auditing fees of other companies, having the similar operational results. The Board of Directors has presented enough information in each agenda, providing their own opinion for shareholders' decision.
- Agenda for dividend allocation: The dividend payment policy is shown in the supporting documents for considering the agenda regarding dividend allocation, as well as, in the important financial information topic in page 1 of the Annual Report.. The Board of Directors has arranged for details of each agenda, and director's opinion sufficient, i.e. rate of dividend, information regarding interim dividend payment and total amount of all dividend payments, compared net profit and accumulative profit as specified in specific and consolidate financial statement of the Company and its subsidiaries as well as to present ratio of dividend and net profit for consideration. Such information was clear for shareholders' decisions.

- In this 2016 shareholders meeting, there was no agenda to consider and approve any material matter of the Company, i.e., increase/decrease of registered capital, amendment of articles of association, sale/dissolution/transfer/merger of the Company's business. In addition, in order to grant the right to the shareholders, equally, in the Board of Directors meeting for calling shareholders meeting, the Board of Director did not consider and specify other agenda, since it would deprive the right of shareholders who did not attend the meeting to consider such agenda.
9. The Company has presented to the shareholders the opportunity to exercises their rights in nominating the name of the person who they deemed to be qualified for the director position. The shareholders can nominate the name of such person together with his/her information for qualification consideration (i.e. criminal record, education and work experience, etc.), along with the nominated person's letter of consent allowing the Company to investigate his/her profile. The shareholders may propose the said matter to the Company's Board of Directors for consideration within meeting agenda in due time prior to the Board of Directors request for annual general shareholders meeting through the Company's Secretary or IR Unit via www.becworld.com, or at e-mail address: ir@becworld.com. Nominating Committee would consider qualifications of each candidate proposed by shareholder in accordance with selection process imposed by the Company prior to Company's Board of Directors consideration to propose such matter to the shareholders meeting thereafter. However, in the 2016 shareholders meeting, there has been no shareholder proposed any candidate to be appointed as director.
 10. The Company has informed the shareholders of the required documents for the attendant registration as shown in the attendant document attached together with an invitation letter. The attendant document show the attendant registration time, the proxy, shareholders rights and the voting procedure.
 11. The Company has encouraged shareholders, who could not attend the meeting by themselves, to appoint their proxies to exercise their right to attend the meeting and vote. The Company has sent Proxy Form B and C to all shareholders together with an invitation letter. An explanation for required documents from shareholder and/or proxy holder including an English translation thereof was also provided for foreign investors. The Company has never specified any difficult condition or obstacle to appoint such proxy. In case of any shareholder, who could not attend the meeting and wishes to appoint independent director of the Company as proxy holder, the Company has proposed Mr. Manit Boonprakob, an independent director, to exercise their voting rights.
 12. The calling for the 2016 AGM, the Company has informed information regarding the resolution of the Board of Directors to call for the 2016 AGM through SET's electronic system on 17 March 2016, by attaching draft of the invitation letter both Thai and English regarding the shareholders meeting as approved by the Board of Directors, the contents of which contained all information relating to date, time, place agendas of the meeting, objectives and reasons, supporting documents for agenda consideration and acknowledgement, as well as, resolutions of the Board of Directors, sent 41 days in advance prior to the shareholders meeting date and accordingly disseminated through the Company's website, immediately, after notifying the said details to the SET. In the last section of such information disclosure, The Company has informed that the Company will post the original invitation letters of 2016, together with relevant supporting documents, financial statement and proxy etc., having the same contents as ones sent to all shareholders in hard copy both in Thai and English on the Company's website, www.becworld.com which displayed all information for 35 days prior to the shareholder meeting's date. This helped shareholders to study relevant information of the meeting in advance before receiving the invitation letter via post mail.
 13. Delivering of invitation letter: The Company has assigned Thailand Securities Depository Co., Ltd. ("TSD"), acting as the Company's Share Registrar to deliver the invitation letter, calling for the shareholders meeting of 2016 to shareholders within 14 days in advance prior to the shareholders meeting.
 14. Publishing of invitation letter: The Company has published the invitation letters for the 2016 Annual General Shareholder Meeting in "Kaohoon (Stock News)" newspaper for 3 consecutive days, approximately 2 weeks, before the Shareholder meeting date.

The Meeting

15. To facilitate all shareholders, the Company brought computer systems to assist in registering the shareholders attending the meeting, such as printing of voting cards and barcode, specifying details of attendees and number of shares, having voting rights, in each agenda, including the voting evaluation during each agenda. The shareholder could register to attend the meeting at all times, provided that the computer system shall adjust the total votes to the registered attendant of the shareholders. The Company shall close the attendant registration before the voting of the final agenda.
16. There were 10 directors from total 14 directors, including the Chairman of Nominate Committee, CEO, CFO and all senior Vice-President in each unit attending the shareholders meeting. attended the meeting. Vice Chairman, who also represented as Chief Executive Officer of the Company, acting as the Chairman of the shareholder meeting. In addition, the Company invited auditor and legal counselor to join the meeting in order to clarify and answer all questions of the shareholders.
17. In AGM 2016, the Company secretary invited the auditor team who was not responsible for clarifying the queries, to assist the examination of the vote counting. However, since the Company Secretary, as the meeting moderator did not inform the said duty of the auditor, the Company's Secretary did not record such duty in the minutes of AGM meeting. Notwithstanding, there was one shareholder volunteering to be the witness of the vote counting.
18. The Chairman informed that the quorum, consisting of required number of attendees and shares, was duly constituted to commence the meeting and also clarified voting right procedures to all shareholders in the shareholders meeting.
19. The meeting's procedure: The Chairman conducted the meeting in each agenda as specified in the invitation letter, sent to all shareholders without any changes or addition. The Company did not add any additional agendas or change any supporting information in the meeting without notifying the shareholders in the shareholders meeting in advance.
20. With respect to voting, the Chairman informed the meeting to use voting card in each agenda for transparency, and available for further examination in case there is any argument raised by any shareholders. The Company prepared voting cards for every agenda. Regarding the director appointment agenda, the voting cards were separated to enable the attendees to vote each director. There is one type of the Company share which is the ordinary share. In addition, the Article of Association of the Company specifies regarding the share and voting right of shareholders that they shall be granted the voting right equally, by having 1 vote per 1 share. The secretary also showed the result of voting result in all agenda.
21. Agenda for director appointment, the Chairman proposed the meeting to consider director appointment to replace the former directors, under rotation retire, by proposing list of candidates to be considered by the meeting one by one to enable the shareholders to exercise their rights to vote for director election, the Company also asked for cooperation from all shareholders to submit voting slip for director appointment agenda to the Company for record.
22. The Chairman conducted the meeting orderly and properly allocated the meeting time for each agenda, enabling all attendees to freely express their views, suggestion including making any inquiry or doubt in various matters regarding meeting agenda or any matters related to the Company. The Chairman also allocated reasonable time for the executive director(s) and the management(s) in clarifying/answering all questions to all attendees. To respect all shareholders' rights, the Chairman had to control the meeting and the time spent in an effective way. For any query which was not relevant to the meeting agenda, the Chairman would answer such query after the meeting was finished. For 2015, the Chairman allocated time for answering every query during the meeting as shown in the minutes of the meeting posted on Company's website.

Preparation of Minutes of Meeting and Disclosure Meeting's Resolutions

23. In 2016 AGM, the Company Secretary was responsible for preparing all minutes of the shareholders meeting, specifying date, time and place; a quorum, divided by a number of shares, a number of shareholders and proxy; list of directors and managements who attended the meeting, by specifying clear position; voting procedure, and counting of votes; agenda and resolution of each agenda. Before the meeting of each agenda, the Company specified the details of agenda, objectives and reasons of each agenda, directors' opinion and the resolution of

meeting in each agenda. Especially the agenda required voting, the Company has specified number of votes clearly, classified as agreed, disagreed or abstained; including queries/ suggestion/ opinion from shareholders/ proxies, attending the meeting and inquiring/suggesting in such meeting together with answers from the Board of Directors, including significant clarification. All queries, clarification and suggestion would be recorded in the minutes of meeting in order that the shareholders who did not attend the meeting could acknowledge the said queries, clarification and suggestion from the shareholders

24. The Company Secretary has summarized the resolution of the meeting, including the details of each agenda (agree / disagree / absent) through SET electronic system once the meeting was completed immediately and has submitted the minutes of 2016 AGM to SET within 14 days from the shareholders meeting date and also subsequently submitted the same to the Board of Directors which was the first meeting held after the shareholders meeting date for their consideration of correctness and completeness. Then, the minutes was proposed for signing by the authorized directors of the Company for certification, and resubmitted to SET. The said minutes was also submitted to the Ministry of Commerce together with approval of 2015 financial statement in May 2016.
25. After filing the minutes with SET, the Company has uploaded the meeting minutes on the Company's website. For 2016, the Company has disclosed the meeting minutes on the Company's website within 14 days after the shareholders meeting date so that the shareholders, who did not attend the meeting, would be aware of all details of the meeting and enable the shareholders who attended the meeting to express their views before the next meeting. Until now, the Company has not been informed by shareholders that the said minutes of AGM 2016 was incomplete or incorrect.

Prevention on Exploitation of Internal Data

26. The Company has prescribed its policy to prevent insider's trading, of which has been informed to all employees and directors. CG on Exploitation of Internal Data has shown in Section 5. From the past, the Company has never experienced any insider trading by its director or Management.

Director's Interest and Connected Transaction

27. The Company disclosed the details of connected transaction, in the topic of "Connected Transaction". The Auditing Committee considered the transaction in order to examine the connected transaction to be reasonable. In addition, the price should be, comparable to the market price. The terms and conditions of the transaction must be in the normal course of business. Finally, the utmost of the Company group should be considered. The Company has never conducted any connected transaction in the form of financial assistance to other companies which are not subsidiary companies of BEC World group
28. Regarding the acquisition or disposal of asset transaction or other related transactions, BEC World group complies with all regulations as specified by Capital Market Supervisory Board, the Securities and Exchange Commission Thailand.
29. The Board of Directors has set a measure to prevent conflict of interest by imposing duty of directors, Management to inform their interest, close relative and related person regarding the entering into any transaction with the Company and subsidiary company to the Company Secretary. The Company Secretary will then gather the information and inform the Audit Committee and the Chairman in order to inform the Board of Directors, respectively.
30. In the event that the directors and Managements wish to propose the Company to enter into any transaction with conflict of interest with related person, the directors and Managements shall inform the Company in advance through the Audit Committee Office; in order for the Audit Committee Office to propose such matters for approval before entering into such transaction. The said information shall include the detail of the transaction with the BEC World group, i.e. parties' information, relationship, transaction characteristic and size and the interest of the related person in the transaction together with the relevant documents. The Audit Committee will then consider the reasonability of the transaction, the appropriateness of the price, the information of the price in the similar market and compare with the conditions of general business transactions, for the utmost of the Company and its subsidiaries, in order to propose their opinion to the Board of Directors or the shareholders meeting for the approval and compliance with the regulation regarding Connect Transaction of such transaction.

31. For mutual interest of the Company, it is a practice of the Board of Directors' meeting that, in case of any directors, Managements or related person have conflict of interest in any transaction, such director shall not attend the meeting during decision making of such transaction in order to ensure independence for consideration.
32. After the approval by the Board of Directors meeting or the shareholders meeting, the Board of Directors has assigned the Company Secretary to generally disclose the information as regulated and has assigned the Audit Committee to consider sufficiency and appropriateness for disclosure in financial statement and Annual Report, Connected Transactions with Related Party which may cause Conflict of Interest Section.
33. In addition, the approving of principle for transaction has regulate the precise period for reviewing the reason and appropriateness of the entering into transaction and the appropriateness of the transaction condition from time to time. As for any transaction which principle has been approved, there shall be a report summarizing the amount of transaction informing the Audit Committee and the Board of Directors at every ending of the accounting period.
34. In considering the entering into any transaction, the Audit Committee may assign the independent expert, the Company's auditor, financial advisor or legal counselor to provide their own opinion as supporting information with the Company's expense.

The Share structure of the Company

35. There is only one category of company share, i.e. the common share, having equal voting right, one share per one vote. In addition, there is no cross-shareholding and no pyramid shareholding.
36. The Board of Directors hold shares totally at the rate of 26.15%. However, if counting closed relatives' shares, the shares held by directors and their relatives are 47%, totally.
37. There are more than 40% Free Float shares (of the issued and paid up shares).
38. There is no shareholder agreement.
39. Other: Investor Relation Unit facilitates the shareholders of the Company. The shareholders could contact the Company via Investor Relation Unit, in which the Company does not impose the condition/barrier against shareholders for contacting Investor Relation Unit.

