



UNIVERSE OF ENTERTAINMENT

Annual Report 2018

Mono Technology Public Company Limited

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Message from Chairman

To Shareholders,

In 2018, Mono Group has proved our continual success in digital TV business. Under the slogan “Free TV with the greatest number of blockbuster movies and premium TV series”, MONO29 ranked third among Thailand’s most popular TV channels. At present, it has become the main business of Mono Group in terms of audience base and revenue. MONO29 is recognized for famous movies and best hit series from Hollywood and around the world. Many audiences and buildings have MONO29 channel on all day long, which not only increases the TV rating, but also receives popularity among online audience who watch the programs through mobile applications.

In the previous year, the campaign “Universe of Entertainment” reflected Mono being the leader of entertainment industry with all sorts of distinguished contents. As for 2019, the Company will present more movies and worldwide hit series. Plan on productions of Thai movies and series as well as investment with oversea companies has also been prepared to bring more content variety to our audience, and at the same time, to support local producers.

Since MONO29 is strongly recognized and well-trusted, the next move of Mono Group is to be “More Than TV”. Therefore, the Company has presented products in home shopping program under the name 29Shopping. With products that make life easier, the program receives a very good feedback from both customers and manufacturers. Furthermore, the Company has held various events with our partners,

such as concerts, sports events, Songkran Festival, and New Year Countdown. Those events are best touchpoints to engage prospective product patrons of Mono Group and our partners among family group and mass consumers.

Not only good blockbuster movies and premium series that has created a phenomenon for the channel, MONO29 also has a continual service for audiences who prefer to watch the programs online at their convenient time or watch the reruns from any place through copyright video streaming service on “Monomax.me”. A variety of movies, series, features, and cartoons are all available to satisfy audience of all genders and ages. That is to say, the Company has established a long tail marketing to serve the desire of both family group customers and individuals. Within this year, the Company has targeted Monomax subscriber base at 120,000 members.

Everything being mentioned, including TV, online, home shopping, concerts, sports competitions, events, and video streaming, are connected under the concept of being “More Than TV”. The center of this synergy is the application of MONO29 which has more than 4 million downloads currently. The audience can joyfully participate in the channel’s programs through the application as well as view ads and sports, buy goods, or get prompt concert tickets through the Company’s new version of application. Additionally, the Company has more than 16 million followers on different social media and a total of over 11 million downloads of Mono’s applications. Hence, we

strongly believe that all the brands under the Company are increasingly powerful as a leading brand of the country's top entertainment company.

Regarding the business operation under the rules of good governance, the Company has valued the practices following the good corporate governance principles. As a result, the Company received "highest rank of excellence" from good governance assessment of the listed companies which continued for four consecutive years. We also received a full score for the Annual General Meeting of Shareholders assessment for five years continuously. Moreover, the Company has been a member of Thailand's Private Sector Collective Action Coalition Against Corruption as we place significance on the transparency of business operation and the fight against any forms of corruption.

Lastly, on behalf of the Chairman of Mono Technology PCL., I would like to thank our shareholders, customers, alliances, business partners, financial institutes, government agencies, and related sectors for your great trust and support. The Board of Directors, executives, along with all employees are ready to give the best performance to create the highest quality service and drive the Company towards a robust and sustainable growth.



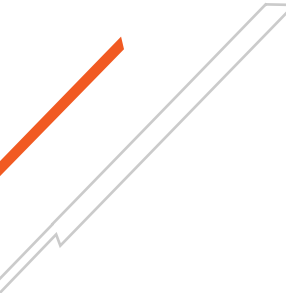
Mr. Pete Bodharamik

Chairman



Message from Chief Executive Officer

To Shareholders,



In the previous year, Mono Technology Public Company Limited has proved that we are the leading media and content conglomerate of Thailand. From a new player in digital TV business in 2014, only within 5 years, we have thrived to be in the top 3 most popular free TV channel of the country. We continue to move forward by joining hands with business partners who have strong world class contents and at the same time producing quality original movies and series to please audience of all genders and ages in our society.

The intense competition and the rapid change of technology has led the Company to realize that preparation and adjustment to changes in digital era are the keys to drive Mono Group onward. The Company, therefore, uses its strength in technology and social media to create new products and services such as home shopping business “29SHOPPING” on MONO29 channel. More emphasis has been placed on subscription business “MONOMAX”, a video-on-demand service, by adapting the marketing strategy to respond to the change in lifestyle of the new generation where they

can easily access various social networks. With the awareness that we have entered the era of subscription business through mobile phone and the Internet, we have prepared our services for all devices, both TV and online. Furthermore, we have launched new video online applications to entertain and provide impressive experience to audience, such as live horoscope on Horolive and e-learning content streaming on Tutor Me. Apart from on screen entertainment, Mono Group also utilizes MONO29 Studio for basketball league competitions, e-sport events, and exclusive concerts with business partners.

As for corporate social responsibility, the Company continues to highlight the image of MONO as Thailand’s basketball supporter. In the past year we were the sponsor of 5 national basketball leagues. There were projects on fixing and constructing basketball courts in many areas and Mono Vampire basketball players were sent out to teach basic basketball techniques to children. In addition, school buildings in remote areas were constructed and donations were

frequently given as the Company has placed importance on social development.

Last year progress resulted from the dedication of the management and our employees at all levels, as well as the understanding and good support from our shareholders, customers, business partners, and related government and private sectors. On behalf of the management of Mono Technology Public Company Limited, we hereby express our gratitude to all those parties.



