

Annual Report 2016



Mono Technology Public Company Limited

เมื่อดวงตะวันลาลับไปจากฟ้า เมื่อความมืดมาพร้อมลมเย็นและหนาว
เมื่อน้ำตาได้หลั่งริน เมื่อต้องสูญเสียพ่อผู้เป็นดังร่มเงา
เมื่อหัวใจของเราเหมือนกำลังต้องพังทลาย

แต่ดวงตะวันใช้ลาแล้วลับเลย พ่อไม่เคยทิ้งให้เราเดียวดาย
ถึงแสงเมื่อเริ่มวันใหม่ เสมือนว่ามีความรักจากที่แสนไกลใจเรารับรู้ได้คล้ายกับที่ผ่านมา

ให้เรามองบนฟ้า เดินตามรอยเท้าพ่อ เดินไปตามคำสอนที่พ่อบอกไว้
ให้พวกเรารักกัน ช่วยซับน้ำตาให้กันเพื่อก้าวต่อไป พ่อมองอยู่ไม่ไกลจากบนนั้น.....

ให้เรื่องราวเมื่อวันวาน เหมือนเป็นเพียงความฝัน
พ่อจะอยู่บนนั้น... พ่อจ๋า

มองบนฟ้า

บทเพลงเกิดพระเกียรติ รวมหัวใจภักดีถวายองค์พ่อหลวง
โดยกลุ่มบริษัท โมโน

ด้วยเกล้าด้วยกระหม่อม

ข้าพระพุทธเจ้า คณะกรรมการ ผู้บริหาร และพนักงาน
บริษัท โมโน เทคโนโลยี จำกัด (มหาชน) และบริษัทในเครือ



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**“ We are a country’s leader
in digital TV business
who delivers world-class
quality contents ”**

Mr. Pete Bodharamik
Chairman

Message from Chairman

To Shareholders,

The year 2016 could be considered as the year of success for Mono Group regarding MONO29 channel digital TV business ranked as one of the most popular leading TV channels nationwide. MONO29 has become one of the top businesses to generate revenue for the Company and this achievement derived from the selection of quality contents including movies, series, news, sports, and varieties, both from Thailand and international. The brand new and fresh contents that are accessed to all groups of audiences have increased customer base promptly. As for media and content businesses which consist of mobile internet, publishing, radio broadcasting, and entertainment services such as films and music productions, the Company has adapted its business operation to catch up with the conversion of technology in digital era. We have adjusted the contents to ensure that they are up-to-date and rapid. This includes providing more marketing and distribution channels through social media which has become gradually renowned. In addition, we have constantly developed our website system and applications. Not only satisfy our customers' demand, but also have a full capability to be accessed any place and any time.

As the Board of Directors always gives significance to business operation under the Good Governance, the Company received the score for the 2016 Corporate Governance Report Evaluation of Thai Listed Companies in excellent level for two consecutive years. This is also the third year that we received a full score in the evaluation of the Annual General Meeting of Shareholders. Furthermore, during these couple of years, the Board of Directors has focused on the idea of business operation under the Business Code of Conduct concerning the Anti-Corruption Policy and has attempted to convert the idea into practice. As a result, the Company was certified a membership of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC). The certification of the membership lasts for three years. These achievements have proved the intention to conduct our business based upon honesty, transparency, and accountability, as well as to resist any forms of corruption.

On behalf of the Board of Directors, I would like to thank our shareholders, business partners, financial institutions, government agencies, related private sectors, and all customers for your generosity and consistent support to the Company. All achievements throughout the past year could not be achieved without support from every party including executives and employees who have worked hard according to the operation plans and adhered to the rules of Good Cooperate Governance. Above all, I would like to reaffirm that we shall continually progress and strengthen our business in order to generate a long-term returns for all shareholders.



Mr. Pete Bodharamik

Chairman

Message from Chief Executive Officer

To Shareholders and Investors,



Mr. Sang Do Lee
Chief Executive Officer

The success of MONO29 channel led to its acceptance and popularity among nationwide viewers and established it as the leader in media and entertainment content business. In 2016, the economic growth is likely to be low, especially in the advertising sector which was affected by the decline in Q4. The important event of the nation in the last quarter lowered the value of media consumption by 12 percent. Despite these factors, our constant efforts to improve our business and great selection of content that appeals to audience of all ages and genders drove the increase of the channel popularity along with the increase in advertisement sales. Subsequently, the revenue from TV media almost doubled comparing to last year. In addition, the trend of our businesses' performances showed that loss was declining, so we are expecting a positive bottom-line in 2017.

Currently, the influence of social media plays a significant role on the consumption of information among Thai people. Various businesses need to adjust themselves to catch up with technology and respond to life style in digital era. As the strength of the Company lies on our ability to utilize technology, we are able to present our content services through different devices and utilize social media as a crucial channel to support our marketing. It also enables us to propel corporate social responsibility to communities nationwide. Last year we held activities and support various projects for social contributions such as constructing school buildings in remote areas and supporting the growth of the basketball in Thailand. In the MONO Basketball Dream Project, we had national basketball players and players of Mono Vampire Basketball Club teach their basketball techniques to young players at various schools nationwide in order to increase their interest in basketball in their communities. We also gave monetary support through many projects at both governmental and private levels.

The past year has revealed that the Company received warm welcome from investors and shareholders. As a result, the MONO stock has been included in the sSET indexes. Announced in the early of 2017, the sSET index refers to new index with high liquidity and required number of minor shareholders. Moreover, we had increased our cooperation with various alliances both in the domestic and international market, especially among the leading film studios. I would like to thank our board of directors, executives, and all our employees for their dedication and collaboration which led to the success of our company. We are determined to run our business on the basis of effective management system, transparent operation, and anti-corruption in order to generate long-term returns for our shareholders.

Board of Directors



1. Mr. Pete Bodharamik Aged 44

Chairman of the Board of Directors / Authorized Director

(Appointed Director on March 9, 2012)

Education / Training Courses

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

Shareholding (%)¹

MONO : 71.06%, MONO-W1 : 62.72%

Experience

Directorship in Listed Companies

2012 - Present	Chairman, Mono Technology PCL.
2008 - Present	Director and CEO Jasmine International PCL.
2008 - 2010	Director and Chairman, Jasmine Telecom System PCL.

Directorship in other Companies

2015 - Present	Director, Pinvest Corporation Co., Ltd.
2012 - Present	Director, PVS Development Co., Ltd.
2008 - Present	Director, Subsidiaries of Jasmine International PCL.
2007 - Present	Director, Triple T Internet Co., Ltd.
2006 - Present	Director, Triple T Broadband PCL.
2002 - Present	Director, Subsidiaries of Mono Technology PCL.
2001 - Present	Director TT&T PCL.
1995 - Present	Director, Emerald Farm Co., Ltd.

2. Mr. Soraj Asavaprapha² Aged 51

Vice Chairman / Chairman of Executive Committee

Member of Nomination and Remuneration Committee

Chairman of Risk Management Committee /

Authorized Director

(Appointed Director on March 9, 2012)

Education / Training Courses

- Doctor of Business Administration, International Business,
Alliant International University, San Diego, USA
- IOD Training Programs:
 - Role of the Chairman Program (RCP), Class 21/2009
 - Director Certification Program (DCP), Class 104/2008
 - Director Accreditation Program (DAP), Class 72/2008

Shareholding (%)³

MONO : 2.12%, MONO-W1 : 1.95%

Experience

2009 - 2012	Qualified Director National Science Technology and Innovation Policy Office (STI)
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Directorship in Listed Companies

2012 - Dec 2016	Vice Chairman, Chairman of Executive Committee, Member of Nomination and Remuneration Committee, and Chairman of Risk Management Committee, Mono Technology PCL.
2011 - Aug 2016	Director, Jasmine International PCL.
2008 - 2013	Independent Director and Chairman of Audit Committee, Cyber Planet Interactive PCL.

Directorship in other Companies

2014 - Present	Director, Sup Si Phi Nong Co., Ltd.
2007 - Present	Director, Asava Co., Ltd.
2007 - Present	Director, Thana Fah Thai Co., Ltd.
2005 - Present	Director, PSW Car Rental Co., Ltd.
2004 - Present	Director and Executive Director, TOYOTA P.S. Enterprise Co., Ltd.
2002 - Present	Director, Subsidiaries of Mono Technology PCL.
1998 - Present	Director, V. Conglomerate Co., Ltd.

¹ Includes holdings by spouse and minor children as of December 31, 2016

² Mr. Soraj Asavaprapha resigned from the positions of director of the Company and director of all committees effective on December 2, 2016.

³ Includes holdings by spouse and minor children as of December 2, 2016



3. Mr. Navamin Prasopnet

Aged 44

Assistant Chairman / Executive Director
Chief Marketing Officer / Authorized Director

(Appointed Director on March 9, 2012)

Education / Training Courses

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

Shareholding¹ (%)

MONO : 0.72%, MONO-W1 : None

Experience

Directorship in Listed Companies

2012 - Present Assistant Chairman, Executive Director, and Chief Marketing Officer, Mono Technology PCL.

Directorship in other Companies

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

4. Mr. Sang Do Lee

Aged 41

Director / Executive Director / CEO
Authorized Director

(Appointed Director on March 9, 2012)

Education / Training Courses

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

Shareholding (%)¹

MONO : 0.55%, MONO-W1 : 0.07%

Experience

Directorship in Listed Companies

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

Directorship in other Companies

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



¹ Includes holdings by spouse and minor children as of December 31, 2016



5. Mr. Komsak Wattanasriroj

Aged 48

Director / Executive Director / Chief Financial Officer

(Appointed Director on March 9, 2012)

Education / Training Courses

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

Shareholding¹ (%)

MONO : 0.35%, MONO-W1 : 0.28

Experience

Directorship in Listed Companies

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

Directorship in other Companies

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

6. Mr. Siri Luengsawat

Aged 61

Director

(Appointed Director on March 9, 2012)

Education / Training Courses

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

Shareholding¹ (%)

MONO : 0.06%, MONO-W1 : None

Experience

Directorship in Listed Companies

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

Directorship in other Companies

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

¹ Includes holdings by spouse and minor children as of December 31, 2016



7. Mrs. Punnee Worawuthichongsathit Aged 64

Independent Director / Chairperson of Audit Committee

(Appointed Director on March 9, 2012)

Education / Training Courses

- Master of Accountancy, Chulalongkorn University
- Certified Public Accountant (CPA) Registration No. 2960 (Thailand)
- Certified Internal Auditor (CIA), IIA USA
- Certified Professional Internal Auditor (CPIA) and Qualified Internal Auditor (QIA), IIA Thailand
- Chartered Directors, IOD
- Tax Law Certificate, JTI Thailand
- IOD Training Programs:
 - Ethical Leadership Program, Class 2/2015
 - Anti-Corruption for Executive Program (ACEP), Class 10/2014
 - Anti-Corruption : The Practice Guide (ACPG), Class 10/2014
 - Role of the Chairman Program (RCP), Class 25/2011
 - Role of the Nomination and Governance Committee, Class 1/2011
 - Refresher Course DCP, Class 2/2009
 - Monitoring Fraud Risk Management, Class 1/2009

- Role of the Compensation Committee, Class 7/2008
- Monitoring the System of Internal Control and Risk Management, Class 2/2008
- Monitoring the Quality of Financial Report, Class 5/2007
- Monitoring the Internal Audit Function, Class 1/2007
- Improving the Quality of Financial Report, Class 1/2006
- Audit Committee Program (ACP), Class 2/2004
- Director Certification Program (DCP), Class 38/2003
- Director Accreditation Program (DAP), Class 2/2003

Shareholding(%) ¹

MONO and MONO-W1 : None

Experience

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

Directorship in Listed Companies

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

Directorship in other Companies

2016 – Present	Independent Director, Member of Audit Committee, and Chairperson of Corporate Governance, WHA Utilities and Power PLC. ²
2016 – Present	Director, P.W. Consultants Co., Ltd.

8. Mr. Preecha Leelasithorn Aged 53

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

(Appointed Director on March 9, 2012)

Education / Training Courses

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

Shareholding(%)¹

MONO and MONO-W1 : None

Experience

Directorship in Listed Companies

2012 – Present	Independent Director, Member of Audit Committee, and Chairman of Nomination and Remuneration Committee Mono Technology PCL.
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Directorship in other Companies

2012 – Present	Director, CPanel Co., Ltd.
2007 – Present	Executive Vice President, AIRA Securities PCL.
2002 – Present	Director, Alliance Co., Ltd.
2000 – Present	Director, Andaman Lanta Property Co., Ltd
1984 – Present	Director, Manakijcharoen Co., Ltd.

9. Mr. Kriengsak Thiennukul Aged 51

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

(Appointed Director on March 9, 2012)

Education / Training Courses

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

Shareholding(%)¹

MONO and MONO-W1 : None

Experience

Directorship in Listed Companies

2012 – Present	Independent Director, Member of Audit Committee, and Member of Nomination and Remuneration Committee Mono Technology PCL.
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Directorship in other Companies

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

¹ Includes holdings by spouse and minor children as of December 31, 2016

² The Company is under listing application consideration from SET.





Executives

1. Mr. Patompong Sirachairat

Chief Operating Officer
Executive Director
Member of Risk Management
Committee

2. Mr. Jiraparwat Boonyasen

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

3. Mr. Teerasak Tharaworn

Vice President – Human Resources

4. Miss Pitirudee Sirisamphan

Company Secretary
Vice President – Corporate Affairs

5. Miss Benjawan Rakwong

Vice President – Administration

6. Miss Paweena Poonpattanasuk

Vice President – Accounting and Finance
Member of Risk Management
Committee

Financial Summary

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



Operating Results

	2016	2015	2014
Statement of Financial Position (Unit : million Baht)			
Total Assets	5,391.66	5,277.74	5,400.10
Total Liabilities	3,026.05	2,854.18	2,488.88
Total Shareholders' Equity	2,365.61	2,423.56	2,911.22
Statement of Comprehensive Income (Unit : million Baht)			
Sales and Service Income	2,076.76	1,892.96	1,526.31
Total Revenues	2,112.70	1,925.14	1,603.42
Profit before Finance Cost and Income Tax Expenses	(94.89)	(407.11)	4.41
Net profit (loss) Attributable to Equity Holders of the Company	(249.55)	(486.57)	(12.42)
Earnings Per Share (Baht)	(0.08)	(0.16)	0.00
Weighted Average Number of Ordinary Shares (million shares)	3,172.66	3,085.56	3,080.00



Financial Ratio

	2016	2015	2014
Gross Margin (%)	20.18	12.69	33.77
Operating Profit Margin (%)	(6.21)	(23.21)	(4.76)
Net Profit Margin (%)	(11.81)	(25.27)	(0.77)
Return on Equity (%)	(10.42)	(18.24)	(0.41)
Return on Asset (%)	(1.78)	(7.63)	0.10
Debt to Equity Ratio (times)	1.28	1.18	0.85



Dividend Payment

	2016	2015	2014
Paid-up Ordinary Shares (million shares)	3,200.94	3,100.93	3,080.00
Par Value (Baht per share)	0.10	0.10	0.10
Total Dividend Payment (Baht per share)	0.030	-	0.160
Interim Dividend (Baht per share)	-	-	0.020
Annual Dividend (Baht per share)	0.030	-	0.020
Stock Dividend (Baht per share)	-	-	0.120
Dividend Payout Ratio ^{1/} (%)	38.66	-	46.68

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

Key Developments of the Company and Subsidiaries in 2016

On January 27, 2016

T Moment Production House was officially introduced. Being under the cooperation between Mono Group and Mr. Visute Poolvorakals, the executive who was an experienced and well-known director, T Moment Co., Ltd. was established in March 9, 2016 with the Company holding 100 percent share. With the intention to boost long term revenue for Thai film industry, T Moment will focus on producing quality films as well as expecting more opportunity for international license sales.



In February 2016

- MONO29 channel ranked the fourth of the most popular free TV channel after raking the fifth in 2015. The average percentage of audience nationwide per minute was above 15 years old, in other word, rating as of February 2016 was 0.660 with the average number of audience at 373,838 persons per minute.
- Monomaxxx.com, online video streaming service website under Mono Film, has renewed and renamed from Doonung.com to underline the online entertainment service of Mono Group with brand-new contents from Sahamongkol Film and etc.
- Mono Radio Co., Ltd. changed the name of Mono FresZ radio station to Mono Fresh 91.5 FM with the concept of "The Social Radio" and then adjusted to "Music Station - Fresh Music All Day Long" at the beginning of 2017.



On February 4, 2016

Mono Film launched Monkey King 2, a high budget movie with a Hollywood special effect team to create stunning computer graphic scenes. With leading stars namely Aaron Kwok and Gong Li, Monkey King 2 was the Asian movie which earned the highest income in Thailand movie market in 2016.

On March 3, 2016

MThai.com held the sixth “MThai Top Talk-About 2016”, the biggest award event for online society. The awards were presented to the most talked-about people on the internet including movie stars, athletes, and online sensations to encourage them and give inspiration to the society. This fabulous event was held at Siam Paragon Department Store.



On March 25, 2016

Mono Production Co., Ltd., the owner of a television broadcasting service license for non-spectrum satellite and cable TV under the name Mono Plus - Never Ending Entertainment, renewed the license and received a permission to provide the service for the next 5 years from March 25, 2016 to March 24, 2021.

In April 2016

- Mono Game under mobile internet business added another service called MGame, a buffet of game applications for customers to download. This application is applicable to iOS and Android system. To satisfy customer demand, there are more than 1,000 different games to select such as strategic planning game and brain exercise game.
- Mbookstore.com under Mono Publishing added another service to the website. Other than enjoying online service by paying member fee (daily, monthly, or yearly) to access the online library via smart devices such as computer and tablet, in this year, online store for books and magazines is also available on store.mbookstore.com so as to respond to market demand.



On May 11, 2016

The press conference on an Asian basketball completion “5th SEABA Stankovic Cup Thailand 2016” was held to announce the support of Mono Group to the Basketball Sport Association of Thailand. Competitors were 5 basketball teams from 5 countries including Thailand, Philippines, Singapore, Malaysia, and Indonesia. Held on 22-28 May, the completion was live broadcasted on MONO29, MONO PLUS, and Mthai.com.

On July 3, 2016

Government Savings Bank declared the intention to support professional basketball league by announcing sponsorship of Mono Vampire Basketball Club under Mono Group. Aiming to strengthen Thailand sports sector, by supporting the team “Thailand Basketball League 2016” (TBL 2016) from June to August 2016, Mono Vampire was able to win the championship for 2 consecutive years.



On September 28, 2016

MONO29 channel held a blessing ceremony for the shooting of the channel's grand series, "The Legend of King Naresuan the Series". M.R. Chalermchatri Yukol (Adam) of Fuk Duk Film Co., Ltd. is both director and producer of the series. In this event, the leading stars in the role of King Naresuan in 3 generations including Pae - Daweerit Chullasapya, Zeen - Nutchanon Boonsiri, and Tew - Panukorn Wongboonmak were also introduced to the press at King Naresuan Monument, Ayuttaya. "The Legend of King Naresuan the Series" is aired on MONO29 in the early of 2017.



On October 18, 2016

Mono Technology PCL. received a certificate certified a membership of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) in the third quarter of 2016 after passing the self-evaluation form on Anti-Corruption Measurement. The certification of the membership lasts for 3 years.

On October 28, 2016

Mono Entertainment Co., Ltd. registered a name change to Mono Music Co., Ltd. to clarify its business feature as a provider and creator of infotainment relating to artists and music under Mono Music.

On December 20, 2016

Mono Sport Entertainment Co., Ltd., Thai Basketball League Co., Ltd., and Sports Authority of Thailand held basketball competitions to enhance the popularity of basketball in Thailand continuously. It is a 3-year campaign (2017-2020) consisted of 4 basketball leagues in 2017 which aims to improve skills and techniques from amateur to professional and national team players respectively.





Policy and Business Overview

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

Mono Group, the Number 1 Entertainment Content Creator of Thailand, started off with media and content business offering internet services via online game and online community websites. After becoming a variety website targeted at teenagers, www.mthai.com has continuously developed to embrace larger web community with various contents available for different lifestyles and with the largest number of video clips, all of which have made MThai one of the top favorite websites in Thailand.

Another key business at the early stage of the Company was mobile value added services. In collaboration with leading mobile operators, the Company started offering the Interactive SMS on TV service in order to enable viewers to share their opinions via Short Message Service (SMS) while watching TV programs. Based on real time system, the SMS is presented on TV screen. This service was first launched via Royal Thai Army Radio and Television (Channel 5) and this model of interactive SMS on TV is now widely used by other TV programs. Thereafter, the mobile value added service business has expanded its value by offering Short Message Service (SMS) and smartphone applications which facilitates mobile users to access audio and image download as well as play online games via mobile platform. These services have been developed to fulfill the demand of users in foreign countries also.

Furthermore, the Company also established subsidiaries, and other types of media were additionally included in our service. Entertainment business which was regarded as a complimentary business was then inaugurated to complete holistic scope of media landscape including publishing, TV, radio, music, and movie businesses. In 2014, Mono Broadcast Company Limited, a subsidiary of Mono Technology PCL., had won the bid on the auction of digital TV license in the category of standard-definition (SD). As a result, MONO29 channel, which is regarded as one of the core business of Mono Group, was established under the concept of **“Free TV with the most number of great movies and popular TV series”**.

Capital Structure Changes

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

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

On April 23, 2015, the Annual General Meeting of Shareholders 2015 passed a resolution to approve the capital increase of 308 million shares under General Mandate at the par value of 0.10 Baht. The allotment of shares according to the resolution of the meeting of Board of Director No. 1/2016 on February 19, 2016 was also allocated through private placement in a total of 50 million shares.

On April 27, 2016, the Annual General Meeting of Shareholders 2016 resolved to reduce registered capital from the registered shares that have not been issued in the previous year in a total of 258 million shares. The meeting also passed a resolution to increase capital under General Mandate for an amount of 315 million shares at the par value of 0.10 Baht. The allocation of new shares for capital increase totally 50 million shares was to complete the payment for the copyrights of films and screenplays from Mr. Visute Poolvorlaks which is the private placement in a total of 103 million Baht. Currently, as of December 31, 2016, the registered capital of the Company is 498,499,997.50 Baht with the paid-up registered capital of 320,093,553.70 Baht.

Moreover, the Meeting of the Board of Directors No.1/2017 was held on January 10, 2017 with a resolution to allocate new shares for capital increase under General Mandate through 8 private placements in an amount of 143 million shares in order to support TV media and film businesses. As a result, the paid-up registered capital of the Company is 334,393,553.70 Baht.



Vision

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

Missions

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



To **create** valuable infotainment that brings contentment in every platform



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



To **explore** potential business opportunities both domestic and international



To **encourage** personnel to enhance their competence with continuous development



To **strengthen** environmental stewardship and social responsibility for sustainable growth

Business Goal

At present, TV business under the name “Mono Twenty Nine” (MONO29) has become the core business to generate revenue for Mono Group. Airing for more than 2 years, MONO29 Channel has elucidated direction as “Free TV with the most number of Great Movies and Popular TV Series” with the intention to present quality contents from Thailand and international. Consequently, in 2016, MONO29 was able to be ranked fourth of the most popular digital TV channels (rating) with constant increase of rating. Initially, the audiences were only in Bangkok and big cities; nevertheless, nowadays there are more audiences in suburbs and provincial areas. The Company intends to be rated one of the top 3 most favorable TV channels with 5-10 percent market share of the present TV ad spending. To achieve this, best selection of quality programs along with entertainments will be provided to audiences of all ages and genders.

For long term sustainability of business operation, the Company has targeted to be the leading in entertainment business with Rich Contents providing vision, audio, and motion picture on various entertainment media. Major market is the local area and then extends to foreign countries.

During the past year, the Company has achieved the business plan to run a complete media business which consists of the Internet (MThai.com, MonoMaxxx.com), printed media (magazines, books, blogs), value added services on mobile phone (SMS, applications on news and horoscope), radio media (Fresh 91.5FM), and TV media (MONO29, MONO PLUS). Thus, the target for the next step of the business is to acquire and produce rich contents by performing a complete management of the copyrights for all media and creating a marketing strategy that promote mutual support, starting from managing the rights of the upstream businesses which includes the following:

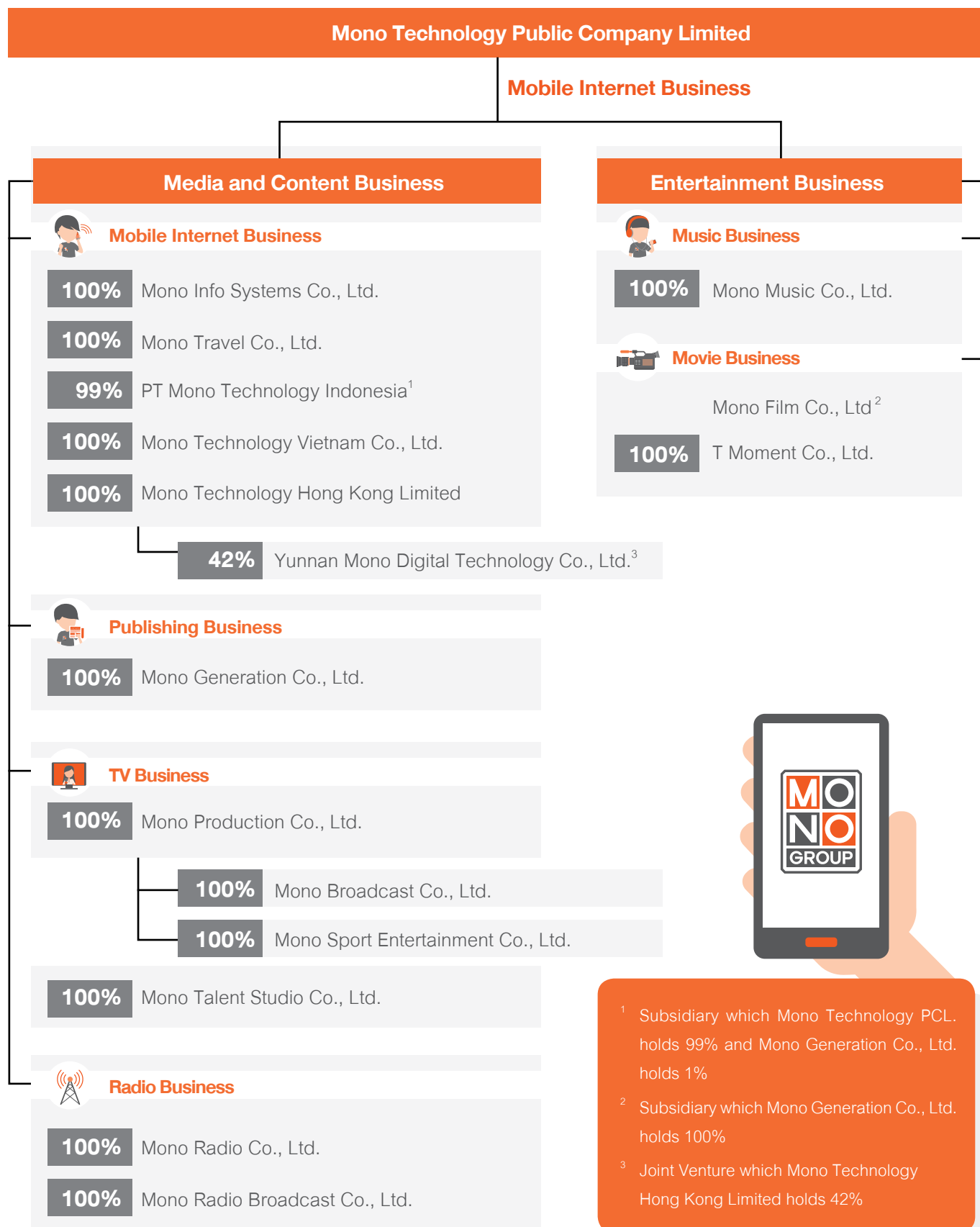
- The production of Thai movies by T Moment Production House
- The production of Thai series by MONO29 channel
- The acquisition of movies and series from foreign countries by Mono Film Co., Ltd.
- The production of basketball programs by Mono Sport Entertainment Co., Ltd.
- The production of contents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

Apart from scattering contents on various media under Mono Group production, the Company also share the rich content online for audiences worldwide to see on MThai.com. Moreover, Mono Film Co., Ltd. has begun to sell copyrights of Thai films and series to the neighboring countries such as 2538 Altermajibe, Hor Taew Tak, The Holy Man and etc.

As for mobile internet business, the Company realizes that mobile phone gadgets have increasingly advanced to support different kinds of internet media. For this reason, the Company determines to develop mobile applications and find more business partners for cooperation on news, entertainment, games, lifestyles, and horoscope. Therefore, the management of rich content through a variety of media is considered the core of business operation. Doing business from upstream to downstream is in accordance with the present behavior of audiences regarding the consumption of information and entertainment. Such behavior is different depends on age, education, occupation, and applicable circumstance. Consequently, no matter how much consumer behavior has changed in the future or how screen has altered, Mono Group is confident that readiness to present the contents on different gadgets is well prepared.

Shareholding Structure of the Company Group as of December 31, 2016

Mono Technology PCL. has 15 subsidiaries and a joint venture. The Company business can be divided into two groups: media and content business, and entertainment business. The overview of Mono Group business structure was summarized as follows:



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

1. Media and Content Business



- **Mobile Internet business** offers information, news, and entertainment content services to fulfill consumer demand via mobile phone and the internet. The services include short message service (SMS), interactive voice response (IVR) through telephone No. *336, ring back tone, mobile site service for browsing the internet via mobile phone, and mobile applications for smartphone users such as U Know Game (general knowledge game) and Horolive Talk (online horoscope)

Moreover, mobile internet business offers large website communities which contain the biggest video clip collection with top visitor rating in Thailand. These websites are Mthai.com and online hotel reservation websites including Hotelsthailand.com and Hotelthailand.com. The Company has developed the service system so that it is suitable for modern technology gadgets and has expanded mobile internet business to neighboring countries as well.



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

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

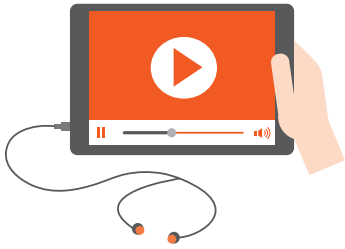


- **TV Business** operates the digital TV broadcasting business under the name "Mono Twenty Nine" (MONO29) channel. With the slogan "Free TV with the most number of Great Movies and Popular TV Series", MONO29 offers quality TV programs for non-stop entertainment throughout 24 hours. Selected movies are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

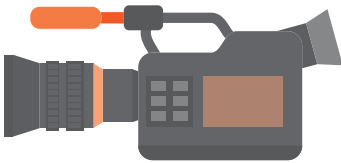


- **Radio Business** operates its business relevant to radio program production for broadcasting via radio station. Under the name “Mono Fresh 91.5 FM”, the music station is conceptualized as “Fresh Music All Day Long” with lively DJs to send happiness to listeners of all genders and ages. The station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

2. Entertainment Business



- **Music Business** encompasses the production and creation of entertainment content relating to artists and music under Mono Music. This record label focuses on offering downloading services on digital formats including Youtube Channel with more than 880,000 followers and online steaming services. The business also includes the distribution of CDs, VCDs, DVDs, photo albums of artists, as well as ShowBiz of Mono Music Artists such as Peet-Peera, Neung-Apiwat, A-Poy, and etc.