Section 3 Roles of Interested Persons:

The Board of Directors is aware of the importance and roles of all interested person groups toward the Company. Therefore, the Board of Directors has prescribed role of interested persons in CG policy, which the Company will respect, all of their rights and provide fair treatment to all groups of shareholders and interested persons with honest, equality, fairness and awareness of rights of all interested persons by forming the practical policy as follows:

- 1) Arranging for Code of Conduct in written documents for directors, managements, and employees to understand ethics which the Company applies to operate the business including monitoring the compliance with the Code of Conduct.
- 2) Setting a unit to be responsible for interested person treatment in each group to ensure that there is a responsible unit to actually apply the said Code to interested persons.
- 3) Imposing rights of each group of interested person including roles and duties of each unit toward each group of interested persons.

Interested person treatment is as shown in the corporate social responsibility report of BEC World Group (not including in this report) under the following section, 1.) The important of BEC World's interested person, 2.) "Create' good, valued and society benefiting program, 3.) "Support" the services to improve the knowledge and ability pursuant to their mission, as well as to create love and bond in the organization for the employment period. The activity for social and environment is as shown in the corporate social responsibility report of BEC World Group under "Support" the activity showing the social and environment responsibility.

- Indemnification: the Board of Directors has imposed compensation package for any interested person who has been injured from the Company's violation. In such circumstance, the Company will appoint a working group to collect information and evidence as well as appointing a committee to consider compensation and procure a measure, and amount of money or other compensations to any injured persons in reasonable, fair and efficient measure to mitigate such damage.

- Human Right Policy: The Company's group conduct business regarding television station operation and television program production, especially producing news program, documentary program and entertainment program, having the audience in every genders and ages all over the country. Conducting as mass communication creates the opportunity to interact with the number of people. Therefore, the executives and employees shall perform their duty with carefulness and responsibility to the public. They shall perform their obligations, whatsoever in any environment, under the media ethics, also shall respect and not violate against the human right.
- Mechanism for Interested Person's Participation: the Board of Directors has set procedures to allow all interested persons to participate by requesting all relevant units responsible for each group of interested persons to arrange for meeting and hearing from each group of interest persons and reporting to the Board of Directors and relevant sub-Committee for acknowledgement of their opinion and suggestion. The Company Secretary has been assigned to be a coordinator. Any interested person may send a problem, opinion or any suggestion to the Board of Directors and every Sub-committee through the Company Secretary directly or via the Company's website. In addition, the Board of Directors has controlled and managed all divisions to disclose sufficient information within reasonable time to enable the interested person to have participation efficiently.
- Notification or Complaint for Illegal Transaction / Right Violation: the Board of Directors has prescribed procedures for a notification and complaint of any illegal transaction or immorality, incorrect financial statement or defective internal control system including right violation by notifying such matter(s) in writing with supporting evidences to the Internal Audit Office. The Internal Audit Office shall examine and then report such matter to the Audit Committee, subsequently. Both of them shall mutually conduct to set a measure to restrain damage including specifying protective measure for this matter. Such complaint shall be deemed to be "confidential information", without disclosing name of the notifying person, resource. In addition, all documents and evidences shall be kept securely in order to protect the security of the notifying person. The Internal Audit Office will conduct an investigation of information and report to the Audit Committee and the Board of Directors, respectively.
- Anti-Corruption policy is shown in Corporate Social Responsibilities report.
- Policy and practice regarding none infringement of intellectual property: Board of Directors sets standard policy to prevent infringement of intellectual property especially Copyright, for example establishing a unit to be responsible for managing other person's copyright works and contacting other person for acquiring license to exploit their copyright works. In addition, the Company has provided a training program regarding the intellectual property law to the executives, employees, television program producers and reporter etc.
- After following up compliance of the policy, we found that employees have adjusted their attitudes and accepted the importance of the application of the CG rules within the organization. Employees have applied the CG policy to well adapt with their duties resulting in changes of organization culture to meet international standard in terms of management, and transparency.

Section 4 Information Disclosure and Transparency

The Board of Directors has paid attention to information disclosure and transparency by setting CG Policy, under the information disclosure and transparency section. The Company will conduct business with transparency and available to be examined and shall disclose sufficient information to all related persons completely, correctly and not misleading or concealing any material matters. The information to be disclosed must be updated, and the disclosure must be timely and widely done.

IR Unit

1. IR Unit: The Board of Directors has established IR Unit under direct control of Finance Division, responsible for preparation and disclosure of material information, both financial information and non-financial information in accordance with regulations of the SET and SEC. IR Unit always evaluate to improve efficiency of information disclosure, such as; notifying of material resolutions of the Board of Directors i.e. resolution to call for the shareholders meeting; fixing the date of closing share register book, and dividend payment, and etc., providing information and news on the Company's activities to communicate such information to all shareholders, investors, securities analyst and also general public where the information to be disclosed timely must be correct, complete and updated.

2. IR Unit, BEC WORLD PUBLIC COMPANY LIMITED, located at 30th Fl., Maleenont Tower, No. 3199, Rama IV Road, Klongton Sub-District, Klogtoey District, Bangkok 10110, Tel: 02 262 3635, Fax: 02 262 3170 website: www.becworld.com or e-mail address: ir@becworld.com.
3. The Board of Directors has appointed Mr. Chatchai Thiamtong, Vice President of Finance Division, to be the authorized person to sign in filing of information application form via information disclosure system of SET, and to be a representative of the Management Division in providing the Company's information to shareholders, investors, analysts, press reporters and related government authority including clarifying on any rumor. Such disclosure of information with respect to the Company's development shall be strictly complied with SET regulations regarding information disclosure of listed Company.
4. Many of the local institutions investors and foreign investors are frequently visiting the Management to inquire the investment and development policy of the Company. Furthermore, the Company also held the analyst meeting every quarter, on the day after the filing of financial statement to SET, to clarify the additional information to regarding the information disclosed in the financial statement, including information regarding business tendency to support the decision of shareholder and investor
5. In addition, IR Unit is a coordinator with TSD - the Company Registrar to render registration service(s) for shareholders and closing of share register book, preparation and submission of various documents to shareholders via mail including preparation and submission of dividend check or transferring dividend to shareholders bank account.
6. The IR activities: In 2016: The Company has convened the analyst meeting at head office, totally 4 times by holding such activities in the next following working day after filing financial statement of 2015 and financial statement of 1st – 3rd quarter of 2016. Mr.Chatchai Thaimtong, Senior Vice President, Finance Division, Mr. Surin Krittayapongpan, Vice Managing Director, acting on behalf of the deputy Managing Director and Executive President and Marketing Manager of Bangkok Entertainment Co., Ltd. of the subsidiary of the Company, conducting the core business of the Company, have provided information and clarification regarding operating result, marketing, policy/business trend to the analysts directly. In addition, giving an opportunity to institutional investors, both local and international, to visit business entity and meet executive directors (Company Visit), where roughly there were 2 institutional investors visiting the Company per week. In addition, the Company has assigned Mr.Chatchai Thaimtong to join some activities held by local securities companies; plan for conducting IR activities for 2016, the Company shall convene the analyst meeting and press conference for the operating result at the Company's head office, in every quarter, giving an opportunity to local and international investors to visit the Company and meet executive directors (Company Visit), except some financial period – 2 weeks before disclosing the operating result. In addition, the Company shall attend investor activities as invited by securities companies, and shall consider appropriateness for visiting investor in foreign countries.
7. Communication channel of the Company: The Board of Directors has supported IR Unit by giving an opportunity to all shareholders, investors, analysts and reporters to access the Company's information through various channels, such as, through the Company's website, www.becworld.com, other than through the SET media, to disclose the Company's information to public widely, when the IR Unit distributes any Company's information to media, analysts and investors regarding information in the business industry and the BEC World group, the Company shall post the said documents on the Company's website, both in Thai and in English version, so that any person may follow up on the Company's information and the business industry consistently.

Information Disclosure

8. The Company has prepared and distributed all material information, both financial information and non-financial information correctly, completely, sufficiently, timely and in accordance with the regulations, prescribed by the SET and SEC. Apart from making disclosure in form 56-1 and annual report, the Company also disclosed information through SET's electronic system and the Company's website (www.becworld.com) by updating such information, consistently. In 2016, the Company as complied with all regulations and disclosed the information prescribed by the SET and SEC correctly and did not have any penalty in relation to the offence of non-disclosure and never been ordered to edit the financial statement.
9. In filing the Company's documents to the SEC and the generally publishing through SET website of the financial statement, the Company shall always provide and file the management discussion and analysis (MD&A) together with the said financial statement. After the disclosure of financial statement through SET electronic systems, Company will also publish the said information through the Company's website.
10. Information in form 56-1 mainly shows in annual report. In this regard, the Company has shown both form 56-1 and annual report on the website for shareholder and investor to download.
11. The information disclosure in 2016 Annual Report of the Company having details as follows:
 - Important Financial Information and dividend allocation policy.
 - The report of Board of Directors showing the role, duty and opinion from their performance during the passing year to the shareholders as shown in page 2-3 of 2016 Annual Report, Director Report Section, signed by Chairman.
 - The report of Audit Committee showing the role, duty and opinion from their performance during the previous year to the shareholders, including the appointment of auditor and the determination of their remuneration, in which the auditor has been authorized by SEC office. The Board of Directors considered the qualification, the proficiency and the independence of the said auditors, in addition, such auditor has no relationship or involve with Company or subsidiaries, as shown in page 4-5 of 2016 Annual Report, Audit Committee Report Section, signed by Chairman of the Audit Committee.
 - The Company showed the business operation information and the structure of the Company group. The Company group specified the ratio of the Company's shareholding, under the topic of "The Business Operation". The Company disclosed the vision, objectives and long term target of the Company, as well as the strategy of business operation, the division of business operations within the group, the investment in subsidiary and associated company policy and substantial change and development regarding business operation and management.
 - Industrial Environment shown in Management Discussion and Analysis, giving information concerning market share and amount of money in the advertising industry. In addition, it also shows the analysis regarding industrial environment and competition in television business, program sourcing and production business, which the Company currently operates. It describes the position and potential in competition of the Company and subsidiaries in the group. In addition, it specifies risk factors of business operation, e.g. risk in growth of advertising costs and expenses, market share maintaining, amendment of broadcasting operational control, renewal operation agreement, substitute of tv media by new advertisement and risk in holding shares of the Company by a group of majority shareholders, which is the risk in management.
 - Report of the Board of Directors' Responsibilities for the financial statements signed by Chairman and proposed to the shareholder, as shown in this 2016 Annual Report. It is presented together with page, showing auditor report.
 - Financial Statement was audited by the auditor, authorized by the SEC office. The auditor certified the financial statement without the condition. The management discussion and analysis shows the overall business operation and substantial change, policy, strategy or business decision, the result of operation and capability of making profit, the description of revenue, e.g. revenue form airtime sale, licensing and other services, concerts and shows organizing, etc. as well as the details of expenses, e.g. cost of sales and services, organizing concerts and shows, selling and administrative expenses, financial cost, etc. There is the details regarding asset management capacity, showing financial status, total assets, assets component and assets quality. this also presents liquidity, source of investment, liabilities and management of off-balance sheet liabilities. In addition, it discloses factors or events which will affect financial status or operation in the future.