Mr. Sang Do Lee

Chief Executive Officer



Board of Directors



Mr. Pete Bodharamik

Chairman of the Board of Directors



Mr. Navamin Prasopnet

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



Mr. Sang Do Lee

Director / Executive Director /
Chief Executive Officer



Mr. Patompong Sirachairat

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

Board of Directors



Mrs. Punnee Worawuthichongsathit

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



Mr. Preecha Leelasithorn

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



Mr. Kriengsak Thiennukul

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



Mr. Komsak Wattanasriroj

Director / Executive Director /
Chief Financial Officer



Mr. Siri Luengswat

Director

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

	2018	2017	2016
Statement of Financial Position (Unit : million Baht)			
Total Assets	5,765.08	5,736.60	5,391.66
Total Liabilities	3,123.99	2,997.37	3,026.05
Total Shareholders' Equity	2,641.09	2,739.23	2,365.61
Statement of Comprehensive Income (Unit : million Baht)			
Sales and Service Income	2,399.23	2,528.67	2,076.76
Total Revenues	2,508.12	2,575.71	2,112.70
Profit (loss) before Finance Cost and Income Tax Expenses	(50.10)	148.71	(94.89)
Net profit (loss) Attributable to Equity Holders of the Company	(193.27)	58.17	(249.55)
Basic Earnings (loss) Per Share (Baht)	(0.06)	0.02	(0.08)
Weighted Average Number of Ordinary Shares (million shares)	3,451.45	3,351.57	3,172.66

Financial Ratio

	2018	2017	2016
Gross Margin (%)	20.56	27.28	20.18
Operating Profit Margin (%)	(6.63)	4.02	(6.21)
Net Profit Margin (%)	(7.71)	2.26	(11.81)
Return on Equity (%)	(7.18)	2.28	(10.42)
Return on Asset (%)	(0.87)	2.67	(1.78)
Debt to Equity Ratio (times)	1.18	1.09	1.28

Dividend Payment

	2018	2017	2016
Paid-up Ordinary Shares (million shares)	3,471.03	3,390.74	3,200.94
Par Value (Baht per share)	0.10	0.10	0.10
Total Dividend Payment (Baht per share)	-	0.060	0.030
Interim Dividend (Baht per share)	-	0.030	-
Annual Dividend (Baht per share)	-	0.030	0.030
Dividend Payout Ratio ^{1/} (%)	-	381.66	38.66

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



Website MThai.com held MThai Top Talk-About 2018

Key Developments of the Company and Subsidiaries in 2018

- On March 27, 2018, website MThai.com held MThai Top Talk-About 2018. Being held for eight years, the biggest online award announcement was presented to the most talked-about celebrities, including actors, athletes, and role models with the aim to give them encouragement and give inspiration to the society. The award announcement was held in front of Central World.



- On April 1, 2018, Mono Vampire Basketball Club was rewarded a cash prize of 3 million Baht and a champions cup of "GSB Thailand Basketball Super League 2018" (GSB TBSL 2018).

- On April 29, 2018, MThai received Best Website Award from Press Awards 2018 or Nas-Aiyara Award presented by Mass Communication Association of Thailand.





- On May 10, 2018, a press conference on “GSB WOW CONCERT” under the cooperation of “Government Savings Bank” and “Mono Group” was held for GSB customers to join free concerts all through the year 2018. The premium concert by leading artists of Thailand was held in 3 styles: 2 Tone Concert, Rewind 6 Degree, and Diva with fabulous production of LED 270-degree TV screen which gave brilliant light and sound performance.

- On June 29, 2018, Mono Travel Co., Ltd., with the cooperation of MONO29 channel, starts home shopping business. “29Shopping” has aired on MONO29 presenting different kinds of quality products, including kitchenware, electric appliances, household equipment, lifestyle products, fashion products, collectables, etc. With the aim to enable ecommerce to generate more revenue for Mono Group, “29Shopping” provides the product that satisfy the lifestyle of new generation.



- On August 1, 2018, T - Moment film studio under Mono Group launched “App War”, a romantic comedy of young-bloods Start Up business, starring new actors and actresses, including Nat - Nat Kitcharit, Jing Jing - Warisara Yu, Third - Tanaphop, and Orn BNK48 - Patchanan Jiajirachote. Directed by Sua - Yanyong Kuruaungkoul, the story is about friendship, love, and the fight for their dreams of young Gen Y.

- On August 23, 2018, Mono Play Co., Ltd. launched Light Shadow, a unique anime style Moba RPG game for mobile phone. Only a week after the launch, Light Shadow rose to the second of Top Free in Strategy Game in Google Play Store. Currently, the game has been downloaded for more than 400,000 times.



- In August 2018, video-on-demand business was rebranded from Monomaxxx to Monomax for a better recognition. Service rate was adjusted for the new package. Live stream content was added to strengthen the content library and provide a variety of choices to satisfy customers of all gender, age, and group.



- On September 26, 2018, T Moment film studio under Mono Group held Gala Press Premiere of The Pool (Narok 6 Meters), directed by Ping Lumprapleng, starring Ken Theeradeth and Grace Ratnamon. The movie was admired by the press attended the premiere and received a good feedback from Thai audience. Furthermore, the movie was sold to more than 11 countries, including Cambodia, Vietnam, Myanmar, Laos, Indonesia, Philippines, Malaysia, Singapore, Brunei, Korea, and Taiwan.