- **Movie Business** focuses on renders full range of movie services. Mono Picture and T Moment engage in the production of quality movies and the acquisition of movie licenses from Thai and foreign producers to be shown in cinemas. The copyright of those films are sold to free TV channels, cable TV, and international movie companies. The entire acquired movies including those under its own production are also offered via all Company’s media services. In addition, there is online movie steaming service on website Monomaxxx.com where members can enjoy more than 10,000 hours of limitless movies.



Nature of Business Operation

Revenue Structure

The Company and subsidiaries' revenue structure during 2014 - 2016 :

Business	Operated by	% of shareholding by the Company	2016		2015		2014	
			Million Baht	%	Million Baht	%	Million Baht	%
1. Media and Content Businesses								
1) Mobile Internet Business	Mono Tech	-	842.01	39.85	955.04	49.61	1,208.86	75.40
	Mono Info	100						
	Mono Travel	100						
	Mono Indo	100						
	Mono Korea	100						
	Mono Vietnam	100						
2) Publishing Business ^{2/}	Mono Gen	100	92.12	4.36	99.23	5.15	81.73	5.10
3) TV Business ^{2/}	Mono Production	100	1,013.23	47.96	631.88	32.83	121.92	7.60
	Mono Broadcast ^{1/}							
	Mono Sport ^{1/}							
	Mono Talent	100						
4) Radio Business	Mono Radio	100	2.71	0.13	1.87	0.10	-	-
	Mono Radio Broadcast	100						
2. Entertainment Businesses								
1) Music Business ^{2/}	Mono Music	100	17.65	0.84	43.15	2.24	28.32	1.76
2) Movie Business ^{2/}	Mono Film ^{1/}	100	109.04	5.16	161.79	8.40	85.48	5.33
	T Moment	100						
Total Revenues from Sales and Services			2,076.76	98.30	1,892.96	98.33	1,526.31	95.19
Other revenues			35.94	1.70	32.18	1.67	77.11	4.81
Total Revenues			2,112.70	100.00	1,925.14	100.00	1,603.42	100.00

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

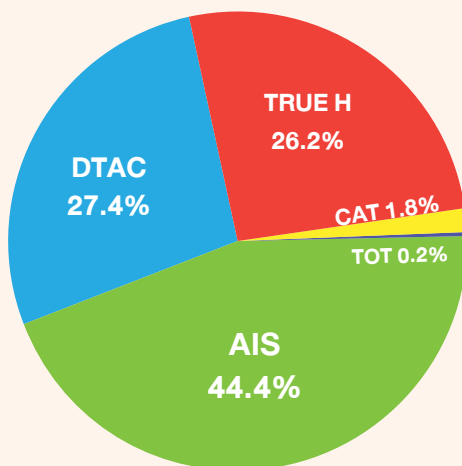
The Company is the indirect shareholder of Mono Film due to our investment in Mono Gen - a major shareholder of Mono Film (100 %).

^{2/} Revenue from content that was disseminated via mobile phone in terms of mobile value added service (MVAS) was included

Overview of Industry and Competition of Media and Content Business

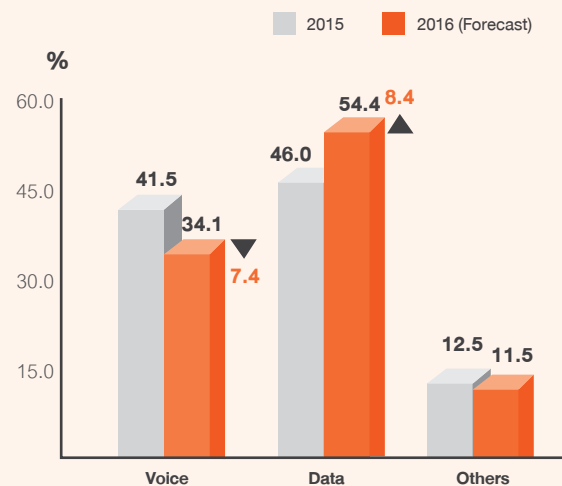


**Mobile operators market share in 2016
(forecast)**



Source: Yozzo Co., Ltd - The Telecommunications Industry Market Research Company

**Market Value Ratios of Mobile Network Services
Comparing 2015 and 2016**

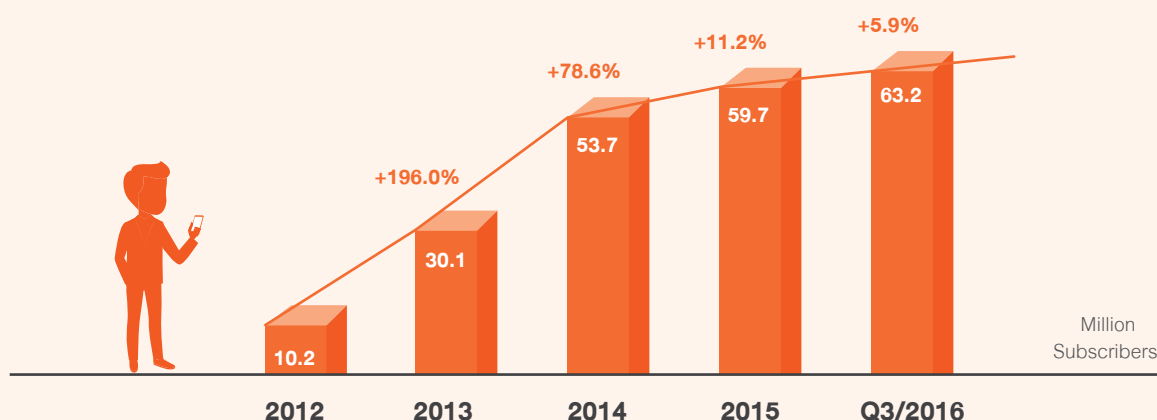


Source: The National Broadcasting and Telecommunications Commission (NBTC)'s Website

By the end of 2016, there were 90.9 million mobile numbers in Thailand with penetration rate 138.3% increased by 10.8% from the penetration rate at the end of 2015 which was 127.5%. It revealed that a number of consumers could own more than 1 mobile number or smart devices. The improvement of technology concerning data transference speed enables content businesses (non-voice) to grow continuously. In 2016, the business growth was 8.4% comparing to the year 2015.

Furthermore, a number of clients who had used mobile services for data transfer through 3 major mobile operators AIS, Dtac, and TrueMove H, held a higher penetration rate of 59.94% of the total mobile customers. Hence, Mono Group, the major digital content provider, has consistently produced more interesting and creative rich contents including developing new applications pertaining to consumers' demands.

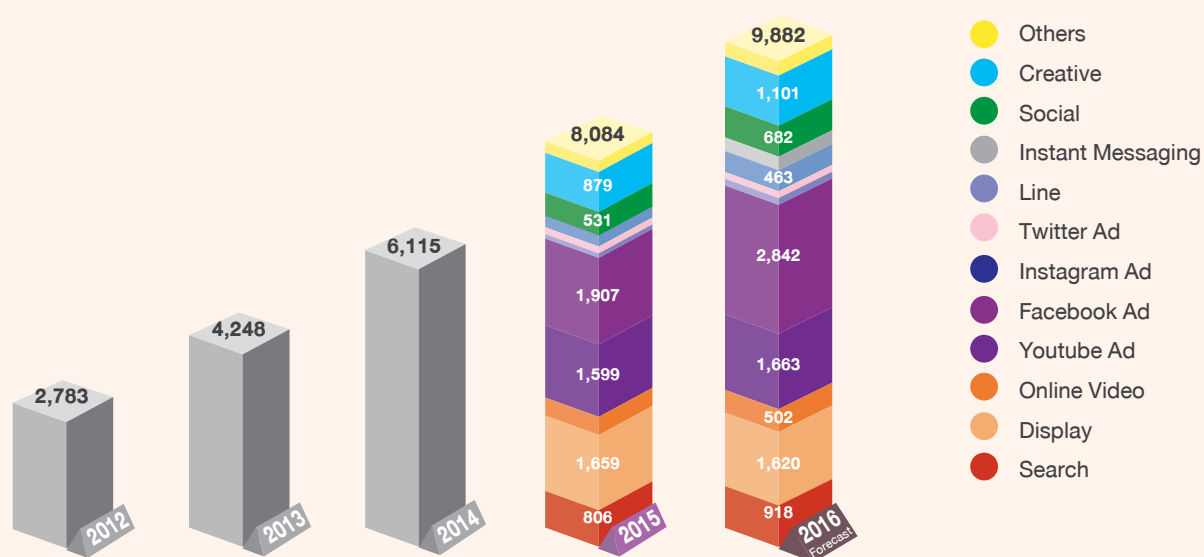
Mobile Broadband Internet Subscribers during 2012 – 2016



Source: Telecommunication Industry Research and Data Center, The National Broadcasting and Telecommunications Commission (NBTC)

Broadband Internet played an important role in speeding up all kinds of content such as news and entertainment. Fixed broadband internet had widely been used in offices and residences at the raise of 10.2% or 6.9 million users at the end of quarter 3/2016 comparing to 2015. In addition to mobile broadband internet, mobile numbers increased to 63.2 millions at the end of quarter 3/2016. The mobile broadband internet growth rate was greatly increased in recent years, reflecting that consumers required higher speed for data transfer on smart phones and smart devices.

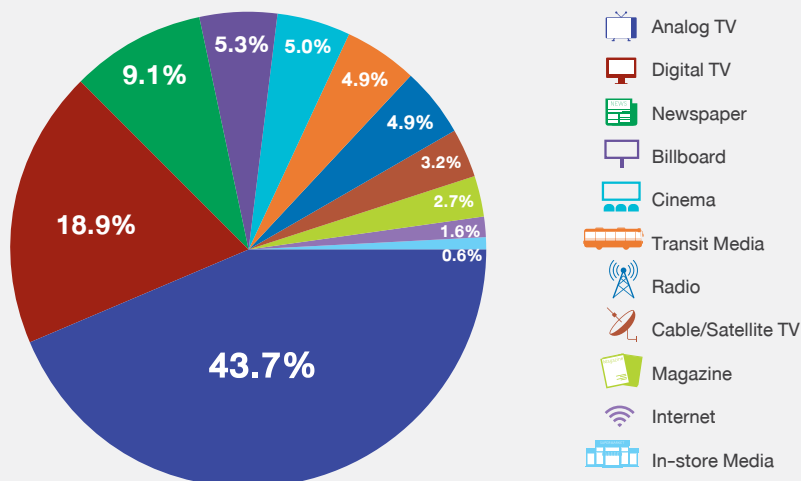
Digital Advertising Spending by Medium during 2012 – 2016



Source: Survey of Digital Advertising Spending in 2016 by Digital Advertising Association (Thailand) and TNS

By the end of June 2016, a survey on advertising spending via digital media revealed to be more than 4,732 million Baht with expected value of 9,883 million Baht by the end of 2016. The spending was spent on popular online media such as Facebook and Youtube. Alternatively, display advertising is the main revenue source for all websites like MThai.com, a big website under Mono Group. It has created new kind of video contents, particular contents from specialized partners, including developing the system applied to all smart devices. Hence, MThai.com has been popular for video entertainment contents both in local and international.

Advertising Spending by Media in 2016



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



By the end of 2016, the total advertising spending on all media was 107,896 million Baht decreased 11.7% from the year 2015. Especially, the advertising spending on publishing media had decreased continually and drop to the lowest point at 31.4% in 2016. Businesses in publishing industry are adjusting themselves to the new changes. In addition, several leading publishers were closed down. Mono Group had adjusted itself to the change of consumers' behavior since 2015 by modifying the forms of online businesses, for instance, E-Magazines and applications which are compatible with various devices.

However, the Company has still operated publishing business continually and distributed publications through store.mbookstore.com including opening up new publishers for targeting more specific niche markets. Moreover, the Company has chosen premium contents from renowned Thai writers with a number of followers and also great foreign publications from other countries to translate into Thai. Overall, this is the content business to create brand awareness to the public.

MThai on Mobile



TV Business



TV advertising market is considered the largest market. In 2016, the market value totally was 71,009 million Baht or 65.8% of all advertising value. The advertising value divided into analog TV 43.7%, digital TV 18.9%, and cable & satellite TV 3.2% respectively. Comparing to 2015, the TV advertising market value was 84,398 million Baht decreased 15.9%. However, the overall TV advertising value was severely decreased during the last quarter of the year due to an unexpected national incident which caused media business and entertainment business to be suspended for months. Moreover, the cable and satellite TV businesses were affected by the close-down of CTH, a major cable TV production. As a result, the advertising value of cable and satellite TV fell dramatically by 42.3 %, analog TV 17.9 %, and digital TV 2.6 %.

For the past 3 years, digital TV business competition was highly critical. Regard of being popularized, audience rating of TV channel and TV programs are key factors to generate revenue growth in TV business. The Company required a lot of investment to acquire and produce good quality contents. While the analog TV popularity was slowly decreased, the new TV digital channels were recognized extensively. Each TV channel attempted to work on various strategies such as content management, marketing campaigns, and activities on social media to reach the target groups. In 2016, Media Research Development Association (Thailand) has engaged in development plans to improve Thai media industry with cooperation from media agencies and TV businesses. The association signed contract with Kantar Media Company to create a new rating system that is able to monitor the rating of all platforms and multi-screens such as television, mobile phone, and computer. Hence, data obtained from the new system is accurate and in accordance with the international standard. It is expected that the result of the research will be formally applied in the third quarter of 2017.

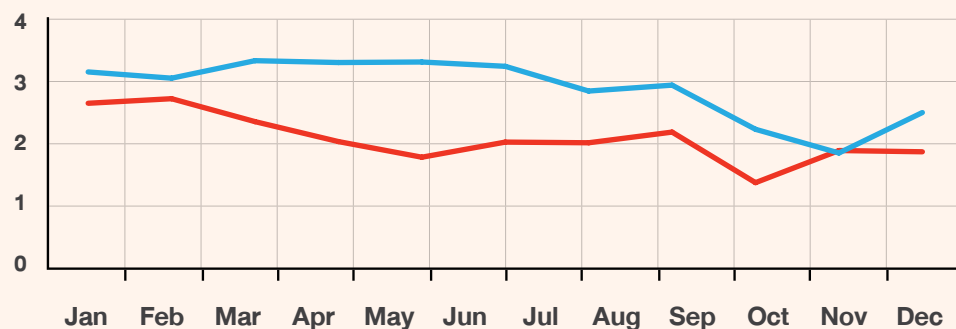
In recent years, the positive factors concerning the shift in TV system from analog to digital, the expansion of digital TV signal network, the accessibility of digital TV set top box, and the deduction of annual fee to assist TV entrepreneurs slightly progressed in a clear direction. Nevertheless, TV business strongly believes that the government would have some strategies to support and move forward TV business in 2017. However, the Company has continually acquired, produced, and broadcasted premium and good quality contents as well as working on relevant strategies to reach the target groups and keep up with rating growth correspondingly. As a result, in December 2016,

the average per minute of digital TV audiences throughout the country for ages of 15 and above, Monday to Sunday, during 06.00-23.59, was 0.914. Consequently, the rating ranked fourth among all free TV channels, rising from the fifth as of the previous year. In general, it could successfully generate brand awareness and recognition to the audiences.

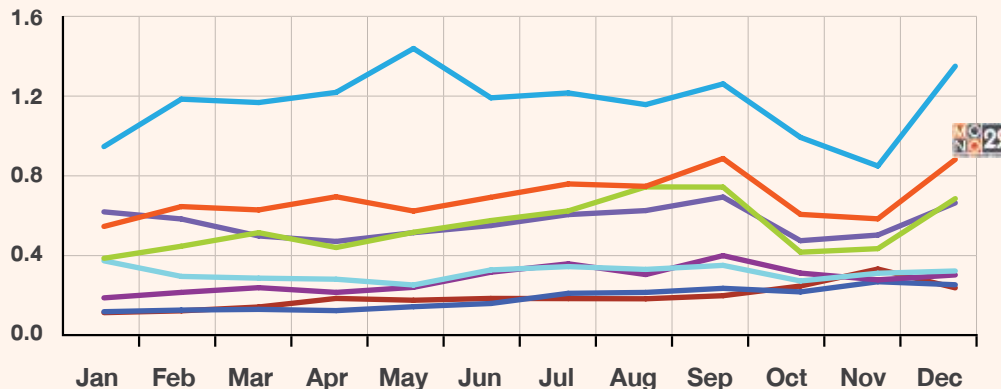
Nationwide Digital TV Ratings on Average Audience per Minute during January to December 2016

Rank	Digital TV Channel	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1	35 CH 7	3.193	3.099	3.363	3.322	3.335	3.343	3.278	2.905	2.994	2.328	1.971	2.581
2	33 CH 3 HD	2.724	2.793	2.447	2.146	1.910	1.942	2.138	2.128	2.289	1.526	2.011	1.992
3	23 CH WORKPOINT TV	0.902	1.154	1.136	1.190	1.423	1.161	1.187	1.125	1.235	0.951	0.799	1.329
4	29 CH MONO29	0.553	0.660	0.642	0.713	0.636	0.710	0.782	0.769	0.919	0.618	0.594	0.914
5	31 CH ONE (GMM)	0.387	0.452	0.525	0.445	0.527	0.590	0.642	0.771	0.770	0.420	0.439	0.708
6	27 CH 8 RS	0.637	0.598	0.505	0.475	0.523	0.562	0.622	0.644	0.718	0.479	0.510	0.686
7	28 CH 3 SD	0.386	0.297	0.287	0.281	0.248	0.334	0.353	0.337	0.360	0.271	0.315	0.328
8	32 CH THAIRATH TV	0.181	0.211	0.237	0.211	0.239	0.322	0.368	0.309	0.413	0.317	0.280	0.307
9	34 CH AMARIN TV	0.109	0.118	0.122	0.115	0.137	0.155	0.212	0.217	0.240	0.220	0.277	0.260
10	26 CH NOW26	0.104	0.114	0.135	0.182	0.172	0.182	0.181	0.180	0.197	0.250	0.343	0.240

Rating



Rating



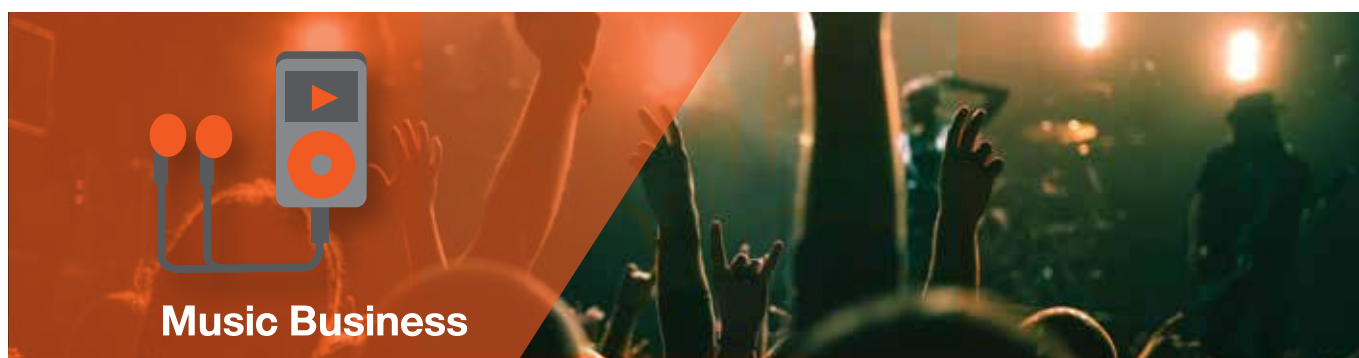
Source: Report arranged by Nielsen AGB Nielsen Media Research (Thailand) Limited



By the end of 2016, advertising spending on radio was 5,262 million Baht, calculating to 4.9% of the total advertising value, comparing to 5,675 million Baht in 2015, decreased by 7.3% due to the reduction of the total advertising media and the increase of other digital media. For this reason, audience spent less time on traditional media.

As a radio business operator, the Company has operated the business under the name Mono Fresh 91.5 FM. The business aims to increase Mono Group's media channels so that it could access the group of customers with music lifestyle, to support the music business of the Company, and to build up another PR channel for advertising the services and the activities of the subsidiaries. However, Mono Fresh 91.5 FM would need time to build brand awareness and recognition by introducing songs that satisfy the audiences, promoting the radio channel on social media, increasing online customer bases, and creating marketing campaigns with partners to build up good relationships with the audiences.

Overview of Industry and Competition of Entertainment Business



Consumer's behavior on listening to music via CDs or DVDs players has changed to digital media via smart devices. Entertainment businesses have generally adjusted themselves to cope with this trend by developing contents and delivering services via digital media. This is a way to continuously improve income while digital media seems to become a key distributing channel for entertainment contents very soon. Mono's music business can be categorized as a medium-sized music labels which is an alternative for audiences, with no business rival. Mono Group music business focuses on Thai pop music and easy-listening songs that own largest market shares due to relatively high popularity among teenagers, the key target, until working-age people. The Company aims at creating music with preferred quality and delivering downloading service via popular digital platforms such as YouTube and online music store, with many services available, including music download and ring back tone service. Mono Group advantage on technology and long-term business experience with a variety of media can support our viability. In addition, the Company has used social media to support the public relation program and marketing schemes.



T Moment

In 2016, the Company opened **T Moment**, a new production house under the management of Mr. Visute Poolvorak, a well-known and resourceful person in movie business. After he decided to find a new career path, he preferred to work and produce high-quality films for Mono Group. Currently, there is a number of movie studios in Thailand ranged from large to small ones. To survive amid this relatively tough competition, businesses have to develop its quality, marketing strategies, and capital as the film production needs high investment. In addition, the market share has continuously drop as audiences usually prefer the international films as well as piracy problem through online downloading and the broadcast via social media, which is easy and can be done within shorter time. Thai film producers must adjust themselves by reducing the number of movie, the production costs or expand into TV program or series production to support free TV channels. However, the Company operates full range of film business and copyright management from upstream to downstream, with various distributing channels, namely cinema, online media and TV.

Mono Film

Domestic market has shown high demand on international business. Movie business is also one of the main businesses for Mono Group. Mono Film is responsible for purchasing the copyright movie to show in the cinemas and to broadcast via MONO29, with major movie importers and TV channel companies as rivals. The Company's full range of content management led to its bargaining power, the ability to purchase a big lot of contents with copyrights, and partnering with leading movie studios and independent studios at home and abroad. The Company can select quality films from America, Europe, Asia, China, Hong Kong, Japan and Korea as well as award-winning films from various film festivals.

Mono Maxxx

The Company offered online movie service through Monomaxxx.com as another channel that supports the use of movie with copyrights. Despite copyrighted and illegal films via online market, the Company can continue to expand its online customer base, thanks to the segmentation of contents, market penetration to target audiences, and system development which offers high quality picture on easy-to-use platform and responsive design to various devices. To this end, the Company partnered with mobile operators, smart TV manufacturers, financial institutions, retail businesses, and others. Meanwhile, Mono Group's contents features good combination of Hollywood and Asian films as well as MONO drama series.

Nature of Business Operation



Mono Group has engaged in two main businesses which are media and content business and entertainment business. Our business can be divided into six groups: 1. mobile internet business 2. publishing business 3. TV business 4. radio business 5. music business 6. movie business. Nature of each business can be summarized as follows:

1. Mobile Internet Business



Product and Service

The Company is a provider of information, news and entertainment content on mobile phone and the internet developed to fit the lifestyle of new generation that prefers receiving news and entertainment content in a quick and easy way. The content is available in form of short message service (SMS), interactive voice response (IVR), ring back tone (RBT) as well as information service via mobile sites and mobile applications. The Company also develops community website such as www.mthai.com and offers travel information and services via www.hotelsthailand.com.

Details of each service are as follows:

Mobile Service

- **SMS Service** is a form of short message service which could be categorized into 2 types. One is the A2P (Application to Person), which the data is transmitted from the Company's program through SMS to the users who applied for specified service, such as entertainment news, birthday horoscope and real time soccer scores. The other type is P2A (Person to Application), which the users send SMS to the Company's short code. For example, a user sends a message to share their opinion through SMS to the Company's short code and such message will display on interactive TV system.

- **IVR Service** is a technology automates interactions with telephone callers via IVR No. “*336”, which offers various services under a single number such as music download service, checking lotto results, live horoscope, listening to live boxing match, and co-service with JS100 Mobile Application for any emergency services.
- **RBT Service** is the audible ringing that is heard on the telephone line by the calling party after dialing and prior to the call being answered. The Company has various songs in its library available for all consumers.
- **Mobile Site** is the service that offers information and entertainment content via mobile websites which are becoming more and more popular these days. The Company comes up with many premium video contents such as talk-of-the-town video clips (daily trendy clips), Rush (pretty and hot models) as well as Monogame.in.th which is a buffet package of online games (unlimited gaming subscription service).
- **Mobile Application** is the service that offers various information, games and entertainment content on applications or programs which are specially designed for operating systems of Smartphones including iOS and Andriod. Such service is available via each app store. So far the Company has developed many compelling applications, for example, games such as “U Know Game” (general knowledge quiz game), and “Horolive Talk” (online and live horoscope service). The Company also acquires fascinating game applications from local and international markets to service such as Symphonic Puzzle (fantasy puzzle gameplay).

The Company has worked with all mobile operators to develop the network systems continuously. Currently, we could send information and entertainment contents on various platforms via all wireless communication technology systems.

Internet Service

- **Online Media Service** is available via www.mthai.com (MThai.com) - a community website and Thailand's major online video portal. In 2017, MThai reaches about 25 million users per month and it is the number one video portal owned by Thai that contains the most video contents in the country (according to Google Display Network). The content available in this web portal is composed of entertainment, news, sport, information for women, men and teenagers and various contents. The Company also provides a total online marketing solution to business partners by offering online marketing campaign planning and advertising space on the Company's website which meets each target group. Online advertising service includes static, interaction banners, and video ads (Pre-Roll, Mid-Roll, Post-Roll) - ads that appears prior to, in the middle and at the end of the video content which are available for customers to choose based on their different budget and requirements.
- **Online Hotel Booking Service** provides travel services including hotel reservation, tourist activities and online flight booking for Thai tourists and foreigners who want to explore Thailand, countries in ASEAN or other countries around the world. Our website that also introduces a number of tourist attractions such as places for lovers, families or group tour. Thus, the customers can enjoy impressive moments throughout the trip. The service is available via Hotelsthailand.com and Hotelthailand.com.

- **Online Horoscope** provides live fortune telling through webcam by member registration. Customers can talk to renowned fortune tellers on website Horolive.com which gathers many fortune tellers of different kinds of fortune-telling, for example, Thai astrology, Gypsy card reading, etc. The service is available from all places for 24 hours.

Production and Information Service Business Overseas

Myanmar : After recently joining hands with Telenor Myanmar Co., Ltd. headquartered in Norway, Mono Technology PCL., as a parent company, synergies with Blue Planet Co., Ltd., a major business partner, and Myanmar Posts and Telecommunications (MPT), the largest mobile operator in Myanmar, to develop the distribution system for contents created by Mono Group and local partners.

Myanmar's rapid economic growth could be seen after the National League of Democracy (NLD) of Aung San Suu Kyi won the election. The governmental administration of the country has changed greatly with issuance of laws promoting foreign investment. As for telecommunication business, Viettel Co., Ltd., another mobile operators from Vietnam, also received the official license, thus, spurring price competition and superior service. Non-voice service consequently became more popular. Currently, there are 37 million mobile users, accounting for half of the entire population there. Due to bright opportunity ahead, the Company aims at partnering up with other two mobile operators, namely Ooredoo, an operator from Qatar, and Viettel, a new operator whose operation starts in 2017. In addition, a management member of Mono Group has been appointed as a director of Thai Business Association of Myanmar with a key mission to support Thai business operations in Myanmar.

Vietnam : Mono Technology Vietnam Co., Ltd., one of the subsidiaries, offers Video on Demand service for three key mobile operators in Vietnam, namely Viettel, Mobifone, and Vinaphone. In details, its service are mCine and mMusic which are video portal and music portal services distributed via Mobifone and TG Phim service distributed via Vinaphone. Nevertheless, there is a small number of users due to piracy problem as seen in Thailand.

China : Mono Technology Hong Kong Limited, a wholly-owned subsidiary, and Yunnan Mono Technology Co., Ltd. (a business partner) entered into the joint venture agreement to establish Yunnan Mono Digital Technology Company Limited with 42% share held by Mono Technology Hong Kong Limited.

South Korea and Indonesia : According to the Board and the management team's discretion on financial analysis and operating cost reduction, two overseas subsidiaries including Mono Technology Korea Corporation and PT. Mono Technology Indonesia shut down operation as unsatisfactory operating results. The liquidation of Mono Technology Korea Corporation ended on October 31, 2016. Meanwhile, PT. Mono Technology Indonesia is in the process of liquidation.



2. Publishing Business

Product and Service

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

Magazines of Mono Group are categorized according to target reader as follows:

1. Men's Magazine

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

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



2. Women and Lifestyle Magazines

Gossip Star is the first paparazzi magazine in Thailand. Firstly launched in October 2003, the magazine is published every two weeks. It is also available online through social media with more than 2 million followers. The magazine features entertainment news and special scoops reporting in-depth information of famous artists, singers, stars and celebrities from Thai and other countries.

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

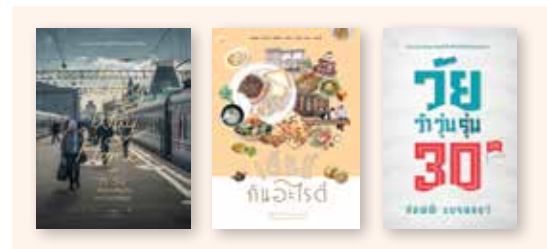
Snap Signature is a free copy monthly magazine presents the street fashion via photos of Thai stars and celebrities so that fashion lovers can catch up with all new arrival trends and mix & match items to make their own styles.

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

3. Publishers under Mono Publishing for books and pocketbooks of special interests



Her Publishing produces books with contents targeting at modern women, reflecting the strength behind the gentleness and the understanding of life and attitude towards society through modern stories covering lifestyle, travelling, comic, article and modern literature in translation.



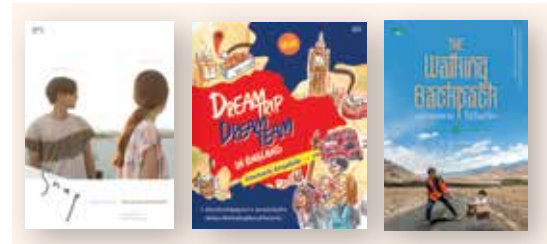
Horo Life Publishing produces books with contents focusing on astrological beliefs, horoscope-related issues, feng shui, life coaching in nature and all aspects about how to live happily based on astrological element theory.



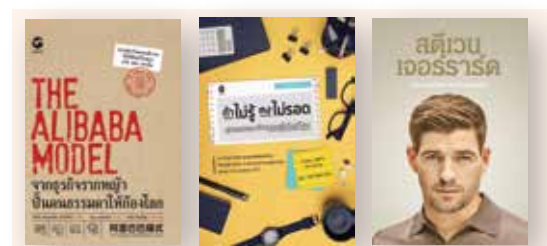
Maxx Publishing presents translated novels from Asia and Europe. Selected novels include investigation, crime, horror, sci-fi and fantasy.



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



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



In addition, the Company organizes "Gossip Girl contest 2016" to select talented and beautiful girls in order to train them to become great artists of the entertainment industry. There is also GSB Gen by Campus Star which is held to promote talented students and provide them opportunities to work in the entertainment business. It is, at the same time, to promote the brand among Thai teens and students.