- The disclosure of shareholder structure including the shareholding of director and executive director, is shown in “List of major shareholders” topic. The Company specifies the shareholding of Maleenont group, which is the major shareholders, having the impact against the management policy determination or the substantial Company operation, by specifying the ratio of shareholding and the amendment of shareholding by directors and executive officer in the previous year. Furthermore, it is also shown in the detail of director and executive officer topic. Please note that the shares held by Maleenont group is held by themselves directly. The said shares are not held by its spouse or underage child.
- Management Structure showing information concerning the Board of Directors and executive directors, by disclosing the scope of authority, the authorized directors, measures to prevent conflict of interest, performance of duty, number of the meeting and number of the attendance time that each director attended during the previous year, including the detail concerning the compensation of directors and executive officer. The Company did not hire any director as the consultant, etc., therefore, there is no other compensation for the director. In addition, the information regarding the Company Secretary and personnel is also disclosed therein.
- CG Policy Section showing the detail of sub-committee, scope of authority of sub-committee, corporate governance policy, corporate governance practice, the recruitment of director and senior executives, corporate governance of subsidiary company and associated company and prevention on exploitation of internal data, which it is compulsory that the directors and executives shall notify the amendment of securities holding to the Company Secretary in order to report to the Board of Directors meeting. This section will also show auditor fees and related fees, including the corporate governance practice report of the previous year.
- The policy regarding social and environment and compliance with the regulated policy is as shown in the CSR report of the Company.
- In the Annual Report, the Company disclosed the information regarding the internal control and risk Assessment; the Company has provide the risk management manual and has assessed the operational risk for each division annually. The Work System Compliance and Development division, Internal Audit Office, has collect and report the said risk assessment summarizes for the Board of Directors consideration annually.
- Regarding the connected transaction, the Company disclosed information regarding during the year, including the necessity and appropriation of transactions. In addition, the Company specified the policy and trend of the execution of connected transactions. With respect to the future connected transaction, the Board of Directors will perform in accordance with the Securities and Exchange Act and the regulation of Capital Market Supervisory Board related to the connected transaction. In the event that there is a connected transaction between the Company or its subsidiary and any interested person, the Company will assign the Audit Committee to examine and provide opinion regarding the necessity and appropriation of the transaction. Regarding the consideration and condition thereof, if the Audit Committee has no expertise in such connected transaction, the Audit Committee may request for the opinion from the independent expert, in which the Company shall be responsible for any expenses thereof.
- Information regarding the Director, Executive officer, showing the name, position, age, experience, education background, director training program, other training program, the position in other listed and non-listed company, offence record in Securities and Exchange Act and/or Public Company Act. In addition, the Company also clearly disclosed that which director is independent director and non-executive director.

12. The disclosure of information and other news on www.becworld.com website objective is to ensure that the shareholders, investors and any related person receive the investment supporting information. As the information in the website is the direct information from the Company, the Company has considered the sufficiency, reliability, not misleading and timeliness of the information. In addition, for the benefit of the shareholders and investors, the Company has also disclosed the information of the past 3-5 years. The financial statement, MD&A, other news notified via the data center of SET, the main information will show in form 56-1 and annual report which also showing in Company website. The disclosed information is the following:
1. Vision and mission of the Company;
 2. Business operation characteristic;
 3. Structure and management (Company structure) showing the name of directors, the position and the detail of Executive directors;
 4. Quarter financial statement and its explanation including MD&A;
 5. Form 56-1 and current and previous Annual report;
 6. The information proposed to analyst and investors, news which the Company distributed through SET (Press Release). This information will be show in the website after submitting via the SET's electronic system, invitation letter for shareholders meeting and related documents to be sent to all shareholders showing the same documents as sent to shareholders via registered mail. This information shall be post on the Company's website prior to the sending of the registered mail and Minutes of shareholders meeting, this shall be posted on the website within 14 days after the meeting date;
 7. Shareholding structure for both directly and indirectly holding;
 8. BEC World group operational structure, showing the ratio of shareholding in subsidiary company and affiliated company (the Company has no special purpose enterprises investment);
 9. List of top 10 shareholders' names;
 10. Shareholder structure showing Maleenont group shareholding details (holding 47.03% which are the directors and Managements of the BEC World group);
 11. Shareholders meeting invitation letter for the current and previous year;
 12. Article of association (the Company has no Shareholder Agreement);
 13. Corporate governance policy; and
 14. The contacting channel in the website is supervised by the Company Secretary. The information showing on the website is both Thai and English.

Section 5 Directors Responsibilities

1. CG Policy: The Board of Directors has set CG policy in written documents for all employees in the organization to acknowledge and comply with such policy. The Board of Directors has assigned HR Division to set up some activities to campaign and promote the CG policy to all employees to comply therewith, such as, setting up an announcement board for posting any knowledge information, communication through intranet system. The Board of Directors has paid attention to CG policy by having the Management Division report the problem and obstacle in the operation to the Board of Directors. The Board of Directors has opined and advised to improve CG policy and has reviewed the said policy at least once a year to update such policy.
2. Code of Conduct: The Board of Directors has prepared written Code of Conduct, consisting of 6 Sections i.e. 1) Code for Customer; 2) Code for Company; 3) Code for Ourselves; 4) Code for Supervisor; 5) Code for Colleague; and 6) Code for People under Control, as shown in the Employee Handbook already distributed to all employees to enable directors, management and all employees to understand the said Code of Conduct, which the Company has applied in conducting business. The Board of Directors has provided intranet system for communication and public relation of good conducts within organization. Should any employee have any queries, he or she may post such queries on the web-board through Intranet system. In addition, communication through internal e-mail system can also be done as well. HR Division is responsible for campaigning it to encourage all employees to comply therewith by preparing notice board to announce news and relevant information at the employee rest area and through the Intranet system. Initially, the Company

explained and communicated with employees to understand objective of the Code of Conduct where in reality all employees had already been aware of it and complied therewith before it was compiled and made it in writing by HR Division. Now, information and news relating to the Code of Conduct distributed and presented often involve issue and case study of the real events to be used as a guideline for employees' due compliance. The presentation contains interesting presentation, friendly discussion, slide presentation and colorful documents, and etc.

3. All employees voluntarily follow with the said Code of Conduct. The Company encourages them to realize the value of Code of Conduct compliance. In addition, head of each unit also plays important role in such encouragement since he/she is familiar with all employees under his/her control. Supervisor has to give suggestions including stimulating all employees under his/her control and supervision to strictly comply therewith, evaluating an appropriateness of Code of Conduct as well. The Board of Directors also follows up the compliance of Code of Conduct by employees in organization via Management Section. In 2016, there was no problem in the application and compliance with the Code of Conduct. The Board of Directors has paid attention to Good Corporate Governance policy by implementing the CG policy to the business operation. The Board of Directors is of the view that Good Corporate Governance will improve effective and efficiency of the Company business operation, promoting the stability and lasting growth, increasing the investment value of the shareholder in the long term and strengthen faith and trust in the organization for the entire employee, shareholder, investor and interested person. The Board of Directors always implements the following Good Corporate Governance suggested by SET
4. The Board of Director determines the vision, mission and strategy of the Company to be the guideline of the business operation. These vision, mission and strategy shall be reconsidered once a year for appropriation and enabling the Company to be ready the change of industrial environment and competition. The Board of Director also monitor the employees to apply the said strategy for the operation.

Structure of Board of Director

5. The Board of Directors Structure: There are 14 members of Board of Directors, comprising 5 executive directors and 9 non-executive directors provided that among those directors, there are 5 independent directors. Currently, Mr. Somchai Boonnamsiri, as the independent letter, is the chairman of the Company. The executive directors and G-CEO are the representative of major shareholder and are also the Management of the BEC World group, having competent knowledge, skill and understanding in the business while the non-executive directors are the directors with diversified experiences; who were from professional career, government officer and finance and marketing business. The non-executive directors are expert in marketing, who have the work experience with the major ad purchasing company, and having competent knowledge and understanding in the business. The directors and senior executive officers of the Company, have never been the partnership of the auditing firm which the Company currently hires. The Board of Directors has no sexual discrimination.
6. In presenting the Directors' information, the Company has present the following information, i.e. name-surname, photo, position, education and work experience and positioning in the Company history, on the Company's website and in the Annual Report. As for the nomination and proposing to the AGM for the election of the directors, the Company shall present the information regarding the private information, nominated position, positioning history, criminal record, positioning in any business that might cause conflict of interest, shareholding ratio, including the opinion of the Nominating Committee, in the relevant AGM supporting documents of the year of election. Such documents will also be show on the website of the Company.
7. The Board of Directors is the highest body of the Company which shall determine vision, direction and policy of the Company and make decision for the best interest of the Company and shareholders on a long-term basis, as well as giving advice and considering the operation of the Executive Committee. Now the Executive Committee comprises 5 directors. Each of them has duty to supervise and control routine works of each business line, depending on expertise, interest, capability, and suitability of each person. Chairman of the Executive Committee shall be the person who is responsible for supervision and control of the management. The Executive Committee shall comply with direction/policy and principles of good corporate governance from the Board of Directors form and impose business plan. The G-CEO shall control all performance of the executive officers.

8. The Board of Directors has imposed qualifications of “Independent Director” of the Company by applying minimum criteria of the SEC by setting shareholding ratio, less than 0.5% of total voting shares. The definition and qualification of “Independent Director” is shown on Management Structure Section, Board of Directors Sub Section, and also shown in the Annual Report.
9. Currently, there are 5 Independent Directors constituting as one third of the total directors. The Independent Director is independent from the executive department. The Board of Directors has regularly reviewed the Independent Director qualification for the compliance of the Company with the independent director ratio of SEC. In addition, there are 2 Independent Directors, being the director in other listed and non-listed company, but not exceeding 5 companies.
10. The term for directorship both director and Sub-committee, are 3 years, without limitation of number of terms. Currently, there is no limit to the consecutive directorship of the director and independent director.
11. There are 4 executive directors and 3 non-executive directors, who are members of Maleenont family, a majority shareholder of the Company, currently holding totally 47.03% in the Company. From such amount, the executive directors and non-executive directors hold shares in the amount 26.14%, totally. The remaining shares are held by minority shareholders. Previously, there was no proposal from minority shareholders to nominate any person as a director candidate(s).
12. As the executive directors have normal routine management works in the Company and subsidiaries, the Board of Directors, therefore, has set a policy that executive director may assume the position of director in other companies, which the Company has made investment and has condition of sending representative to act as directors to jointly control and manage the company. For non-executive director, he shall not assume the position of director in other companies more than 5 listed companies. However, if it is necessary to assume the position of director more than 5 companies, such director has to prior inform the Board of Directors, so that the director shall have sufficient time to perform his duty. The detail of each director’s position is disclosed to the shareholders in this Annual Report. In 2016, there was 3 non-executive directors assuming the director position in other listed companies, which was Mr. Matthew Kichodhan, being director in other 2 listed companies. Mr. Chansak Fuangfu and Mr. Somchai Boonnamsiri, being director in other listed company.
13. As the senior management has normal routine management works in the Company and subsidiaries, assuming position as director in other companies, may disrupt his company’s the routine works. The Board of Directors has no policy to encourage senior management work for other business entity except in the same group. In case of necessity, such senior management shall seek approval from the Executive Committee. Now, none of the senior management is a director in other listed companies.
14. The Company Secretary is a permanent employee of the Company who has been appointed by the Board of Directors. The information regarding qualification, experience, education and training experience, including duty and responsibility of the Company Secretary is shown in the Management Structure Section, Company Secretary Sub Section and Director, Management, Chief of Internal Audit Officer and Company Secretary Information Section. The aforesaid is also shown in the website of the Company.

Sub – Committee

15. The Audit Committee: The information and qualification of the Audit Committee and the information of the Audit Officer who has knowledge, understanding and experience in accounting and finance is disclosed in the Corporate Governance Section, Sub-Committee Sub Section in the Report of the Audit Committee as shown in page 4-5 of the 2016 Annual Report.
16. In the Board of Director Meeting No. 4/2560, held on 10 March 2017, the Board passed the resolution to appoint the Corporate Governance Committee and to adjust the structure of the Nominating Committee to be the Nomination and Remuneration Committee. The Chairman of the Nomination and Remuneration Committee is the Independent Director. Also, the Secretary of the Board of Director is the secretary of Nomination and Remuneration Committee. Nomination and Remuneration Committee has the duty to select, recruit the qualified person, having no prohibited specification under the law, in order to propose to the Board of Directors Meeting and the Shareholders meeting, respectively. Then, the Board of Directors will vote for the highest executive director. In addition, the shareholder meeting shall approve the remuneration of the Committee and Sub-Committee. The disclosure of the Nomination and Remuneration Committee is disclosed in the Corporate Governance Section, Sub-Committee Sub Section.