- In September 2018, subscription business launched TUTOR ME, a quality online knowledge library available at any places. The lessons cover all subjects including intensive lessons on language, business, music, and lifestyles presented by experts in each issue. This application with pre and post evaluation technology is available on any platforms like computer, smartphone, and smart devices. TUTOR ME is also available on iOS and Android devices.



- On November 3, 2018, CampusStar, a magazine under Mono Group, and Government Savings Bank held the third year “GSB GEN CAMPUS STAR 2018” in search of teenagers of new generation with good personality, intelligence, talent, and being good role models of the society. Winners of the contest won scholarships totaled over 1,600,000 Baht.



Policy and Business Overview

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

Mono Group, the leading of “Media and Content Conglomerate” in Thailand, started off with media and content business offering internet services via online game and online community websites. After becoming a variety website targeted at teenagers, 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.com one of the top favorite websites in Thailand.

Another key business at the early stage of the Company was mobile value added services, providing both information and entertainment content subscription. In collaboration with leading mobile operators, the Company started offering the Interactive SMS on TV to show viewers’ opinions via SMS while watching TV programs on real time. This service was first launched via Royal Thai Army Radio and Television (Channel 5) and then this interactive SMS on TV is widely used by other TV programs.

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

Throughout the years, the Company has focused on developing various contents, such as movies, series, sports, music, etc. Today, Rich Content of Mono Group has grown continuously. Furthermore, the Company has developed the channels to promote contents on digital application like Seeme and utilized the benefit of the TV media popularity as the channel for commerce. Therefore, the businesses of Mono Group are all align and synergized strategically.

Capital Structure Changes

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

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

During 2015-2018, the Company had a capital increase under General Mandate by allocating shares through private placement. This also included the capital increase from the conversion of MONO-W1. As of December 31, 2018, the Company has a registered capital of 486,299,997.50 Baht and a paid-up capital of 347,102,965.80 Baht.

Vision

Mono Group aims to be **the Leading of Media and Content Conglomerate in Thailand** with comprehensive understanding and synergy 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

relevant
infotainment
covering
many genre



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, MONO29 is the core business of Mono Group, in its fifth year of the business operation. Despite being relatively new in the business, the channel was able to rank third for the most popular of all free TV channels in the previous year. MONO29 Channel has elucidated direction as **“Free TV with the greatest number of blockbuster movies and premium TV series”** with the intention to present quality contents from Thailand and international. The channel has set its goal to be the second of the top TV channels with 5-10% market share of the total advertising value of the current TV media business. Last year revenue was estimated at 2,500 million baht, nevertheless, in 3 years, the Company targets to reach 5,000 million baht in revenue. As for the coming years, Mono Group has prepared the strategy and more intensive marketing plan to boost a constant growth of rating.

As long-term target of the Company is to be the leading in media business and content provider, Mono has created the concept “Universe of Entertainment” which puts the highlight on Rich Contents, including vision, audio, and motion picture on various entertainment media. Hence, the Company requires increasing investment of premium foreign content acquisition as well as sensational local content production. The Company employs “Content Leverage” strategy for the whole value chain, which means the value assessment of each content is anticipated, with cost, marketing, budget and revenue through all license windows, starting from theaters to MONO29 channel and Monomax application, or selling the copyrights in the international markets. In addition, Movie Pack Programming, airing movies with all their sequels continuously every day, on MONO29 has proved a very satisfying feedback on rating. Some of the Movie Pack launched last year were FAST&FURIOUS 1-7 and HARRY POTTER. The strategy has shaped the following behavior among viewers of MONO29 during long holidays which resulted in an outstanding number of followers comparing to other TV channels.

In 2018, the strength of our TV media business opened up an opportunity for a commerce business, home shopping named “29Shopping”. The business is managed by Mono Travel Company Limited. Products sold on the channel are quality selected with uniqueness as they tie with the content presented on the channel, for example, the copyright products from Marvel. Such product got positive feedback from customers, and therefore, it could be expected a good business growth in the future.