3. TV Business

Product and Service

Received standard definition (SD) digital TV license, the Company operates the digital TV broadcasting business under the name “**MONO29**” via **channel NO. 29**. With business objectives to produce and present high quality TV programs, MONO29 offers entertainment and information beneficial to audiences. Contents of TV programs are assorted and up-to-date.



MONO29 officially kicked off the broadcast on April 29, 2014. In less than one year, it was able to be ranked the Top 5 of the most popular digital TV channels. In 2016, MONO29 ranked number 4 and keeps moving forward with its strong positioning “Great Movies and Popular TV Series”. The Company has long-term contracts with many production houses from Hollywood which produce films and series such as Warner Bros, Walt Disney, Universal, Paramount, Sony, CBS, Miramax, etc.



Films and series from foreign studios are presented as the major content (70%) with additional newly created premium contents namely news program, entertainments, and live sports. These contents include Thai series produced by experienced production teams which focus on high-quality production. With all contents, Mono Group hopes to enlarge its target market.

Premium Programs - Selected programs include:

- Mega Movies** : Blockbusters that generated revenue for global box office
- Premium Blockbuster** : Blockbusters and famous films from Hollywood
- Hit Movies** : Variety of film genres by famous actors and actresses
- Happy Family Times** : Great movies for family
- Ani-Motions** : Hit animations
- Premium Series** : Top rated action series from America
- Super Series** : Hit series
- The Biggest Legend** : Popular Chinese wuxia series



Entertainment

Movies



International Series



Thai Series



MONO29 Content Overview (Continued)

Sports



Varieties



News



Kids



For actors and artists management, the selection of outstanding and talented teenager actors and artists is managed by Mono Talent Studio. These teenagers will be trained to improve their abilities and will be offered opportunities and experiences to be the actors in MONO29 Thai series, the artists of Mono Music, or other work in relating to entertainment business.



In addition, MONO29 strongly support profession basketball in Thailand for the reason that basketball could become one of the popular sports and it is also an interesting sport for young people. Mono Sport Entertainment cooperated with alliances who are appointed by Sports Authority of Thailand to hold the national level sports competitions. Furthermore, Mono Vampire Basketball Club and Mono Thewphaingarm Basketball Club are trained to compete in competitions and to promote basketball as a sport entertainment. In 2016, there were 2 basketball leagues including the 5th SEABA STANKOVIC CUP THAILAND 2016 which was the regional level and the THAILAND BASKETBALL LEAGUE 2016 (TBL) which was the national level. These competitions gained a lot of attention both the audience in the stadium and those who watched the game on MONO29 and MONO PLUS channels as well as on website MThai.com.



To enhance the brand recognition, MONO29 has been sponsoring various sports events such as Pattaya Marathon 2016, Bangsaen Triathlon Tour Series 2016, Pattaya Triathlon Super Series 2016, Sattahip Triathlon 2016 in Chonburi, Unique Running Khaoyai Half Marathon 2016 in Nakhon Ratchasima, and other events. Not only that, the Company also supports many music festivals and concerts such as Water Zonic World Music Festival at Muang Thong Thani, Pattaya International Music Festival in Chonburi, Samed in Love 7 in Rayong, and MONO29 Movie Preview throughout the year.



For **Satellite TV and Cable TV businesses**, as a producer of entertainment programs since 2010, **MONO PLUS** under the slogan “Endless Happiness Moment” underlines its popularity to continue presenting the quality programs with an additional five years license from the National Broadcasting and Telecommunication Commission (NBTC).

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

TV media business has a major source of revenues from selling airtime to sponsors or product owners, product tie-in, selling space for showing brand and selling airtime for promoting products via special scoop and Interactive TV.

4. Radio Business

Product and Service

Launched in 2015, Mono Fresh presents itself under the concept “Fresh music all day long” to satisfy listeners of Top Chart music and new songs of both Thai and international. As a social radio station, Mono Fresh pleases social followers as they can live chat with attractive DJs and



watch the program live stream on Facebook.com/MonoFresh91.5. The music station also offers news and interesting stories throughout 24 hours. In addition, with cooperations from sponsors and business partners, many activities were organized for audiences such as Free Movies for Holidays.

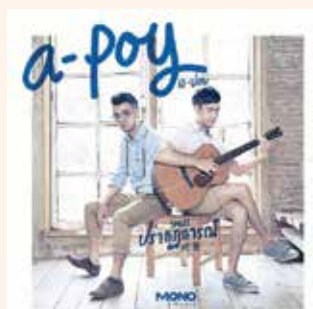
5. Music Business

Product and Service

Mono Music produces and creates entertainment contents on artists and song by selecting team members who are experienced in music business. We intensively train our artists to create well-qualified stars and create different choice of music selection for listeners. Currently, the Company focuses on provide music services via digital channels including Youtube Channel which attracts more than 880,000 followers, listening and downloading songs via online streaming, downloading ring back call service and playing games with artists via Mono Mobile service.

In addition, audience can chat as well as update news and new released songs of their favorite artists via www.mono-music.com and social network such as facebook.com/monomusic or Mono Music Official Channel on youtube.com/MrMonoMusic. We holds showbiz which receives good feedbacks and we also produces VCD, DVD and artists photo album for fan club collections. In 2016, new released songs include songs from Peet-Peera, A-Poy, and soundtracks from Thai series on MONO29 channel.

In addition, Mono Music joined hands with MONO29 to launched a special project inviting more than 100 famous artists and singers to sing “Look to the Sky”, the special song expressing our gratitude to His Majesty King Bhumibol Adulyadej. This song was composed to encourage all Thai people to move forward.



6. Movie Business

Product and Service

Mono Film operates a full range of film business, including producing many film categories, purchasing domestic and international film copyrights for cinemas, cable TV channel, and free TV channel as well as selling copyrights to international markets through many film festivals. In addition, copyrights of movies, series, game shows program, and interesting programs are acquired to support the TV business via MONO29 and MONO PLUS channels.

In 2016, T MOMENT, a new production house, was opened with an aim to urge the growth of Thai movie business. Targeted to produce 3-5 movies a year, the production house creates new and quality movies that appeal to the audiences. Moreover, it intends to expand the market of Thai movies to foreign countries. The first movie of T MOMENT will be released in the early of 2017.

In addition, the online video streaming service with copyrights is offered via Monomaxxx.com. Members can select packages of movie buffet either monthly or annual. With more than 10,000 hours of movies, series, cartoons, and TV programs, users can enjoy unlimited movies at any place and time via smart devices such as computers, smartphones, tablets, Internet TVs, etc.

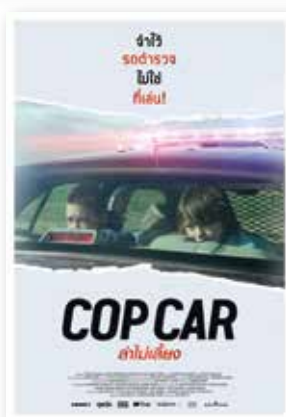
The Company has been partnering with leading movie production houses both at home and overseas. Domestic production houses include Sahamongkhon Film, M Pictures, United Home Entertainment, and Phranakorn Film. International partners from Europe and America are Europacorp, Voltage Pictures, Lotus Entertainment, and The Solution. As for Asia, Lotte Entertainment, KBS, MBC, SBS, and Joy N Contents are partners from Korea whereas Golden Network, China Huace Film & TV, Pegasus Motion Pictures, Emperor Motion Pictures, and Toho are partners from China, Hong Kong, and Japan. Not only movies, the Company also partners with worldwide documentary program providers, for example, National Geographic, Documentary Club (Movies Matter), etc.

There were 14 movies shown in cinemas in 2016. All of these were quality movies which were popular among audiences. Some of them are award-winning movies from various film festivals. As for the year 2017, the Company plans to purchase quality films from Hollywood and Asia in order to continue providing movies for cinemas.

International Movies in Cinemas during 2016



Ip Man 3



Cop Car



The Monkey King 2



Office



Retribution



Colonia



Criminal



Mr.Right



A Hologram for the King



Sing Street



Everbody Wants Some



Our Kind of Traitor



Shut In



Bleed for This

Risk Factors

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

1. Risk from competition in digital TV business

During the past 1-3 years, digital TV business has become part of TV industry. This has led to severe competition in advertisement rate, advertisement agency, and product and service providers to make their decisions to purchase advertising media by concerning about the popularity of the channel, the attractiveness of the contents, or the timing for broadcasting. Existing players strive to maintain the popularity of their channels whereas new players have to try every strategy to capture viewers' attention. To achieve this purpose, the Company has to invest quite a large amount of capital to be able to compete in providing and producing contents as well as to extend its marketing channel to other sectors.

MONO29 has set a clear concept and strategy from the beginning to present entertainment contents including movies, series, and quality programs to the public constantly. Consequently, the channel has been able to elevate its rating popularity. In 2016, MONO29 channel proudly moved to the fourth for the rating of the most popular TV channel among viewers nationwide. Today the channel has become a major content provider in TV business and, therefore, has a potential to negotiate on purchasing of contents and increasing advertisement rate. In addition, with concern over the internal operation, the Company analyzes the program schedule and manages the utility of contents effectively in order to reduce cost as well as business risk.

2. Risk from changes of technology which effect customer behaviors

Nowadays, technology has constantly developed. The increase in number of mobile phone users, hi-speed internet, and the entering of social media contribute to the change of customer behaviors as they can access contents easily. Therefore, all businesses under Mono Group need to improve to conform with customer demands today, especially the system development that enable to respond with modern platforms. Mobile business has changed from SMS service to video premium contents which satisfy customers and also developed more game applications. TV business has increased more viewing channels through website and application to respond to customers of all genders and ages regardless of time. Radio business enables listeners to listen online while seeing and talking with DJs. Publishing business presents contents in electronic forms both E-Book and E-Magazine as well as searches for potential writers through various social media. The fact that Mono Group has developed its business from mobile internet business enables the Company to adjust its business to digital platform easily by connecting different platforms and integrating each business unit. In addition, the Company continuously determines to develop its content to satisfy customers of all targets.

3. Risk of business interruptions due to force majeure

The Company realizes the importance of risk from the termination of business operation due to force majeure such as fire, flood, riot, and protest. To manage this risk, the Company has arranged the Disaster Recovery Site along with the manual on restoration of information conducted by the IT department in order to reassure that employees and systems are ready to be managed and returned to normal operations quickly in case of any crisis. This is to maintain business operation continuity and reduce the risk of damages from force majeure that may prevent business operation.

4. Risk from piracy

Movie content is one of the core contents for Mono Group's business operation. Although Thailand has faced the problem of piracy for a long time, the government is now paying more attention to the problem as there is establishment of regulatory agency to prevent and control piracy with explicit punishment. As for the Company, legal unit has been set up to monitor whether there is anyone disseminating the content without permission from the Company. Such person will be asked to terminate the dissemination at once and will be reported to the government agency for prosecution. Internal protection system is also provided by limiting the rights of users to access the contents, for example, Monomaxxx.com uses DRM system (Digital Right Management System), the system which requires coding for visual, audio, and video files with rights specification to control the access of information and protection of duplication. Meanwhile, Mono Film has joined hands with The National Federation Of Pictures and Contents Association, film production houses, and related sector to plan and create a long term policy to prevent copyright violations. The coalition of film businesses was expected to urge the government sector to realize the economic loss of entertainment business. In addition, the Company gives significance to risks from acquiring duplicated content or content violation of other parties by accident. To prevent such risks, the Company has set the procedure to verify the ownership of content copyrights, provided channels to file complaints on piracy, and educated employees about copyright law on a regular basis. The Company also creates opportunity to become business partner with both major and minor producers in order to support co-revenue generation and preventing piracy from other parties.

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

As of December 31, 2016, Mr. Pete Bodharamik held up to 71.06 percent of total paid-up capital, accounting for more than a half of paid-up capital. As a result, this leads to his right to control the resolutions of shareholders' meeting as well as the Company's policy and management, except for some agendas that require three-fourths of votes in the shareholder's meeting as prescribed by the law or the Company's Article of Association. To ensure transparency as well as check and balance system of the Company's operation, the Company has appointed competent personnel to be the management team. The scope of our operations has been streamlined. The Company has clearly specified the delegation of authority to directors and executives and appointed outsiders to be the Company's three independent directors and members of the Audit Committee who will be responsible for auditing, balancing the decision making and considering approval of any agenda before proposing the shareholder's meeting. In addition, the Company formed the internal audit unit by hiring an experienced company that is directly supervised by the Audit Committee for promoting their independent operation. This unit shall be responsible for monitoring internal control system as specified by the Company in order to ensure transparency and balance of power in our business management.

Legal Dispute

The Company may be in debt due to litigation and claim for damage from an unrelated company in a case on copyright violation of a sport competition live broadcast program. As the trial is not yet completed, the management carefully considers the related laws in order to evaluate the result of the trial. Details of the consideration appear in Note to Financial Statement of 2016. The management believes that there shall be no significant damage from the legal dispute; therefore, debt which may occur from the litigation is not recorded in the reserve account. Debt which may occur from the legal dispute does not affect the asset of the Company or subsidiaries over 5% of shareholder's equity as of December 31, 2016. Moreover, there is no other significant dispute which may affect the operation of the Company or subsidiaries.



Corporate Social Responsibility

The Board of Directors and executives has given significance to the management under good corporate governance, adherence to morality and the business code of conduct, consideration of stakeholders, and responsibility to community, society, and environment. As a leading media provider that is able to access all levels of audience, Mono Group has support its business units to bring out their potential, personnel, and resources to create projects or activities under the concept “Giving and Helping”. The Company has also encourages every sector, including executives, employees, business partners, customers, and everyone, to take part in these activities in order to bring benefits to the society and the country as well as to establish a strong and sustainable foundation for the business.

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

1. Fair Operating Practices

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

2. Anti – Corruption Practice

During the past couple years, Mono Group has participated with Thailand's Private Sector Collective Action Coalition Against Corruption. For this reason, the Company carefully studies projects, announcements on Anti-Corruption Policy and guidelines to set the procedures, risk assessment, improvement in internal control system, and risk management. Internal communication via intranet website is formed along with employee training and orientation for new employees. For external communication, notification on the policy about giving and accepting gifts is informed to business partners. Another communication channel is the “Corporate Governance” subject on the Company's website. Apart from communication, operations of all sectors, including sales and marketing, purchasing and contract, and human resource management, are monitored while record

keeping are reviewed and monitored by the internal audit unit and the Audit Committee. By adhering to these practices, the Company successfully passed the self-assessment report regarding measures on anti-corruption, and in the third quarter of 2016, it was finally certified membership of Thailand's Private Sector Collective Action Coalition Against Corruption. The membership lasts for 3 years. There are also communication channels for employees and stakeholders to file complaints, opinions or suggestions, and blowing whistle on suspected act of corruption. Nevertheless, in 2016, there was no report or any act of corruption related to the Company and subsidiaries.

In addition, TV business MONO29 supported the projects under the Collective Action Coalition Against Corruption (Thailand) by broadcasting 2 episodes ("Ngern Ron" and "Ngern Bab") of the video clip titled "Gum Sanong gong", or the retribution for corruption, and a short documentary program titled "Chood Patiroop Kankajad Corruption", or reformation team for eliminating corruption. The channel also presented the news on Anti-Corruption Day 2016 when the prime minister joined the people at Sanam Luang and turn on the light to chase away corruptions. The event was aired live on "Good Morning Thailand" which is a news program on MONO29.

3. Human Rights

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

4. Equitable Treatment of Labors

Mono Group provides a complete care for employees. This includes the compensation, quality of life, working environment, welfare, personnel trainings and development, performance assessment, and opportunity to grow in career paths with the organization. Fair treatment under the labour laws and other relevant laws is also stipulated for the treatment of labors.

Compensation and Welfare Management Policy

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

Occupational Health and Safety Policy (OHS)

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

The Company is ready to provide sufficient resources, support personnel training as well as create awareness for implementing Safety, Occupational Health, and Work Environment Policy. In 2016, one accident due to force majeure from an outdoor filming was reported. Nevertheless, the employee had a medical with the insurance for health and accident provided by the Company.

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

Personnel Development Policy

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

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

In 2016, the Company's total budget allocated on personnel development amounted to 2.66 million Baht and 64.74 percent out of all employees participated in the personnel development programs provided by the Company.

Besides, the Company encourages employees to participate in sport competitions to build up relationship with entrepreneurs of the same business, for example, TV Samukkee Cup No.1 Badminton Competition with participants from 14 TV stations and Digital TV Basketball Match No.2 with participants from 7 TV station. Mono Group employees were able to win both programs.

5. Accountability to Consumers

As a media provider, the Company highlights the importance in providing quality information that suited the demands of customers in all aspects, including information, news, and entertainment. For example, MONO29 channel produces TV program to present stories that enhance the society. Such program is “Good Morning News-ShareMAN Part: Discovering Good People” which presents various stories of the role models. The channel also provides documentary programs and the royal duties of His Majesty King Bhumibol Adulyadej in order that the people realize the divine of grace and adopt the teaching and the working principles of the King as the

example for the way of living and working. Furthermore, MONO MUSIC under Mono Group composed a song in remembrance of the His Majesty the King titled “Look to the Sky” to honor the King and express the loyalty to the “Father of the Country”.

Moreover, the Company has its own agency that only takes care of customers and consumers of each business. The Call Center is able to give any information and assistance to its customers via mobile phones. Mobile internet business provides channels where webmasters of every website can be connected. Direct contact to the Company and other social media channels are also available for complaints, problems, and suggestions on various services.

6. Support Environment Responsibilities

Mono Group promotes the concept of using resources efficiently and economically to its employees by fostering the sense of environmental awareness. Some of the practices include using both sides of papers, modifying and re-using equipment used in field work activities, and using materials that are not harmful to the environment. As for internal management, the Company uses technology for resources allocation, cost control, and recording system. Furthermore, none of the businesses under Mono Group affects the environment.

Projects were held to express the responsibility to the environment. For example, the “Unique Running Khao Yai Half Marathon 2016” was held to preserve the world heritage forest. The income from this event will be used to purchase equipment for Khao Yai preservation. In addition, Her Publishing under Mono Group publishing business collaborated with the Tourism Authority of Thailand, Lopburi Province Office, to hold a bike tour activity called “A Long Way Home-Biking along canals, discovering Thai-Laos-Vietnam cultures”. Aiming to support ecotourism, agricultural way of life, and folk culture, participants joined the journey with the two writers of a pocket book called “A Long Way Home”.

7. Community and Social Development

The Company always stresses the importance on community and society development. Realizing that it is part of the society, projects or supports to enhance the quality of life are provided continuously. In 2016, Mono Group held various projects as listed:

- Building Mono Group Study Hall 7 at Wat Khun Song School, Kang Hang Maeo District, Chanthaburi, The project has supported the construction of school halls for 7 years.
- Participating in “Village to the World: Local tourism value-added Project” by Tourism Authority of Thailand and 9 alliances (including Mono Group), This project introduces 10 communities which are the examples of local tour innovation. Many organizations were invited to join this CSR Outing in order to create and add value to the new form of tourism which will enable the communities to gain more income as well as promote self-sufficiency. In this project, Mono Group did the CSR Outing with Leeled community from Suratthani Province with assistance from students of Dhurakij Pundit University to promote the community.
- Establishing “Tam Dai Tam Dee Project”, a starting project which encourage employees to propose the projects that could improve their hometown, The first project was giving playground equipment and monetary support for food supplementary project (milk) to Saab Charaeon Child Development Center at Ubon Ratchathani Province.
- Encouraging executives and employees to make merit in different occasions as well as preserve Buddhism. These activities include freeing the lives of 58 cattle and buffalos as a charity to His Majesty King Bhumibol Adulyadej at Pathum Thani municipal abattoir, casting the principle Buddha image at Khet Na Bun Ya Ram Temple in Chanthaburi Province, casting Buddha image called “Phra Atitja Phitchaya Phutthachao” at Wira Dharma Temple in Sakon Nakhon Province, casting Buddha image called “Phra Upakut” at Tamai Temple in Samut Sakhon Province, and merit making in Kathin ceremony to raise money for the construction of the meditation hall at Asokaram 2 Temple in Pathum Thani Province.

- Holding CSR activity on Children's Day at Nonthaburi Government Center. This project includes donating gifts to schools, Municipality Youth Center, and other sectors.
- Bringing happiness to children at Queen Sirikit National Institute of Child Health in the 3rd anniversary of MONO29
- Giving support to "OBEC-Sponsor Thailand Championship", the high school basketball competition awarding for Her Majesty Queen Sirikit's Trophy, at Nakhon Ratchasima Province, The Company supported the activities held in the competition and gave awards for the winners.

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

- "PSI Term Fun..Pan Namjai Project" by PSI Foundation, giving education fund and equipment to impoverished schools
- "Pee Son Nong Plook Panya Project", love sharing project by Interlink Hai Jai Foundation
- "Assistance for Orphanage in the Three Southern Border Provinces of Thailand Project" by Amir al-Mu'minin Foundation
- "Wheeled Vehicle for the Disabled Project" by Thai With Disability Foundation
- Academic Seminar on Intellectual Property and International Trade and the Drive towards the Fourth World Industrial Revolution by The Central Intellectual Property and International Trade Court
- Red Cross Charity Activity by The National Council on Social Welfare of Thailand
- Charity Activity "Baan Na Sanya Rak" (science, arts, and Thai tradition) by White Heart Project
- Activity for Educational Development by Mr. Praiwan Yapan (Kru Mod)
- 164 Years of the Establishment of Bangkok Christian College
- Entertainment Charity Concert by The Federation of Thai Industries Nonthaburi Chapter
- King's Cup Golf by Thai-German Alumni Association under Royal Patronage, fundraising for Anandamahidol Foundation and other social service activities of the association
- 58th Anniversary of the Establishment of Royal Thai Army Radio and Television, giving monetary support for soldiers who have protected the sovereignty
- 28th Anniversary of the Establishment of NBT Channel, giving monetary support for the construction of IPD Building of Galya Rajanagarindra Institute
- 46th Anniversary of Channel 3, giving monetary support for poor patients at Siriraj Hospital
- Siriraj Foundation
- Friends in Need of ("PA") Volunteers Foundation
- Support for Graduate Alumni of Mahidol University





In addition, Mono Group highlights the significance of promoting sports as it realizes that not only do sports create good health, they also reduce drug problems and bring about unity.

- Walk and Run Charity Mini Marathon, sharing water and kindness to fight drought by Thai PBS
- Sukhothai Marathon 2016, purchasing uniforms and equipment for the conservation of Sukhothai Historical Park
- 12 August Half Marathon 2016, Bangkok, giving donation to Queen Sirikit Centre for Breast Cancer Foundation
- EGAT CHARITY GREEN RUN 2016, giving educational fund for poor children
- BIG BLUE RUN - CHARITY4KIDS, giving donation to Pak Kred Reception Home for Boys (Baan Phumwet Foundation)
- RUN FOR FAMILY 2016, giving donation to Family Network Foundation
- SUPER SPORT 10 MILES INTERNATIONAL RUN 2016, giving refreshing towels to runners

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

Mono Group's mission and the connection between television and online media contribute to the development and the progression of sports in a national level, especially in the field of basketball. The Company opened "Stadium 29", the most modern and high standard basketball stadium in Thailand, to hold national basketball competitions. As a sponsor for THE FIFTH SEABA STANKVIC CUP THAILAND 2016 and THAILAND BASKETBALL LEAGUE 2016 (TBL), Mono Group sent Mono Vampire Basketball Club and Mono Thewphaingarm Basketball Club to compete in these competitions and Mono Vampire was able to win the championship of TBL for the second year. During the competitions, children were welcomed to see many games for free. Apart from seeing the games at Stadium 29, basketball fans could enjoy live broadcast on MONO29 channel, MONO PLUS channel, and website Mthai.com. These are the contributions to boost popularity in sports which will lead to the improvement of basketball in Thailand in the future.

Building fundamental skills for sports from young age to professional level is another thing to be concerned. Mono Basketball Dream is a project held by the Company. In this project, professional basketball players under Mono Group support will talk about their experiences and teach basketball techniques to children intensively. Another project is Mono Vampire Back to School which the players demonstrate basketball techniques to students in order to give them inspiration for sports. So far, the Company has held 14 activities under these projects with participants of about 2,000 children as detailed below:

Mono Basketball Dream Project

- Satriwitthaya 2 School
- Suankularb Wittayalai Nonthaburi School
- Watkhemapiratarom School
- Sarawittaya School
- Chonprathanwitthaya School
- Wat Khunsong School
- Trang Provincial Central Stadium
- Kamphaengphet Provincial Central Stadium

Mono Vampire Back to School

- Sarasas Witaed Bangbuathong School
- Triamudomsuksanomklao Nonthaburi School
- St. Francis Xavier School
- Sriboonyanon School
- Rayongwittayakom School
- Beaconhouse Yamsaard Rangsit School

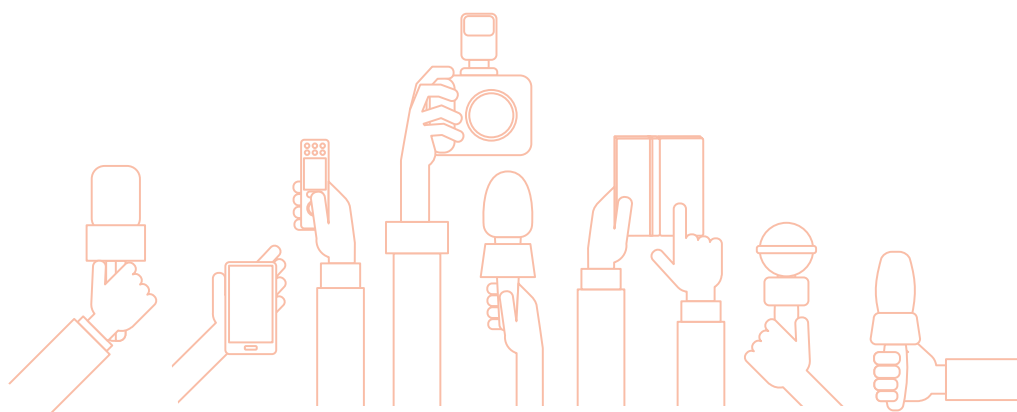
For the full report of corporate social responsibility (CSR), please refer to Annual Registration Statement (Form 56-1). Also, update of CSR news and activities are available via www.mono.co.th/CSR.aspx

General Information

General Information of the Company

Company Name	:	Mono Technology Public Company Limited	
Symbol	:	MONO	
Registration Date	:	June 6, 2013	
Registration Number	:	0107555000040	
Address	:	200 Jasmine International Tower 16 th Fl., Moo 4 Chaengwattana Road., Pakkred, Nonthaburi 11120	
Type of Business	:	Media and Content Business and Entertainment Business	
Website	:	www.mono.co.th	
Telephone	:	(66) 2502 0700	
Fax	:	(66) 2100 8148	
Total number and type of issued shares	:	Registered capital	498,499,997.50 Baht
		Paid-up capital	320,093,553.70 Baht*
		Registered ordinary shares	4,984,999,975 Shares
		Paid-up ordinary shares	3,200,935,537 Shares*
		Par value	0.10 Baht

* As of December 31, 2016



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

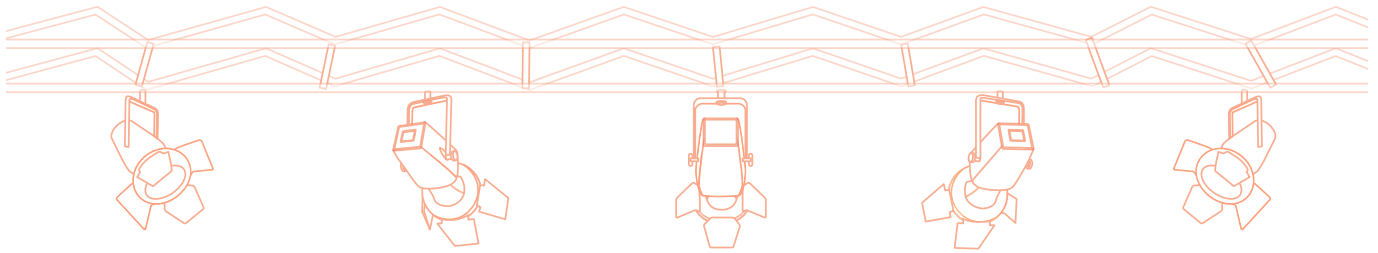
Company Name and Head Office Address	Nature of Business	Total Paid-up Capital/ Investment	Proportion of Common Shareholding of Mono Technology and/or the Subsidiaries
Media and Content Business			
Mono Generation Co., Ltd. 200 Jasmine International Tower 31 st Fl., Moo 4 Chaengwattana Road., Pakkred, Nonthaburi 11120 Tel. (66) 2502 0700 Fax. (66) 2100 8148	Publishing business	9,820,000 shares	100%
Mono Production Co., Ltd. Head Office: 200 Jasmine International Tower Moo 4 Chaengwattana Road., Pakkred, Nonthaburi 11120 Tel. (66) 2502 0700 Fax. (66) 2100 8148 Branch Office: 29/9, Moo 4 Chaiyapruk Road., Bangplub, Pakkred, Nonthaburi 11120	TV broadcasting business	18,200,000 shares	100%
Mono Broadcast Co., Ltd. 200 Jasmine International Tower Moo 4 Chaengwattana Road., Pakkred, Nonthaburi 11120 Tel. (66) 2502 0700 Fax. (66) 2100 8148	TV broadcasting business	140,000,000 shares	Mono Production Co., Ltd. 100%
Mono Talent Studio Co., Ltd. 200 Jasmine International Tower Moo 4 Chaengwattana Road., Pakkred, Nonthaburi 11120 Tel. (66) 2502 0700 Fax. (66) 2100 8148	Artist management business	50,000 shares	100%
Mono Sport Entertainment Co., Ltd. 200 Jasmine International Tower Moo 4 Chaengwattana Road., Pakkred, Nonthaburi 11120 Tel. (66) 2502 0700 Fax. (66) 2100 8148	Sports event business	5,000,000 shares	Mono Production Co., Ltd. 100%

Company Name and Head Office Address	Nature of Business	Total Paid-up Capital/ Investment	Proportion of Common Shareholding of Mono Technology and/or the Subsidiaries
Mono Travel Co., Ltd. 200 Jasmine International Tower 16 th Fl., Moo 4 Chaengwattana Road., Pakkred, Nonthaburi 11120 Tel. (66) 2502 0700 Fax. (66) 2100 8148	Internet business	4,000,000 shares	100%
Mono Info Systems Co., Ltd. 200 Jasmine International Tower Moo 4 Chaengwattana Road., Pakkred, Nonthaburi 11120 Tel. (66) 2502 0700 Fax. (66) 2100 8148	IT service and support business	80,000 shares	100%
Mono Radio Co., Ltd. 200 Jasmine International Tower Moo 4 Chaengwattana Road., Pakkred, Nonthaburi 11120 Tel. (66) 2502 0700 Fax. (66) 2100 8148	Radio broadcasting business	100,000 shares	100%
Mono Radio Broadcast Co., Ltd. 200 Jasmine International Tower Moo 4 Chaengwattana Road., Pakkred, Nonthaburi 11120 Tel. (66) 2502 0700 Fax. (66) 2100 8148	Radio broadcasting business	100,000 shares (25% called up)	100%
Mono Technology Vietnam Company Limited F511-F515, 5 th Floor, Charmvit Tower, 117 Tran Duy Hung, Trung Hoa Ward, Cau Giay District, Hanoi, Vietnam Tel. (84) 3 5553885 Fax. (84) 3 5553884	Digital content provider business (Vietnam)	Investment of USD 300,000 or equal to THB 10,000,000	100%
Mono Technology Hong Kong Limited 401 Jardine House, 1 Connaught Place, Central, Hong Kong	Investment in China	25,000,000 shares	100%

Company Name and Head Office Address	Nature of Business	Total Paid-up Capital/ Investment	Proportion of Common Shareholding of Mono Technology and/or the Subsidiaries
Yunnan Mono Digital Technology Company Limited (Joint Venture) 403-5, Customs building, Export processing zone, Kunming, Yunnan, China	Digital content provider business (China)	USD 5,000,000 (62.5% called up)	Mono Technology Hong Kong Limited 42%
Entertainment Business			
Mono Music Co., Ltd.¹ 200 Jasmine International Tower Moo 4 Chaengwattana Road., Pakkred, Nonthaburi 11120 Tel. (66) 2502 0700 Fax. (66) 2100 8148	Music business	380,000 shares	100%
Mono Film Co., Ltd. 200 Jasmine International Tower Moo 4 Chaengwattana Road., Pakkred, Nonthaburi 11120 Tel. (66) 2502 0700 Fax. (66) 2100 8148	Movie business	8,710,000 shares	Mono Generation Co.,Ltd. 100%
T Moment Co., Ltd. 200 Jasmine International Tower Moo 4 Chaengwattana Road., Pakkred, Nonthaburi 11120 Tel. (66) 2502 0700 Fax. (66) 2100 8148	Movie business	2,000,000 shares (25% called up)	100%
Liquidated Companies			
PT. Mono Technology Indonesia 307 3 rd Floor, Menara Thamrin J1.M.H. Thamrin Kav3, Jakarta, Indonesia Tel. (62) 021 2303108-9	Under Liquidation	10,000 shares	Mono Technology PCL. 99% Mono Generation Co., Ltd. 1%
Mono Technology Korea Corporation	Liquidation was completed on October 31, 2016		

¹ Mono Entertainment Co., Ltd. has changed the company's name to Mono Music Co., Ltd. on October 28, 2016

Reference Persons



Thailand Securities Depository Co., Ltd.