17. The power of the Board of Directors and the Management Division has been divided clearly. The power of the Board of Directors is shown in the Management Structure Section, Sub-Committee Sub Section while the power of the Executive Committee and executive officer is shown in the Corporate Governance Section, Executive Committee Sub Section.
18. The Audit Committee has opined regarding the sufficiency of the Internal Control System and Risk Management in Page 4-5 of the Annual Report.
19. Notification for Internal Corruption: The affected party or those who know such action may file the information and evidence to the Internal Audit Office through the Company's website www.becworld.com to examine and report such matter to the Audit Committee. For the safety of the notifying person, the officer in the Internal Audit Office and the Company Secretary shall keep the information of the notifying person and any sources of such information confidential.
20. The BEC World group's subsidiary company administration control: The Company has sent the Executive Director to be the director of the subsidiary company pursuant to the shareholding ratio in order to closely control the administration of the subsidiary company, including to continuously and regularly keeping track of the operation result.
21. Board of Directors' Meeting
 - The Company has determined to convene Board of Directors meetings, at least 5 times per year, provided that the Company Secretary shall provide the notification letter notifying the Board of Directors meeting in advance throughout the year at the beginning of the year. The notification letter shall notify the main agenda of the 4 meetings, which shall be the agenda of approving the operating result before disclosing it to public, and the remaining meeting shall be the consideration to convene an annual general shareholders meeting. Number of the Board of Directors meetings is suitable for nature of director duty and business type, except for main agenda as required by law, the Chairman and G-CEO shall gather other information to be acknowledged by other directors and/or specified as meeting agenda to be included in 5 main meetings as scheduled at the beginning of each year. If it is necessary to convene additional meeting, such additional meeting may be convened as appropriate.
 - The Company Secretary has provided the memorandum notifying the Board of Directors meeting in advance throughout the year and has sent such memorandum to all of the Directors at the beginning of the year so that the Directors could arrange their time to attend the meeting.
 - Chairman and G-CEO, shall jointly consider and select agenda to be proposed to the Board of Directors' meeting on where each director shall have the right to propose his agenda to the meeting, independently.
 - Every Director can propose the agenda to the meeting by proposing and sending documents through the Company Secretary to propose to the Chairman of the Board of Directors for considering putting in the meeting agenda.
 - The Board of Directors has assigned the Company Secretary to gather and deliver supporting documents to all directors in advance, approximately one week, to enable them to have enough time to study all information. In the past, there had been some problems regarding late delivery of supporting documents, however, this could be solved with an assistance of e-mail in communication and delivery of computer file before submission of the documents. By delivering only complete documents of relevant agenda to all directors in advance where the remaining documents would be delivered thereafter, as soon as possible.
 - The Board of Directors may invite the senior Executive and any Executive, relevant to each agenda, to the meeting in order for the Board of Directors to get to know the Executive who managing such matters and to inquire the addition detail and opinion regarding the said matters. The Board of Directors may request additional opinion from the independent expert, the Company's auditor, financial advisor or legal counselor as supporting information with the Company's expense.

- 11 out of 14 directors have attended not less than 75% of the Board of Directors meeting convened in 2016.
 - During the meeting, the Chairman shall allocate reasonable time for all agendas. The Chairman shall commence the meeting by giving opportunities for all directors to independently express their own opinion. All directors shall have rights to raise issue to be considered, give opinion and suggestions, independently. The meeting will hear all opinion and comments before making decision based on reasons, justification and appropriateness, especially in important agenda. To have correct and mutual understanding, the Chairman will summarize a resolution at the end of each agenda. Generally, it takes 4 hours approximately for each meeting, which is deemed to be proper time for the Board of Directors to consider the matter thoroughly.
 - The Board of Directors may request additional necessary information from the G-CEO or the person assigned by the G-CEO.
 - The Board of Directors has encouraged the non-executive directors to convene the meeting among themselves without attendance of executive director, to discuss any issue and subsequently inform the managing director of the result of the meeting. Such meeting, normally, convenes before the meeting of the Board of Directors. The Company Secretary is responsible to arrange for meeting place separated from the Board of Directors' meeting place.
 - After the meeting, the Company Secretary shall be responsible for preparing the minutes of the meeting to be completed within 14 days. The Company Secretary shall review the minutes to ensure that it shall contain relevant details, namely, date, time, list of attending directors, summary of all agendas, all discussions and remarks, opinion, suggestion of each director, resolutions, (for a case where there is no unanimous vote, name and opinion of director who disagrees, must also be included), name of the person who records the minutes, name of the Company secretary who reviews the minutes, all of which must be clear and complete. The Company Secretary is independent in considering the accuracy and completeness of the minutes.
 - The Company Secretary shall be responsible for keeping all invitation letters, meeting minutes and supporting documents and arrange for good filing system for easy searching and retrieval. The Company has customary practice to certify the minutes in the subsequent meeting. Amendment of the minutes cannot be made without the meeting's approval. Then, the minutes duly certified shall be sent to the Chairman for signing
 - There are 5 meetings in the year 2016, the number of attendance time each director attended the meeting is shown in the Management Structure Section, Board of Directors Sub Section.
 - Since the Board of Directors' meeting is not convened every month, the Company Secretary shall prepare a report of the Company's operating result and submit it to the Board of Directors every month.
 - The Director Board prepared report of the board of directors' responsibilities for the financial statements, shown in the Annual Report together with the Auditor's report.
 - From the last year, there is no negative reputation due to the failure in performing the obligation regarding the supervision of director. The director did not conduct any offence which was fraud or immoral. There is no resignation of the non-executive director due to the corporate governance.
22. Evaluation of Director Performance: The Board of Directors and the Audit Committee has set a director evaluation to assess their own performance, at least once a year, by evaluating performance of all directors together without individual evaluation. The Board of Directors and the Audit Committee has mutually set the criteria for such assessment by using the forms developed from samples advised by the SET. After receiving the evaluation result, the Board of Directors will determine direction to improve working process with an opportunity for every director to express his/her view, independently. In 2016, the evaluation was conducted on February 23, 2017.

23. Director and Senior Management Compensation: The Board of Directors has set a policy to pay monetary compensation for director and Management suitable for economic condition, director and Management responsibilities, operating result and nature of business, by imposing the criteria for director and Management compensation, namely, 1) comparing with director and Management compensation of other listed companies in the same industry, or those having similar income or profit; 2) Operating result of the Company and tendency of operating result; 3) reasonable compensation, suitable for obligation, duty, responsibility and experience of director and Management. The director and Management who has more duties and responsibilities shall receive more compensation. The procedure for reviewing director and Management compensation annually is transparent. The Board of Directors will jointly consider the director and Management compensation at the Board of Directors' meeting and submit it for further approval in the shareholders meeting. All compensation shall be paid in monetary form only. As for the G-CEO Compensation, since the Company has no Sub-Committee to consider compensation; the Executive Director shall consider and approve compensation for G-CEO by take into account of duty, responsibility, performance and business profit of the Company. The Board of Directors also considered information regarding director and executive officer compensation of listed company presented by the Company Secretary.
24. Successive Plan for Company Management: The Board of Directors prioritized successive plan, by assigning the Human Resources Department to propose the qualified person to the Nomination and Remuneration Committee, to search for the person to be the executive officer in the event that the senior executive officers could not perform their duty. As such, the Nomination and Remuneration Committee has already recruited person for such successive plan.
25. Director and Management Development: The Board of Directors pays attention to development of directors and executive officers by encouraging them to attend seminar and training course, building their knowledge and expertise for management. The Company shall support expenses and various facilities. Especially for DAP program of IOD, almost directors have already attended such program and 3 of them have already attended DCP program. All 3 members of the Audit Committee have already attended Audit Committee Program (ACP). There is also 1 executive director, having no knowledge regarding accounting and finance, has already been attended Finance for Non-Finance Directors Program. The Company Secretary has been assigned to look for good training program(s) to be proposed to each director for consideration without restriction for only program organized by IOD.
26. Giving information and orientation to the new director, the Company assigned Vice President of Human Resource to give information regarding the internal control management and business ethics and regulations of the organization. Regarding the information in relation to the Company's group business, industry, the operational result in the past, including the vision and target, the Vice President of Finance, who is responsible for investor relation tasks, will provide such information to the new director. In addition, the Company Secretary will be an assistance for supporting the information regarding other practices of the Board of Directors and other information of shareholders.

INTERNAL CONTROL AND RISK MANAGEMENT

1. The Company has prescribed and maintained all effective internal control system in order to reasonably ensure that all accounting data is recorded with correctness, accuracy and sufficient for take care Company's assets. This also prevents all material frauds and malpractice. The Board of Directors has also appointed the Audit Committee and the Internal Audit Office to review and examine adequacy and suitability of the internal control system of the Company and its subsidiaries, to identify internal control weakness, to recommend improvement and preventing measures, to manage risks of the organization. To provide independency of operation of Internal Audit Office and obtain co-operation from all levels of staff, the Board of Directors has published charter of the Audit Committee and the charter of the Internal Audit Office to keep all staffs thoroughly informed.

In the Board of Director meeting No. 3 in March 6, 2017, with the attendance of 5 Independent Directors (3 of which are the Audit Directors), the Board of Director had assessed the internal control system of the Company, which was assigned to Internal Audit Office to assess the internal control system at least once time per year. The summary of such assessment, as approved on December 20, 2016 and reported through the Audit Committee on January 18, 2017, is that the Company's internal control is adequate and appropriate. In conclusion, The Company has set up: (1) reporting structure; (2) appropriate authority to manage; (3) business target in order to accomplish Company's objective; (4) comprehensive all risk analytical and identification that might affect the objective accomplishment; (5) control measure to reduce the Company's objective risk into the acceptable level; (6) adequate internal and external data system and communication channel; as well as (7) regular monitoring and assessing of the management's operation result in order to assess the operation result to be in accordance with the Company's objective.

The summary of internal control system under the COSO (The Committee of Sponsoring Organizations of the Treadway Commission) concept is as follow:

1. Internal Control

The Company has setup reporting structure, appropriate authority to designate responsibility, including business target in order to accomplish Company's objective under the oversight of Board of Directors. The Company is committed to persuade, develop and maintain our skilled personnel by prescribing the policy and procedure to procure, develop and maintain skilled personnel. The Company also conducts performance evaluation, and provides incentives or rewards for good performance, as well as compiling an administrative manual for personnel management. Board of Directors is independent to administrative section and is responsible for overseeing and developing internal control, as well as assigning duties and responsibilities for internal control to personnel. In addition, Board of Directors has also prescribed operation manual for the important work system in writing and has distributed such operation manual to related person to be used as operation guideline for accomplishing the Company's objectives and complying with internal control principles. Adhering to integrity and morality, the Company has provided written Code of Conduct and has published such to all employees through Intranet system, including explaining during new employees' training and posting a notice in the Company.

2. Risk Assessment

The Company has prescribed clear objectives. The Company has set up comprehensive all risk analytical and identification that might affect the objective accomplishment and has considered potential risk of corruption, as well as identifying and assessing the changes that might affect the internal control system. The Company has prepared the risk management manual for executives of each division to be used as risk management guideline. Each division is responsible for assessing the operational risk and preparing risk management plan for their division, as well as specifying risk management and controlling guideline, annually. The Internal Audit Office is responsible for coordinating, collecting, advising, and summarizing the said risk assessment and report to the Board of Director for considering, monitoring and reviewing of the said risk management and control.

3. Operational Control

The Company has set up control measure to reduce the Company's objective failure risk into the acceptable level by prescribing policies, regulation and the approved operation manual in writing. There shall be internal control at all levels of the organization and division of responsibilities in order to check and balance each other division. At present, the Company has completed operation manuals for 50 working systems. In this regard, the Department of Regulation and Work System Development has always revised the said operation manuals to be up to date and appropriate for organization structure, regularly. In addition, there are also operation results reviewing by the Company's executives, as well as preventive and monitoring measures in order to ensure that the Company's operation be in accordance with the law, rules, and regulations, constantly. Regarding the technology system control, the Company has developed the general controlled-technology activities to support the accomplishment of the Company's objectives, such as technology system security control, acquisition process control and appropriate technology system development and maintenance.

4. Information and Communication

The Company has set up adequate internal and external data system and communication channel by using the appropriate communication channel to support the internal control. The Company also using intranet system of the Company to publish policies, regulation/command, operation manual and news of the Company thorough the organization, in order to facilitate the operation information access of related employees. This is to support the compliance of the prescribed internal control system. The Company also has the efficient means to communicate with external interested person via the Company's website.

5. Monitoring System

The Company has set up regular monitoring and assessing of the management's operation result in order to assess the operation result to be in accordance with the Company's objective. The Company also has operation system assessment by Internal Audit Office pursuant to the annual audit plan. In this regard, the Company has prepared report summarizing the assessment result, such report is to be (1) present to the relevant executive to consider and designate guideline for operation system improvement; (2) to report the result to the Audit Committee in order to present to the Board of Directors, respectively. In addition In addition, the Internal Audit Office has periodically monitored the revision result pursuant to the suggestion in the audit report, as well as annually assessed the adequacy of the internal control.