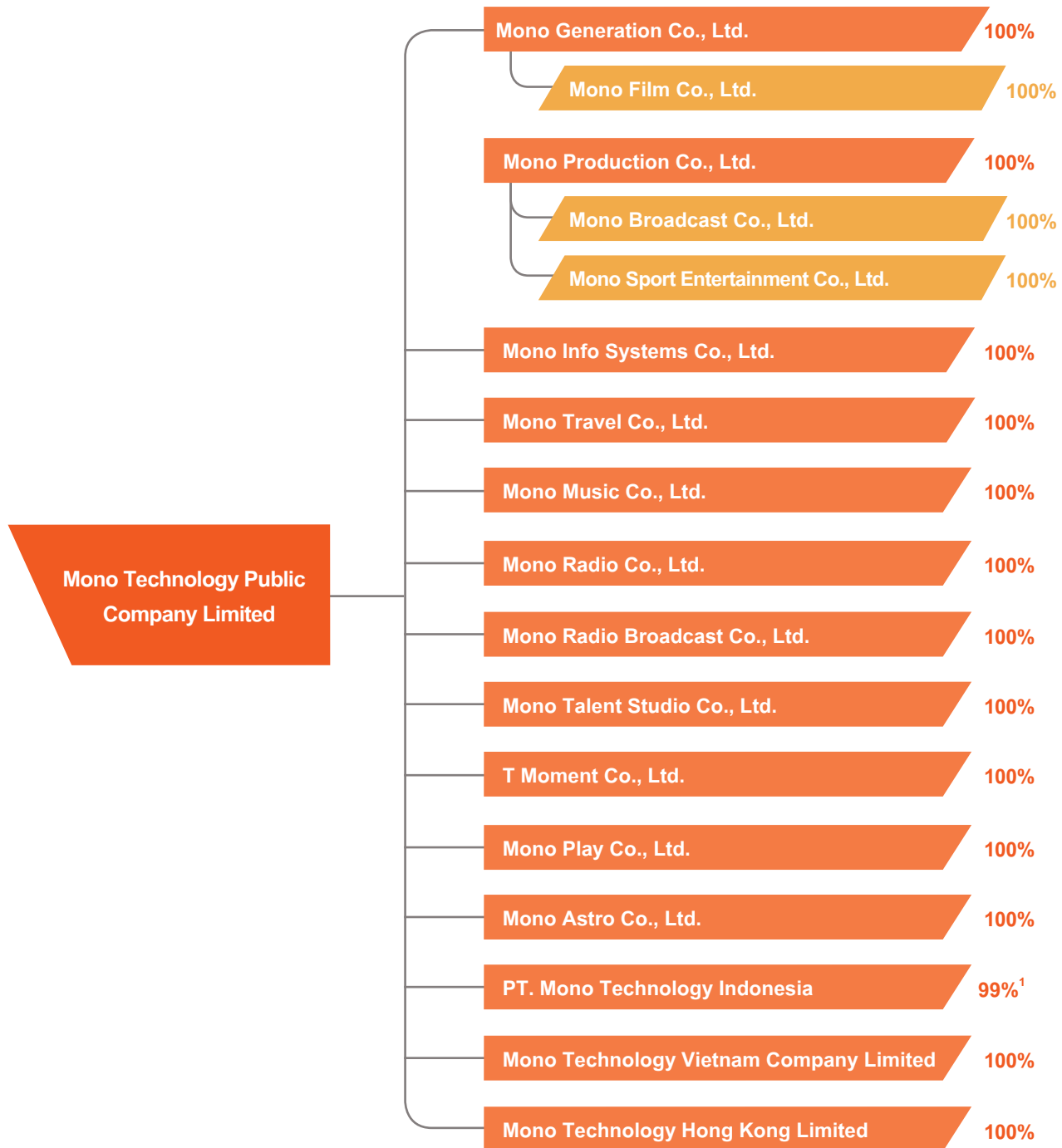
Apart from TV media (MONO29, MONO PLUS), there are online media (MThai.com, Seeme.me), information and entertainment subscription through multiscreen business (Monomax, Tutor Me, Horolive), and radio media (Fresh 91.5FM). These businesses encompass a complete management of the copyrights for all media, starting from managing the rights of the upstream businesses, marketing, and downstream consumers which includes the following:

- The production of Thai movies by T Moment Production House
- The production of Thai dramas and 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

Online social network with fan page followers of very business unit and mobile application services with a total of more than 6.9 million downloads will also be a great benefit for the synergy of marketing plan.

Shareholding Structure of the Mono Group as of December 31, 2018

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



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

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

1. Media Business



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



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



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



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



2. Content Business



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



Sports Business supports and promotes sports, especially basketball, by organizing national and international sports events. This includes supporting children and professional athletes to play in international levels. The Company is the founder and the sponsor of Mono Vampire Basketball Club. Sepak takraw is also another sport that the Company has supported.



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



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

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



Game business creates online game entertainment which enable players to enjoy different kinds of games, such as casual games, action games, role play game (RPG), etc., on smartphones. Services provided are game buffet and money top-up to buy items that could empower the characters in the games. In 2018, the Company launched Light Shadow, a multiplayer online battle arena game (MOBA game), imported from China. This anime-style game highlights team fighting to destroy the tower of the opposite team.



Commerce business provides products and services for TV home shopping and online shopping. Previously, the Company only provided a complete travel services on "Online Hotel Booking". The services which include hotel reservation, tourist activities, and online ticket booking are available on websites Hotelsthailand.com and Hotelthailand.com. Contents on a variety of attractions are suggested on social media as well. In 2018, the Company has expanded its businesses to TV home shopping on MONO29 channel under the name 29Shopping. Not only provides quality products, the service also includes free delivery nationwide.