93, Ratchadapisek Road, Dindang Sub-district, Dindang District,
Bangkok 10400

Tel. (66) 0 2009-9000, (66) 0 2009-9999

Fax.(66) 0 2009-9991



EY Office Limited

193/136-137, Lake Rajada Office Complex, 33rd Floor,
New Rajadapisek Road, Klongtoey Sub-district, Klongtoey District,
Bangkok 10110

Tel. (66) 0 2264-9090

Fax.(66) 0 2264-0789-90



Seri Manop & Doyle Ltd.

21 Soi Amnuaiwat, Sutthisan Road, Samsennok Sub-district,
Huaikhwang District, Bangkok 10310

Tel. (66) 0 2693-2036

Fax.(66) 0 2693-4189

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

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

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

Remarks:

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

¹Resignation on December 2, 2016

Domestic Subsidiaries						International Subsidiaries				Joint Venture
MONO BC	MONO SPORT	MONO RADIO	MONO RADIO BC	MONO TALENT	T MOMENT	MONO VIETNAM	MONO HK	MONO INDO	MONO KOREA	YUNNAN MONO
D	D	D	D	D	D	D	D		D	
D ¹ ,ED ¹	D,ED	D,ED	D,ED	D,ED	D,ED	D,ED	D,ED	ED	D,ED	D
D,ED,Exec	D,ED	D,ED,Exec	D,ED	D,ED,Exec	D,ED	D,ED	D,ED	D,ED	D,ED	
ED	D,ED,Exec	ED	ED	D,ED	D,ED	D,ED	D,ED,Exec	D,ED,Exec	D,ED,Exec	D
ED	ED	ED	ED	ED	ED	ED	ED	ED	ED	
ED	ED	ED	ED	D,ED	ED	ED	ED	ED	ED	

9. MONO SPORT = Mono Sport Entertainment Co., Ltd.
10. MONO RADIO = Mono Radio Co., Ltd.
11. MONO RADIO BC = Mono Radio Broadcast Co., Ltd.
12. MONO TALENT = Mono Talent Studio Co., Ltd.
13. T MOMENT = T Moment Co., Ltd.
14. MONO VIETNAM = Mono Technology Vietnam Co., Ltd.
15. MONO HK = Mono Technology Hong Kong Limited
16. MONO INDO = PT. Mono Technology Indonesia (Under Liquidation)
17. MONO KOREA = Mono Technology Korea Corporation
(Liquidation was completed on October 31, 2016)
18. YUNNAN MONO = Yunnan Mono Digital Technology Co., Ltd.

List of Directors and Executives	Related Companies								
	TTTBB	TTTI	JINET	JASTEL	ACU	PA	ACES	TOYOTA PS	GS
1. Mr. Pete Bodharamik	D	D	D	D	D	D	D		
2. Mr. Soraj Asavaprapha								D,Exec	
3. Mr. Navamin Prasopnet									D
4. Mr. Sang Do Lee									
5. Mr. Siri Luengsawat									
6. Mr. Komsak Wattanasriroj									
7. Mrs. Punnee Worawuthichongsathit									
8. Mr. Preecha Leelasithorn									
9. Mr. Kriengsak Thiennukul									
10. Mr. Patompong Sirachairat									
11. Mr. Jiraparwat Boonyasen									
12. Miss Pitirudee Sirisamphan									
13. Miss Benjawan Rakwong									
14. Mr. Teerasak Tharaworn									
15. Miss Paweena Poonpattanasuk									

1. TTTBB = Triple T Broadband PCL.
2. TTTI = Triple T Internet Co., Ltd.
3. JINET = Jasmine Internet Co., Ltd.
4. JASTEL = JasTel Network Co., Ltd.
5. ACU = Acumen Co., Ltd.
6. PA = Premium Asset Co., Ltd.
7. ACES = ACeS Regional Services Co., Ltd.
8. TOYOTA PS = TOYOTA P.S. Enterprise Co., Ltd.
9. GS = Green Star Environment Co., Ltd.

Remarks:

D = Director ED = Executive Director Exec = Executive

Details of Directorship in Subsidiaries with revenue of over 10 percent

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

1. MONO INFO = Mono Info Systems Co., Ltd.

2. MONO BC = Mono Broadcast Co., Ltd.

Remarks:

D = Director ED = Executive Director Exec = Executive

¹ Subsidiaries is the companies that have significant business operation, such as their revenues are over 10 percent of the total revenues as per the 2016 Statement of Comprehensive Income

² Resignation on December 2, 2016

Shareholding and Management Structures

Shareholding Structure Information

	Number of registered and paid-up capital as of December 31, 2016		
	Registered capital	:	498,499,997.50 Baht
	Paid-up capital	:	320,093,553.70 Baht
	Registered ordinary shares	:	4,984,999,975 Shares
	Paid-up ordinary shares	:	3,200,935,537 Shares
	Par value 0.10 Baht per share		

Capital Movement in 2015 - 2016

As of December 31, 2015, the Company has the registered capital of 492,799,997.50 Baht and the paid-up capital of 310,093,553.70 Baht. The meeting of the Board of Directors No. 1/2016 held on February 19, 2016 passed a resolution to allocate new shares in a total of 50,000,000 shares to Mr. Chakkrit Terdkiat which is the private placement. The said shares were approved from the 2015 Annual General Meeting of Shareholders which has resolved to issue new shares under General Mandate for an amount of 308,000,000 shares. Consequently, the Company's paid-up capital is 315,093,553.70 Baht.

The 2016 Annual General Meeting of Shareholders held on April 27, 2016 resolved to reduce registered capital of 25,800,000 Baht by reducing registered shares that have not been issued in an amount of 258,000,000 shares. This amount was the remaining of the allotment of new shares under the General Mandate that was approved by the 2015 Annual General Meeting of Shareholders. In addition, the meeting resolved to increase registered capital under General Mandate in a total of 31,500,000 Baht and offer through private placement by issuing and offering 315,000,000 ordinary shares. Therefore, the registered capital increased from 492,799,997.50 Baht to 498,499,997.50 Baht which can be divided into 4,984,999,975 ordinary shares, at the par value of 0.10 Baht per share.

As for the allocation of new shares for capital increase, the 2016 Annual General Meeting of Shareholders passed a resolution to allocate ordinary shares for capital increase in a total of 50,000,000 shares, at the price of at least 90 percent of the market weighted average price. This amount of share is the reciprocation for the purchase of assets which are the copyrights of 30 films and 29 screenplays valued 103,000,000 Baht from Mr. Visute Poolvorlaks, the private placement. As of December 31, 2016, the Company's paid-up capital equals to 320,093,553.70 Baht. In addition, the meeting of the Board of Directors No.1/2017 held on January 10, 2017 has resolved to allocate shares for capital increase under General Mandate through 8 private placements totally 143,000,000 shares in order to support the growth of TV media business and film business. Therefore, the paid-up capital of the Company equals to 334,393,553.70 Baht.



Shareholders

The top ten shareholders of the Company as of the closing date on March 22, 2016 are as follows:

List of Shareholders	Number of Shares	Percent
1. Mr. Pete Bodharamik	2,248,234,780	71.35
2. Mr. Soraj Asavaprapha	68,000,000	2.16
3. Mr. Chakkrit Terdkiat	50,000,000	1.59
4. Mrs. Lalana Tharasuk	38,661,100	1.23
5. Ms. Promsiri Sahaboontham	38,255,200	1.21
6. Mr. Taweechart Churangkul	24,066,000	0.76
7. Mr. Navamin Prasopnet	22,900,000	0.73
8. Mr. Nattapol Churangkul	21,581,600	0.68
9. Mr. Sang Do Lee	18,700,000	0.59
10. Thai NVDR Company Limited	15,679,100	0.50
Other Shareholders	604,857,757	19.20
Total	3,150,935,537	100.00



Warrant

The Extraordinary General Meeting of Shareholders No.1/2014 held on September 12, 2014 resolved to issue and allocate the warrants representing the right to purchase the ordinary shares of the Company No.1 (MONO-W1) of 1,500,002,627 units to existing shareholders of the Company according to the proposition of shareholding, providing that 14 existing shares equal 15 units of MONO-W1. In 2014 - 2016, the exercise of MONO-W1 was 20,935,562 units, whereas the remaining MONO-W1 that was not exercised as of December 31, 2016, was 1,479,067,065 units.

Details of warrant

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

* On June 2, 2016, the Company informed SET on the adjustment of exercise price and ratio of MONO-W1. The adjustment was made to the allotment of capital increase through private placement according to the resolution of the 2016 Annual General Meeting of Shareholders. When compare the price on the offering date which was on June 3, 2016, the offering price was lower than 90 percent of the market weighted average price. This was in line with the announcement of SET. Moreover, to comply with the condition on the exercise of MONO-W1, the Company adjusted the exercise price and ratio of MONO-W1 from 2.50 Baht per share and 1 unit of warrant per 1 ordinary share to 2.492 Baht per share and 1 unit of warrant per 1.003 ordinary shares.



Dividend Payment Policy

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

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

Management Structure

Board of Directors

The Board of Directors consists of nine directors. In 2016, seven meetings of the Board of Directors were held and the details of directors' names and their attendances were as follows:

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

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

* Mr. Soraj Asavaprapha resigned from the positions of director of the Company and director of all committees effective on December 2, 2016. The meeting of the Nomination and Remuneration Committee No. 1/2017 and the meeting of the Board of Directors No. 2/2017 held on February 21, 2017 have passed a resolution to appoint Mr. Patompong Sirachairat to be a director of the Company in place of Mr. Soraj Asavaprapha. To this regard, Mr. Patompong Sirachairat shall retain his office for the remaining term of the former director.

Authorized Directors

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

Terms of Office

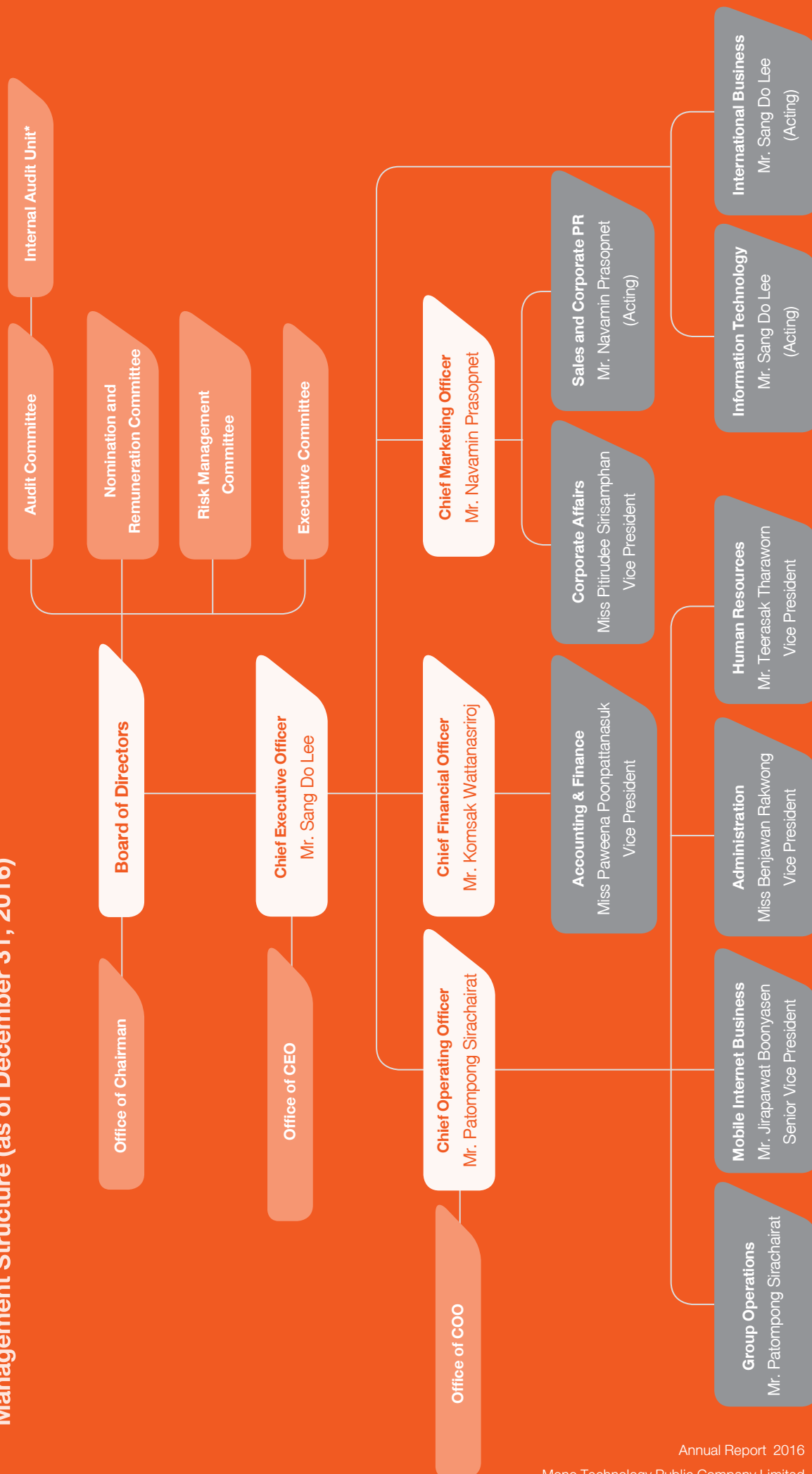
At each Annual General Meeting of Shareholders, one-third of the directors, or the number nearest to one-third if the number is not a multiple of three, must retire from office. The directors who must retire from the office in the first and second year after registration of a public limited company shall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

Authority, Duties and Responsibilities of Board of Directors

1. To perform his/her duties in compliance with the laws, objectives and Articles of Association of the Company as well as the resolutions passed by the shareholders' meeting based on responsibilities, reasonable diligence and integrity.
2. To consider, specify details and give approval towards vision, business strategies, direction, policy, guidelines, work plan and budget of the Company and subsidiaries as per details arranged by the Executive Committee and the Management Team. There shall be a review of those topics annually.
3. To supervise and monitor management and performance of the Executive Committee, the Chief Executive Officer, the Management Team or others who were assigned to perform such duties in order to ensure the compliance with the policy established by the Board of Directors.
4. To continuously monitor the Company's performance to ensure the compliance with the Company's strategy, work plan and budget.
5. To lead and control the Company and subsidiaries to employ appropriate and efficient accounting system as well as providing internal control and internal audit systems.
6. To designate the relevant units to arrange the statement of financial position and the statement of comprehensive income as of the end of fiscal year and sign off to certify such financial documents before presenting to the Annual General Meeting of Shareholders for asking approval.
7. To give opinion toward nomination, appointment, and termination of services of the auditor as well as considering appropriate remuneration presented by the Audit Committee before proposing the Annual General Meeting of Shareholders to consider approving.
8. To arrange the written policy of corporate governance as per Principle of Good Governance as well as effectively implementing this policy in order to ensure the Company's responsibilities toward all stakeholders, with fair treatment.
9. To consider approving the appointment of persons having required qualifications, without prohibited characteristics according to Public Limited Companies Act, B.E. 2535 (as well as the amendment), Securities and Exchange Act, B.E. 2535 (as well as the amendment), and relevant notifications, requirements and/or regulations to assume the position of directors in cases of vacancy for directors due to other reasons other than retirement by rotation. The Board of Directors shall consider and give approval on appointment of new directors to replace directors retiring due by rotation as well as specifying the remuneration for directors as presented by the Nomination and Remuneration Committee before proposing the Annual General Meeting of Shareholders to consider approving.
10. To appoint committees, such as the Audit Committee, the Executive Committee, the Good Corporate Governance Committee, the Nomination and Remuneration Committee and the Risk Management Committee, or other committees as well as defining authority and duties of those committees in order to support the performance of the Board of Directors.
11. To specify and change names of authorized directors.
12. To consider the appointment of executives according to the specification and definition by SEC or CMSB and the Company Secretary as well as specifying remuneration of those executives as presented by the Nomination and Remuneration Committee.
13. To ask for external professional associations' opinion to support their precise decision making.
14. To encourage the Company's directors and executives to participate in seminars organized by Thai Institute of Directors (IOD), particularly seminars which are relevant to the directors and executives' duties and responsibilities.

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

Management Structure (as of December 31, 2016)



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

Executives

As of December 31, 2016, the Company has 9 executives:

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

Mr. Thawatvongse Silamanonda , Senior Vice President of the Office of Chief Executive Officer, resigned from the Company since October 1, 2016.

The Company Secretary

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



Remuneration for Directors and Executives

1) Remuneration in Cash

Remuneration for Director

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

The 2016 Annual General Meeting of Shareholders resolved to approve the ceiling of remuneration for directors of not exceeding 5,000,000 Baht, with the gratuity for directors of not exceeding 2,000,000 Baht (equivalent to the gratuity for 2015). In addition, details of remuneration for the Board of Directors, the Audit Committee, and the Nomination and Remuneration Committee are as follows:

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

The details of individualized remuneration as of December 31, 2016 are as follows:

Directors	Positions	Remuneration (Baht)				
		Annual Remuneration		Meeting Allowance ¹⁾	Gratuity	Total
		Board of Directors	Audit Committee	Nomination & Remuneration Committee		
1. Mr. Pete Bodharamik	Chairman of the Board of Directors	840,000	-	-	-	840,000
2. Mr. Soraj Asavaprapha	Vice Chairman, Member of Nomination and Remuneration Committee	600,000	-	20,000	-	620,000
3. Mr. Navamin Prasopnet	Assistant Chairman	360,000	-	-	-	360,000
4. Mr. Sang Do Lee	Director	240,000	-	-	-	240,000
5. Mr. Siri Luengsawat	Director	240,000	-	-	-	240,000
6. Mr. Komsak Wattanasriroj	Director	240,000	-	-	-	240,000
7. Mrs. Punnee Worawuthichongsathit	Independent Director, Chairman of Audit Committee	240,000	240,000	-	40,000	520,000
8. Mr. Preecha Leelasithorn	Independent Director, Member of Audit Committee, Chairman of Nomination and Remuneration Committee	240,000	120,000	20,000	40,000	420,000
9. Mr. Kriengsak Thiennukul	Independent Director, Member of Audit Committee, Member of Nomination and Remuneration Committee	240,000	120,000	20,000	40,000	420,000
Total		3,240,000	480,000	60,000	120,000	3,900,000

Remarks: 1) Remuneration per meeting attendance

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

Remuneration for Executives

Total remuneration, including salaries, bonus, overseas allowances and social insurance contributions, for 9 executives as of December 31, 2016 amounted to 22.33 million Baht.



2) Other Remuneration

Other Remuneration for Directors - None -

Other Remuneration for Executives

On January 20, 2006, the Company established the provident fund under the management of TISCO Asset Management Co., Ltd. (TISCOASSET) in order to boost morale and promote long-term employee engagement. According to the provident fund policy, employees' contribution must be at least 3 percent of salary or they can select to adjust their contribution at the rate of not exceeding the contribution by the Company. In addition, the Company's contribution to the provident fund will be based on period of the provident fund membership of each employee. As of December 31, 2016, the Company's contribution to the provident fund for 9 executives amounted to 0.98 million Baht.

Personnel

As of December 31, 2016, the Company and subsidiaries has 964 employees (excluding executives). Remuneration which is in the forms of salary, bonus, overtime wage, social security fund contribution, provident fund contribution, and others benefits for those employees amounted to 418 million Baht.

Mono Technology PCL.	308
<u>Business Units</u>	
Mobile Internet Business	152
International Business	5
<u>Support Units</u>	
Office of Chairman	9
Office of CEO	4
Group Operations	10
Sales and Corporate PR	24
Accounting and Finance	23
Administration	48
Human Resources	16
IT	12
Corporate Affairs	5
Subsidiaries	656
Total Employees (Person)	964

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

Corporate Governance

Corporate Governance Policy

The Company stresses the importance of corporate government implementation as a part of its business operation by installation of efficient management system in order to win the shareholders' trust and maximize benefit for all stakeholders. The Company also focuses on responsibility of the Board, transparency in business operation and disclosure of relevant information.

The Company has formulated the good governance policy, the business code of conduct, and the code of conduct for the Board, executives and employees as guidelines for business operation and practice. These regulations are disclosed and communicated to the Board, executives and employees via orientation, exhibition board, intranet, and the Company's website. In 2016, the Company highlighted the importance of policy and practices on anti-corruption. Implementation of the policy shall be monitored by the internal audit office and the corporate affairs department in order to report to the Risk Management Committee, the Audit Committee, and the Board of Directors for acknowledgement regularly. For this reason, the Company was rated a five stars or excellent level by the Corporate Governance Report Evaluation (CGR) among Thai listed companies in 2016 and received a full score on the assessment of the Annual General Meeting of Shareholders by Thai Investors Association. Recently, the Company was also certified a membership of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC).

Corporate Governance Policy covers five parts as follows:

1. Rights of Shareholders

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

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

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

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

2. Equitable Treatment of Shareholders

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

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

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

3. Roles of Stakeholders

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

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

Shareholders

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

Clients

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

Employees

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

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

Creditors

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

Business Partners

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

Business Competitors

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

Regulatory and Government Agencies

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

Community, Society and Environment

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

Compliance with the Policy

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

Complaint Consideration and Acceptance

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

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

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

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

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

4. Disclosure and Transparency

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

1. The Company must disclose important information, both financial and non-financial including annual registration statements (Form 56-1), annual report, and quarterly financial report. In disclosing financial information, especially the financial statements, the Company must ensure that they are correct, in accordance with generally accepted accounting principles, and have been audited/reviewed by an independent external auditor. The financial statements must also be approved by the Audit Committee and the Board of Directors before they are disclosed to SEC, SET, the shareholders, investors and relate agencies.
2. Necessary shall be disclosed on the Company's website, in both Thai and English.
3. Information on the roles and responsibilities of the Board of Directors and committees, the number of meetings and attendance of each director, and the director's and executives' remuneration policies are disclosed under the Management and Corporate Governance section of the Company's annual registration statements (Form 56-1) and annual report.
4. The Report of the Board of Directors' Responsibilities for Financial Statement must be presented together with the auditor report in the Company's annual report.
5. The Company shall disclose the summary of approved corporate governance policy and the result of performance in compliance with this policy in the Company's annual registration statements (Form 56-1) and annual report.

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

- In 2016, the Company participated in the Opportunity Day on March 4, 2016 to present information about the Company, operating result, and future trend to analysts, investors, and mass media. On September 26, 2016, the Company also took part in Roadshow@Bualuang to present business plan and strategy for development to general investors at Bualuang Investment Station. The event was live broadcasted on Facebook Live.
- Websites of the Stock Exchange of Thailand (www.set.or.th) and the Company (www.mono.co.th)
- Investors Relations Unit, Tel.: 02-502-0787 , 02-502-0797
- Email : ir@mono.co.th
- Analyst Meeting which shall be held on a regular basis
- Financial newsletter for press or press conference

5. Responsibilities of the Board of Directors

5.1 Structure of the Board of Directors

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

Group 1: Characterized by their executive management roles:

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

Group 2: Characterized by independency

- Independent Director
- Non-independent Director

As of December 31, 2016 the Board of Directors was comprised of eight members: three members were executive directors (Executive Director is defined as the top-four executives next to Chief Executive Officer) and five members were non-executive Directors. Among those five members of the non-executive directors, three members were the independent directors and the members of Audit Committee. Meanwhile, three members of executive directors were comprised of the Chief Executive Officer, the Chief Marketing Officer and Chief Financial Officer. For the structure of Board of Directors, one-third of the total number of the Board of Directors are independent directors to ensure the checks and balances in voting as well as in the management of executives for the best benefit of the Company. In addition, the number of the Company's independent directors is in line with the SEC's regulations requiring one-third of the total number of the Board of Directors must be independent directors.

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

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

- Passing Away
 - Resignation
 - Qualifications fall short of the criteria or incompatibility as specified by law
 - Resolution to be removed by the Annual General Meeting of Shareholders which require not less than three-fourths of the number of shareholders attending the meeting and having the right to vote. Total number of shares shall be not less than a half of shares held by shareholders attending the meeting and having the right to vote.
 - Order by the Court to resign
3. Persons to be appointed as independent directors must possess qualifications as required by SEC, CMSB and SET.
 4. At least one-third, but not less than three members of the Company's Board of Directors must be independent directors.
 5. The Chairman shall be elected by the Board of Directors, while the Chief Executive Officer shall be nominated by the Nomination and Remuneration Committee.
 6. The Company's directors and executives can hold directorships or executive positions in the Company subsidiaries or other companies but these positions must be in accordance with the guidelines of SEC, CMSB, SET and other related agencies. Also, this matter must be disclosed to the Board of Directors' meeting. However, the Chief Executive Officer has been limited to hold a board seat or directorship in not more than one listed company (excluding the Company and its subsidiaries). This matter must be approved by the Board of Directors.
 7. Company Secretary has been appointed by the Board of Directors to provide legal and regulatory advice to the Board, take care of the Board's administrative activities, monitor compliance with the Board's resolutions, and communicate with the shareholders, SEC, SET and other concerned regulatory agencies.

5.2 Committees

1. The Board of Directors can establish committees to assist in the study and screening of special tasks. The qualifications and scope of work of each committee shall be clearly defined.
 - The Executive Committee must be appointed to formulate policies and make decision on important tasks. The Executive Committee shall carefully consider various matters before presenting to the Board of Directors for approval as well as checking and following up the policy implementation and management of the Company in compliance with the assignment of the Board of Directors.
 - The Chairman of the Board of Directors and the Chairman of Executive Committee must not be the same person for check and balance purposes by means of separation of supervision and management roles. The Chairman of the Board of Directors is the director without executive management role; he is the leader of the directors, with the responsibility of being the Chairman in the meeting of the directors and the Annual General Meeting of Shareholders. On the other hand, the Chairman of Executive Committee who is the head and leader of the Company's executives shall perform his management role for the Board of Directors in order to achieve the specified work plans.

- The Audit Committee must be established to help the Board of Directors to review all financial reports of the Company to ensure accuracy and disclosure adequacy. The Audit Committee also reviews the suitability and efficiency of the internal control and audit systems as well as ensuring that all Company's operations are complied with the Company's regulations and policies as well as all applicable laws and notifications.
- The Nomination and Remuneration Committee must be established to be responsible for nominating persons, with suitable qualification to be the Company's directors and proposing the Board of Directors or the Annual General Meeting of Shareholders (as the case may be) to consider those qualified persons for appointment as directors. Also, they must be responsible for considering the appropriate remuneration for the directors and high-ranking executives as well as the employment contract of high-ranking executives and overall rate for their salary increase. Consequently, the Board of Directors shall consider approving the remuneration of high-ranking executives and overall rate for salary increase. Nevertheless, the Annual General Meeting of Shareholders shall have the right to approve the remuneration for the directors.
- A Risk Management Committee must be also established to evaluate risks to the Company business operation.

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

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

5.3 Roles and Responsibilities of the Board of Directors

The Separation of duties of policy establishment and regular task management

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

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

5.4 Board of Directors' Meeting

1. The meeting of the Board of Directors shall be scheduled in advance and at least four meetings must be held per year (once every three months). The regular agenda for each meeting shall be clearly defined, such as the consideration of the financial statements reviewed or audited by auditors. The Chairman of the Board of Directors, Chief Executive Director and directors shall jointly consider the importance and necessity for inclusion of the other agenda items. In case where the Board of Directors' meetings are not held every month,

the Company shall prepare a monthly report of its performance for the Board of Directors so that they can continuously monitor and control the performance of the management unit.

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

5.5 Performance Assessment

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

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

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

In 2016, the Board of Directors assessment score averagely equals to 95.65%.

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

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

In 2016, the individual Director self-assessment score averagely equals to 95.96%.

3) **Performance Assessment of Other Committees** is conducted yearly in order to improve their roles and responsibilities supporting the Board of Directors' performance. In 2016, each committee assessment score is detailed, as follows:

- Audit Committee assessment score averagely equals to 98.59%.
- Nomination and Remuneration Committee assessment score averagely equals to 80.56%.

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

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

5.6 Remuneration for Directors and Executives

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

5.7 Professional Development for Directors, Executives and Employees

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

In 2016, Mr. Kriengsak Thiennukul, Independent Director, Member of the Audit Committee, and Member of Nomination and Remuneration Committee finished the National Defence Course (TNDC Diploma), Class 58/2015-2016 from Thai National Defence College.

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

Committees

The Company's management structure consists of Board of Directors, Audit Committee, Executive Committee, Nomination and Remuneration Committee and Risk Management Committee. All directors and executives of

the Company possess qualifications that meet requirements of Section 68 of Public Limited Companies Act, B.E. 2535, Securities and Exchange Act, and relevant notifications of Capital Market Supervisory Board (CMSB). The management structure of the Company is as follows:

1. Audit Committee

As of December 31, 2016, the Audit Committee comprised three members and details of their meeting attendances were as follows:

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

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

Term of Office

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

Authority, Duties and Responsibilities of Audit Committee

1. To review the Company's financial reports and ensure its accuracy and adequacy.
2. To review the Company's internal control and internal audit systems and ensure that they are suitable and effective.
3. To review and ensure the Company's compliance with the law on securities and exchange, regulations of SET and the laws relating to the Company's business.
4. To consider, select, nominate and terminate an independent person for appointment as the Company's auditor and propose remuneration for such person, and for the termination of such appointment; as well as to attend a non-management meeting with the auditor at least once a year.
5. To consider related party transactions or transactions that may lead to conflicts of interest and ensure that they are in compliance with the laws and the regulations of SET and reasonable as well as creating the highest benefit for the Company.
6. To prepare and disclose the Report of the Audit Committee in the Company's annual report. This report must be signed by the Chairperson of the Audit Committee and must contain at least the following information:

- an opinion on the accuracy, completeness and credibility of the Company's financial reports;
- an opinion on the adequacy of the Company's internal control system;
- an opinion on the compliance with the law on securities and exchange, the regulations of SET, or the laws relating to the Company's business;
- an opinion on the suitability of an auditor;
- an opinion on the transactions that may lead to conflicts of interest;
- the number of the Audit Committee's meetings and the attendance at such meetings by each committee member;
- an opinion or overview of comments received by the Audit Committee from its performance of duties in accordance with the charter; and
- other reports which should be disclosed to the shareholders and general investors within the scope of duties and responsibilities designated by the Board of Directors.