2. The Audit Committee regularly attends the meeting with auditor and internal auditor at least one time per quarter. The meeting mutually enquires and discusses in order to assess the adequacy and appropriation of the internal control of Company and the subsidiary company. In addition, the Audit Committee also reports the operation result of the Audit Committee to the Board of Director in every Board of Director meeting. Should there be any issues or any advices that would improve the internal control, the Audit Committee will emphasize such issue or advice in the report, including reporting the result of the monitoring of such advice to the Board of Director. In conclusion, the Audit Committee is of the view that the Company and the subsidiary company's internal control are appropriate and adequate.
3. Vice President - Internal Audit Office and the Chief Compliance Officer
 - (1) The Audit Committee meeting on January 7, 2004, has appointed Mr. Natthapong Phisitphadhrikul to be the Vice President of the Internal Audit Office and Chief Compliance Officer, commencing on January 5, 2004, because Mr. Natthapong Phisitphadhrikul has the experience in the internal assessment for 13 years and has attended many courses regarding the internal assessment, i.e. Accreditation in Quality Assessment/Validation, Computer Control and Auditing, Internal Audit Methodology, etc.
 - (2) The Audit Committee is of the view that the Vice President of the Internal Audit Office and Chief Compliance Officer understands the activity and operation of the Company, therefore, he could perform his obligation, appropriately and adequacy.
 - (3) The appointment or the removal of the Vice President of the Internal Audit Office and Chief Compliance Officer shall be approved by the Audit Committee. The qualification of the Vice President of the Internal Audit Office and Chief Compliance Officer as shown on page 149.

CONNECTED TRANSACTIONS BETWEEN RELATED PARTIES WHICH MAY CAUSE CONFLICT OF INTEREST IN THE YEAR 2016

In 2016, BEC World group entered into some connected transactions between related parties which may cause conflict of interest, as follows:

| Related parties which may cause conflict of interest | Details of relationship | Transaction value (Million Baht) | Type of Transaction |
|--|---|----------------------------------|--|
| Wave Entertainment Public Company Limited and subsidiary | A director of BECW is also a director in this company. | 110.47 | Revenue from outsourcing drama series production for broadcasting via the channel; |
| | | 0.83 | Revenue from sale of advertisement time; |
| | | 0.31 | Revenue from the fees of the sale of concert and show ticket; |
| | | 0.93 | Service costs - royalty fees for broadcasting. |
| Millionaire Property Fund And Maleenont Tower Co.,Ltd | Directors and executive officers of the Company are majority shareholders of Maleenont Tower Co.,Ltd. | 153.03 | service costs - lease agreement not exceeding 3 years and utility charges for lease building to support broadcasting system; |
| | Maleenont Tower Co., Ltd. is a majority unit holder of Millionaire Property Fund. | 140.09 | management costs - lease agreement not exceeding 3 years and utility charges for office building. |
| Thai Fight Co., Ltd. | Directors and closed relatives of directors are the shareholders of the Company. | 8.40 | Revenue from sale of advertisement time; |
| | | 2.98 | Other service revenues; |
| | | 0.90 | Service costs - royalty fees for broadcasting. |

1. Necessity and Reasonableness of Transactions

Connected transactions during the previous year are necessary and reasonable transactions for the highest benefits for the Company, as follows:

1) Ordinary business transaction

- 1.1 Transaction of outsourcing drama series production is considered as “an ordinary business transaction”. The Audit Committee is of the view that, due to subsidiaries of the Company has to obtain various TV programs to broadcast via Channel 3 TV Station to maintain its viewership, the Company has collaborated with Wave Entertainment Public Company Limited and its subsidiary, a popular and experienced program producer for producing drama series, by having the same price condition as hiring other program producers.
- 1.2 Transaction for sale of advertising time is considered as “an ordinary business transaction”. The Audit Committee is of the view that, due to subsidiaries of the Company has to obtain various TV programs to broadcast via Channel 3 TV Station to maintain its viewership, the Company has collaborated with Thai Fight Co., Ltd., a program producer for Thai Boxing Fighting, which is modern and popular in both domestic and international. In this transaction, the advertisement price is the same price as the price which the subsidiary agrees with other producer in the same category.
- 1.3 Transaction for sale of advertising time is considered as “an ordinary business transaction”. The Audit Committee is of the view that, due to subsidiaries of the Company has to obtain various TV programs to broadcast via Channel 3 TV Station to maintain its viewership, the Company has collaborated with the following companies:

- Wave Entertainment Plc. and its subsidiaries, a popular program producer for sitcom program;
- Thai Fight Co., Ltd., a Thai Boxing Fighting program producer which is modern and popular in both domestic and international.

In this transaction, the producer pays the advertising fees to subsidiary, while the subsidiary pays the program's royalty fees to the producer. This condition is the same the condition made between subsidiaries and other TV producers.

- 1.4 Revenue from the fees of the sale of concert and show ticket is considered as ordinary business transaction. As providing the services of ticket reservation and sale to all concerts and show organizer is the ordinary business of the subsidiaries of the Company, the Audit Committee is of the view that providing services of ticket reservation and sale of Wave Entertainment Public Company Limited and its subsidiary's concert is, therefore, an ordinary transaction. The rate of fee for the ticket reservation and sale of this transaction could be compared with the reference price of similar transactions made between subsidiaries and other concerts and show organizer.
- 1.5 Other revenue is considered as ordinary business transaction. the Audit Committee is of the view that, since the subsidiary arrange for activities by charging the service fees with the employer at the rate of ordinary price. To illustrate, Thai Fight hires the subsidiaries to arrange for activities, by charging the service fees, having the price condition, comparable with the reference price of similar transactions made between subsidiaries and other contractors.

2) Short-term lease transaction

The lease of office spaces: the Company and its subsidiaries entered to the lease agreement with Millionaire Property Fund in order to lease the office spaces in Maleenont Tower building (M I), locating at 3199, and Maleenont Tower building (M II), locating at 3199/1, Rama IV Road, Klongton Sub-District, Klongtoey District, Bangkok, for the total areas of 36,173.30 square metres, provided that these transactions are short-term lease agreements, which will be renewed in every 3 years. Furthermore, the Company and subsidiaries also entered into the maintenance agreement and service agreement in relation to such lease together with the lease agreement for convenience.

Having considered the lease agreement, the Company is of the view that the lease agreement is necessary and reasonable since in conducting TV and radio station of subsidiaries, the Company group requires not only normal office area, but also some space for lease, having a special design to serve their business operation as studio and technical room for program production. The lessor also gave a special favor to design 12-storey building to suit such requirement. The leased premises could support long term business expansion and also, located in downtown, having suitable communication and transportation system, enabling to facilitate Company's business operation. Most commercial terms and conditions of such connected transactions were better than normal terms and conditions, based on general market price.

2. Policy or Guideline for Connected Transactions

The Company has a policy to avoid entering into any connected transactions with any related party which may cause "Conflict of Interest", unless such transaction is in favor for business operation of the Company group. In addition, the Company group is likely to enter into the said connected transaction as mentioned in item 1.1 above pursuant to the following reason:

- 1) Subsidiaries of the Company still has to obtain various TV programs to broadcast via Channel 3 TV Station to maintain its viewer group. Since Thai Boxing Fighting program, by Thai Fight Co., Ltd., and drama series, by Wave Entertainment Plc. and its subsidiaries, are very popular among the audience, there is policy to enter into such Connected Transactions, as same as previously. However, Sitcom program stopped broadcasting since June 2016 due to the adjustment of television program schedule to confront the situation and the competition in television industry in the future.

- 2) As providing the services of ticket reservation and sale to concerts and show organizer are the ordinary business transaction of the subsidiaries of the Company, therefore, if Wave Entertainment Plc. and its subsidiaries will organize concert and show in the future, the subsidiaries of the Company will continue to provide services of ticket reservation and sale for their concert and show for the interest of BEC World Group business.
- 3) The subsidiaries have core business as arranging for campaign activities. Therefore, if Thai Fight Co., Ltd. wishes to arrange such activities in the future, the subsidiaries will continue to provide services regarding such activities for the interest of BEC World Group business.
- 4) For lease transaction in Maleenont Tower, the Company group spent considerable investment for studio construction and system works. Therefore, the Company group has a policy to renew lease term to exploit the premises in Maleenont Tower as much as possible to be worth for its investment.

With respect to connected transactions which may arise in the future, the Board of Director shall comply with Securities and Exchange Act of 1992, Notifications of Capital Market Supervisory Board and Regulations concerning Connected Transaction. The Company shall assign the audit Committee to consider, review and opine appropriateness of the price and reasonableness for entering into any transaction between the related parties which may cause conflict of interests. For determination of consideration and all relevant conditions, the Audit Committee may require for opinion from independent experts at the Company's expense in the event that the Audit Committee has no expertise in considering any specific transaction, in which the Company will be responsible for all expenses.

SUBSIDIARIES AND ASSOCIATES

At 31 December 2016, details of Companies which the Company holds 10% or more of shares

SUBSIDIARIES

1. Name **THE BANGKOK ENTERTAINMENT CO., LTD.**
Business Operating business of TV and radio station.
Registered Capital Baht 300 million ((Issued and fully paid-up share capital 3,000,000 common shares)
Office 2nd FL., Maleenont Tower, 3199 Rama IV Road, Klongton,
Klongtoey, Bangkok 10110
Tel. (66) 0-2262 - 3333, 204 - 3333
Fax. (66) 0-2204 - 1384
Website www.thaitv3.com
2. Name: **RUNGSIROJVANIT CO., LTD.**
Business Providing, producing TV programs and sell air time for advertising.
Registered Capital Baht 5 million (Issued and fully paid-up share capital 500,000 common shares)
Office 2nd FL., Maleenont Tower, 3199 Rama IV Road,
Klongton, Klongtoey, Bangkok 10110
Tel. (66) 0-2262 - 3333, 204 - 3333
Fax. (66) 0-2204 - 1384
3. Name **NEW WORLD PRODUCTION CO., LTD.**
Business Providing, producing TV programs and sell air time for advertising.
Registered Capital Baht 5 million (Issued and fully paid-up share capital 500,000 common shares)
Office 2nd FL., Maleenont Tower, 3199 Rama IV Road,
Klongton, Klongtoey, Bangkok 10110
Tel. (66) 0-2262 - 3333, 204 - 3333
Fax. (66) 0-2204 - 1384
4. Name **BEC BROADCASTING CENTER CO., LTD.**
Business Servicing studio equipment
Registered Capital 1 million Baht. (Issued and fully paid-up share capital 100,000 common shares)
Office B2, 2nd -7th , 9th-10thM, 12th-12thM FL., Maleenont Tower, 3199/1 Rama IV Road,
Klongton, Klongtoey, Bangkok 10110
Tel. (66) 0-2262 - 3333, 204 - 3333
Fax. (66) 0-2204 - 1384

5. Name **YOU & I CORPORATION CO., LTD.**
Business Producing radio programs, operating radio station
Registered Capital Baht 35 million (Issued and fully paid-up share capital 350,000 common shares)
Office 2nd FL., Maleenont Tower, 3199 Rama IV Road, Klongton, Klongtoey, Bangkok 10110
Tel. (66) 0-2262 - 3500
Fax. (66) 0-2204 - 1410

6. Name **BEC ASSET CO., LTD.**
Business Own and leasing assets.
Registered Capital Baht 30 million (Issued and fully paid-up share capital 3,000,000 common shares)
Office 3rd FL., Maleenont Tower, 3199 Rama IV Road, Klongton, Klongtoey, Bangkok 10110
Tel. (66) 0-2262 - 3759
Fax. (66) 0-2262 - 3780

7. Name **BEC STUDIO CO., LTD.** (Not yet operating)
Business Producing programs and servicing studio equipment
Registered Capital Baht 5 million (Issued and fully paid-up share capital 500,000 common shares)
Office 2nd FL., Maleenont Tower, 3199 Rama IV Road, Klongton, Klongtoey, Bangkok 10110
Tel. (66) 0-2262 - 3333, 204 - 3333
Fax. (66) 0-2204 - 1384

8. Name **BEC INTERNATIONAL DISTRIBUTION CO., LTD.**
Business Providing, producing TV programs, Holding Company
Registered Capital Baht 5 million (Issued and fully paid-up share capital 500,000 common shares)
Office 2nd FL., Maleenont Tower, 3199 Rama IV Road, Klongton, Klongtoey, Bangkok 10110
Tel. (66) 0-2262 - 3333, 204 - 3333
Fax. (66) 0-2204 - 1384