Nature of Business Operation

Revenue Structure

The Company and subsidiaries' revenue structure during 2016 - 2018

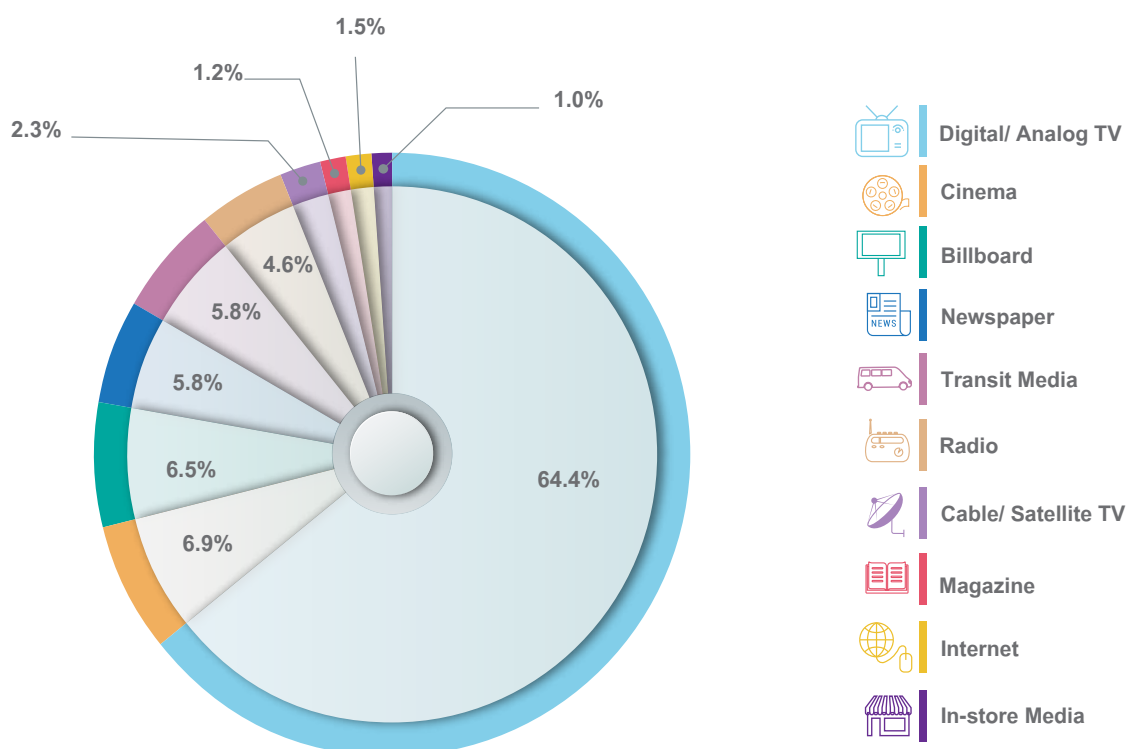
Business	Operated by	% of share-holding by the Company	2018		2017		2016	
			Million Baht	%	Million Baht	%	Million Baht	%
1. Media Businesses								
1) Advertising Revenue	Mono Tech	-	1,896.21	75.60	1,648.82	64.01	1,089.56	51.57
	Mono Gen	100						
	Mono Broadcast ^{1/}	100						
	Mono	100						
	Production							
	Mono Radio	100						
	Mono Radio	100						
	Broadcast							
2) Subscription Revenue	Mono Tech	-	297.44	11.86	722.08	28.03	891.19	42.18
	Mono Gen	100						
	Mono Info	100						
	Mono Travel	100						
	Mono Music	100						
	Mono Film ^{1/}	100						
	Mono Broadcast ^{1/}	100						
	Mono Radio	100						
	Mono Play	100						
	Mono Astro	100						
	Mono Indo	100						
	Mono Korea	100						
	Mono Vietnam	100						

Business	Operated by	% of share-holding by the Company	2018		2017		2016	
			Million Baht	%	Million Baht	%	Million Baht	%
2. Content Business								
1) Movie Revenue	Mono Film ^{1/} T Moment	100	87.49	3.49	66.44	2.58	43.93	2.08
2) Sport Revenue	Mono Sport ^{1/}	100	43.04	1.72	41.20	1.60	14.15	0.67
3) Music Revenue	Mono Music	100	41.39	1.65	17.65	0.69	5.14	0.24
	Mono Radio	100						
	Mono Talent	100						
4) Revenues from other Businesses	Mono Gen	100	33.66	1.34	32.48	1.26	32.79	1.56
	Mono Travel	100						
	Mono	100						
	Production							
	Mono Play	100						
Mono Astro	100							
Revenues from Sales and Services			2,399.23	95.66	2,528.67	98.17	2,076.76	98.30
Other revenues			108.89	4.34	47.04	1.83	35.94	1.70
Total Revenues			2,508.12	100.00	2,575.71	100.00	2,112.70	100.00

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

Overview of Industry and Competition of Media and Content Business

Advertising Spending by Media in 2018



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

Media Business

The advertising spending value in 2018 totaled 105,455 million Baht. TV advertising, the largest portion, was worth up to 70,369 million Baht or 66.7%. Comparing to 2017 which TV advertising was 65,787 million Baht, the value increased by 7.0%. In details, TV advertising consisted of 64.4% for digital/ analog TV and 2.3% for cable/ satellite TV. Last year the increased advertising value derived from the growth of digital TV by 8.1%, whereas cable/ satellite TV dropped by 16.4%.