7. To review Internal Audit unit's operations in the following aspects :

- Consider the scope of operations, annual audit plan and budget, and performance of personnel to ensure that they are suitable and aligned with the scope of operations and adequate for supporting the performance of duties of the Audit Committee;
- Consider the appointment, rotation or termination of employment of head of Internal Audit unit;
- Consider the performance report; and
- Consider the independence of Internal Audit unit.

8. To consider and review the auditing rules and procedures and ensure they always fit with business circumstances.

9. To report the summary of the Audit Committee's missions to the Board of Directors.

10. To report the Board of Directors when the Audit Committee finds or suspects any of the following transactions or acts, which could materially affect the Company's financial position and operating results, in order to take a corrective action within the period of time that the Audit Committee deems fit:

- a transaction which causes conflicts of interest;
- a fraud, unusual practice or material defect in relation to the internal control system; and
- a violation of the law on securities and exchange, the SET's regulations or the laws relating to the Company's business.

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

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

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

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

2. Executive Committee

As of December 31, 2016, the Executive Committee comprised four members and details of their meeting attendances were as follows :

Name	Position	Number of Attendances/ Number of Meetings (Time)
1. Mr. Soraj Asavaprapha*	Chairman of Executive Committee	23/26
2. Mr. Navamin Prasopnet	Executive Director	27/28
3. Mr. Sang Do Lee	Executive Director	22/28
4. Mr. Komsak Wattanasriroj	Executive Director	28/28
5. Mr. Patompong Sirachairat	Executive Director	27/28

Miss Saranya Amornrattanasuchad is the Secretary to the Executive Committee

* Mr. Soraj Asavaprapha resigned from the positions of director of the Company and member of all committees on December 2, 2016. The meeting of the Board of Directors No. 1/2017 has passed a resolution to appoint Mr. Navamin Prasopnet to be the Chairman of Executive Committee for replacement. The meeting of the Board of Directors No. 2/2017 has resolved to appoint Miss Benjawan Rakwong, Vice President – Administration, to be Executive Director in addition.

Term of Office of Executive Committee

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

Authority, Duties and Responsibilities of the Executive Committee

1. To be responsible for management of the Company's business to meet the established objectives of business operation. The business management must be in line with the policy, requirements or orders designated by the Board of Directors. Moreover, the Executive Committee shall consider and screen relevant matters before proposing the Board of Directors to consider approving.
2. To arrange the Company's vision, business strategy, operational policy as well as budget of the Company and subsidiaries before proposing the Board of Directors to consider approving.
3. To monitor, examine and follow up management policy and guideline implementation by the Company to ensure that they are in compliance with the assignment of the Board of Directors.
4. To have authority to consider approving some cases or operations regarded as regular business of the Company under financial limit or annual budget approved by the Board of Directors and to perform any action as specified above. In details, the Executive Committee shall have authority to approve expenses or procurement or lease or hire purchase that are relevant to the Company's operation and investment for both core business or supporting units at the financial limit of 60 million Baht; and have authority to approve borrowing from financial institutions to continue regular transactions of the Company at the financial limit of 60 million Baht.
5. To report the operation results to the Board of Directors according to following topics and time limit:
 - 5.1 Quarterly report of operation results must be submitted within the period of time specified by SET
 - 5.2 Reports of Auditor on the Company's financial statements as well as annual and quarterly financial statements must be submitted within the period of time specified by SET
 - 5.3 The submission of other reports will be made within the period of time that the Executive Committee deems fit.
6. At the meeting of the Executive Committee for considering any operations as per authority, duties and responsibilities specified in this orders, at least half of all members of Executive Committee must attend the meeting to constitute a quorum, allowing the Executive Committee to continue such operations.
7. For voting at the meeting of the Executive Committee, each director shall have 1 (one) vote. In case of an equality of votes, the Chairman of the Executive Committee shall cast 1 (one) vote to make the final decision.
8. For a resolution on each agenda at the Meeting of the Executive Director, votes for approval must reach at least half of entire votes at that meeting.
9. The meeting of the Executive Committee must be arranged as necessary and appropriate. Each director can convene the special meeting aside from the normal meeting. Nevertheless, the notification of meeting agenda(s) shall be presented to other directors prior to the meeting as appropriate, allowing other directors to have sufficient time to consider the said agenda(s).
10. The Executive Committee can appoint any working team and/or persons to consider and screen works before presenting to the Committee; or to perform other actions beneficial to the performance of duties of the Committee; or to perform other actions on their behalf as per their assignment and within their scope of authority, duties and responsibilities.

11. The Executive Committee shall have authority of sub-delegation. Moreover, the Executive Committee shall be able to designate any person to perform a particular works on their behalf. Such sub-delegation of authority and/or assignment must be under the scope of delegation of authority as per the given power of attorney and/or comply with regulations, requirements or orders specified by the Board of Directors. However, the delegation of authority and responsibilities of the Executive Committee shall not be made in the manner that the Executive Committee or other persons delegated by the Executive Committee enable to approve transaction, which they or others may have stake in, or receive benefit, or have conflicts of interest (as defined by the notifications of SEC or CMSB) with the Company or subsidiaries.

3. Nomination and Remuneration Committee

As of December 31, 2016, the Nomination and Remuneration Committee comprised two members and details of their meeting attendances were as follows:

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

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

* Mr. Soraj Asavaprapha resigned from the positions of director of the Company and member of all committees on December 2, 2016. The meeting of the Board of Directors No. 1/2017 has passed a resolution to appoint Mrs. Punnee Worawuthichongsathit to be Member of Nomination and Remuneration Committee for replacement. To this regard, Mrs. Punnee Worawuthichongsathit shall retain her office for the remaining term of the former member.

Term of Office of the Nomination and Remuneration Committee

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

Authority, Duties and Responsibilities of the Nomination and Remuneration Committee

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

4. Risk Management Committee

As of December 31, 2016, the Risk Management Committee comprised four members and details of their meeting attendances were follows:

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

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

* Mr. Soraj Asavaprapha resigned from the positions of director of the Company and member of all committees on December 2, 2016. The meeting of the Board of Directors No. 1/2017 has passed a resolution to appoint Mr. Navamin Prasopnet to be the Chairman of Risk Management. To this regard, Mr. Navamin Prasopnet shall retain his office for the remaining term of the former member.

** Mr. Thawatvongse Silamanonda resigned from the positions of executive director and executive on October 1, 2016.

Term of Office of the Risk Management Committee

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

Authority, Duties and Responsibilities of the Risk Management Committee

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

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

Recruitment and Appointment of Directors and Executives

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

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

Composition and Appointment of the Board of Directors

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

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

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

1. One share is entitled to one vote.
2. Each shareholder must exercise votes as per (1) above to elect one or several directors but cannot separate the votes among directors.

3. Persons who receive the largest number of votes, in descending order, shall be elected to be the directors until the vacancies are filled. In the event of persons receiving equal votes and exceeding the number of vacancies to be filled, the Chairman of the meeting shall cast the vote to make the final decision.

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

Composition and Appointment of Independent Directors and Audit Committee

Independent Directors

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

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

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

1. Holding not more than one percent of shares (with voting right) of the Company, holding company, subsidiaries, associated company, a major shareholder or controlling person of the Company, which shall be inclusive of the shares held by any related person of such independent director;
2. Neither being nor having been an executive director, employee, staff or advisor receiving regular salary or controlling person of the Company, holding company, subsidiaries, associated company, subsidiaries of the same level or a major shareholder or controlling person of Company, unless the foregoing status has ended for more than two years prior to the date of submitting the application to the Securities and Exchange Commission (SEC). This condition does not include an independent director who used to be a government officer or advisor to any government agencies who is a major shareholder or controlling person of the Company.
3. Not being a person related by blood or registration under law, such as father, mother, spouse, sibling, or child, including the spouse of a child of any executive, major shareholder, controlling person or person to be nominated as an executive or a controlling person of the Company or subsidiaries.
4. Neither holding nor having held a business relationship with the Company, holding company, subsidiaries, associated company, major shareholder or a controlling person of the Company in a manner which may

interfere with his/her independent judgement, and neither being nor having been a substantial shareholder or a controlling person of any person having a business relationship with the Company, holding company, subsidiaries, associated company, major shareholder or controlling person of the Company unless the foregoing relationship has ended for more than two years prior to the date of submitting the application to the Securities and Exchange Commission (SEC).

The abovementioned business relationship includes normal business transaction, rental or lease of immovable property, the transaction relating to assets or services as well as the offer or the receipt of financial aids by way of borrowing or loan, guarantee, collateral loan and other transactions of similar manner which may cause debt burden between the Company and the party to agreement from the amount of three percent of net tangible assets of the Company or more than 20,000,000 Baht, whichever is lower. Mutatis mutandis, in calculating such debt, the method of calculating the value of related party transactions stated in the announcement of CMSB's regulations on the execution of related party transaction should be applied. Any debt burden occurring during the period of one year prior to the date of the business relationship with the same person must be included when considering such debt burden.

5. Neither being nor having been an auditor of the Company, holding company, subsidiaries, associated company, a major shareholder or controlling person, and not being a substantial shareholder, controlling person, or partner of an audit firm which employs auditors of the Company, holding company, subsidiaries, associated company, major shareholder or controlling person unless the foregoing relationship has ended for more than two years prior to the date of submitting the application to the Securities and Exchange Commission (SEC).
6. Neither being nor having been any professional adviser including legal adviser or financial adviser who receives an annual service fee exceeding 2,000,000 Baht from the Company, holding company, subsidiaries, associated company, a major shareholder or controlling person, and not being a substantial shareholder, controlling person, or partner of the professional adviser, unless the foregoing relationship has ended for more than two years prior to the date of submitting the application to SEC.
7. Not being a director who has been appointed as a representative of the Company's director, major shareholder, or shareholder related to the major shareholder;
8. Not operating any business that is of the same nature as or that significantly competes with the business of the Company or subsidiaries as well as not being a significant partner in a limited company, an executive director, employee, staff, advisor receiving regular salary or a person holding over one percent of the total number of shares with voting rights of other companies which operate the same type of business and which significantly competes with the Company's and the subsidiaries' business operation.
9. Not having any characteristics that prohibit the expression of independent opinion towards the Company's business operation.

Audit Committee

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

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

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

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

Composition and Appointment of the Executive Committee

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

Composition and Appointment of the Nomination and Remuneration Committee

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

Composition and Appointment of the Risk Management Committee

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

Control of Subsidiaries and Associated Companies' Business Operations

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

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

Control of the Use of Inside Information

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

1. The Company formulates the written guidelines for keeping information and preventing inside information exploitation in order to promote fairness to shareholders, customers, business partners and all stakeholders according to laws and principles of good corporate governance.
2. The directors, executives and employees are forbidden from exploitation of inside information that has a significant impact on the Company's securities trading and the change in share price that has not yet been declared to the public for their personal or other's interest.

3. The directors, executives as well as those in the executive positions of accounting or finance unit from the level of manager and above and employees in the unit where inside information is available must refrain from the Company's stock trading for one month prior to the date of announcement of operation results and financial statement or important information that have impact on the change in the Company's stock price until such information is declared to the public.
4. The directors, executives as well as those in the executive positions of accounting or finance unit from the level of manager and above shall report ownership of all securities issued by the Company, pertaining to themselves, spouses and/or minor children to the Company Secretary within 30 days after formally assuming the position. Besides, the directors and high-ranking executives shall report to the Board of Directors or the delegated person all of their securities trading at least 1 day in advance in order to notify SEC within three business day after transaction date as specified by the Securities and Exchange Act.
5. The directors shall make and submit their connected transaction(s) report to the Company Secretary.
6. The directors shall report all the change of their securities holding and their connected transaction(s) to the meeting of the Board of Directors. Then, the Company Secretary shall submit a summary report on the said connected transaction(s) to the next Board's meeting. The change in securities holding of the directors and executives that occurs during the particular year shall be disclosed in the Company's annual report.
7. The Company gives significance on inside information exploitation that may affect the Company's benefits or create the conflict of interest by specifying details in the Good Corporate Governance policy, the Code of Conduct, best practices for working, employment contract and working-related regulations.
8. The Company gives significance on strict and consistent protection of customers' confidential information and prevention of the use of such information for benefits of directors, executives, employees and relevant persons, unless otherwise prescribed by laws.
9. The Company gives significance on protection of information on IT system by controlling and/or preventing the access to the Company's information by outsiders and designing the access control for each level of employee based on their authority and responsibilities.
10. In cases where external parties are involved in special projects dealing with information undisclosed to the public and during the negotiation stage, such projects shall be regarded as inside information as it may affect Company's share price. These external parties must sign a confidentiality agreement with the Company until the information is disclosed to SET and SEC.
11. Directors, executives or employees that fail to comply with the Company's regulations of inside information must be subject to penalties according to the Company's disciplinary action and/or laws (as the case may be).

Human Right Policy

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

1. Every stakeholder shall be treated under the principles of Human Rights with realization of their human rights and dignity.
2. The Company shall promote impartiality and equitable treatment without any discrimination. There shall be no violation of an individual's rights neither by verbal or action because of his/her difference in terms of nationality, gender, age, religious, place of birth, language, culture, education, physical appearance, economic and social status, attitude, believe, etc.
3. Respect for human dignity shall be provided to all employees who will be encouraged to exercise their legitimate rights in accordance with the Constitution and other laws. In doing so, knowledge should be given to all employees in a manner that benefits their understanding on the laws prescribing about rights and duties, and responsibilities of themselves as well as respect for other's rights and duties. The Company shall also promote the good relationship building activities that every employee can adopt as guidelines.
4. Personal information of stakeholders shall be kept confidential. There shall be no breach of or unlawful exploitation from such personal information. The disclosure or utilization of such personal information must be approved by the owner, except for the lawful action according to the laws, regulations and the Company's Articles of Association.
5. There shall be the follow-up process that monitors and controls the Company's business operation and performance of employees to avoid any action that involves in human rights infringement.

Copyright and Intellectual Property Policy

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

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

Anti-Corruption Policy

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

1. The anti-corruption shall be embedded into corporate culture which cultivates a good sense and values towards anti-corruption. Employees will be encouraged to work with honesty as well as to respect rules, laws, regulations, and the Company's policies.
2. Risk assessment shall be carried out on a periodic basis in order to set appropriate measures for risk management and be able to prevent risks to an accepted level. The Risk Management Committee shall monitor the process.
3. Internal control system shall include checking over finance, accounting, document keeping, and other business processes. There shall be internal control procedures, monitor, and assessment in order to report to executives, the Audit Committees, and the Board of Directors for acknowledgement.
4. The Company shall communicate, disseminate, and educate employees and business related persons via intra net and bulletin boards so that they comply with the policy. In 2016, the Company held a knowledge sharing course on risk management and anti-corruption to executives and supervisors. The Anti-Corruption Policy was also included in the orientation course for new employees.
5. It shall be prohibited to support any offerings, or facilitations, or bribes to external parties in exchange for doing or refraining from doing any acts in an unethical manner for inappropriate business settlements.
6. It shall be prohibited to receive any properties or extra-benefits from external parties which are given to influence unethical decision making of one's duties or refrain from doing one's duties. However, there is an exception for gifts that are presented in traditional occasions. In addition, the gifts should not be cash and their values must not exceed 3,000 Baht.
7. The Company shall provide channels for whistle-blowing on any suspicious acts of corruption involved with the Company either directly or indirectly. Such acts shall be informed to the Audit Committee or the Company Secretary or antifraud@mono.co.th. Whistleblower and confidentiality protection shall be provided to prevent any problems or injustice arising from the whistle-blowing. Investigating procedures and penalties for persons who violate the rule shall be determined as well.
8. As being a part of prevention and promotion on anti-corruption practices, the Company shall give support to any kind of activities organized by the anti-corruption bodies and organizations.

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

Remuneration of Auditor

In 2016, the Company and subsidiaries incurred audit fee for auditor from EY Office Limited and other audit firms overseas, with details as follows:

Type	Fee as of 2016 (Baht)
Audit fee	4,777,000
Non-audit fee	130,000
Total	4,907,000

Other Compliance with Corporate Governance Principle

Report on Compliance with Corporate Governance Policy

In 2016, details of the Company's compliance with corporate governance policy established by the Board of Directors are as follows:

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

1. The Company arranged the 2016 Annual General Meeting of Shareholders on April 27, 2016. This practice is regarded as the compliance with the regulations of SET and SEC as well as corporate governance policy. Also, the invitation to the annual shareholders' meeting as well as attachment (as specified in the policy) was sent by registered mail at least 21 days prior to the meeting. All members of the Board of Directors participated in the shareholders' meeting, with a quorum of shareholders attending.
2. The Company gives the equal rights to shareholders to express their opinions and raise inquiries before voting and deciding resolution of each agenda. One share is equal to one vote. For the normal agenda, a resolution of the meeting shall be decided by a majority vote of the shareholders attending the Meeting and being entitled to vote.
3. The Company completely and accurately reported its performance to all shareholders and minutes of the 2015 Annual General Meeting of Shareholders was also completely recorded.
4. The Company discloses information via the SET and SEC's website as specified in the related regulations as well as via the Company's website <http://www.mono.co.th> Information about corporate governance policy and code of conducts of directors and executives is disclosed in the "Corporate Governance" section. Also, the Company reported news and information and financial information in the "Investor Relations" section and provided a communication channel for retail investors to raise any inquiry via Email: ir@mono.co.th.
5. The policy on the control of the use of inside information can be viewed from the Annual Registration Statement (56-1 form) No. 9.5 governing the control of the use of inside information. Also, the Company regularly sent a mail to prohibit the directors and executives to reveal the inside information which may significantly affect securities trading, especially before the disclosure of performance and financial position or other information that may result in any change in price of securities.

Assessed by Thai Investors Association, the Company's 2016 AGM quality received 100 full score for three consecutive years. Assessment covers the overall AGM process (pre-, during- and post-meeting).

3. Role of Stakeholders

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

4. Disclosure and Transparency

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

5. Responsibilities of the Board of Directors

1. Structure of Board of Directors comprised of three independent directors from the entire number of nine directors. The three independent directors are also in the Audit Committee of the Company, with qualification required by SEC, CMSB and SET and independency in the management of auditing works.
2. The Board of Directors clearly separated the duties and roles of the Chairman of the Board of Directors and Chief Executive Officer (CEO). That is to say, the Chairman of the Board of Directors shall not participate in the normal business management, but regular giving support and advices for business operation of management team via CEO. On the other hand, CEO shall be responsible for management under the scope of authority empowered by the Board of Directors.
3. The Company clearly separated the roles, duties and responsibilities among the Board of Directors, the Executive Committee and executives by specifying (in writing) the scope of authority, duties and financial limit that each level of management can approve.
4. The Company set good practices relating to the code of conduct of the directors, executives and employees in order to use as the principle of business operation. During their operations, all directors and executives must comply with this principle which is disseminated via the Company’s website.
5. At least four meetings of the Board of Directors of the Company were regularly held per year in order to consider normal agendas of each quarter. Meanwhile, a monthly meeting of the Executive Committee was held in order to approve operational budget, acknowledge the Company’s performance and management as well as dividing authority for other committees as per their scope of responsibilities. Such Committee shall screen information and monitor operations in order to promote efficiency and timeliness of the management and business operation.
6. Every year, at least one performance appraisal of directors was arranged in line with the Self-Assessment Program of the Director improved by the Corporate Governance Center of SET. Moreover, the members of the Board of Directors can use this performance appraisal as a guideline to develop their future performance.

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

Report on Changes in Securities Holding of Directors and Executives

According to the Company's policy, the directors and executives shall report the changes of securities holding pertaining to themselves, spouses and/or minor children. The Company Secretary shall submit a summary report on the said changes in Securities Holding to the forthcoming Board's meeting. Report on Changes of Capital in 2016 appears in Shareholding and Management Structures.

Summary Report on the Securities Holding of Directors and Executives

Ordinary Shares

Name	Number of Shares as of Dec. 31*		Changes	Shareholding Percentage
	2016	2015	(Increase / Decrease)	As of Dec 31, 2016 (%)

Directors

1. Mr. Pete Bodharamik	2,274,699,280	2,240,234,780	34,464,500	71.06
2. Mr. Navamin Prasopnet	22,900,000	22,900,000	-	0.72
3. Mr. Sang Do Lee	17,500,000**	19,200,000**	(1,700,000)	0.55
4. Mr. Komsak Wattanasriroj	11,135,000	11,135,000	-	0.35
5. Mr. Siri Luengsawat	2,000,000	6,000,000	(4,000,000)	0.06

Executives

1. Mr. Patompong Sirachairat	6,600,000	6,600,000	-	0.21
2. Mr. Jiraparwat Boonyasen	6,600,000	6,600,000	-	0.21
3. Miss Pitirudee Sirisamphan	2,050,000	2,050,000	-	0.06
4. Miss Benjawan Rakwong	3,902,900	3,902,900	-	0.12
5. Mr. Teerasak Tharaworn	1,120,000	1,100,000	20,000	0.03
6. Miss Paweena Poonpattanasuk	1,100,000	1,100,000	-	0.03

- * The Company's Paid-up Capital as of December 31, 2015 amounted to 3,100,935,537 shares and as of December 31, 2016, amounted to 3,200,935,537 shares.
- ** The number of shares of Mr. Sang Do Lee includes the amount of 500,000 shares in Thai NVDR
- *** In 2016, all three independent directors, including Mrs. Punnee Worawuthichongsathit, Mr. Preecha Leelasithorn, and Mr. Kriengsak Thiennukul as well as their spouses and minor children reported no shareholding. Furthermore there had been no report on the securities holding by spouses and/or minor children of all 14 directors and executives.
- **** As of December 2, 2016, Mr. Soraj Asavaprappa resigned from the position of the Company's director with MONO shareholding amounted to 68,000,000 shares without adjustment during the year. In addition, as of October 1, 2016, Mr. Thawatvongse Sil amanonda resigned from the positions of the Company's executive with MONO shareholding amounted to 1,100,220 shares without adjustment during the year.

Warrants (MONO-W1)

Name	Number of MONO-W1 as of Dec. 31*		Changes	Shareholding Percentage
	2016	2015	(Increase / Decrease)	As of Dec 31, 2016 (%)
Directors				
1. Mr. Pete Bodharamik	927,694,165	927,694,165	-	62.72
2. Mr. Navamin Prasopnet	-	-	-	-
3. Mr. Sang Do Lee	1,000,044	5,000,044	(4,000,000)	0.07
4. Mr. Komsak Wattanasriroj	4,112,600	4,112,600	-	0.28
5. Mr. Siri Luengsawat	-	1,071,429	(1,071,429)	-
Executives				
1. Mr. Patompong Sirachairat	3,214,286	3,214,286	-	0.22
2. Mr. Jiraparwat Boonyasen	3,214,286	3,214,286	-	0.22
3. Miss Pitirudee Sirisamphan	700,000	867,930	(167,930)	0.05
4. Miss Benjawan Rakwong	1,442,858	1,642,858	(200,000)	0.10
5. Mr. Teerasak Tharaworn	200,016	267,916	(67,900)	0.01
6. Miss Paweena Poonpattanasuk	-	-	-	-

- * The allocation of warrants which are outstanding or are not exercised as of December 31, 2015 amounts 1,479,067,065 units and as of December 31, 2016, amounted to 1,479,067,065 units.
- ** In 2016, all three independent directors, including Mrs. Punnee Worawuthichongsathit, Mr. Preecha Leelasithorn and Mr. Kriengsak Thiennukul as well as their spouses and minor children reported no shareholding. Furthermore there had been no report on the securities holding by spouses and/or minor children of all 14 directors and executives.
- *** As of December 2, 2016, Mr. Soraj Asavaprappa resigned from the position of the Company's director with MONO-W1 shareholding amounted to 28,821,115 units without adjustment during the year. In addition, as of October 1, 2016, Mr. Thawatvongse Silamanonda resigned from the positions of the Company's executive with MONO-W1 shareholding amounted to 123 units without adjustment during the year.

Related Party Transactions

Summary of related party transactions between Mono Group and persons that may have conflicts of interest throughout 2016 :

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

Connected Company	Relationship
1. Jasmine International Group (“JAS”)	<ul style="list-style-type: none"> Mr. Pete Bodharamik is the major shareholder of both the Company (71.06 percent) and JAS (60.18 percent).
<ul style="list-style-type: none"> Triple T Broadband Public Company Limited (“TTTBB”) 	<ul style="list-style-type: none"> TTTBB operates high-speed ADSL network in order to provide broadband internet service. Mr. Pete Bodharamik is the director of both TTTBB and the Company and he is also the authorized director of both TTTBB and the Company. ACU is the major shareholder of TTTBB (99.20 percent) and the subsidiary of JAS, holding share of 100.00 percent.
<ul style="list-style-type: none"> Triple T Internet Company Limited (“TTTI”) 	<ul style="list-style-type: none"> TTTI offers internet service solution. Mr. Pete Bodharamik is the director of both TTTI and the Company and he is also the authorized director of both TTTI and the Company. TTTBB is the major shareholder of TTTI (99.99 percent). ACU is the major shareholder of TTTBB (99.20 percent) and is the subsidiary of JAS, holding share of 100.00 percent.
<ul style="list-style-type: none"> JasTel Network Company Limited (“JASTEL”) 	<ul style="list-style-type: none"> JASTEL offers circuit leasing service and local and international data communication services. Mr. Pete Bodharamik is the director of both JASTEL and the Company and he is also the authorized director of both JASTEL and the Company. Jasmine Submarine Telecommunications (JSTC) is the major shareholder of JASTEL (100.00 percent). JSTC is the subsidiary of JAS, holding share of 100.00 percent.
<ul style="list-style-type: none"> Premium Asset Company Limited (“PA”) 	<ul style="list-style-type: none"> PA operates office rental business and offers related service. Office space under its management is Jasmine International Tower. Mr. Pete Bodharamik is the director of both PA and the Company and he is also the authorized director of both PA and the Company. ACU and JSTC is the first and second largest shareholder of PA, with shareholding of 53.85 and 46.15 percent respectively. ACU and JSTC are the subsidiaries of JAS, holding share of 100.00 percent.

Connected Company	Relationship
<ul style="list-style-type: none"> • Jasmine Internet Company Limited (“JINET”) 	<ul style="list-style-type: none"> • JINET is a provider of various types of internet service, i.e. broadband Internet (ADSL) for individual and corporate customers. • Mr. Pete Bodharamik is the director of both JINET and the Company and he is also the authorized director of both JINET and the Company. • JAS is the major shareholder of JINET (98.33 percent).
<ul style="list-style-type: none"> • ACeS Regional Services Company Limited (“ACES”) 	<ul style="list-style-type: none"> • ACeS is a provider of all types of calling services; offering telecommunications equipment for sale, retail and rental. • Mr. Pete Bodharamik is the director of both ACeS and the Company and he is also the authorized director of both ACeS and the Company. • ACeS (Thailand) is the major shareholder of ACeS, with shareholding of 98.04 percent. ACeS (Thailand) is 58.84 percent held by JAS OVERSEAS, which is 39.82 percent held by JAS.
2. TOYOTA P.S. Enterprise Company Limited (“TOYOTA PS”)	<ul style="list-style-type: none"> • TOYOTA PS operates automobile business. • Mr. Soraj Asavaprapha is the director of both TOYOTA PS and the Company. He is also the authorized director of both TOYOTA PS and the Company and the major shareholder of TOYOTA PS (49.99 percent).
3. Green Star Environment Company Limited (“GS”)	<ul style="list-style-type: none"> • GS is a waste buyer and operates recycling business. • Mr. Navamin Prasopnet is the shareholder and the director of both GS and the Company and he is the authorized director of both GS and the Company. He is also the major shareholder of Green Star (59.96 percent)
4. Mr. Pete Bodharamik	<ul style="list-style-type: none"> • Mr. Pete Bodharamik is the director and shareholder of the Company (71.06 percent)

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

1. Normal business, with general trading conditions:

Connected Company/ Transactions	Value (Million Baht) As of December 31, 2016	Necessity and Appropriateness/ Opinion of Audit Committee
1. Triple T Broadband Public Company Limited		
<u>Sales and service income</u>		
<ul style="list-style-type: none"> The Company provided corporate SMS to TTTBB customers according to the volume and telephone numbers under its service. 	8.14	The said service is a normal business transaction similar to the service offered to other corporate customers. The Company has capable personnel, efficient equipment and expertise for offering service and the price is comparable with the rate that the Company charges other customers. Therefore, this transaction is regarded as reasonable at a fair price.
<u>Cost and Expense</u>		
<ul style="list-style-type: none"> A subsidiary paid TTTBB for fixed-line telephone service to support its hotel booking service. TTTBB offered the fixed-line telephone number service and the monthly fee is at the agreed rate. 	0.08	The use of fixed-line telephone service by the subsidiary is a normal business transaction and the service fee is based on the market rate. Therefore, this transaction is regarded as reasonable at a fair price.
2. Triple T Internet Company Limited		
<u>Sales and service income</u>		
<ul style="list-style-type: none"> The Company and subsidiaries provided advertising space via online media, magazine, digital TV and radio for TTTI. 	20.24	Such services are a normal business transaction of the Company and subsidiaries as channels to promote TTTI's services. The price is comparable with the rate that the Company charges other customers. Therefore, this transaction is regarded as reasonable at a fair price.
<ul style="list-style-type: none"> A subsidiary sold movie copyright to TTTI. 	0.04	
<ul style="list-style-type: none"> The Company provided corporate SMS to TTTI customers according to the volume and telephone numbers under its service. 	0.01	

Connected Company/ Transactions	Value (Million Baht) As of December 31, 2016	Necessity and Appropriateness/ Opinion of Audit Committee
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Cost and Expense

<ul style="list-style-type: none"> The Company and subsidiaries paid for the space rental for co-location server. 	11.17	<p>The space rental for co-location server is a normal business transaction. TTTI provides Internet service solution with complete system and infrastructure including high speed internet connection and offers space rental for co-location server at a specially designed room. Service fee is based on the market rate. Therefore, the transaction is regarded as reasonable at a fair price.</p>
<ul style="list-style-type: none"> The Company and subsidiaries paid TTTI for: <ol style="list-style-type: none"> Expense of high speed internet service for supporting TV, Mobile Internet and Radio businesses Expense of high speed internet service for supporting the office work. 	16.29	<p>The use of high speed internet service is a normal business transaction. TTTI provides Internet service solution with complete system and infrastructure. Also, the office of TTTI is located in the same building as the Company. Thus, it is convenient for maintenance and this helps save travelling cost. Service fee is comparable with other providers. Therefore, the transaction is regarded as reasonable at a fair price.</p>
<ul style="list-style-type: none"> The Company and subsidiaries paid TTTI for fixed-line telephone service for supporting call center operation. Meanwhile, a subsidiary used such telephone service for office communication purpose. 	0.93	<p>The use of fixed-line telephone service is a normal business transaction and the service fee is based on the market rate and is comparable with other providers. Therefore, this transaction is regarded as reasonable at a fair price.</p>

Connected Company/ Transactions	Value (Million Baht) As of December 31, 2016	Necessity and Appropriateness/ Opinion of Audit Committee
3. JasTel Network Company Limited		
<u>Cost and Expense</u>		
<ul style="list-style-type: none"> The Company paid JasTel for the use of telecommunication network linking between systems of Jasmine International Tower and DTAC (Rangsit). 	1.33	The use of telecommunication network is a normal business transaction. JasTel is a provider of telecommunication via fiber-optic cable network with complete infrastructure. Service fee is based on the market rate comparable with that of other providers offering similar type of service. Therefore, this transaction is regarded as reasonable at fair price.
<ul style="list-style-type: none"> The Company and a subsidiary paid JasTel for the rental of co-location server. 	0.98	The space rental for co-location server is a normal business transaction. JasTel provides Internet service solution with complete infrastructure and offers space rental for co-location server at a specially designed room. Service fee is based on the market rate. Therefore, this transaction is regarded as reasonable at a fair price.
4. Premium Asset Company Limited		
<u>Cost and Expense</u>		
<ul style="list-style-type: none"> The Company and subsidiaries paid PA for office-related expenses, such as electricity charges as well as service fee for security guards and parking which are the expenses as per agreement. 	17.75	Such service is a normal transaction. PA is the owner of Jasmine International Tower and the fee is comparable to the rate collected from other tenants. Therefore, this transaction is regarded as reasonable at fair price.