9. Name **BEC NEWS BUREAU CO., LTD.**
Business Producing news programs.
Registered Capital Baht 5 million (Issued and fully paid-up share capital 500,000 common shares)
Office 10th, 11th FL., Maleenont Tower, 3199 Rama IV Road, Klongton, Klongtoey, Bangkok 10110
Tel. (66) 0-2262 - 3333, 204 - 3333
Fax. (66) 0-2204 - 1384

10. Name **BANGKOK TELEVISION CO., LTD.**
 Business Providing, producing TV programs and sell air time for advertising.
 Registered Capital Baht 5 million (Issued and fully paid-up share capital 500,000 common shares)
 Office 2nd FL., Maleenont Tower, 3199 Rama IV Road, Klongton, Klongtoey, Bangkok 10110
 Tel. (66) 0-2262 - 3333, 204 - 3333
 Fax. (66) 0-2204 - 1384
11. Name **BANGKOK SATELLITE & TELECOMMUNICATION CO., LTD.** (Not yet operating)
 Business Satellite uplink - downlink services.
 Registered Capital Baht 25 million (Issued and fully paid-up share capital 2,500,000 common shares)
 Office 2nd FL., Maleenont Tower, 3199 Rama IV Road, Klongton, Klongtoey, Bangkok 10110
 Tel. (66) 0-2262 - 3333, 204 - 3333
 Fax. (66) 0-2204 - 1384
12. Name **BEC IT SOLUTION CO., LTD.**
 Business Information technology services, retail of computer accessories and maintenance service.
 Registered Capital Baht 15 million (Issued and fully paid-up share capital 1,500,000 common shares)
 Office 3rd FL., Maleenont Tower, 3199 Rama IV Road, Klongton, Klongtoey, Bangkok 10110
 Tel. (66) 0-2262 - 3759
 Fax. (66) 0-2262 - 3780
13. Name **SATELLITE TV BROADCASTING CO., LTD.** (Not yet operating)
 Business Satellite TV operator.
 Registered Capital Baht 1 million (Issued and fully paid-up share capital 100,000 common shares)
 Office 2nd FL., Maleenont Tower, 3199 Rama IV Road, Klongton, Klongtoey, Bangkok 10110
 Tel. (66) 0-2262 - 3333, (66) 0-2204 - 3333
 Fax. (66) 0-2204 - 1384
14. Name **BEC-TERO ENTERTAINMENT PUBLIC COMPANY LIMITED**
 Business Providing and producing TV programs and sell air time for TV advertising;
 producing and promoting music for organizing concert, producing pictures and plays
 Registered Capital Baht 250 million (Issued and fully paid-up share capital 200,000,000 common shares)
 Office 21st - 22nd, 25th-28th FL., Maleenont Tower, 3199 Rama IV Road,
 Klongton, Klongtoey, Bangkok 10110
 Tel. (66) 0-2262 - 3800
 Fax. (66) 0-2262 - 3801-2
 Website www.bectero.com

15. Name **BECi Corporation CO., LTD.**
 Business Invest in Internet business.
 Registered Capital Baht 200 million (Issued and fully paid-up share capital 20,000,000 common shares)
 Office 4th Fl., Maleenont Tower, 3199 Rama IV Road, Klongton, Klongtoey, Bangkok 10110
 Tel. (66) 0-2204 - 9999
 Fax. (66) 0-2204 – 9970
 Website www.becicorp.com

16. Name **BEC MULTIMEDIA CO., LTD.**
 Business Operating business of Digital TV.
 Registered Capital Baht 200 million (Issued and fully paid-up share capital 20,000,000 common shares)
 Office 4th Fl., Maleenont Tower, 3199 Rama IV Road, Klongton, Klongtoey, Bangkok 10110
 Tel. (66) 0-2204 - 9999
 Fax. (66) 0-2204 – 9970
 Website www.becmultimedia.com

SUBSIDIARY HELD BY BEC INTERNATIONAL DISTRIBUTION CO., LTD.

17. Name **TVB 3 NETWORK CO., LTD.**
 Business Providing and producing TV programs and sell air time.
 Registered Capital Baht 10 million (Issued and fully paid-up share capital 1,000,000 common shares)
 Office 9th Fl., Maleenont Tower, 3199 Rama IV Road, Klongton, Klongtoey, Bangkok 10110
 Tel. (66) 0-2262 - 3050
 Fax. (66) 0-2262 - 3066

SUBSIDIARIES HELD BY BEC-TERO ENTERTAINMENT PUBLIC COMPANY LIMITED [BEC-TERO]

18. Name **THAITICKETMAJOR CO., LTD.**
 Business Servicing for producing advertisement, reserve and selling show ticket, servicing to make seats reservation and sell bus tickets
 Registered Capital Baht 10 million (Issued and fully paid-up share capital 1,000,000 common shares)
 Office 27th Fl., Maleenont Tower, 3199 Rama IV Road, Klongton, Klongtoey, Bangkok 10110
 Tel. (66) 0-2262 - 3800
 Fax. (66) 0-2262 - 3801-2

19. Name **BEC-TERO SCENARIO CO., LTD.**
 Business Organizing show on the stage
 Registered Capital Baht 40 million (Issued and fully paid-up share capital 4,000,000 common shares)
 Office 28th FL., Maleenont Tower, 3199 Rama IV Road, Klongton, Klongtoey, Bangkok 10110
 Tel. (66) 0-2262 - 3800
 Fax. (66) 0-2262 - 3801-2
20. Name **BEC-TERO RADIO CO., LTD.**
 Business Producing radio programs and operating radio stations
 Registered Capital Baht 49,960,800 (Issued and fully paid-up share capital 4,996,080 shares)
 Office 23rd - 24th FL., Maleenont Tower, 3199 Rama IV Road, Klongton, Klongtoey, Bangkok 10110
 Tel. (66) 0-2204 - 3500
 Fax. (66) 0-2204 - 1410
21. Name **BEC-TERO TRUE VISIONS COMPANY LIMITED** (Established in October 2013)
 Business Organizing and managing the sports activities.
 Registered Capital Baht 50,000,000 (Issued and fully paid-up share capital 500,000 shares)
 Office 28th FL., Maleenont Tower, 3199 Rama IV Road, Klongton, Klongtoey, Bangkok 10110
 Tel. (66) 0-2262 - 3800
 Fax. (66) 0-2262 - 3801-2
22. Name **BEC-TERO MYANMAR COMPANY LIMITED**
 Business Service for ticketing, television program production, entertainment event, and distribution services for audio/video CD production in Republic of the Union of Myanmar
 Registered Capital USD 200,000 (registered capital of 200,000 common stocks, each is USD 1 and having fully paid shares 25,000)
 Office No. 4-G, Louis Lane, Golden Valley 2nd Street, Golden Valley (2) Ward, Bahan Township, Yangon, Myanmar.

ASSOCIATED HELD BY BEC-TERO ENTERTAINMENT PUBLIC COMPANY LIMITED [BEC-TERO]

23. Name **FOREVER BEC-TERO MYANMAR COMPANY LIMITED**
- Business Providing and producing entertainment show, also selling air time for TV advertising in Republic of the Union of Myanmar
- Registered Capital USD 100,000 (registered capital of 100,000 common stocks, each is USD 1 and having fully paid shares 25,000)
- Office Room No. (1402-03), Olympic Tower (1), Corner of Maha Bandoola Street & Bo Aung Kyaw Street, Kyauktada Township, Yangon, Myanmar.
- Tel. +95-1-204013, 256726
- Fax. +95-1-204107
- Website <http://www.foreverbectero.com>
- Email info@foreverbectero.com
-
24. Name **LIVE NATION BEC-TERO COMPANY LIMITED**
- Business Organizing international concerts in Thailand.
- Registered Capital Baht 1 million (Issued and fully paid-up share capital 100,000 common shares)
- Shareholder Structure: BEC-Tero Entertainment Public Company Limited holds 50,090 common shares, equal to 50.1% of registered capital, while Live Nation (HK) Limited holds 47,900 common shares and 2,000 preference shares equal to 49.9% of the registered capital; however one preference share has 5 voting rights.
- Office 28th FL., Maleenont Tower, 3199 Rama IV Road, Klongton, Klongtoey, Bangkok 10110
- Tel. (66) 0-2262 - 3800
- Fax. (66) 0-2262 - 3801-2

CV OF DIRECTORS, EXECUTIVE OFFICERS, CHIEF COMPLIANCE OFFICER AND COMPANY SECRETARY

Details of Directors, Executive Officers, Chief Compliance Officer and Company Secretary as of 21 March 2017

(Person from No.1 – No. 15 are considered as directors and executives pursuant to Rules and Regulations of Securities and Exchange Commission)

Directors, Executive Officers has no record in wrongdoing under Securities and Exchange Act or The Derivatives Act regarding (1) acting in bad faith or gross negligence (2) disclosing or distributing material information which might be misled, or concealing the fact which shall have been distributed, in which such fact may affect the decision making of shareholders, investors or related person (3) performing an unfair treatment or taking advantage against the investors in securities trading as well as involving or supporting the said matter for the past five years :

1. Mr. Somchai Boonnamsiri

Chairman of the Board, Independent Director

| | |
|---------------------------------|---|
| Age: | 62 years |
| Being appointed as director in: | May 2010 |
| Education/Training: | M.A. Economics, The Victoria University of Manchester, England; BSc.(Hons.) Economics, The University of Salford, England; Ordinary National Diploma in Business Studies with distinctions City of Bath Technical College, England; Capital Market Academy Class 8, Capital Market Academy, Bangkok, Thailand; Diploma, National Defence Course for the Joint State - Private Sectors (Class 9), The National Defence College |
| Directors Training Program: | Diploma in Director Certification Program (DCP#59/2005), Thai Institute of Directors Association (IOD) |

The Company's securities ownership as of 31 December 2016: 0.00%

Family Relationship: None

Working Experience for the past five years:

| | |
|-----------------------|---|
| Feb 2017 - Present | Chairman of the Board |
| 2010 - Present | Independent Director, BEC World Plc. |
| Dec 2015 - Present | Director, Member of the Audit Committee, Member of the Nomination and Remuneration Committee and Member of the Risk Management Committee, Krungthai Bank Plc. |
| Jun 2014 - present | Director, the Chairman of Nomination and Remuneration Committee and Member of the Audit Committee, The Platinum Group Plc. |
| Nov 2007 - March 2014 | Chief Executive Officer, Krung Thai Asset Management Plc. |
| Jan 2003 - Jan 2008 | Director and Member of Audit Committee and Risk Management Committee, Eastern Water Resources Development and Management Plc. |
| Oct 2003 - Nov 2006 | Chairman, Wall Street Tullett Prebon Securities Co., Ltd. |
| 2015 | Director, Nakornluang leasing - factoring Plc. |
| 2013 - 2015 | Chairman, Thaifoods Group Plc. |
| 1995 - 2015 | Director, Siam Allied Holding & Consultant Co., Ltd. |

Being any position in other organization in last year

Director, Member of the Audit Committee, Member of the Nomination and Remuneration Committee and Member of the Risk Management Committee, Krungthai Bank Plc.

Director, the Chairman of Nomination and Remuneration Committee and Member of the Audit Committee, The Platinum Group Plc.

2. Mr. Prachum Maleenont

Vice-Chairman of the Board, Executive Director, Authorized Director and Group Chief Executive Officer (G-CEO)

Age: 60 years

Being appointed as director on: 23rd November 1995

Education/Training: B.B.A. (Marketing), Assumption University

Directors Training Program: Certificate of Director Accreditation Program (DAP) year 2004, Thai Institution of Directors Associations (IOD)

The Company's securities

ownership as of 31 December 2016: 3.33%, held by Mr. Prachum Maleenont and 2.55%, held by sui juris child

Family Relationship: Member of Maleenont Family

Working Experience for the past five years:

Mar 2017 - Present Group Chief Executive Officer (G-CEO)

Feb 2017 - Present Vice - Chairman of the Board

1995 - Present Director, Executive Director - New Media Business and of BEC World Plc.

1985 - Present Director, Executive Director of The Bangkok Entertainment Co., Ltd.

2002 - Present Director, Authorized Director and Executive Director of BEC-TERO Entertainment Plc.