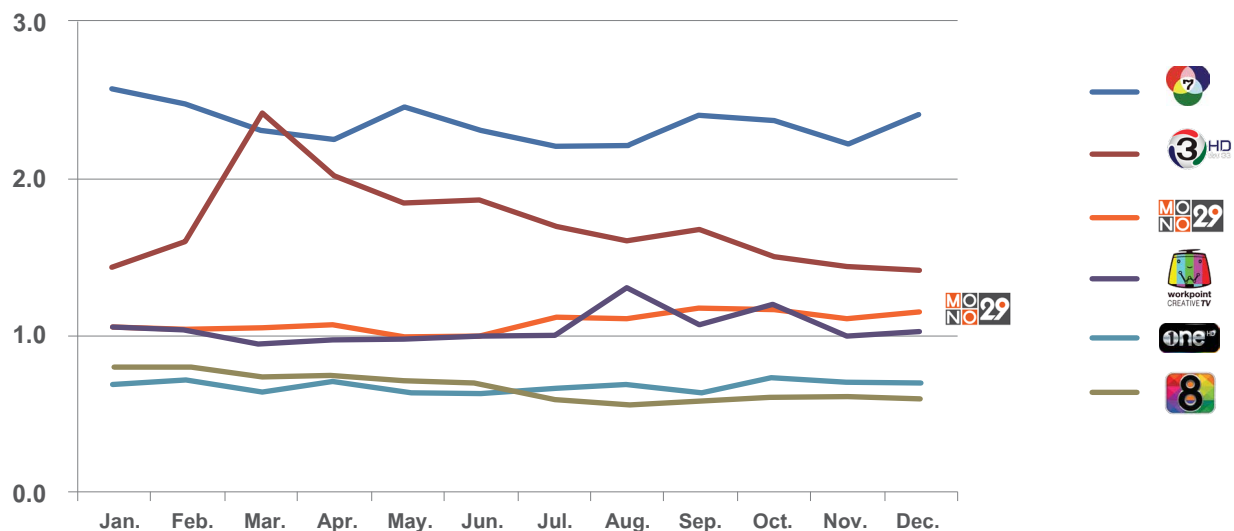
In 2018, the total of digital and analog TV advertising was 67,935 million Baht. This number was divided into 42,160 million Baht for HD channel, 18,045 million Baht for SD channel, 4,515 million Baht for public channel, 2,592 million Baht for news and information, and lastly, 624 million Baht for children and family channel. Comparing to 2017, HD channel decreased by 1%, whereas SD channel increased up to 37.6%.

An important event which was advantageous to digital TV broadcasters took place in May 2018 when there was order from the Head of the National Council for Peace and Order (NCPO) No. 9/2561 on the Mitigation Measures for Business of Broadcasting, Radio, and Television. This order allows digital TV broadcasters to get three-year debt moratorium while paying 1.5% interest rate. The aid also includes 50% reduction of rental

expense for broadcasting network (MUX) which lasts for two year. The Office of The National Broadcasting and Telecommunications Commission (NBTC) takes the responsible for the rental of MUX. Hence, MONO29 channel has submitted the request to get the assistance so that the Company could extend the time for payment and increase liquidity for the business operation. Furthermore, during June and July 2018, 5 from 6 free TV channels has stopped broadcasting in analog system and therefore increases the number of digital TV viewers who switched from analog.

The industry competition in the 5th year of digital TV remains fierce. Every channel keeps searching for remarkable contents to attract their viewers. As for MONO29, premium contents have been prepared and produced continuously, including Hollywood blockbusters, hot series, NBA, basketball leagues both national and international levels, etc. Not only exciting programs, marketing has been well planned with movie pack program schedule, MONO29 World Trip 2018 activity, and extension of viewers in provincial areas. As a result, MONO29 was able to rise to the third of all free TV channels. In December 2018, nationwide digital TV ratings on average audience per minute for 4+ years old, airing from Monday to Sunday at 6.00-23.59 hrs., was 1.145.

Nationwide Digital TV Ratings on Average Audience per Minute during January to December 2018



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

Channel		Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
1	35 Channel 7	2.563	2.462	2.307	2.245	2.466	2.307	2.207	2.195	2.411	2.375	2.217	2.414
2	33 Channel 3 HD	1.442	1.600	2.394	2.032	1.822	1.863	1.701	1.610	1.681	1.502	1.439	1.415
3	29 Channel MONO29	1.058	1.037	1.043	1.068	0.987	0.992	1.103	1.106	1.166	1.162	1.092	1.145
4	23 Channel WORKPOINT TV	1.048	1.019	0.960	0.980	0.973	0.986	0.998	1.300	1.071	1.204	0.992	1.028
5	31 Channel ONE(GMM)	0.679	0.721	0.647	0.710	0.634	0.645	0.660	0.692	0.626	0.726	0.712	0.696
6	27 Channel 8 RS	0.802	0.795	0.739	0.742	0.718	0.695	0.595	0.555	0.578	0.614	0.618	0.595

Online and Subscription Business

A survey of advertising value on digital media in the first half of 2018 showed the expense of 6,684 million Baht with the expectation of the total annual expense of 14,973 million Baht, increasing 21% from 2017. The most popular platforms were still Facebook and Youtube, all of which have taken to 50% of the total digital media, whereas display banners or search was at 10%. This resulted from the convenience and the speed of the Internet technology. Customers can easily access to contents via mobile device, including rich media or videos.