Connected Company/ Transactions	Value (Million Baht) As of December 31, 2016	Necessity and Appropriateness/ Opinion of Audit Committee
5. Jasmine Internet Company Limited		
<u>Cost and Expense</u>		
<ul style="list-style-type: none"> The Company paid JINET for Internet corporate leased line service. 	0.18	The Internet corporate leased line service is normal business. JINET is the Internet service solution, with efficient system and infrastructure. The service fee is at market rate. Therefore, this transaction is regarded as reasonable at fair price.
6. TOYOTA P.S. Enterprise Company Limited		
<u>Cost and Expense</u>		
<ul style="list-style-type: none"> For preventive maintenance of cars used in business operations, the Company and subsidiaries paid TOYOTA PS for a vehicle check-up expenses. 	0.40	The said transaction is normal expense, which is equal to the market rate. Therefore, such transaction is regarded as reasonable at a fair price.
7. Jasmine International Group , such as TTTBB, TTTI, JINET, JASTEL, ACU, and PA		
<u>Sales and service income</u>		
<ul style="list-style-type: none"> Jasmine International Group offered sponsorship to support the marketing activities of subsidiaries according to the agreement. 	0.20	The said transaction for promoting our marketing activities is a normal business of the Company and the price is similar to the rate that the Company charges other customers. Therefore, this transaction is regarded as reasonable at a fair price.
8. Green Star Environment Company Limited		
<u>Sales and service income</u>		
<ul style="list-style-type: none"> A subsidiary earned revenues from sales of old books in form of paper scraps for recycling at higher price, compared with the rate that the subsidiary sold to other trade partners and the market rate. 	0.68	Such transaction is normal business transaction which is regarded as reasonable at a fair price.

Connected Company/ Transactions	Value (Million Baht) As of December 31, 2016	Necessity and Appropriateness/ Opinion of Audit Committee
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9. ACeS Regional Services Company Limited

Cost and Expense

- | | | |
|--|------|---|
| <ul style="list-style-type: none"> A subsidiary paid ACeS for back-up power service for the Company's Studios which are used for program productions. | 0.80 | Such service is normal business transaction and the service fee is based on the market rate. Therefore, this transaction is regarded as reasonable at a fair price. |
|--|------|---|

10. Mr.Pete Bodharamik

Cost and Expense

- | | | |
|--|------|---|
| <ul style="list-style-type: none"> A subsidiary paid for the right to live broadcast 2016 Stankovic Cup Basketball Competition. | 0.36 | The said transaction is normal expense, which is equal to the market rate. Therefore, such transaction is regarded as reasonable at a fair price. |
|--|------|---|

2. Transactions supporting normal business:

Connected Company/ Transactions	Value (Million Baht) As of December 31, 2016	Necessity and Appropriateness/ Opinion of Audit Committee
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1.Premium Asset Company Limited

Space Rental

- | | | |
|---|-------|---|
| <ul style="list-style-type: none"> The Company and subsidiaries paid PA for office rental. | 39.76 | Such service is a normal transaction of Mono Group. PA is the owner of Jasmine International Tower and the fee is comparable to the rate collected from other tenants. Therefore, such transaction is regarded as reasonable at a fair price. |
|---|-------|---|

Internal Control and Risk Management

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

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

According the meeting of the Board of Directors No. 2/2017, held on February 21, 2017 where all members of the Audit Committee participating in the meeting, the Board of Directors assessed the internal control system by discussing with the management and the Audit Committee. The Audit Committee approved the 2016 internal control adequacy assessment form after discussing with the internal auditor based on the assessment divided into five aspects:

Part 1 Internal Control of the Organization

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

Part 2 Risk Assessment

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

Part 3 Operation Control

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

Part 4 IT System and Data Communication

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

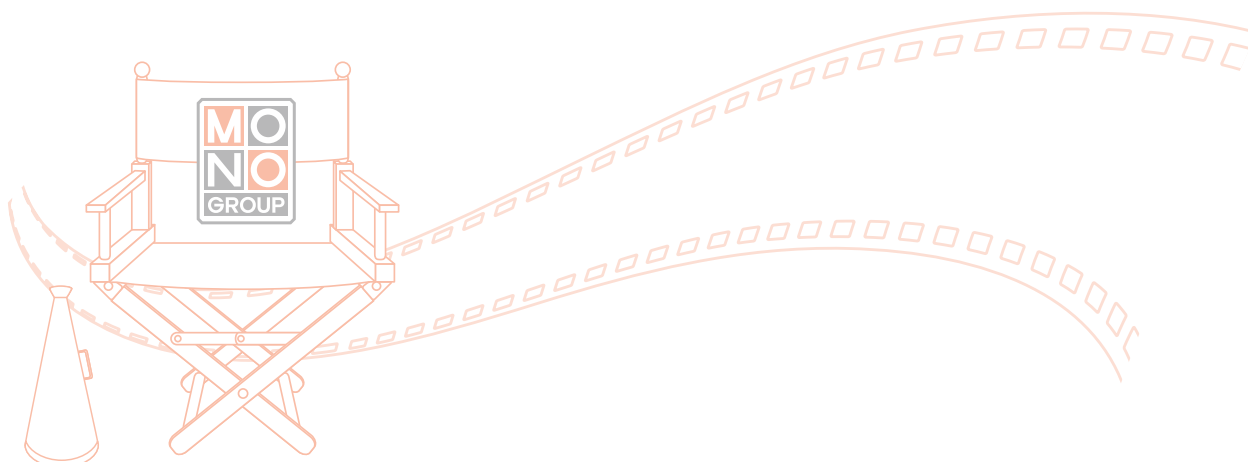
Part 5 Monitoring System

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

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

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

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



Report of Board of Directors' Responsibilities to the Financial Statements

To Shareholders,

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

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

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

The separate financial statements of the Company and the consolidated financial statements of Company and subsidiaries for the year ended December 31, 2016 have been audited by EY Office Limited - an external auditor. To conduct the audits and express an opinion in accordance with generally accepted auditing standards, the auditor was provided with all of the Company's records and related data. The auditor's opinion is presented in the independent auditor's report as part of this annual report.

The Board of Directors is of the opinion that the Company's overall internal control system is adequate and appropriate and can reasonably assure the creditability of the separate financial statements of the Company and the consolidated financial statements of the Company and subsidiaries for the year ended December 31, 2016.



(Mr. Pete Bodharamik)
Chairman

Report of Audit Committee

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

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

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

The Audit Committee has performed their duties according to the Audit Committee Charter specifying the scope of duties and responsibilities assigned by the Board of Directors and the Company's regulations that were stipulated in compliance with the SET's requirements. The committee also conducted self-assessment for evaluating their performance annually. In 2016, the Audit Committee held 5 meetings, including discussions between the Audit Committee and the management, the external auditor, and the internal auditor. There was also non-executive session that only the Audit Committee and auditors attended the meeting. In addition, the Audit Committee discussed with other committees such as Risk Management Committee and Nomination and Remuneration Committee.

Duties of the Audit Committee can be summarized as follows:

1. To review the Company's quarterly and annual financial statements of 2016 and consolidated financial statements of the Company and subsidiaries before submission to the Board of Directors for approval. The Audit Committee inquired and listened to feedback from executives and auditors about the accuracy, completeness, and reliability of financial statements. Also, adequate financial information was disclosed in a timely manner. The Audit Committee agreed with the external auditors that the financial statements were accurate and in accordance with financial reporting standards. The Audit Committee considered the auditing results with external and internal auditors independently to hear clarification, findings, recommendations, and feedback of responsible persons.

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

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

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

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

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

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

7. To consider the nomination and appointment of the independent auditors and fix their remuneration in 2017 in order to propose the Board of Directors and the Annual General Meeting of Shareholders. After considering performance, independency, and remuneration level, the Audit Committee agreed to appoint Miss Krongkaew Limkittikul (Certified Public Accountant No. 5874), or Mr. Supachai Phanyawattano (Certified Public Accountant No. 3930), or Miss Siraporn Ouuanunkun (Certified Public Accountant No. 3844) of EY Office Limited to serve as the Company and subsidiaries' external auditor again for 2017. The Company will incur auditor remuneration to the amount that is not exceeding 1,500,000 Baht and expense recognition of the audit fees for the Company and subsidiaries in consolidated financial statements for 2017 to the amount that is not exceeding 5,605,000 Baht.

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

On Behalf of Audit Committee



(Mrs. Punnee Worawuthichongsathit)
Chairperson of Audit Committee

Report of Nomination and Remuneration Committee

Appointed by the Board of Directors, Nomination and Remuneration Committee consists of three members including two independent directors and one non-executive director. Name and attendances at meeting of each member of the committee is shown in the table below:

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

* Mr. Soraj Asavaprappa resigned from the positions of director of the Company and member of all committees on December 2, 2016. The meeting of the Board of Directors No. 1/2017 has passed a resolution to appoint Mrs. Punnee Worawuthichongsathit, an independent director, to be a member of Nomination and Remuneration Committee. To this regard, Mrs. Punnee Worawuthichongsathit shall retain her office for the remaining term of the former member.

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

1. Consider and express opinion on election of directors retiring by rotation and propose this matter to the Board of Directors before seeking approval from the Annual General Meeting of Shareholders 2016.

Also, the Company complies with corporate governance principles by giving opportunity to all shareholders to nominate qualified person to be elected as the director. However, there was no nomination sent to the Company.

2. Consider and express opinion on fixing remuneration for directors and propose to the Board of Directors before seeking approval from the Annual General Meeting of Shareholders 2016.
3. Consider allowance payment for directors and bonus payment for executives for 2016.
4. Consider self-assessment results of the Nomination and Remuneration Committee.
5. Consider performance appraisal results of Chief Executive Officer.

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

On behalf of Nomination and Remuneration Committee



(Mr. Preecha Leelasithorn)

Chairman of Nomination and Remuneration Committee

Management Discussion and Analysis

Financial Statements

The Company's Auditors

Year	Name of Auditor	Registration No.	Audit Firms
2014	Mr. Supachai Phanyawattano	3930	EY Office Limited
2015	Mr. Supachai Phanyawattano	3930	EY Office Limited
2016	Miss Krongkaew Limkittikul	5874	EY Office Limited

Audit Report Summary

The Company's consolidated and separate financial statements for 2014 - 2016 were audited by the aforementioned auditors, who were approved by SEC. The financial statements of some subsidiaries for 2014 - 2016 were audited by other auditors of the same audit firm. In addition, financial statements of some subsidiaries overseas during 2014 - 2016 were audited by auditors in each country.

Regarding the financial statements for 2014 - 2016, the auditors expressed their unconditioned opinion toward the audited financial statements and were of opinion that the Company's financial statement, operation results, changes in shareholders' equity and statement of cash flows for each year ended as the same day were correct in accordance with generally accepted accounting principles.

Summary of Financial Statements

Statements of financial position of the Company and subsidiaries as of December 31, 2014 – 2016

Statements of Financial Position	As of December 31					
	2016		2015		2014 ^{1/}	
	Million Baht	%	Million Baht	%	Million Baht	%
Assets						
Current assets						
Cash and cash equivalents	86.81	1.61	194.29	3.68	598.07	11.08
Current investments – deposits with banks	0.23	0.01	0.22	0.00	400.00	7.41
Trade and other receivables	529.53	9.82	554.26	10.50	577.61	10.70
Inventories	8.83	0.16	9.91	0.19	7.74	0.14
Prepaid expenses	22.90	0.42	36.59	0.69	54.32	1.00
Undue input tax	25.78	0.48	41.40	0.79	21.45	0.40
Total current assets	674.08	12.50	836.67	15.85	1,659.19	30.73
Non-current assets						
Restricted bank deposits	9.13	0.17	0.45	0.01	0.21	0.00
Investment in joint venture	51.23	0.95	-	-	-	-
Property, plant and equipment	777.36	14.42	716.69	13.59	503.82	9.33
Intangible assets	1,951.97	36.20	1,723.40	32.65	1,222.23	22.63
Cost of spectrum license	1,585.57	29.41	1,714.35	32.48	1,843.13	34.13
Deferred tax assets	210.85	3.91	210.78	3.99	142.40	2.64
Other non-current assets	131.47	2.44	75.40	1.43	29.12	0.54
Total non-current assets	4,717.58	87.50	4,441.07	84.15	3,740.91	69.27
Total assets	5,391.66	100.00	5,277.74	100.00	5,400.10	100.00

Remarks

^{1/} The financial statement for 2014 was adjusted by recording the capital of digital TV business license as of December 31, 2015, to show the adjustment according to the change.

Statements of Financial Position	As of December 31					
	2016		2015		2014 ^{1/}	
	Million Baht	%	Million Baht	%	Million Baht	%
Liabilities						
Current liabilities						
Short-term loans from banks	135.00	2.50	135.00	2.56	-	-
Trade and other payables	295.06	5.47	493.14	9.34	367.10	6.80
Current portion of long-term liabilities						
Long-term loans from banks	54.89	1.02	-	-	-	-
Cost of spectrum license payable	360.57	6.69	339.12	6.43	211.03	3.91
Liabilities under finance lease agreements	6.04	0.11	10.60	0.20	13.07	0.24
Income tax payable	0.30	0.01	-	-	17.40	0.32
Undue output tax	30.21	0.56	38.16	0.72	28.49	0.53
Other current liabilities	47.16	0.87	3.46	0.07	6.52	0.12
Total current liabilities	929.23	17.23	1,019.48	19.32	643.61	11.92
Non-current liabilities						
Long-term liabilities, net of current portions						
Long-term loans from banks	1,338.99	24.83	725.46	13.75	403.39	7.47
Cost of spectrum license payable	708.84	13.15	1,069.41	20.26	1,408.53	26.08
Liabilities under finance lease agreements	3.09	0.06	8.74	0.16	5.70	0.11
Provision for long-term employee benefits	36.21	0.67	23.11	0.44	21.50	0.40
Deferred tax liabilities	9.69	0.18	7.98	0.15	6.15	0.11
Total non-current liabilities	2,096.82	38.89	1,834.70	34.76	1,845.27	34.17
Total liabilities	3,026.05	56.12	2,854.18	54.08	2,488.88	46.09
Shareholders' equity						
Registered capital	498.50		492.80		462.00	
Issued and fully paid-up capital	320.09	5.95	310.09	5.88	308.00	5.70
Share subscription received in advance	-	-	-	-	0.30	0.01
Premium on ordinary shares	2,935.69	54.45	2,749.19	52.09	2,698.95	49.98
Retained earnings						
Appropriated - statutory reserve	49.85	0.92	49.28	0.93	41.59	0.77
Unappropriated	(795.59)	(14.76)	(539.64)	(10.23)	16.21	0.30
Other components of shareholders' equity	(144.43)	(2.68)	(145.36)	(2.75)	(153.83)	(2.85)
Total parent 's equity	2,365.61	43.88	2,423.56	45.92	2,911.22	53.91
Non-controlling interests	-	-	-	-	-	-
Total shareholders' equity	2,365.61	43.88	2,423.56	45.92	2,911.22	53.91
Total liabilities and shareholders' equity	5,391.66	100.00	5,277.74	100.00	5,400.10	100.00

Remarks

^{1/} The financial statement for 2014 was adjusted by recording the capital of digital TV business license as of December 31, 2015, to show the adjustment according to the change.

Statement of comprehensive income for the year ended December 31, 2014 – 2016

Statement of Comprehensive Income	Consolidated Financial Statements					
	For the year ended December 31					
	2016		2015		2014 ^{1/}	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue						
Sales and service income	2,076.76	98.30	1,892.96	98.33	1,526.31	95.19
Other income	35.94	1.70	32.18	1.67	77.11	4.81
Total Revenues	2,112.70	100.00	1,925.14	100.00	1,603.42	100.00
Expenses						
Cost of sales and services	1,633.84	77.33	1,649.96	85.71	1,010.85	63.04
Selling and servicing expenses	107.57	5.09	229.65	11.93	181.55	11.32
Administrative expenses	417.92	19.78	449.91	23.37	406.08	25.33
Loss on impairment of investment in joint venture	21.30	1.01	-	-	-	-
Loss on impairment of intangible assets	23.78	1.13	2.73	0.14	-	-
Doubtful account	1.37	0.07	-	-	0.53	0.03
Total Expenses	2,205.78	104.41	2,332.25	121.15	1,599.01	99.72
Profit (loss) before share of loss from investment in joint venture	(93.08)	(4.41)	(407.11)	(21.15)	4.41	0.28
Share of loss from investment in joint venture	(1.81)	(0.09)	-	-	-	-
Profit (loss) before finance cost and income tax	(94.89)	(4.50)	(407.11)	(21.15)	4.41	0.28
Finance cost	(145.01)	(6.86)	(133.10)	(6.91)	(81.29)	(5.07)
Loss before income tax	(239.90)	(11.36)	(540.21)	(28.06)	(76.88)	(4.79)
Tax income (expenses)	(9.65)	(0.45)	53.64	2.79	64.46	4.02
Loss for the year	(249.55)	(11.81)	(486.57)	(25.27)	(12.42)	(0.77)
Exchange differences on translation of financial statements in foreign currency	0.92		8.47		(1.57)	
Actuarial gains (losses)	(7.15)		-		6.91	
Income tax effect	1.33		-		(1.33)	
Other comprehensive income for the year	(4.90)		8.47		4.01	
Total comprehensive income for the year	(254.45)		(478.10)		(8.41)	
Profit attributable to						
Profit attributable to equity holders of the Company	(249.55)		(486.57)		(12.42)	
Profit attributable to Non-controlling interests of the subsidiary	-		-		-	
Profit for the year attributable to	(249.55)		(486.57)		(12.42)	

Statement of Comprehensive Income	Consolidated Financial Statements					
	For the year ended December 31					
	2016		2015		2014 ^{1/}	
	Million Baht	%	Million Baht	%	Million Baht	%
Basic earnings per share						
Basic earnings (loss) per share	(0.08)		(0.16)		0.00	
Diluted earnings (loss) per share	(0.08)		(0.16)		0.00	
Weighted average number of ordinary shares (million shares)	3,172.66		3,085.56		3,080.00	

Remarks

^{1/} The financial statement for 2014 was adjusted by recording the capital of digital TV business license as of December 31, 2015, to show the adjustment according to the change.

Statement of cash flows of the Company and subsidiaries for the year ended December 31, 2014 – 2016

Statement of Cash Flows	Consolidated Financial Statements		
	For the year ended December 31		
	2016	2015	2014
	Million Baht	Million Baht	Million Baht
Net cash from operating activities	749.61	233.24	144.57
Net cash used in investing activities	(1,536.68)	(1,033.02)	(615.33)
Cash flows from financing activities	678.67	387.53	194.91
Increase (decrease) in translation adjustments	0.92	8.47	(1.56)
Net decrease in cash and cash equivalents	(107.48)	(403.78)	(277.41)

Key Financial Ratio

Financial Ratio	Consolidated Financial Statements		
	2016	2015	2014
Liquidity Ratio			
Liquidity Ratio (Time)	0.73	0.82	2.58
Quick Ratio (Time)	0.54	0.59	2.31
Cash Flow Liquidity Ratio (Time)	0.77	0.28	0.32
Account Receivable Turnover (Time)	4.98	4.16	3.54
Average Collection Period (Day)	73.30	87.79	103.24
Inventory Turnover (Time)	107.99	119.12	84.75
Average Sale Period (Day)	3.38	3.06	4.31
Payable Turnover (Time)	23.22	11.71	7.33
Average Payment Period (Day)	15.72	31.16	49.77
Cash Cycle (Day)	60.96	59.69	57.77

Financial Ratio	Consolidated Financial Statements		
	2016	2015	2014
Profitability Ratio			
Gross Profit Margin (%)	20.18	12.69	33.77
Operating Profit Margin (%)	(6.21)	(23.21)	(4.76)
Other Profit Margin (%)	1.70	1.67	4.81
Operating Cash Flows to Operating Profit Ratio (%)	(580.98)	(53.09)	(198.86)
Net Profit Margin (%)	(11.81)	(25.27)	(0.77)
Return on Equity (ROE) (%)	(10.42)	(18.24)	(0.41)
Efficiency Ratio			
Return on Assets (ROA) (%)	(1.78)	(7.63)	0.10
Return on Fix Assets (ROFA) (%)	(22.74)	(68.19)	11.94
Total Assets Turnover (Time)	0.40	0.36	0.36
Financial Policy Ratio			
Debt to Equity Ratio (Time)	1.28	1.18	0.85
Interest Coverage (Time)	(0.65)	(3.06)	0.05
Cash Basic (Time)	0.49	0.73	0.10
Dividend Payout ^{1/} (%)	38.66	-	46.68

Remark

^{1/} Calculated from the Net Profit according to the separate finance statements.

Management Discussion and Analysis

1) Overview of Operation Results

Revenue

Total revenue of the Company and subsidiaries for 2016 amounted to 2,112.70 million Baht, compared to 1,925.14 million Baht in 2015, increasing by 187.56 million Baht or 9.74 percent, with details summarized as follows:

Revenue	Consolidated Financial Statements			
	2016	2015	Increase (Decrease)	%
Sales and service income	2,076.76	1,892.96	183.80	9.71
Other income	35.94	32.18	3.76	11.68
Total	2,112.70	1,925.14	187.56	9.74

Sales and service income of the Company and subsidiaries for 2016 totaled 2,076.76 million Baht, compared to 1,892.96 million Baht in 2015, increasing by 183.80 million Baht, or 9.71 percent. Details of sales and service income can be categorized in terms of business as follows:

Business	Consolidated Financial Statements			
	2016	2015	Increase (Decrease)	%
Media and content business	1,950.07	1,688.01	262.06	15.52
Entertainment business	126.69	204.95	(78.26)	(38.18)
Total	2,076.76	1,892.96	183.80	9.71

Revenue from media and content business comprising mobile internet, publishing and TV businesses of the Company and subsidiaries for 2016 was 1,950.07 million Baht, compared to 1,688.01 million Baht in 2015, increasing by 262.06 million Baht, or 15.52 percent. The increase of revenue mostly derives from TV advertising of the fact that a subsidiary has run business on SDTV under the name MONO29 channel. Being rated one of the top four favorite free-to-air digital TV, the channel's popularity has been on the increase drawing attention of advertising agencies and customers to advertise their products and services via our channel. This trend is continuously growing higher.

Revenues from entertainment business comprising music and movie businesses of the Company and subsidiaries in 2016 amounted to 126.69 million Baht, decreasing by 78.26 million Baht, or 38.18 percent from 204.95 million Baht of 2015. The decrease was due to the smaller number of international films brought by the subsidiaries and new project development of music business.

Other income of the Company and subsidiaries in 2016 was 35.94 million Baht, compared with 32.18 million Baht in 2015, increasing by 3.76 million Baht or 11.68 percent.

Cost, Expense, Financial Cost and Income Tax

Cost, expense, financial cost and income tax of the Company and subsidiaries in 2016 totaled 2,362.25 million Baht, compared to 2,411.71 million Baht in 2015, decreasing by 49.46 million Baht or 2.05 percent.

Details	Consolidated Financial Statements			
	2016	2015	Increase (Decrease)	%
Cost of sales and services	1,633.84	1,649.96	(16.12)	(0.98)
Selling and servicing expenses	107.57	229.65	(122.08)	(53.16)
Administrative expenses	417.92	449.91	(31.99)	(7.11)
Loss on impairment of investment in joint venture	21.30	-	21.30	-
Loss on impairment of intangible assets	23.78	2.73	21.05	771.06
Doubtful account	1.37	-	1.37	-
Total expenses	2,205.78	2,332.25	(126.47)	(5.42)
Share of loss from investment in joint venture	1.81	-	1.81	-
Finance cost	145.01	133.10	11.91	8.95
Tax income (expenses)	9.65	(53.64)	63.29	117.99
Total	2,362.25	2,411.71	(49.46)	(2.05)

Aside from effective management, the company and subsidiaries had devised PR schemes by optimizing its own media and joining hands with business partners and sponsors to publicize its business. The said implementation resulted in a decline in operating costs.

Net Profit

The Company and subsidiaries recorded the net loss for 2016 at 249.55 million Baht, decreasing by 237.02 million Baht or 48.71 percent from 486.57 million Baht of 2015, as a result of higher advertising income of the subsidiaries, thanks to higher ratings compared to last year's performance. Moreover, premium contents and the more efficient public relations initiatives for "MONO29" channel as well as precise management of the Company and subsidiaries led to higher number of audiences. The significant decrease in the net loss of the Company and subsidiaries was also supported by the lower relevant costs.

2) Financial Status Analysis

Assets

The total assets of the Company and subsidiaries as of the end of 2016 amounted to 5,391.66 million Baht, increasing by 113.92 million Baht of 2015. This was in consequence of non-current assets increased in amount of 276.51 million Baht and current assets decreased in amount of 162.59 million Baht.

A decrease in current assets was mostly because:

Cash and bank deposit decreased by 107.48 million Baht due to the investment in studio construction and content acquisition in support of the growth of Digital TV business and movie business.

An increase in non-current assets was mostly because:

The costs of property, plant and equipment amounted to 777.36 million Baht, increasing by 60.67 million Baht. The intangible assets amounted to 1,951.97 million Baht, increasing by 228.57 million Baht from investment in studio as well as content acquisition in support of the growth of Digital TV business and movie business.

Liabilities

As of the end of 2016, total liabilities of the Company and subsidiaries stood at 3,026.05 million Baht, increasing by 171.87 million Baht from 2015 as a result of an increase in long-term loan from bank of 668.42 million Baht. Meanwhile, the decline in some liabilities was due to the decrease in the spectrum license cost of 339.12 million Baht, the decrease in creditors of 198.08 million Baht from the payment of studio construction and content acquisition.

Shareholders' equity

Shareholders' equity of the Company and subsidiaries as of the end of 2016 was 2,365.61 million Baht, decreasing by 57.95 million Baht from 2015 due largely to the 2016 losses in operating performance of 249.55 million baht and the total comprehensive income (loss) for the year at the contraction of -5.82 million Baht. This affected the decrease in retained earnings by 255.37 million baht. During 2016, the company's paid-up share capital rose by 100 million shares, or 196.50 million Baht.

Investment Structure

As of December 31, 2016, the Company and subsidiaries recorded the total liabilities of 3,026.05 million Baht, accounting for 56.12 percent of total assets. Shareholders' equity was 2,365.61 million Baht, accounting for 43.88 percent of total assets. Debt to Equity Ratio was 1.28 times, increasing by 0.10 times from the year 2015.

Profitability

As of December 31, 2016, the Company and subsidiaries' gross profit margin was 20.18 percent, increasing by 7.49 percent from 2015. Net profit margin was a contraction of -11.81 percent, decreasing by 13.46 percent from 2015. A key factor for the increase in profitability ratio over year included the fact that "MONO29," a new digital TV business of a subsidiary, was supported by effective PR plan. That is to say, the Company and subsidiaries' precise management and PR program helped improve the TV advertising value of the subsidiary.

Thus, the increasing profitability ratio and Return on Equity (ROE) for 2016 of -10.42 percent, decreasing by 7.82 percent from 2015 were due to higher profit as mentioned above.

Asset Management Ability

In 2016, the Company and subsidiaries' Return on Assets (ROA) was -1.78 percent, decreasing by 5.85 percent from the previous year and Total Assets Turnover was 0.40 times which increased by 0.04 times from the previous year. This was because the profit of the Company and subsidiaries had increased and, therefore, the ability to manage asset was better.

Liquidity and Capital Adequacy

In 2016, the Company and subsidiaries' liquidity ratio was 0.73 times, decreasing by 0.09 times from the previous year. Quick Ratio was 0.54 times, decreasing by 0.05 times from 2015 due to property investment and content acquisition to support the growth of TV digital business.

In 2016, debt to equity ratio was 1.28 times, increasing by 0.10 times from the previous year because a subsidiary has increased investment on more contents in order to support TV digital business. Thus, debt to equity has risen. Nevertheless, the Company's capital was in adequate level.

Liability Commitments

In 2016, the future minimum lease payments required under these operating lease and service contracts were as follows:

Unit: Million Baht

Payment Period	Amount
Within one year	174
More than one year but not exceeding 5 years	299
More than 5 years	369

Independent Auditor's Report

To the Shareholders of Mono Technology Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Mono Technology Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2016, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Mono Technology Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Mono Technology Public Company Limited and its subsidiaries and of Mono Technology Public Company Limited as at 31 December 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 judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

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

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

Revenue recognition

The Group's core businesses include media business, content business and entertainment business. As a result, the Group has revenue from sales of various goods and services. The Group's revenue amount is significant to the financial statements and directly affects its operating results, to which users of financial statements pay attention. I have therefore focused on the revenue recognition of the Group.

I have examined the revenue recognition of the Group by

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

Impairment of intangible assets and cost of spectrum license

As at 31 December 2016, the Group had intangible assets and cost of spectrum license totaling Baht 3,538 million, representing 66% of total assets, as discussed in Note 13 and 14 to the financial statements. The management's assessment was that there were indicators of impairment of the intangible assets. Determining the impairment loss on such assets requires significant management judgement with respect to the projections of future operating performance and the assessment of future plans. The determination of key assumptions used to prepare the projections directly affects the amount of such impairment loss.

I gained an understanding of and assessed the key assumptions used for the preparation of business plans and the estimation of future cash inflows by gaining an understanding of the procedures undertaken to determine the assumptions, checking the assumptions against information from both internal and external sources, and comparing past cash flow projections to actual operating results in order to evaluate the exercise of management judgement in estimating the cash flow projections. I also evaluated the discount rate applied by the management through analysis of the finance costs of the Group and of the industry, tested the calculation of the realisable values of the assets using the selected financial model and considered the impact of changes in key assumptions on those realisable values, especially changes in the discount rate and long-term revenue growth rates. Moreover, I reviewed the disclosures made with respect to the impairment assessment for intangible assets and cost of spectrum license.