Present Director and Authorized Director of 14 subsidiaries of BEC World Group

Being any position in other organization in last year: None

3. Mr. Somprasong Boonyachai

Executive Director, Chairman of the Corporate Governance Committee

Age: 61 years

Being appointed as director on: 18th January 2017

The Company's securities ownership as of 31 December 2016: 0.00%

Family Relationship: None

Education/Training: Master Degree in Engineering, Asian Institute of Technology Directors

Training Program: Certificate of Role of the Chairman Program (RCP) class 21/2552
Certificate of Directors Certification Program (DCP) class 65/2548
Certificate of Director Accreditation Program (DAP) class 30/2547

Working Experience for the past five years:

| | |
|----------------|---|
| 2007 - Present | Director, Intouch Holdings Plc. |
| Jan - Dec 2016 | Chairman of Board of Executive Directors, Intouch Holdings Plc. |
| 2008 - 2015 | Chief Executive Officer and Chairman of Board of Executive Directors, Intouch Holdings Plc. |
| 2008 - Present | Vice Chairman of Board of Directors, Advanced Info Services Plc. |
| 2006 - Present | Director, Thaicom Plc. |
| 2002 - Present | Independent Director and Member of Audit Committee, Power Line Engineering Plc. |
| 2004 - 2016 | Director, Praram 9 Hospital Co., Ltd. |
| 2009 - 2011 | Chairman of Board of Executive Directors, Thaicom Plc. |
| 2000 - 2008 | Executive Director, Shin Satellite Plc. |
| 1999 - 2008 | Chairman of Board of Executive Directors, Advanced Info Services Plc. |
| 1994 - 2008 | Director, Advanced Info Services Plc. |

Being any position in other organization in last year:

Director, Intouch Holdings Plc.
Vice Chairman of Board of Directors, Advanced Info Services Plc.
Director, Thaicom Plc.
Independent Director and Member of Audit Committee, Power Line Engineering Plc.

4. Ms. Ratana Maleenont**Executive Director, Authorized Director, Member of the Nomination and Remuneration Committee, Chief Financial Officer (CFO)**

| | |
|---------------------------------|--|
| Age: | 67 years |
| Being appointed as director on: | 23 rd November 1995 |
| Education/Training: | Bachelor Degree in Economics, Thammasat University. |
| Directors Training Program: | Certificate of Director Accreditation Program (DAP) year 2004, Thai Institution of Directors Associations (IOD) |

The Company's securities ownership as of 31 December 2016: 8.41%

Family Relationship: Member of Maleenont Family

Working Experience for the past five years:

| | |
|--------------------|---|
| Mar 2017 - Present | Chief Financial Officer (CFO) |
| 1995 - Present | Director, Executive Director - Finance and Accounting Business of BEC World Plc. (CFO) |
| 1985 - Present | Director, Authorized Director and Executive Director of The Bangkok Entertainment Co., Ltd. |
| Present | Director and Authorized Director of 15 subsidiaries of BEC World Group |

Being any position in other organization in last year: None

5. Ms. Amphorn Maleenont

Executive Director, Authorized Director, and Chief Operating Officer (COO)

Age: 62 years
Being appointed as director on: 23rd November 1995
Education/Training: Bachelor Degree in Commercial and Accounting, Thammasat University
Directors Training Program: Certificate of Director Accreditation Program (DAP) year 2004, Thai Institution of Directors Associations (IOD)

The Company's securities ownership as of 31 December 2016: 5.88%

Working Experience for the past five years:

Mar 2017 - Present Chief Operating Officer (COO)
1995 - Present Director, Executive Director - Production Business of BEC World Plc.
1985 - Present Director, Authorized Director and Executive Director of The Bangkok Entertainment Co., Ltd.
Present Director and Authorized Director of 14 subsidiaries of BEC World Group
Being any position in other organization in last year: None

6. Mrs. Ratchanee Nipatakusol

Executive Director, Authorized Director and Member of the Corporate Governance Committee

Age: 59 years
Being appointed as director on: 23rd November 1995
Education/Training: Bachelor of Arts, Thammasat University
Directors Training Program: Certificate of Director Accreditation Program (DAP) year 2004, and Certificate of Finance for Non - Finance Directors Program year 2004, Thai Institution of Directors Associations (IOD)

The Company's securities ownership as of 31 December 2016: 0.00% 5.02%, held by sui juris child

Family Relationship: Member of Maleenont Family

Working Experience for the past five years:

1995 - Present Director, Executive Director - Marketing and Sales Business of BEC World Plc.
Present Director, Authorized Director and Executive Director of The Bangkok Entertainment Co., Ltd.
Present Director and Authorized Director of 8 subsidiaries of BEC World Group
Being any position in other organization in last year: None

7. Ms. Nipa Maleenont

Non-Executive Director, Authorized Director

| | |
|--|---|
| Age: | 65 years |
| Being appointed as director on: | 23 rd November 1995 |
| Education/Training: | Bachelor Degree in Commercial and Accounting from Thammasat University, Thailand |
| Directors Training Program: | Certificate of Director Accreditation Program (DAP) year 2004, Thai Institution of Directors Associations (IOD) |
| The Company's securities ownership as of 31 December 2016: | 5.88% |
| Family Relationship: | Member of Maleenont Family |
| Working Experience for the past five years: | |
| 1995 - Present | Director, Authorized Director of BEC World Plc. |
| 1985 - Present | Director, Authorized Director of The Bangkok Entertainment Co., Ltd. |
| Present | Director and Authorized Director of 7 subsidiaries of BEC World Group |
| Being any position in other organization in last year: | None |

8. Mr. Chansak Fuangfu

Independent Director, Member of the Corporate Governance Committee

| | |
|--|---|
| Age: | 67 years |
| Being appointed as director in: | May 2010 |
| Education/ Training: | MBM, Asian Institute of Management, Philippines. AMP, Harvard Business School, U.S.A., 2000 B.Sc.(Economic) with Honours, Thammasat University, Thailand Diploma, National Defence Course for the Joint State - Private Sectors (Class 9), The National Defence College |
| Directors Training Program: | Certificate of Director Accreditation Program (DAP) year 2004, Thai Institution of Directors Associations (IOD) |
| The Company's securities ownership as of 31 December 2016: | 0.00% |
| Family Relationship: | None |
| Work Experience for the past five years: | |
| Present | Independent Director, BEC World Plc. Director and Senior Executive Vice President, Bangkok Bank Public Company Limited Director, BEC- Tero Entertainment Plc. |
| 25 May 2006 - Feb 2015 | Independent Director, WAVE Entertainment Plc. |
| Being any position in other organization in last year: | Director and Senior Executive Vice President, Bangkok Bank Public Company Limited Director, Teijin Polyester (Thailand) Co., Ltd. |

9. Mr. Arun Ngamdee

Independent Director, Chairman of the Audit Committee

| | |
|--|---|
| Age: | 82 years |
| Being appointed as director on: | 23 rd November 1995 |
| Education/Training: | MA, Public Relations, Boston University Bachelor Degree of Arts, Chulalongkorn University Certificate of Top Executive from NIDA and Institute of Civil Servant Development. |
| Directors Training Program: | Certificate of Director Accreditation Program (DAP) year 2003, and Certificate of Audit Committee Program (ACP) year 2005, Thai Institution of Directors Associations (IOD) |
| The Company's securities ownership as of 31 December 2016: 0.00% | |
| Family Relationship: | None |
| Work Experience for the past five years: | |
| 1999 - Present | Chairman of the Audit Committee of BEC World Plc. |
| 1995 - Present | Independent Director of BEC World Plc. |
| 1993 - 1995 | Director General of Public Relations Department |
| 1989 - 1993 | Deputy Director General of Public Relations Department |
| Being any position in other organization in last year: None | |

10. Mr. Prathan Rangsimaporn

Independent Director, Member of the Audit Committee, Chairman of the Nomination and Remuneration Committee

| | |
|--|---|
| Age: | 83 years |
| Being appointed as director on: | 23 rd November 1995 |
| Education/Training: | MA Journalism, University of Panjab, Pakistan, Under SEATO Scholarship, BA Journalism, BA Social Administration, Thammasat University |
| Directors Training Program: | Certificate of Director Accreditation Program (DAP) year 2003, and Certificate of Audit Committee Program (ACP) year 2005, Thai Institution of Directors Associations (IOD) |
| The Company's securities ownership as of 31 December 2016: 0.00% | |
| Family Relationship: | None |
| Work Experience for the past five years: | |
| 1999 - Present | Member of Audit Committee of BEC World Plc. |
| 1995 - Present | Independent Director of BEC World Plc. |
| 1992 - 2008 | Special Instructor of the Faculty of Journalism and Mass Communication, Thammasat University |
| 1994 - 2001 | The Dean of the Faculty of Communication Arts, Siam University |
| 1993 | Senior Public Relations Expert |
| 1986 - 1988 | Director, Division of Directing Broadcasting Commission. Member and Secretary to the Directing Broadcasting Commission, |
| Being any position in other organization in last year: None | |

11. Mr. Mani Boonprakob

Independent Director, Member of the Audit Committee, Member of the Nomination and Remuneration Committee

| | |
|---------------------------------|---|
| Age: | 66 years |
| Being appointed as director in: | December 1999 |
| Education/Training: | Master Degree in Business and Administration, Thammasat University Bachelor Degree in Accounting, Chulalongkorn University. Certified Public Accountant (Thailand), Registration no. 2929 |
| Directors Training Program: | Diploma in Director Certification Program (DCP#02/2000), and Certificate of Audit Committee Program (ACP) year 2005, Thai Institution of Directors Associations (IOD) |

The Company's securities ownership as of 31 December 2016: 0.00%

Family Relationship: None

Work Experience for the past five years:

| | |
|----------------|---|
| 1999 - Present | Independent director and a member of the Audit Committee of BEC World Plc. |
| 2011 - 2014 | Member of the Ethics Committee of the FAP |
| 1993 - 1998 | Director and Executive Director, EVP - Finance and CFO of ABB Group of companies in Thailand. |

Being any position in other organization in last year

Managing Director, BMS Consultant Co., Ltd.
Executive Director THABB Support Co., Ltd. and Jirajit Co., Ltd.

12. Mr. Matthew Kichodhan

Non-Executive Director

| | |
|---------------------------------|---|
| Age: | 50 years |
| Being appointed as director in: | April 2007 |
| Education/Training: | Master of Science, (MSc. Management), Imperial College (Management School), University of London, England Bachelor of Commerce, University of Toronto, Canada Certification: Canadian Stock Exchange Commission |
| Directors Training Program: | Diploma in Director Certification Program (DCP#95/2007), Certificate of Director Accreditation Program (DAP#57/2006), Thai Institute of Directors Association (IOD) |

The Company's securities ownership as of 31 December 2016: 0.00%

Family Relationship: None

Work Experience for the past five years:

| | |
|----------------|--|
| 2007 - Present | Non-Executive Director, BEC World Plc. |
| 2014 - Present | Director, Thai Solar Energy Plc. |
| 2006 - Present | Director, WAVE Entertainment Plc. |

| | |
|----------------|---|
| 2013 - Present | Chairman, Chief Executive Officer, Authorized Director, Chairman of Investment Committee, WAVE Entertainment Plc. Wave Pictures Co., Ltd. CVD Organizer Co., Ltd. |
| 2014 - Present | Chairman and Authorized Director, Efficient English Services Ltd. |
| 2014 - Present | Chairman and Authorized Director, Jeffer Restaurant Co., Ltd. |
| 2015 - Present | Chairman and Authorized Director, Index Creative Village Plc. |
| 2013 - Present | Chairman and Authorized Director, Wave TV Co., Ltd., Wave Food Group Co., Ltd. |

Being any position in other organization in last year

Director, Thai Solar Energy Plc.
 Director, WAVE Entertainment Plc.
 Chairman, Chief Executive Officer, Authorized Director, Chairman of Investment Committee, WAVE Entertainment Plc. Wave Pictures Co., Ltd. CVD Organizer Co., Ltd.
 Chairman and Authorized Director, Efficient English Services Ltd.
 Chairman and Authorized Director, Jeffer Restaurant Co., Ltd.
 Chairman and Authorized Director, Index Creative Village Plc.
 Chairman and Authorized Director, Wave TV Co., Ltd., Wave Food Group Co., Ltd.