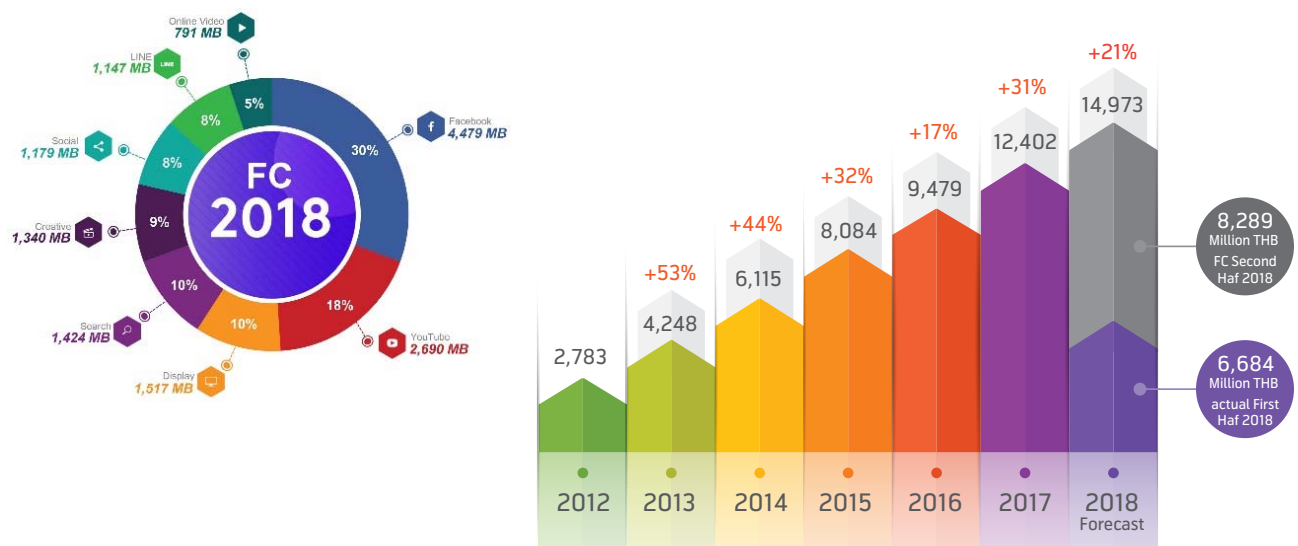
The Company have a long experience in media and content development to serve the life style of this generation, especially in online business. We have one of the top favorite websites like MThai.com. The website has been a large hub of video clips with a large number of viewers. Our content partners are experts in certain information and entertainment contents which are easy to digest yet very professional. In the previous year, the news report on Tham Luang brought twitter@mthai.com, one of the social networks of MThai, a great admiration and acceptance from all sectors for being the most updated, accurate, and the most trusted information source. Number of followers on the twitter rose rapidly from hundred thousand to million. Moreover, website Seeme.me has been developed to support copyright video contents from experts in various fields, such as news, entertainment, sports, and life style, with more than 300 channels. Seeme.me continuously welcomes outsider content providers as our business partner.

In subscription business, due to the decrease in the popularity of information and entertainment SMS service, the Company has switched our business strategy to subscription service which serves both online and application customers. Services offered include the following:

- Monomax, video-on-demand for the life style of people who love movies, series, and features
- Tutor Me, the service targeted at students who can have online lessons in the form of Edutainment
- Horolive, the hub of quality and famous fortunetellers providing 24 hours of online fortunetelling

In 2018, video-on-demand service was rebranded from Monomaxxx to Monomax for a better recognition. Contents are fully provided, including movies and series from America and Asia (Japan, India, South Korea and Taiwan), plus Live Stream content, and basketball ABL. The improvement in contents which are even more fascinating has led to the policy on service rate adjustment, from 129 Baht to 250 Baht per month. Compatible with 5 devices, the service is available for smartphone, smart TV, and computer.

Digital Advertising Spending by Medium during 2012 - 2018 and Ratio of Digital Advertising in 2018



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

Radio Business

By the end of 2018, advertising spending on radio was 4,802 million Baht, 4.6% of the total advertising value, comparing to 4,476 million Baht in 2017, increased by 7.3%. Radio is regarded as a traditional media which has been affected by a rapid growth of digital media. Nevertheless, during the latest 2-3 years, the number of listeners was rather stable or showed a slightly decrease comparing to many years before. As for Mono Group, we started our radio business in 2015 under the name Mono Fresh 91.5 FM. The business aims to be Mono Group's another channel to reach extensive customers with music lifestyle and to synergize with the music business of the Company, as well as to build up a holistic marketing channel for advertising the services and the activities.

With experience and expertise in music business, plus the readiness of the concert hall with 270-degree LED screen giving breathtaking light and sound, Mono Fresh has the potential to hold concerts for business partners. Hence, the Company has been looking for business partners as our sponsorship since 2017. Throughout the year 2018, Mono Group and Government Savings Bank (GSB) held premium concerts named GSB Wow Concert for the bank customers. The concerts by leading artists of Thailand were held in 3 styles: 2 Tone Concert, Rewind 6 Degree, and Diva.

Content Business

The Company is the provider and the creator of various forms of contents, including images, songs, videos, TV programs, movies, applications, etc., focusing on the lifestyle of customers, content quality, technological support, and strategic distribution through the Company's media. These media include TV programs on MONO29 channel, infotainment video clips on application "Seeme", video steaming on Monomax, etc. The total value chain enables an effective management of the budget on contents and copyrights through our media.

Movie Business

Regarding as a high investment business, most movie businesses are big operators. Mono Film, having a long experience in the business and being a business partner of major studios and independent studios both domestic and overseas, could increase the chance and options for a variety of movie acquisition, as well as the purchase of a large number of copyrights, which leads to special privileges. In addition, Mono Group possesses quality movies produced by T Moment and other media which are the channels for distributing contents of the Company. Therefore, our movie business can control the overall movie management including:



Theatrical movie
distribution



TV broadcasting
program (MONO29)



Video-on-demand
(Monomax)

With the synergy of the Company's media, marketing campaign on target groups, and verification on content piracy, all these factors will lead the Company to a continued success.