Impairment of investments in subsidiaries and loans to subsidiaries

As at 31 December 2016, the Company had investments in subsidiaries and loans to subsidiaries amounting to Baht 2,957 million and Baht 499 million, representing 70% and 12% of total assets. As discussed in Note 10 and 7 to the financial statements. The management's assessment was that there were indicators of impairment of these investments in subsidiaries and loans to subsidiaries. In determining the impairment loss, the management had to

exercise judgment with respect to the projections of future operating performance and the assessment of future plans. The determination of key assumptions with respect to the projections directly affects the impairment of investments in subsidiaries and loans to subsidiaries.

I gained an understanding of and assessed the key assumptions used for the preparation of business plans and the estimation of future cash flows by gaining an understanding of the procedures undertaken to determine the key assumptions, checking the assumptions against information from both internal and external sources and comparing past cash flow projections to actual operating results in order to evaluate the exercise of management judgment in estimating the cash flow projections. I also evaluated the discount rate applied by the management through analysis of the finance costs of the Group and of the industry, tested the calculation of the realisable values of the assets using the selected financial model and considered the impact of changes in key assumptions on those realisable values, especially changes in the discount rate and long-term revenue growth rates. Moreover, I reviewed the disclosures made with respect to the impairment assessment for investments in subsidiaries and loans to subsidiaries.

Deferred tax asset from unused taxable losses

As at 31 December 2016, the Group had deferred tax asset from unused taxable losses amounting to Baht 200 million, representing 4 percent of total assets. The Group disclosed its accounting policy and details relating to the deferred tax asset in Note 25 to the financial statements. A deferred tax asset is recognised when it is highly probable that the Group's taxable profit will be sufficient to allow utilisation of the deferred tax asset in the future. Determining whether there will be sufficient future taxable profit to utilise taxable losses requires significant management judgment with respect to the preparation of business plans and projections of future taxable profit based on approved business plans. Therefore, there is a risk with respect to the amount of deferred tax asset.

I gained an understanding of the key related controls over the preparation and the approval of the estimates of future taxable profit for the purpose of deferred tax asset recognition by making enquiry of responsible executives and gaining an understanding of the designed controls. I assessed the estimates of future taxable profit by checking the required information and key economic assumptions used in the projections against information from both internal and external sources, with consideration of information and assumptions that directly affect revenue growth and gross profit margin. Furthermore, I compared the past projections with actual taxable profits to assess the exercise of management judgment in estimating the taxable profits. I also tested the calculation of future taxable profit based on the above information and assumptions, and considered the effects of changes to key assumptions on the projected future taxable profits, especially in respect of long-term revenue growth. In addition, I reviewed the disclosures made with respect to temporary differences and unused taxable losses for which deferred tax asset was not recognised by the Group.

Other Matter

The consolidated financial statements of Mono Technology Public Company Limited and its subsidiaries and the separate financial statements of Mono Technology Public Company Limited for the year ended 31 December 2015 were audited by another auditor of our firm who expressed an unqualified opinion on those statements, but drew attention to the matter regarding the change in recognition of the cost of spectrum license, under his report dated 19 February 2016, expressed an unqualified opinion on those financial statements.

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

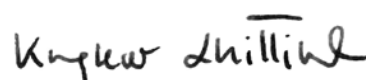
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Miss Krongkaew Limkittikul.



Krongkaew Limkittikul

Certified Public Accountant (Thailand) No. 5874

EY Office Limited

Bangkok: 21 February 2017

Consolidated Financial Statements

Mono Technology Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2016

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Assets					
Current assets					
Cash and cash equivalents		86,808,404	194,287,822	25,649,996	26,447,473
Current investments - deposits with banks		229,563	223,400	2,939	-
Trade and other receivables	8	529,530,185	554,263,316	476,947,646	714,733,620
Loans to subsidiaries	7	-	-	-	2,385,741,067
Inventories	9	8,829,228	9,911,241	-	-
Prepaid expenses		22,900,801	36,588,094	5,692,246	17,808,207
Undue input tax		25,782,323	41,400,853	8,844,920	11,662,210
Total current assets		674,080,504	836,674,726	517,137,747	3,156,392,577
Non-current assets					
Restricted bank deposits		9,128,667	450,559	106,351	109,347
Investments in subsidiaries	10	-	-	2,956,825,986	566,713,061
Investment in joint venture	11	51,226,023	-	-	-
Loans to subsidiaries	7	-	-	498,900,000	-
Property, plant and equipment	12	777,356,703	716,686,350	55,217,289	69,186,879
Intangible assets	13	1,951,972,846	1,723,404,170	126,718,918	24,425,723
Cost of spectrum license	14	1,585,572,586	1,714,351,846	-	-
Deferred tax assets	25	210,848,028	210,783,276	2,512,441	2,284,130
Other non-current assets		131,474,183	75,385,427	55,304,873	30,752,158
Total non-current assets		4,717,579,036	4,441,061,628	3,695,585,858	693,471,298
Total assets		5,391,659,540	5,277,736,354	4,212,723,605	3,849,863,875

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

Mono Technology Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2016

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from banks	15	135,000,000	135,000,000	15,000,000	15,000,000
Trade and other payables	16	295,054,561	493,134,674	197,722,055	288,946,016
Current portion of long-term liabilities					
Long-term loans from banks	17	54,893,750	-	-	-
Cost of spectrum license payable	18	360,566,258	339,122,509	-	-
Liabilities under finance lease agreements	19	6,043,515	10,600,433	3,244,571	3,151,979
Income tax payable		296,513	-	-	-
Undue output tax		30,209,083	38,164,749	10,332,571	12,448,632
Other current liabilities		47,162,324	3,459,290	864,349	-
Total current liabilities		929,226,004	1,019,481,655	227,163,546	319,546,627
Non-current liabilities					
Long-term liabilities, net of current portions					
Long-term loans from banks	17	1,338,985,017	725,460,000	-	-
Cost of spectrum license payable	18	708,841,790	1,069,408,048	-	-
Liabilities under finance lease agreements	19	3,094,482	8,739,607	1,405,955	4,387,139
Provision for long-term employee benefits	20	36,210,278	23,105,946	16,615,939	11,928,585
Deferred tax liabilities	25	9,691,493	7,978,780	-	-
Total non-current liabilities		2,096,823,060	1,834,692,381	18,021,894	16,315,724
Total liabilities		3,026,049,064	2,854,174,036	245,185,440	335,862,351

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

Mono Technology Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2016

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Shareholders' equity					
Share capital	21				
Registered					
4,984,999,975 ordinary shares (2015:					
4,927,999,975 ordinary shares) of Baht 0.1 each		498,499,998	492,799,998	498,499,998	492,799,998
Issued and fully paid-up					
3,200,935,537 ordinary shares (2015:					
3,100,935,537 ordinary shares) of Baht 0.1 each		320,093,554	310,093,554	320,093,554	310,093,554
Premium on ordinary shares		2,935,691,191	2,749,191,191	2,935,691,191	2,749,191,191
Retained earnings					
Appropriated - statutory reserve	23	49,850,000	49,280,000	49,850,000	49,280,000
Unappropriated (deficit)		(795,591,899)	(539,645,296)	661,903,420	405,436,779
Other components of shareholders' equity		(144,432,370)	(145,357,131)	-	-
Total shareholders' equity		2,365,610,476	2,423,562,318	3,967,538,165	3,514,001,524
Total liabilities and shareholders' equity		5,391,659,540	5,277,736,354	4,212,723,605	3,849,863,875

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

Mono Technology Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2016

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Profit or loss:					
Revenues					
Sales and service income		2,076,756,211	1,892,953,253	968,888,871	1,082,824,686
Dividend income from subsidiary	10	-	-	232,391,285	235,991,150
Other income		35,947,941	32,182,168	94,574,782	141,827,437
Total revenues		2,112,704,152	1,925,135,421	1,295,854,938	1,460,643,273
Expenses					
Cost of sales and services		1,633,841,862	1,649,963,155	786,404,261	853,502,517
Selling and servicing expenses		107,572,475	229,650,718	21,355,789	53,211,120
Administrative expenses		417,921,961	449,909,816	200,305,077	262,704,730
Loss on impairment of investment in subsidiaries		-	-	9,887,000	21,794,689
Loss on impairment of investment in joint venture		21,300,000	-	-	-
Loss on impairment of intangible assets		23,777,955	2,724,623	11,459,384	-
Doubtful account		1,367,215	-	-	118,262,086
Total expenses		2,205,781,468	2,332,248,312	1,029,411,511	1,309,475,142
Profit (loss) before share of loss from investment in joint venture, finance cost and income tax		(93,077,316)	(407,112,891)	266,443,427	151,168,131
Share of loss from investment in joint venture		(1,810,826)	-	-	-
Profit (loss) before finance cost and income tax		(94,888,142)	(407,112,891)	266,443,427	151,168,131
Finance cost		(145,013,948)	(133,097,062)	(1,223,672)	(888,953)
Profit (loss) before income tax		(239,902,090)	(540,209,953)	265,219,755	150,279,178
Tax income (expenses)	25	(9,650,668)	53,636,561	(5,735,548)	(10,635,316)
Profit (loss) for the year		(249,552,758)	(486,573,392)	259,484,207	139,643,862

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

Mono Technology Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the year ended 31 December 2016

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currency		924,761	8,476,755	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Actuarial losses	20	(7,158,687)	-	(3,059,458)	-
Less: Income tax effect	25	1,334,842	-	611,892	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		(5,823,845)	-	(2,447,566)	-
Other comprehensive income for the year		(4,899,084)	8,476,755	(2,447,566)	-
Total comprehensive income for the year		(254,451,842)	(478,096,637)	257,036,641	139,643,862
Earnings per share	27				
Basic earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company		(0.079)	(0.158)	0.082	0.045
Diluted earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company		(0.079)	(0.158)	0.078	0.041

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

Mono Technology Public Company Limited and its subsidiaries

Statement of cash flows

For the year ended 31 December 2016

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash flows from operating activities				
Profit (loss) before tax	(239,902,090)	(540,209,953)	265,219,755	150,279,178
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities				
Depreciation	79,659,602	70,440,502	20,558,524	23,675,732
Amortisation	676,462,420	455,881,267	2,959,271	2,147,540
Amortisation cost of spectrum license	128,779,260	128,779,260	-	-
Doubtful accounts	1,367,215	-	1,912,261	-
Doubtful accounts - loans to subsidiaries	-	-	(14,394,960)	118,262,086
Reduction of inventory cost to net realisable value (reversal)	(818,789)	1,018,654	-	-
Losses on impairment of investments in subsidiaries	-	-	9,887,000	21,794,689
Loss on impairment of investment in joint venture	21,300,000	-	-	-
Dividend income from investment in subsidiary	-	-	(232,391,285)	(235,991,150)
Share of loss from investment in joint venture	1,810,826	-	-	-
Losses (gains) on sales and written-off of equipment	1,344,376	(411,443)	(9,315)	-
Losses on impairment of intangible assets	23,777,955	2,724,623	11,459,384	-
Losses on written-off of intangible assets	3,561,308	21,823,203	294,808	-
Unrealised losses (gains) on exchange	79,919	2,092,529	(322,066)	(10,198,582)
Written-off withholding tax deducted at source	636,584	114,306	123,960	-
Provision for employee benefits	5,606,406	5,692,155	1,634,148	2,159,099
Interest income	(644,929)	(5,001,399)	(31,230,633)	(69,446,742)
Interest expenses	145,013,948	133,097,062	1,223,672	888,953

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

Mono Technology Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the year ended 31 December 2016

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Profit from operating activities before changes				
in operating assets and liabilities	848,034,011	276,040,766	36,924,524	3,570,803
Operating assets (increase) decrease				
Trade and other receivables	15,408,824	31,055,886	194,281,733	(49,479,241)
Inventories	1,900,803	(3,191,639)	-	-
Prepaid expenses	13,585,214	19,003,062	12,156,897	(2,053,703)
Other non-current assets	3,007,408	877,287	517,167	156,525
Operating liabilities increase (decrease)				
Trade and other payables	(109,939,950)	(8,177,514)	(88,409,089)	84,972,977
Other current liabilities	43,703,035	(3,063,472)	864,349	(352,103)
Provision for employee benefits	-	(1,738,180)	-	-
Cash from operating activities before income tax and withholding tax	815,699,345	310,806,196	156,335,581	36,815,258
Cash paid for income tax	(67,398,330)	(82,070,062)	(30,545,809)	(53,170,320)
Cash received from withholding tax refund	1,307,083	4,505,136	-	-
Net cash from (used in) operating activities	749,608,098	233,241,270	125,789,772	(16,355,062)

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

Mono Technology Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the year ended 31 December 2016

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash flows from investing activities				
Interest income	644,929	6,666,774	22,765,450	7,041,169
Decrease (increase) in current investments - deposits with banks	(6,163)	399,776,600	(2,939)	400,000,000
Decrease (increase) in loans to subsidiaries	-	-	1,880,139,023	(997,099,740)
Decrease (increase) in restricted bank deposits	(8,678,108)	(241,794)	2,996	(11,496)
Increase in investments in subsidiaries	-	-	(2,399,999,925)	(12,511,678)
Cash paid for purchase of investment in a joint venture	(74,336,849)	-	-	-
Dividends received from investment in subsidiary	-	-	289,189,155	215,991,900
Cash paid for acquisition of property, plant and equipment	(193,701,851)	(207,091,132)	(6,205,312)	(15,450,578)
Proceeds from sales of equipment	41,560	618,589	194,468	-
Cash paid for acquisition of intangible assets	(848,648,509)	(931,752,759)	(3,513,131)	(4,245,629)
Cost of spectrum license	(412,000,000)	(301,000,000)	-	-
Net cash used in investing activities	(1,536,684,991)	(1,033,023,722)	(217,430,215)	(406,286,052)
Cash flows from financing activities				
Interest expenses	(74,539,996)	(44,400,392)	(1,264,608)	(996,990)
Increase in short-term loans from banks	-	135,000,000	-	15,000,000
Cash received from long-term loans from banks	668,418,767	322,070,000	-	-
Repayment of liabilities under finance lease agreements	(10,202,043)	(15,917,912)	(2,888,592)	(2,713,577)
Proceeds from increase in share capital	95,000,000	52,338,905	95,000,000	52,338,905
Dividend paid to the Company's shareholders	(4,014)	(61,565,003)	(3,834)	(61,565,003)
Net cash from financing activities	678,672,714	387,525,598	90,842,966	2,063,335
Translation adjustments	924,761	8,476,755	-	-
Net decrease in cash and cash equivalents	(107,479,418)	(403,780,099)	(797,477)	(420,577,779)
Cash and cash equivalents at beginning of year	194,287,822	598,067,921	26,447,473	447,025,252
Cash and cash equivalents at end of year	86,808,404	194,287,822	25,649,996	26,447,473
Supplemental cash flows information:				
Non-cash transactions				
Purchases of equipment for which no cash has been paid	16,987,735	71,479,312	-	-
Purchases of intangible assets for which no cash has been paid	95,315,889	113,094,042	-	-
Issued ordinary shares to purchase intangible assets	101,500,000	-	101,500,000	-
Receipt of repayment of loan to subsidiary by assets	-	-	22,673,360	-

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

Statement of changes in shareholders' equity

For the year ended 31 December 2016

(Unit: Baht)

Consolidated financial statements										
	Equity attributable to owners of the Company						Other components of equity			
	Retained earnings				Unappropriated (deficit)	Other comprehensive income	Business combination under common control	Total other components of shareholders' equity	Total shareholders' equity	
	Issued and fully paid-up share capital	Share subscription received in advance	Premium on ordinary shares	Appropriated - statutory reserve						
Balance as at 31 December 2014 - as previously reported	307,999,998	302,958	2,698,945,842	41,591,817	67,528,021	(1,468,719)	(152,365,167)	(153,833,886)	2,962,534,750	
	-	-	-	-	(51,309,719)	-	-	-	(51,309,719)	
Balance as at 31 December 2014 - as restated	307,999,998	302,958	2,698,945,842	41,591,817	16,218,302	(1,468,719)	(152,365,167)	(153,833,886)	2,911,225,031	
Loss for the year	-	-	-	-	(486,573,392)	-	-	-	(486,573,392)	
Other comprehensive income for the year	-	-	-	-	-	8,476,755	-	8,476,755	8,476,755	
Total comprehensive income for the year	-	-	-	-	(486,573,392)	8,476,755	-	8,476,755	(478,096,637)	
Increase in share capital (Note 21)	2,093,556	(302,958)	50,245,349	-	-	-	-	-	52,035,947	
Dividend paid (Note 29)	-	-	-	-	(61,602,023)	-	-	-	(61,602,023)	
Unappropriated retained earnings transferred to statutory reserve	-	-	-	7,688,183	(7,688,183)	-	-	-	-	
Balance as at 31 December 2015	310,093,554	-	2,749,191,191	49,280,000	(539,645,296)	7,008,036	(152,365,167)	(145,357,131)	2,423,562,318	
Balance as at 31 December 2015	310,093,554	-	2,749,191,191	49,280,000	(539,645,296)	7,008,036	(152,365,167)	(145,357,131)	2,423,562,318	
Loss for the year	-	-	-	-	(249,552,758)	-	-	-	(249,552,758)	
Other comprehensive income for the year	-	-	-	-	(5,823,845)	924,761	-	924,761	(4,899,084)	
Total comprehensive income for the year	-	-	-	-	(255,376,603)	924,761	-	924,761	(254,451,842)	
Increase in share capital (Note 21)	10,000,000	-	186,500,000	-	-	-	-	-	196,500,000	
Unappropriated retained earnings transferred to statutory reserve	-	-	-	570,000	(570,000)	-	-	-	-	
Balance as at 31 December 2016	320,093,554	-	2,935,691,191	49,850,000	(795,591,899)	7,932,797	(152,365,167)	(144,432,370)	2,365,610,476	

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

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2016

(Unit: Baht)

	Separate financial statements					
	Issued and fully paid-up share capital	Share subscription received in advance	Premium on ordinary shares	Retained earnings		Total shareholders' equity
				Appropriated - statutory reserve	Unappropriated	
Balance as at 1 January 2015	307,999,998	302,958	2,698,945,842	41,591,817	335,083,123	3,383,923,738
Total comprehensive income for the year	-	-	-	-	139,643,862	139,643,862
Increase in share capital (Note 21)	2,093,556	(302,958)	50,245,349	-	-	52,035,947
Dividend paid (Note 29)	-	-	-	-	(61,602,023)	(61,602,023)
Unappropriated retained earnings transferred to statutory reserve	-	-	-	7,688,183	(7,688,183)	-
Balance as at 31 December 2015	310,093,554	-	2,749,191,191	49,280,000	405,436,779	3,514,001,524
Balance as at 1 January 2016	310,093,554	-	2,749,191,191	49,280,000	405,436,779	3,514,001,524
Profit for the year	-	-	-	-	259,484,207	259,484,207
Other comprehensive income for the year	-	-	-	-	(2,447,566)	(2,447,566)
Total comprehensive income for the year	-	-	-	-	257,036,641	257,036,641
Increase in share capital (Note 21)	10,000,000	-	186,500,000	-	-	196,500,000
Unappropriated retained earnings transferred to statutory reserve	-	-	-	570,000	(570,000)	-
Balance as at 31 December 2016	320,093,554	-	2,935,691,191	49,850,000	661,903,420	3,967,538,165

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

Notes to consolidated financial statements

For the year ended 31 December 2016

1. General information

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

- a) The media and content business consists of Mobile Value Added Services (MVAS), Internet media business, publishing business, TV media and radio media business
- b) The entertainment business consists of music business and movie business

2. Basis for the preparation of financial statements

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2011, issued under the Accounting Act B.E. 2543.

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

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

2.2 Basis of consolidation

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

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2016 Percent	2015 Percent
<u>Held by the Company</u>				
Mono Generation Co., Ltd.	Production, distribution and service of entertainment contents, magazine and other books, including motion picture, music and other entertainment media	Thailand	100	100
Mono Travel Co., Ltd.	Service of offering hotel accommodations, tour package and air ticket, including production and service of contents	Thailand	100	100
Mono Production Co., Ltd.	Space services, production, manufacturer of TV media and other media, including service of entertainment contents	Thailand	100	100
Mono Info Systems Co., Ltd.	Production, manufacturer and providers software; Enterprise software and Digital content	Thailand	100	100
Mono Music Co., Ltd. (Formerly known as Mono Entertainment Co., Ltd.)	Production, distribution and service of entertainment contents, including other entertainment media	Thailand	100	100
Mono Radio Co., Ltd.	Radio station and broadcast business	Thailand	100	100
Mono Radio Broadcast Co., Ltd.	Radio station and broadcast business	Thailand	100	100
Mono Talent Studio Co., Ltd.	Service of actors, artist and entertainment contents	Thailand	100	100
T Moment Co., Ltd.	Production, manufacturer, distribution of motion picture and including service of entertainment contents	Thailand	100	-
Mono Technology Korea Corporation	Provided information and entertainment content through several channels (Dissolution and liquidation)	Korea	-	100
PT Mono Technology Indonesia (1% held by Mono Generation Co., Ltd.)	Provided information and entertainment content through several channels (Dissolution and currently in process of liquidation)	Indonesia	100	100
Mono Technology Vietnam Co., Ltd.	Provided information and entertainment content through several channels	Vietnam	100	100
Mono Technology Hong Kong Ltd.	Provided information and entertainment content through several channels	Hong Kong	100	100

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2016 Percent	2015 Percent
<u>Held by the subsidiaries</u>				
<u>Subsidiary held by Mono Generation Co., Ltd.</u>				
Mono Film Co., Ltd.	Production, manufacturer and distribution of film, television program, including service of entertainment contents	Thailand	100	100
<u>Subsidiaries held by Mono Production Co., Ltd.</u>				
Mono Sport Entertainment Co., Ltd.	Organising sport tournament and other related activities, including team management or sport club	Thailand	100	100
Mono Broadcast Co., Ltd.	Broadcasting and television business	Thailand	100	100

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

2.3 The separate financial statements present investments in subsidiaries under the cost method.

3. New financial reporting standards

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

During the year, the Company and its subsidiaries have adopted the revised (revised 2015) and new financial reporting standards and accounting treatment guidance issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiaries' financial statements.

(b) Financial reporting standard that will become effective in the future

During the current year, the Federation of Accounting Professions issued a number of the revised financial reporting standards and interpretations (revised 2016) and new accounting treatment guidance which is effective for fiscal years beginning on or after 1 January 2017. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards.

The management of the Company and its subsidiaries believe that the revised financial reporting standards and interpretations and new accounting treatment guidance will not have any significant impact on the financial statements when they are initially applied. However, one standard involves changes to key principles, which are summarised below.

TAS 27 (revised 2016) Separate Financial Statements

This revised standard stipulates an additional option to account for investments in subsidiaries, joint ventures and associates in separate financial statements under the equity method, as described in TAS 28 (revised 2016) Investments in Associates and Joint Ventures. However, the entity is to apply the same accounting treatment for each category of investment. If an entity elects to account for such investments using the equity method in the separate financial statements, it has to adjust the transaction retrospectively.

This standard will not have any significant impact on the Company and its subsidiaries' financial statements because the management has decided to continue accounting for such investments under the cost method in the separate financial statements.

4. Cumulative effect of the change in recognition of the cost of spectrum license

Mono Broadcast Company Limited ("Broadcast") has adjusted its recognition of the cost of licenses for digital television systems ("the license"). Broadcast originally determined that the bid price of the license should be treated as an initial cost of the license, and that the conditions setting the period of payment were in accordance with normal conditions clearly stipulated by the government agency. Broadcast therefore recorded the cost of the license as an asset and recorded the outstanding cost of the spectrum license, based on the bid price, as a liability. However, on 8 February 2016, the Federation of Accounting Professions ("FAP") published an exposure document providing an interpretation on accounting issues related to the recognition of licenses granted by the government sector, whereby gradual payment of license costs is interpreted as being similar to the sale of goods under installment terms and an entity is therefore required to determine the cost of the license based on the sum of the amounts to be paid immediately, within a specified period, and the discounted value of the amount that the entity is required to pay to the government agency in installments. Moreover, if an entity has not reported such transactions in accordance with this interpretation is to restate its prior year financial statements. As a result, Broadcast has adjusted cost of licenses for digital television systems in its financial statements for the year ended at 31 December 2014 (the spectrum license was granted on 25 April 2014) in accordance with the interpretation of the FAP.

5. Significant accounting policies

5.1 Revenue recognition

Sales of goods

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

Rendering of services

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

Interest income

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

Dividends

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

5.2 Cash and cash equivalents

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

5.3 Trade and other receivables

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

5.4 Inventories

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

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

5.5 Investments

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

5.6 Property, plant and equipment/Depreciation

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

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

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

Depreciation is charged to profit or loss.

No depreciation is provided on land and assets under installation.

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

5.7 Borrowing costs

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

5.8 Intangible assets, cost of spectrum license and amortisation

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

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

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

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

	Useful lives	
Cost of spectrum license	15	years
Cost of website	10	years
Films, music and video copyright	5, 10	years or contract period
Other copyright	3, 5, 10	years or contract period
Computer software	3, 5, 10, 20	years

5.9 Related party transactions

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

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

5.10 Long-term leases

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

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

5.11 Foreign currencies

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

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

Gains and losses on exchange are included in determining income.

5.12 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

The Company and its subsidiaries recognise an impairment loss in profit and loss.

5.13 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

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

Defined benefit plans

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

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

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

5.14 Provisions

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

5.15 Income tax

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

Current tax

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

Deferred tax

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

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

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

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

6. Significant accounting judgements and estimates

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

Leases

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

Allowance for doubtful accounts

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

Impairment of investments

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

Property, plant and equipment/Depreciation

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

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

Intangible assets

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

Deferred tax assets

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

Post-employment benefits under defined benefit plans

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

Litigation

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

7. Related party transactions

The followings are relationships with enterprises that control, or are controlled by, the Company and its subsidiaries, whether directly or indirectly, or which are under common control with the Company and its subsidiaries.

Name of entities	Nature of relationship
Jasmine Group	Common major shareholders and directors
Toyota PS Enterprise Co., Ltd.	Common directors
Green Star Environment Co., Ltd.	Common directors
Media Shaker Co., Ltd.	Common directors

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

(Unit: Million Baht)

	Consolidated financial statements		Transfer Pricing Policy
	2016	2015	
<u>Transactions with related companies</u>			
Sales and service income	29	28	Contract price or as agreed upon
Other income	-	1	Contract price or as agreed upon
Cost of sales and services	2	2	Contract price or as agreed upon
Rental and service expenses	73	73	Contract price or as agreed upon
Promotional expenses	-	2	Contract price or as agreed upon
Other expenses	15	20	Contract price or as agreed upon

(Unit: Million Baht)

	Separate financial statements		Transfer Pricing Policy
	2016	2015	
<u>Transactions with subsidiaries</u>			
(eliminated from the consolidated financial statements)			
Sales and service income	7	7	Contract price or as agreed upon
Dividend income	232	236	According to the resolution of the subsidiaries' meeting
Interest income	31	65	3% per annum
Other income	52	50	Contract price
Service revenue sharing	464	472	Contract price or as agreed upon
Promotional expenses	6	8	Contract price or as agreed upon
Other expenses	2	14	Contract price or as agreed upon
<u>Transactions with related companies</u>			
Sales and service income	14	13	Contract price or as agreed upon
Rental and service expenses	50	48	Contract price or as agreed upon
Promotional expenses	-	2	Contract price or as agreed upon
Other expenses	14	19	Contract price or as agreed upon

As at 31 December 2016 and 2015, the balances of accounts between the Company, its subsidiaries and those related parties were as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<u>Trade receivables - related parties (Note 8)</u>				
Subsidiaries	-	-	6	123
Related companies	4	4	2	2
Total trade receivables - related parties	4	4	8	125
<u>Other receivables - related parties (Note 8)</u>				
Subsidiaries	-	-	194	231
Total other receivables - related parties	-	-	194	231
<u>Dividend receivables - related parties (Note 8)</u>				
Subsidiary	-	-	55	112
Total dividend receivables - related party	-	-	55	112
<u>Deposits and retentions - related parties</u>				
Related companies	7	7	6	6
Total deposits and retentions - related parties	7	7	6	6
<u>Trade payables - related parties (Note 16)</u>				
Subsidiaries	-	-	117	169
Related companies	-	1	-	-
Total trade payables - related parties	-	1	117	169
<u>Other payables - related parties (Note 16)</u>				
Subsidiaries	-	-	5	3
Related companies	23	23	18	17
Total other payables - related parties	23	23	23	20

Loans to subsidiaries

As at 31 December 2016 and 2015, the balances of loans to subsidiaries and the movements were as follows:

(Unit: Million Baht)

	Separate financial statements			
	Balance as at 31 December 2015	During the year		Balance as at 31 December 2016
		Increase	Decrease	
Mono Generation Co., Ltd.	770	40	(800)	10
Mono Travel Co., Ltd.	23	-	(14)	9
Mono Production Co., Ltd.	1,466	84	(1,445)	105
Mono Music Co., Ltd.				
(Formerly known as Mono Entertainment Co., Ltd.)	62	-	-	62
PT Mono Technology Indonesia	12	-	-	12
Mono Technology Korea Corporation	106	-	(106)	-
Mono Technology Vietnam Co., Ltd.	11	-	-	11
Mono Radio Co., Ltd.	49	32	-	81
Mono Radio Broadcast Co., Ltd.	5	-	-	5
Mono Talent Studio Co., Ltd.	-	9	-	9
Mono Broadcast Co., Ltd.	-	190	-	190
Mono Sport Entertainment Co., Ltd.	-	28	-	28
	2,504	383	(2,365)	522
Allowance for doubtful accounts	(118)	(11)	106	(23)
Total	2,386	372	(2,259)	499

On 21 March 2016 and 27 June 2016, the Company received loan repayment from Mono Production Co., Ltd., total amounting to Baht 1,445 million.

On 21 March 2016, 4 April 2016 and 3 June 2016, the Company received loan repayment from Mono Generation Co., Ltd., total amounting to Baht 800 million.

On 9 November 2016, a meeting of the Company's Board of Directors passed a resolution to approve the write off of a loan of Baht 80 million to Mono Technology Korea Corporation which the Company had already set aside allowance for doubtful debt in full as bad debt, after the Company received loan repayment of Baht 4 million in cash and Baht 22 million in other forms.

The balances are loans to subsidiaries in form of promissory notes which have no collateral and carry interest at the rate 3 percent per annum. The loans are due on demand.

However, the Company has no intention to call for loan repayment from subsidiaries within one year, therefore, the Company classifies this loan as non-current assets.

Directors and management's benefits

During the years ended 31 December 2016 and 2015, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Short-term employee benefits	45	44	28	27
Post-employment benefits	1	1	1	1
Total	46	45	29	28

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties as described in Note 31.2 a) to the financial statements.

8. Trade and other receivables

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Trade receivables - related parties (Note 7)	4	4	8	125
Trade receivables - unrelated parties	164	223	87	114
Accrued revenue	251	188	131	135
Dividend receivables - related party (Note 7)	-	-	55	112
Other receivables - related parties (Note 7)	-	-	194	231
Other receivables - unrelated parties	113	147	2	2
Total	532	562	477	719
Less: Allowance for doubtful accounts	(2)	(8)	-	(4)
Trade and other receivables - net	530	554	477	715

The outstanding balances of trade receivables as at 31 December 2016 and 2015, aged on the basis of due dates, are summarised below.