13. Mr. Voravat Maleenont

Non-Executive Director, Member of the Corporate Governance Committee

Age: 40 years
Being appointed as director on: 9th November 2016
Education/Training: MBA, Sasin Graduate Institute of Business Administration of Chulalongkorn University
Directors Training Program: -
The Company's securities ownership as of 31 December 2016: 1.18% held by himself 4.72% held by brother/sister
Family Relationship: Member of Maleenont Family
Work Experience for the past five years:
 November 2016 - Present Director, BEC World Plc.
 2012 - Present Vice President, The Bangkok Entertainment Co., Ltd.
 2009 - 2012 Assistance Managing Director, The Bangkok Entertainment Co., Ltd.
 2001 - 2009 The television program officer, The Bangkok Entertainment Co., Ltd.
Being any position in other organization in last year: None

14. Mr. Tospol Maleenont

Non-Executive Director, Member of the Corporate Governance Committee

Age: 39 years

Being appointed as director on: 9th November 2016

Education/Training: MS – Leadership & Management, University of La Verne, USA

Directors Training Program: -

The Company's securities ownership as of 31 December 2016: 1.18% held by himself 4.72% held by brother/sister

Family Relationship: Member of Maleenont Family

Work Experience for the past five years:

| | |
|-------------------------|---|
| November 2016 - Present | Director, BEC World Plc. |
| 2012 - Present | Vice President, The Bangkok Entertainment Co., Ltd. |
| 2009 - 2012 | Assistance Managing Director, The Bangkok Entertainment Co., Ltd. |
| 2007 - Present | Assistant Managing Director, Bangkok Drama Dept., BEC-TERO Entertainment Plc. |
| Oct 2004 - Dec 2006 | Project Coordinator, Concert and Event Business, BEC-TERO Entertainment Plc. |

Being any position in other organization in last year: None

15. Mr. Chatchai Thiamtong

Vice President – Finance Department, Secretary of the Board of Directors, Secretary of the Executive Committee, Secretary of the Audit Committee and Secretary of the Nomination and Remuneration Committee

Age: 65 years

Being appointed as Executive on: April 1996

Education/Training: Bachelor Degree in Accounting, Thammasat University
Bachelor Degree in Law, Thammasat University

Directors Training Program: Diploma in Director Certification Program (DCP 63/2005), Thai Institution of directors Associations (IOD)

The Company's securities ownership as of 31 December 2016: 0.0075%

Family Relationship: None

Work Experience for the past five years:

| | |
|----------------|--|
| 1996 - Present | Vice President - Finance and Secretary of the Board of Directors of BEC World Plc. |
| 1996 - Present | Secretary of the Board of Directors of BEC World Plc. |
| 1999 - Present | Secretary of the Audit Committee |
| 1999 - 2001 | Director and a member of the Audit Committee of SINGER (Thailand) Plc. |
| 1993 - 1994 | General Manager, SINGER (Thailand) Plc. |
| 1991 - 1995 | Director - SINGER (Thailand) Plc. |
| 1990 - 1993 | Vice President - Finance Department, SINGER Co., Ltd. Asia Pacific |

16. Mr. Nathrapong Phisitphadhrikul

Vice President - Internal Audit Office, Chief Compliance Officer

Age: 51 years

Education/Training: Master of Arts (Economic law) from Chulalongkorn University, Thailand
M.B.A. from Thammasat University, Thailand
Mini M.B.A. from UTCC
B.B.A. (Accounting) from Ramkhamhaeng University
Certified Internal Auditor (CIA) Certified Professional
Internal Auditor (CPIA) Tax Auditor (Thailand)

Directors Training Program: Diploma in Director Certification Program (DCP 63/2005), Thai Institution of directors Associations (IOD)

The Company's securities ownership as of 31 December 2016: 0.00%

Family Relationship: None

Work Experience for the past five years:

| | |
|-----------------|---|
| 2004 - Present | Vice President - Internal Audit Office and Chief Compliance Officer, BEC World Plc. |
| 2002 - Dec 2003 | Internal Audit Division Manager, Inter Comfort Co., Ltd. Sep. |
| 2001 - 2002 | Internal Audit Division Manager, Singer (Thailand) Plc. |
| 1997 - 2001 | Senior Internal Audit manager, CRC. Ahold Co., Ltd. |

17 Mrs. Chalaiporn Itthithavorn

Company Secretary

Age: 46 years

Education/Training: Master of Management, College of Management, Mahidol University
Bachelor of Laws, Thammasat University

Seminar: Fundamental Laws and Regulations of Thai Listed Company, 2009
Fundamental Practice for Corporate Secretary
Thai Listed Company Association, Class 20 (FPCS 20)

The Company's securities ownership as of 31 December 2016: 0.00%

Family Relationship: None

Work Experience for the past five years:

| | |
|----------------|-------------------|
| 2008 - Present | Company Secretary |
|----------------|-------------------|

BEC WORLD'S EXISTING EXECUTIVES AND CONTROLLING PARTIES HOLDING MANAGEMENT ROLES IN SUBSIDIARIES AND RELATED COMPANIES AS OF DECEMBER 31, 2017

| List Name of the Executives and Controlling Parties | BEC World Plc. | Company | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|-------------------|---------|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|--|
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | |
| 1. Mr. Somchai Boonnamsiri | X | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2. Mr. Somprasong Boonyachai | // | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3. Mr. Prachum Maleenont | // | | | | // | // | // | // | // | // | // | // | // | // | // | // | // | | / | | | | | | | | | | // | | |
| 4. Ms. Ratana Maleenont | // | | // | // | // | // | // | // | // | // | // | // | // | // | // | // | // | | | | | | // | | | | | | // | | |
| 5. Ms. Nipa Maleenont | // | | // | // | | // | | | | | | | | | // | // | // | | | | | | // | | | | | | // | | |
| 6. Ms. Amphorn Maleenont | // | | // | | | // | // | // | // | // | // | // | // | // | // | // | // | // | | | | | | | | | | | // | | |
| 7. Mrs. Ratchanee Nipatakusol | // | | // | // | | // | | | | | | | | | // | // | // | | | | | | // | | | | | | // | | |
| 8. Mr. Arun Ngamdee | / | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 9. Mr. Prathan Rangsimaporn | / | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 10. Mr. Manit Boonprakob | / | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 11. Mr. Chansak Fuangfu | / | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 12. Mr. Matthew Kichodhan | / | | | | | | | | | | | | | | | | | | | | | | | | | | / | | | // | |
| 13. Mr. Voravat Maleenont | / | | | | | | | | | | | | | | | | | | | | | | | | | | | | | // | |
| 14. Mr. Tospol Maleenont | / | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 15. Mr. Chatchai Thiamtong | / | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

Details of Companies stated in the above table

Subsidiaries Directly Held by the Company

| | | |
|---|---|---|
| 1. Bangkok Entertainment Co., Ltd. | 13. Satellite TV Broadcasting Co., Ltd. | 21. BEC-TERO True Vision Co., Ltd. |
| 2. Rungsiravanit Co., Ltd. | 14. BEC-TERO Entertainment Plc. | 22. BEC-TERO Myanmar |
| 3. New World Production Co., Ltd. | 15. BECI Corporation Ltd. | Associates held by |
| 4. BEC Broadcasting Center Co., Ltd. | 16. BEC-Multimedia Co., Ltd. | BEC-TERO Entertainment Plc. |
| 5. You & I Corporation Co., Ltd. | Subsidiary Held by | 23. Forever BEC-TERO Company Limited |
| 6. BEC Asset Co., Ltd. | BEC International Distribution Co., Ltd. | 24. Live Nation BEC-TERO Entertainment Plc. |
| 7. BEC Studio Co., Ltd. | 17. TVB 3 Network Co., Ltd. | Related Companies |
| 8. BEC International Distribution Co., Ltd. | Subsidiaries Held by | 25. WAVE Entertainment Plc. |
| 9. BEC News Bureau Co., Ltd. | BEC-TERO Entertainment Plc. | 26. WAVE TV Co., Ltd. |
| 10. Bangkok Television Co., Ltd. | 18. Thai Ticket Major Co., Ltd. | 27. Maleenont Tower Co., Ltd. |
| 11. Bangkok Satellite & Telecommunication Co., Ltd. | 19. BEC-TERO Scenario Co., Ltd. | 28. Millionaire Property Fund |
| 12. BEC IT Solution Co., Ltd. | 20. BEC-TERO Radio Co., Ltd. | 29. Thai Fight Co., Ltd. |

Remark: X = Chairman // = Authorized Director, Executive Director / = Director

NAME LIST OF THE EXECUTIVES AND CONTROLLING PARTIES OF THE SUBSIDIARIES

| Name List of the Executives and Controlling Parties | Bangkok Entertainment Co., Ltd. | Rungsiroyanit Co., Ltd. | BEC-TERO Entertainment Plc. | Bangkok Television Co., Ltd. | BEC-Multimedia Co., Ltd. |
|---|---------------------------------|-------------------------|-----------------------------|------------------------------|--------------------------|
| 1. Mr. Chattri Sophonpanich | X, / | | | | |
| 2. Mr. Vichai Maleenont | // | | X, // | | |
| 3. Mr. Prasan Maleenont | // | | | | |
| 4. Mr. Pravitt Maleenont | // | | | | |
| 5. Mr. Prachum Maleenont | // | | // | // | // |
| 6. Ms. Ratana Maleenont | // | // | | // | // |
| 7. Ms. Nipa Maleenont | // | | | | |
| 8. Ms. Amphorn Maleenont | // | // | | // | // |
| 9. Mrs. Ratchanee Nipatakusol | // | // | | | // |
| 10. Mr. Boonyarith Suwanphucksa | | / | | | / |
| 11. Dr. Cathleen Maleenont | | | // | | |
| 12. Mr. Brian L. Marcar | | | // | | |
| 13. Mr. Chansak Fuangfu | | | / | | |
| 14. Mr. Pravitt Jitnarapong | | | / | | |
| 15. Mr. Manootham Thajai | | | | / | |

Remark: Subsidiaries mean significant subsidiaries of the Company, i.e., generating revenue over 10% of total revenue in 2016 profit and loss statement.

X = Chairman // = Authorized Director / = Director

REFERENCE PERSONS

SHARE REGISTRAR:

Thailand Securities Depository Co., Ltd.

Office: 93 Ratchadaphisek Road, Dindaeng, Bangkok 10400
Tel: (66) 0-2009-9000
Fax: (66) 0-2009-9991
SET Contact Center: (66) 0-2009-9999
Website: <http://www.set.or.th/tsd>
E-mail: SETContactCenter@set.or.th

AUDITOR:

Dr.Virach Aphimeteetamrong CPA# 1378
Mr.Chaiyakorn Aunpitipongsa CPA# 3196
Mr.Apiruk Ati-anuwat CPA# 5202
Dr.Preecha Suan CPA# 6718

DR.VIRACH AND ASSOCIATE OFFICE COMPANY LIMITED

Office: 518/3 Panunee Building, 7th Floor, Ploenchit Road, Lumpini,
Pathumwan, Bangkok 10330
Tel: (66) 0-2252-2860, 0-2255-2518
Fax: (66) 0-2254-1210

LEGAL COUNSELORS:

P&P LAW FIRM

Office: 43/9 Soi Sukhumvit 11 (Chaiyos), Sukhumvit Rd., Klong Toey Nua,
Watthana, Bangkok 10110
Tel: (66) 0-2651-2121
Fax: (66) 0-2651-2124
Website: www.pai boon.biz
E-mail: pa@pai boon.biz

3 LIVE

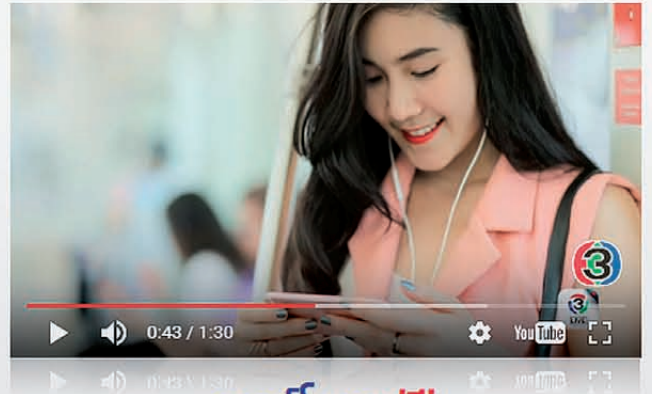
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www.becworld.com

www.thaitv3.com

www.becmultimedia.com

www.becicorp.com

www.bectero.com

www.thaiticketmajor.com



BEC WORLD PUBLIC COMPANY LIMITED

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