(Unit: Million Baht)

Age of receivables	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<u>Trade receivables - related parties</u>				
Not yet due	4	3	3	112
Past due				
Up to 3 months	-	1	1	3
3 - 6 months	-	-	1	1
6 - 12 months	-	-	1	2
Over 12 months	-	-	2	7
Total trade receivables - related parties	4	4	8	125
<u>Trade receivables - unrelated parties</u>				
Not yet due	81	144	44	75
Past due				
Up to 3 months	87	78	43	35
3 - 6 months	7	7	-	-
6 - 12 months	6	5	-	-
Over 12 months	10	13	-	4
	191	247	87	114
Less: Allowance for sales return	(27)	(24)	-	-
	164	223	87	114
Less: Allowance for doubtful accounts	(2)	(8)	-	(4)
Total trade receivables - unrelated parties, net	162	215	87	110
Total trade receivables - net	166	219	95	235

9. Inventories

(Unit: Million Baht)

	Consolidated financial statements					
	Cost		Reduction of cost to net realisable value		Inventories-net	
	2016	2015	2016	2015	2016	2015
Finished goods	14	15	(6)	(7)	8	8
Work in process	1	2	-	-	1	2
Total	15	17	(6)	(7)	9	10

10. Investments in subsidiaries

(Unit: Million Baht)

Company's name	Separate financial statements					
	Paid-up capital		Cost		Dividend received during the year	
	2016	2015	2016	2015	2016	2015
Mono Generation Co., Ltd.	982	132	902	52	-	-
Mono Travel Co., Ltd.	20	20	9	9	-	-
Mono Info Systems Co., Ltd.	8	8	8	8	232	236
Mono Production Co., Ltd.	1,820	320	1,820	320	-	-
Mono Music Co., Ltd. (Formerly known as Mono Entertainment Co., Ltd.)	38	38	55	55	-	-
Mono Radio Co., Ltd.	1	1	1	1	-	-
Mono Radio Broadcast Co., Ltd.	-	-	-	-	-	-
Mono Talent Studio Co., Ltd.	5	5	5	5	-	-
T Moment Co., Ltd.	50	-	50	-	-	-
PT Mono Technology Indonesia	4	4	4	4	-	-
Mono Technology Korea Corporation	-	18	-	18	-	-
Mono Technology Hong Kong Ltd.	107	107	107	107	-	-
Mono Technology Vietnam Co., Ltd.	10	10	10	10	-	-
			2,971	589	232	236
Less: Allowance for impairment of investments			(14)	(22)		
Total investments in subsidiaries - net			2,957	567		

On 19 February 2016, a meeting of the Company's Board of Directors passed the following significant resolutions:

- a) Approved the establishment of "T moment Co., Ltd." by the Company, which invested in 1,999,997 ordinary shares of Baht 100 each, with 25% of the registered capital call up amounting to Baht 50 million. On 18 March 2016, the Company made full payment of this share capital. The Company's shareholding in T moment Co., Ltd. was at 100 percent.
- b) Approved the acquisition all of the additional ordinary shares of Mono Production Co., Ltd., 15,000,000 ordinary shares of Baht 100 each, amounting to Baht 1,500 million. The Company's shareholding in this subsidiary remained unchanged. On 21 March 2016, the Company made full payment of such share capital.

On 11 May 2016, a meeting of the Company's Board of Directors passed the following significant resolutions:

- a) Approved the acquisition all of the additional ordinary shares of Mono Generation Co., Ltd., 8,500,000 ordinary shares of Baht 100 each, amounting to Baht 850 million. The Company's shareholding in this subsidiary remained unchanged. On 3 June 2016, the Company made full payment of such share capital.
- b) Approved the registration of the dissolution of PT Mono Technology Indonesia and Mono Technology Korea Corporation. The subsidiary companies are currently in the process of liquidation and completely liquidation on 31 October 2016, respectively.

In December 2016, the Board of Directors' Meeting of T Moment Co., Ltd., a subsidiary, approved to call up a further 7.5% of its registered capital, or a total of Baht 15 million. The Company's shareholding in this subsidiary remained unchanged. On 8 February 2017, the Company made full payment of such share capital.

As at 31 December 2016, the net asset value of subsidiaries was Baht 382 million (2015: Baht 415 million) lower than the cost of investment. However, the Company did not record the impairment of the investments since the management of the Company believed that the decrease in value was not permanent.

11. Investment in a joint venture

In June 2016, Mono Technology Hong Kong Ltd. invested in a joint venture with another company to establish Yunnan Mono Digital Technology Company Limited in China. This company has a registered share capital of USD 8 million (62.5% called up).

As at 31 December 2016, details of this investment are as follows:

(Unit: Million Baht)

Company's name	Nature of business	Consolidated financial statements					
		Shareholding percentage		Cost-net		Carrying amounts based on equity method	
		31 December 2016 (%)	31 December 2015 (%)	31 December 2016	31 December 2015	31 December 2016	31 December 2015
Yunnan Mono Digital Technology Company Limited	Provided information and entertainment content	42	-	53	-	51	-
Total				53	-	51	-

During the year ended 31 December 2016, the subsidiary has recognised its share of loss from investment in Yunnan Mono Digital Technology Company Limited totally Baht 2 million in the consolidated financial statements. This share of loss from investment in joint venture was calculated based on the financial statements prepared by the joint venture's management.

12. Property, plant and equipment

(Unit: Million Baht)

	Consolidated financial statements						
	Land and land improvement	Building, building and leasehold improvement	Furniture, fixtures and office equipment	Computer and equipment	Motor vehicles	Assets under installation	Total
Cost:							
1 January 2015	244	70	139	217	25	4	699
Additions	-	3	20	36	1	223	283
Disposals/written-off	-	-	-	-	(1)	-	(1)
31 December 2015	244	73	159	253	25	227	981
Additions	-	6	43	14	-	78	141
Disposals/written-off	-	(1)	(1)	(2)	-	-	(4)
Transfer in (out)	12	288	-	-	-	(300)	-
31 December 2016	256	366	201	265	25	5	1,118
Accumulated depreciation:							
1 January 2015	-	17	48	118	12	-	195
Depreciation for the year	-	7	27	34	2	-	70
Depreciation on disposals/written-off	-	-	-	-	(1)	-	(1)
31 December 2015	-	24	75	152	13	-	264
Depreciation for the year	1	12	31	34	2	-	80
Depreciation on disposals/written-off	-	(1)	(1)	(1)	-	-	(3)
31 December 2016	1	35	105	185	15	-	341
Net book value:							
31 December 2015	244	49	84	101	12	227	717
31 December 2016	255	331	96	80	10	5	777
Depreciation for the year							
2015 (Baht 52 million included in cost of services, and the balance in administrative expenses)							70
2016 (Baht 62 million included in cost of services, and the balance in administrative expenses)							80

(Unit: Million Baht)

	Separate financial statements				
	Leasehold improvement	Furniture, fixtures and office equipment	Computer and equipment	Motor vehicles	Total
Cost:					
1 January 2015	36	26	104	7	173
Additions	-	2	18	-	20
31 December 2015	36	28	122	7	193
Additions	-	1	5	-	6
31 December 2016	36	29	127	7	199
Accumulated depreciation:					
1 January 2015	11	15	71	3	100
Depreciation for the year	3	5	15	1	24
31 December 2015	14	20	86	4	124
Depreciation for the year	3	4	12	1	20
31 December 2016	17	24	98	5	144
Net book value:					
31 December 2015	22	8	36	3	69
31 December 2016	19	5	29	2	55
Depreciation for the year					
2015 (Baht 11 million included in cost of services, and the balance in administrative expenses)					24
2016 (Baht 8 million included in cost of services, and the balance in administrative expenses)					20

During the year ended 31 December 2016, the subsidiary included borrowing costs as part of the projects cost amounting to Baht 3 million (2015: Nil). The weighted average rate used to determine the amount of borrowing costs eligible for capitalisation was 6.5 percent per annum.

As at 31 December 2016, certain items of equipment of the Company and its subsidiaries had been fully depreciated but were still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 142 million (2015: Baht 99 million) and of the Company only amounting to Baht 89 million (2015: Baht 58 million).

As at 31 December 2016, the Company and its subsidiaries had vehicles and equipment with net book values Baht 12 million (2015: Baht 32 million) and of the Company only amounting to Baht 6 million (2015: Baht 8 million) acquired under finance lease agreements.

The subsidiary has mortgaged the land with structures thereon, amounting to Baht 250 million, as collateral for the subsidiary's long-term loan from bank.

13. Intangible assets

(Unit: Million Baht)

	Consolidated financial statements					
	Website copyright	Films, music and video copyright	Other copyright	Program computer	Work in process	Total
Cost:						
1 January 2015	83	717	111	42	469	1,422
Additions	1	27	10	2	942	982
Disposals/written-off	-	-	(15)	(12)	(7)	(34)
Transfer in (out)	-	886	17	18	(921)	-
31 December 2015	84	1,630	123	50	483	2,370
Additions	-	2	6	2	922	932
Disposals/written-off	(1)	(485)	(4)	-	-	(490)
Transfer in (out)	-	772	140	14	(926)	-
31 December 2016	83	1,919	265	66	479	2,812
Accumulated amortisation:						
1 January 2015	24	151	12	12	-	199
Amortisation for the year	5	420	22	9	-	456
Amortisation on disposals/written-off	-	-	(8)	(4)	-	(12)
31 December 2015	29	571	26	17	-	643
Amortisation for the year	5	621	41	9	-	676
Amortisation on disposals/written-off	(1)	(484)	(1)	-	-	(486)
31 December 2016	33	708	66	26	-	833
Allowance for impairment loss:						
1 January 2015	1	-	-	-	-	1
Increase during the year	-	-	-	-	3	3
31 December 2015	1	-	-	-	3	4
Increase during the year	16	11	3	-	-	30
Reversal of impairment	(4)	-	(3)	-	-	(7)
31 December 2016	13	11	-	-	3	27
Net book value:						
31 December 2015	54	1,059	97	33	480	1,723
31 December 2016	37	1,200	199	40	476	1,952
Amortisation for the year						
2015 (Baht 455 million included in cost of services, and the balance in administrative expenses)						456
2016 (Baht 673 million included in cost of services, and the balance in administrative expenses)						676

(Unit: Million Baht)

	Separate financial statements				
	Website copyright	Films, music and video copyright	Program computer	Work in process	Total
Cost:					
1 January 2015	11	9	4	10	34
Additions	-	-	-	4	4
31 December 2015	11	9	4	14	38
Additions	-	12	1	104	117
Transfer in (out)	-	-	14	(14)	-
31 December 2016	11	21	19	104	155
Accumulated amortisation:					
1 January 2015	4	5	2	-	11
Amortisation for the year	-	2	-	-	2
31 December 2015	4	7	2	-	13
Amortisation for the year	-	1	2	-	3
31 December 2016	4	8	4	-	16
Allowance for impairment loss:					
31 December 2015	1	-	-	-	1
Increase during the year	-	11	-	-	11
31 December 2016	1	11	-	-	12
Net book value:					
31 December 2015	6	2	2	14	24
31 December 2016	6	2	15	104	127
Amortisation for the year					
2015 (Baht 2 million included in cost of services, and the balance in administrative expenses)					2
2016 (Baht 2 million included in cost of services, and the balance in administrative expenses)					3

14. Cost of spectrum license

Mono Broadcast Co., Ltd. ("Broadcast") won a digital TV spectrum license auction for variety Standard Definition (SD) ("the license") held by the National Broadcasting and Telecommunications Commission ("NBTC"). Broadcast was required to make payment for the bid price of Baht 2,250 million (exclusive of VAT) under the following payment conditions:

- 1) Payment for the minimum bid price amounting to Baht 380 million, divided into 4 installments and has to be made within 3 years from the date of obtaining the license as specified by NBTC.
- 2) For the exceeding amount of the minimum bid price amounting to Baht 1,870 million, the payment is divided into 6 installments and has to be made within 5 years from the date of obtaining the license as specified by NBTC.

The license is valid for 15 years from the date of the license (25 April 2014). In the current year, Broadcast paid Baht 412 million for the cost of spectrum license (2015: Baht 301 million). Broadcast guarantee the rest of cost of the spectrum license payable to NBTC by bank guarantee.

Subsequently, on 20 December 2016, there was an announcement from Government Gazette to inform the licensee who has intention to extend the period of payment for the rest amount of the license to inform to NBTC. Broadcast has already implemented according to a letter dated 2 February 2017.

As at 31 December 2016, Broadcast had the cost spectrum license payable remaining bid price (exclusive of VAT) of Baht 1,160 million (2015: Baht 1,572 million). Broadcast was required to make payment for the rest amount of the license after extend the period of payment under the following payment conditions:

- 1) Payment for the minimum bid price amounting to Baht 38 million, divided into 2 installments and has to be made within 4 years from the date of obtaining the license as specified by NBTC.
- 2) For the exceeding amount of the minimum bid price amounting to Baht 1,122 million, the payment is divided into 6 installments and has to be made within 8 years from the date of obtaining the license as specified by NBTC.

During the year, the amortisation of the cost of spectrum license amounting to Baht 129 million (2015: Baht 129 million).

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

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

15. Short-term loans from banks

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

16. Trade and other payables

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Trade payables - related parties (Note 7)	-	1	117	169
Trade payables - unrelated parties	33	109	6	51
Other payables - related parties (Note 7)	23	23	23	20
Other payables - unrelated parties	51	81	13	14
Accrued expenses	76	95	39	35
Account payables - acquisition of assets	112	184	-	-
Total trade and other payables	295	493	198	289

17. Long-term loans from banks

In 2014, Mono Broadcast Co., Ltd. entered into a new loan agreement with a local commercial bank amounting to Baht 1,350 million. The loan is subject to interest at a rate close to the minimum loan rate and is to be settled on a quarterly basis in 24 installments. The first installment will be due on 30 September 2017 and settlement is to be completed by 30 June 2023. The loan is guaranteed by the Company.

During the current year, Mono Production Co., Ltd. entered into a new loan agreement with a local commercial bank amounting to Baht 230 million. The loan is subject to interest at a rate close to the Minimum Loan Rate and is to be settled on a monthly basis in 84 installments. The first installment was due on 31 December 2016 and settlement is to be completed by 31 May 2023. The long-term loan is secured by the mortgage of the subsidiary's land with structures thereon, as described in Note 12 to the financial statements, the assignment of rights to receive all service income from areas and the provision of guarantees by the Company.

The loan agreement contains several covenants, among other things, require to maintain certain financial ratios at the rate prescribed in the agreements and the shareholdings of their current shareholders.

As at 31 December 2016, the long-term credit facility of Mono Broadcast Co., Ltd. which has not yet been drawn down amounted to Baht 184 million (31 December 2015: Baht 625 million).

18. Cost of spectrum license payable

(Unit: Million Baht)

	Consolidated financial statements	
	2016	2015
Cost of spectrum license payable	1,160	1,572
Less: Deferred interest expenses	(91)	(164)
Total	1,069	1,408
Less: Portion due within one year	(360)	(339)
Cost of spectrum license payable - net of current portion	709	1,069

Cost of spectrum license payable was required to make payment on a yearly basis. This will be completed by the year 2022 (Note 14).

19. Liabilities under finance lease agreements

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Liabilities under finance lease agreements	10	20	5	8
Less: Deferred interest expenses	(1)	(1)	(1)	(1)
Total	9	19	4	7
Less: Portion due within one year	(6)	(10)	(3)	(3)
Liabilities under finance lease agreements - net of current portion	3	9	1	4

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

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

(Unit: Million Baht)

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

(Unit: Million Baht)

	As at 31 December 2015					
	Consolidated financial statements			Separate financial statements		
	Less than 1 year	1-5 years	Total	Less than 1 year	1-5 years	Total
Future minimum lease payments	11	9	20	3	5	8
Deferred interest expenses	(1)	-	(1)	-	(1)	(1)
Present value of future minimum lease payments	10	9	19	3	4	7

20. Provision for long-term employee benefits

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Provision for long-term employee benefits at beginning of year	23	22	12	10
Included in profit or loss				
(Included in administrative expenses):				
Current service cost	5	2	2	2
Interest cost	1	1	-	-
Included in other comprehensive income:				
Actuarial loss				
Financial assumptions changes	3	-	1	-
Experience adjustment	4	-	2	-
Benefits paid during the year	-	(2)	-	-
Provision for long-term employee benefits at end of year	36	23	17	12

As at 31 December 2016, the weighted average duration of the liabilities for long-term employee benefit was 17 years (Separate financial statements: 17 years) (2015: 18 years, separate financial statements: 18 years).

Significant actuarial assumptions are summarised below:

	2016	2015
	(% per annum)	(% per annum)
Discount rate	3.5%	4%
Salary increase rate	5%	5%

The result of sensitivity analysis for significant assumptions that affect the increasing (decreasing) in present value of the long-term employee benefit obligation as at 31 December 2016 and 2015 are summarised below:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Discount rate				
Increase 50 basis point	(3)	(3)	(1)	(1)
Decrease 50 basis point	3	1	2	1
Salary increase rate				
Increase 100 basis point	7	4	3	2
Decrease 100 basis point	(6)	(5)	(3)	(3)

21. Share capital

	Approve by	Ordinary shares (share)	Par value (Baht)	Registered share (Baht)	Registered date
Balance as at 1 January 2015		4,620,000,000	0.10	462,000,000	
1) Cancellation of 25 unissued ordinary shares	Annual General Meeting of the shareholders on 23 April 2015	(25)	0.10	(2)	6 May 2015
2) Issue 308 million ordinary shares	Annual General Meeting of the shareholders on 23 April 2015	308,000,000	0.10	30,800,000	7 May 2015
Balance as at 31 December 2015		4,927,999,975		492,799,998	
1) Cancellation of 258 million unissued ordinary shares with remain from the general mandate approval for the year 2015	Annual General Meeting of the shareholders on 27 April 2016				
2) Issue 315 million ordinary shares under the general mandate of 265 million shares and to support an increase in registered capital of 50 million shares for specific the purpose utilising proceeds	Annual General Meeting of the shareholders on 27 April 2016	(258,000,000)	0.10	(25,800,000)	10 May 2016
Balance as at 31 December 2016		315,000,000	0.10	31,500,000	11 May 2016
		4,984,999,975		498,499,998	

	Ordinary shares (share)	Par value (Baht)	Issued and fully paid-up share capital (Baht)	Premium on ordinary shares (Baht)	Registered date
Balance as at 1 January 2015	3,079,999,975	0.10	307,999,998	2,698,945,842	
1) In December 2014, exercised the rights to purchase 0.1 million ordinary shares at a price of Baht 2.5 per share, a total of Baht 0.3 million	121,183	0.10	12,118	290,839	8 January 2015
2) In March 2015, exercised the rights to purchase 0.8 million ordinary shares at a price of Baht 2.5 per share, a total of Baht 2 million	814,379	0.10	81,438	1,954,510	8 April 2015
3) In September 2015, exercised the rights to purchase 20 million ordinary shares at a price of Baht 2.5 per share, a total of Baht 50 million	20,000,000	0.10	2,000,000	48,000,000	5 October 2015
Balance as at 31 December 2015	3,100,935,537		310,093,554	2,749,191,191	
1) On 23 February 2016, there were subscriptions of shares of 50 million ordinary shares at Baht 1.9 per share, totaling Baht 95 million.	50,000,000	0.10	5,000,000	90,000,000	26 February 2016

	Ordinary shares (share)	Par value (Baht)	Issued and fully paid-up share capital (Baht)	Premium on ordinary shares (Baht)	Registered date
2) On 3 June 2016, the Company allocated of 50 million ordinary shares at Baht 2.03 per share, or for a total of Baht 101.5 million, to make payment for movie rights and screenplays amounting to approximately Baht 103 million. Since the offer price was less than 90 percent of the weighted average market price, meaning that there is a requirement to stipulate a silent period under Stock Exchange of Thailand regulations.	50,000,000	0.10	5,000,000	96,500,000	7 June 2016
Balance as at 31 December 2016	3,200,935,537		320,093,554	2,935,691,191	
On 12 and 13 January 2017, there were subscriptions of shares of 143 million ordinary shares by offer to certain investors by way of private placement at Baht 2.85 per share, totaling Baht 407.6 million.	143,000,000	0.10	14,300,000	393,250,000	19 January 2017

22. Warrants

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

The exercise of warrants are details follows.

Exercise date	Exercise warrant (Warrant)	Cash received from exercise (Million Baht)	Issued and fully paid-up share capital (Million Baht)	Registered date
23 - 29 December 2014	121,183	0.3	308	8 January 2015
31 March 2015	814,379	2	308	8 April 2015
30 September 2015	20,000,000	50	310	5 October 2015

On 2 June 2016, the Company passed a resolution approving an adjustment of the exercise price and the exercise ratio of MONO-W1 for the purpose of preserving the interests of Mono-W1 holders, from the existing exercise price of Baht 2.50 per share to Baht 2.492 per share and from the existing exercise ratio of 1 warrant to 1 ordinary share to 1 warrant to 1.003 ordinary shares.

During the current year, no warrants were exercised to purchase new ordinary shares.

As at 31 December 2016, there are 1,479,067,065 warrants unexercised (2015: 1,479,067,065 warrants).

23. Statutory reserve

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

24. Expenses by nature

Significant expenses classified by nature are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Salaries, wages and other employee benefits	493	498	169	185
Cost of Mobile Value Added Services	232	269	644	685
Depreciation and amortisation	756	526	24	35
Advertising and sales promotion expenses	82	219	18	45
Utilities expenses	112	113	75	79
Cost of spectrum license	127	154	-	-
Cost of sale	33	65	-	-
Cost of production	28	53	-	-

25. Income tax

Income tax for the years ended 31 December 2016 and 2015 are made up as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Income tax charge	7	13	6	12
Deferred tax relating to origination and reversal of temporary differences	3	(67)	-	(1)
Income tax expense reported in the statement of comprehensive income	10	(54)	6	11

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2016 and 2015 are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Actuarial loss	(1)	-	(1)	-
Income tax reported in the other comprehensive income	(1)	-	(1)	-

The reconciliation between accounting profit and income tax expense is shown below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Accounting profit (loss) before tax	(240)	(540)	265	150
Income tax rate	20%	20%	20%	20%
Accounting profit (loss) before tax multiplied by income tax rate	(48)	(108)	53	30
Effects of reversal of temporary differences recognised in the past	3	9	-	-
Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit:				
Promotional privileges (Note 26)	(46)	(47)	-	-
Dividend income from subsidiary	-	-	(46)	(47)
Tax loss for the year which unrecognised to deferred tax asset	102	86	-	-
Others	(1)	6	(1)	28
Income tax reported in the statement of comprehensive income	10	(54)	6	11

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

(Unit: Million Baht)

	Consolidated statements of financial position		Profit or loss in consolidated statements of comprehensive income	
	As at		For the years ended 31 December	
	31 December 2016	31 December 2015	2016	2015
Deferred tax assets (liabilities)				
Allowance for doubtful accounts and allowance for sale return	4	6	2	(1)
Intangible assets (Difference in amortisation)	(11)	(12)	(1)	4
Provision for long-term employee benefits	6	5	(1)	(1)
Unused tax loss	200	202	2	(69)
Others	2	2	-	-
Deferred tax relating to origination and reversal of temporary differences			2	(67)
Deferred tax assets - net	201	203		
Presented as follows:				
Deferred tax assets	211	211		
Deferred tax liabilities	(10)	(8)		
Total	201	203		

(Unit: Million Baht)

	Separate statements of financial position		Profit or loss in separate statements of comprehensive income	
	As at		For the years ended 31 December	
	31 December 2016	31 December 2015	2016	2015
Deferred tax assets (liabilities)				
Allowance for doubtful accounts	-	1	1	-
Intangible assets (Difference in amortisation)	(1)	(1)	-	-
Provision for long-term employee benefits	4	2	(2)	-
Others	-	-	-	(1)
Deferred tax relating to origination and reversal of temporary differences			(1)	(1)
Deferred tax assets - net	3	2		

As at 31 December 2016 the subsidiaries had deductible temporary differences and unused tax losses totaling Baht 826 million (2015: Baht 429 million). No deferred tax assets have been recognised on these amounts as the subsidiaries believe their future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

26. Promotional privileges

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

In 2016, MIS had revenues from the promoted operations amounting to Baht 283 million (2015: Baht 305 million).

27. Earnings per share

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

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

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

	Consolidated financial statements					
	Loss for the year		Weighted average number of ordinary shares		Loss per share	
	2016 (Million Baht)	2015 (Million Baht)	2016 (Million shares)	2015 (Million shares)	2016 (Baht)	2015 (Baht)
Basic loss per share						
Loss attributable to equity holders of the parent	(250)	(487)	3,173	3,086	(0.079)	(0.158)
Effect of dilutive potential ordinary shares						
Warrants offered to existing shareholders	-	-	153	318		
Diluted loss per share						
Loss attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	(250)	(487)	3,326	3,404	Anti-dilutive	Anti-dilutive

	Separate financial statements					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2016 (Million Baht)	2015 (Million Baht)	2016 (Million shares)	2015 (Million shares)	2016 (Baht)	2015 (Baht)
Basic earnings per share						
Profit attributable to equity holders of the parent	259	140	3,173	3,086	0.082	0.045
Effect of dilutive potential ordinary shares						
Warrants offered to existing shareholders	-	-	153	318		
Diluted earnings per share						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	259	140	3,326	3,404	0.078	0.041

28. Provident fund

The Company, its subsidiaries and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company, its subsidiaries and their employees contribute to the fund monthly at the rate of 5 percent of basic salary. The fund, which is managed by TISCO Asset management Co., Ltd., will be paid to employees upon termination in accordance with the fund rules. During the year 2016, the Company and its subsidiaries contributed Baht 14 million (2015: Baht 13 million) to the fund and of the Company only amounting to Baht 6 million (2015: Baht 6 million).

29. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht per share)
Annual dividends for 2014	Annual General Meeting of the shareholders on 23 April 2015	61.6	0.02
Total dividend payments for 2015		61.6	0.02

30. Segment information

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

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

Most of revenues of the Company and its subsidiaries are from two major customers.

Below is revenues and profit information regarding the Company and its subsidiaries' operating segments for the years ended 31 December 2016 and 2015.

(Unit: Million Baht)

	Media and Content ⁽¹⁾		Entertainment ⁽²⁾		Elimination of inter-segment revenues		Consolidation	
	2016	2015	2016	2015	2016	2015	2016	2015
Sales and service income								
Revenues from external customers	1,950	1,688	127	205	-	-	2,077	1,893
Inter-segment revenues	-	-	65	17	(65)	(17)	-	-
Total revenues	1,950	1,688	192	222	(65)	(17)	2,077	1,893
Segment income (loss)	533	287	(114)	(47)			419	240
Unallocated income and expenses:								
Other income							36	32
Selling and servicing expenses							(108)	(230)
Administrative expenses							(440)	(450)
Share of loss from investments in joint venture							(2)	-
Finance cost							(145)	(133)
Income tax							(10)	54
Loss for the year							(250)	(487)

⁽¹⁾ The media and content segment consists of Mobile Value Added Services (MVAS), Internet media business, publishing business, TV and radio media business.

⁽²⁾ The entertainment segment consists of music business and movie business.

31. Commitments and contingent liabilities

31.1 Capital commitments

As at 31 December 2016, the Company and its subsidiaries had capital commitments of approximately Baht 437 million (2015: Baht 417 million), relating to the construction of building and purchase of movie rights.

31.2 Guarantees

- a) As at 31 December 2016, the Company had guaranteed credit facilities that have been issued by bank on behalf of the subsidiaries amounting to Baht 3,092 million (2015: Baht 3,244 million).
- b) As at 31 December 2016, the subsidiaries had guaranteed credit facilities that have been issued by bank on behalf of the Company amounting to Baht 35 million (2015: Baht 35 million).
- c) As at 31 December 2016, the Company and its subsidiaries had outstanding bank guarantees of Baht 1,365 million (2015: Baht 1,736 million) and of the Company only amounting to Baht 5 million (2015: Baht 5 million) issued by banks on behalf of the Company and its subsidiaries in respect of performance bonds.

31.3 Operating lease and service commitments

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

As at 31 December 2016 and 2015, future minimum lease payments required under these non-cancellable operating lease and service contracts were as follows.

(Unit: Million Baht)		
	2016	2015
Payable:		
in up to 1 year	174	220
in over 1 year and up to 5 years	299	316
in over 5 years	369	426

31.4 Litigation

In June 2015, the Company was sued by an unrelated company with the Central Intellectual Property and International Trade Court in a civil case and criminal case that the Company infringed the copyright to broadcast a live sports program, seeking compensation of Baht 34 million plus interest at a rate of 7.5% per annum on the principal until settlement is completed. Subsequently, on 17 January 2017, the Central Intellectual Property and International Trade Court announced its judgement on the lawsuit in a civil case. The Court of First Instance judged the Company to pay compensation of Baht 3 million plus interest at a rate of 7.5% per annum on the principle until settlement is completed. Currently, the case is under consideration to submit to the Supreme Court an appeal against the said judgement of the Court of First Instance.

The management of the Company is confident that no significant losses will be incurred as a result of the lawsuit and therefore no provision has been made against the contingent liability in its account.

32. Financial instruments

32.1 Financial risk management

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

Credit risk

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

Interest rate risk

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

Foreign currency risk

The exposure of the Company and its subsidiary to foreign currency risk arise mainly from trading and services or loans transactions that are denominated in foreign currencies. The Company and its subsidiary seek to reduce this risk by entering into forward exchange contracts when they considers appropriate. Generally, the forward contracts mature within one year.

As at 31 December 2016 and 2015, the balances of financial assets and liabilities of the Company and its subsidiary denominated in foreign currencies which were unhedged are summarised below.

Foreign currency	Consolidated financial statements				Average exchange rate	
	Financial assets as at 31 December		Financial liabilities as at 31 December			
	2016 (Million)	2015 (Million)	2016 (Million)	2015 (Million)	2016	2015
					(Baht per 1 foreign currency unit)	
Kyat	10	44	2	-	0.0262	0.0275

Foreign currency	Separate financial statements				Average exchange rate	
	Financial assets as at 31 December		Financial liabilities as at 31 December			
	2016 (Million)	2015 (Million)	2016 (Million)	2015 (Million)	2016	2015
					(Baht per 1 foreign currency unit)	
US dollar	-	3	-	-	35.8307	36.0886
Rupiah	5,417	5,417	-	-	0.0027	0.0026
Kyat	10	44	2	-	0.0262	0.0275

The subsidiaries' foreign exchange contracts outstanding are summarised below.

As at 31 December 2016			
Foreign currency	Bought amount (Million)	Contractual exchange rate of bought amount (Baht per 1 foreign currency unit)	Maturity date
US dollar	3	35.8400	28 June 2017
As at 31 December 2015			
Foreign currency	Bought amount (Million)	Contractual exchange rate of bought amount (Baht per 1 foreign currency unit)	Maturity date
US dollar	2	36.1050 - 36.1950	15 March 2016

32.2 Fair values of financial instruments

Since the majority of financial instruments of the Company and its subsidiaries are short-term in nature. Loans, liabilities under finance lease agreement and short-term and long-term borrowings carry interest at rate close to market rate. Their fair value is not expected to be materially different from the amounts presented in statement of financial position.

33. Capital management

The primary objective of the Company and its subsidiaries' capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2016, the Company and its subsidiaries' debt-to-equity ratio was 1.28:1 (2015: 1.18:1) and the Company's was 0.06:1 (2015: 0.10:1).

34. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 21 February 2017.



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