Sports Business

For many years, Mono Group has put the spotlight on basketball development. With the management style of Sport Entertainment promoting through internal and external media, the popularity of basketball has continually increased. Factors, including rating on MONO29 channel, cooperation from the government sector and basketball institutes, and supports from private sectors as sponsorships, have led Mono Group to constantly improve basketball in Thailand in order to reach the international level by:

- Enhancing basketball professionalism and forming strong basketball team
- Organizing national basketball competitions in various ages from youth to professional
- Organizing international basketball competition
- Supporting Thai national basketball team to climb the world ranking
- Organizing CSR activities relating to the development of basketball

In the previous year, the Company extended our business partners by giving support to Sepak Takraw. In this event, MONO29 was the supporter for the live broadcasting of the 17th Takraw Competition 2018.

Music Business

In high-speed internet era, consumers turn to online music on social media, Youtube, Line TV, etc., all of which are free of charge. Only some of these customers are willing to purchase popular music streaming services like JOOX, iTunes, Apple Music, and Spotify. As for Mono Music, songs from artists are promoted on social media and online music streaming services so that the songs get to audiences through all channels and become more recognized. There are marketing campaigns with online activities that aim to build fanbase for the artists and tune them to be one of the media. Mono Music also supports music creators who have influence over their fan club and capable of finding sponsors to generate income from sponsorship.

Entertainment Business

Other than publishing media, online media which are website MThai.com and social media have been added to entertainment business since 2015. Hence, the business has large audiences base, especially a favorable magazine like Gossip Star with its content presented on gossipstar.mthai.com and facebook.com/GossipstarFC which has more than 2.6 million fanpage. This also includes other magazines, such as Campus Star, Bioscope, A'Lure, and Rush. Furthermore, the Company highlights the relationship with outstanding influencers as our business partners. Influencers with massive fanpage followers like Ajarn Khatha Chinnabanchon, Doctor Utain Boonorana from 'Mor Tuud' Fanpage, and Pun Jirapat Puapipat from 'The Walking Backpack' are content creators for pocketbooks and clip videos on Seeme.me, and therefore, increases the number of customer base.

As Thailand game industry tends to show a constant growth, in 2018, it has been expected that the market value would be over 30,000 million Baht, or 10% growth approximately. Mobile game is expected to occupy the largest part of the market proportion and show more growth than PC game. During the previous year, eSports has played an important role to drive the growth of game market. Not only all year-round competition programs, eSports was also listed as a demonstration sport in Asian Games 2018 and brought a lot of attention to game market. Since Mono Play Co., Ltd. realizes that online game is a high potential business, the company contacted a game development company in China to import Light Shadow, an anime style MOBA (Multiplayer Online Battle Arena) game. The game highlights team fighting to destroy the tower of the opposite team. Light Shadow was launched in Thailand in August 2018 with a positive feedback of almost 400,000 downloads in 3 months. In the future, Mono Play will develop and acquire new games for a vast number of players, as well as be one of the supporters in eSport competitions.

Commerce Business

Initially, Mono Group provides room and hotel reservations plus travel services on websites of Mono Travel Co., Ltd. Without the intention to compete with big international online service providers, Mono Travel focuses on providing special promotions directly from business partners who operate rooms and hotel services. To build customer base, online marketing and social media is applied along with travel information service on facebook.com/HotelsThailand/. In addition, as our TV media MONO29 has the potential to access a wider range of customers, in 2018, the Company has started a new business which is TV home shopping. Named 29Shopping, the Company has selected quality products that are suitable for the channel's audience.

Nature of Business Operation

Mono Group runs 2 main businesses which are Media Business and Content Business. Our businesses can be divided into 10 groups:

- | | |
|--------------------------|---------------------------|
| 1. TV Business | 6. Sports Business |
| 2. Online Business | 7. Music Business |
| 3. Subscription Business | 8. Entertainment Business |
| 4. Radio Business | 9. Game Business |
| 5. Movie Business | 10. Commerce Business |

Nature of each business can be summarized as follows:



1. TV Business

Product and Service

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



MONO29 officially launched on April 29, 2014. Currently, the channel is one of the top digital TV business operators in Thailand. In 2018, MONO29 ranked the top 3 and keeps moving forward with its strong positioning “Great Movies and Popular TV Series”. The Company has long-term contracts with many production studios from Hollywood which produce films and series such as Warner Bros, Walt Disney, Universal, Paramount, Sony, and CBS. In the previous year, the channel has strengthened its content with another business partner, 20th Century Fox. All of the movies and series from international studios are the majority of 70 % of all contents presented on the channel. Audience can watch these contents on free TV, Mono29.com, and application MONO29 both on iOS and Android devices.



Premium Programs - Selected programs include

Premium Blockbuster

Blockbusters and famous films from Hollywood

Thailand's First Premiere

Blockbusters from Hollywood airing for the first time on free TV in Thailand

Hit Movies

Variety of film genres with famous actors and actresses

Happy Family Times

Movies for family

Midnight Cinema

Alternative movie genre for late night hours

Movie Universe

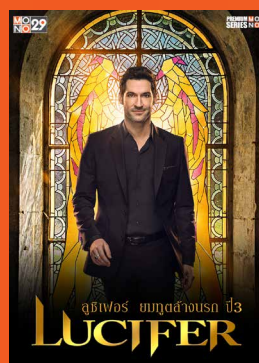
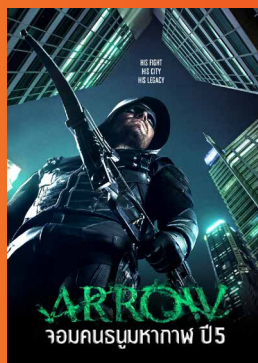
Movie sequels (Movie Pack)

Premium Series

Top action series from Hollywood

Super Series

Popular TV series



Other Premium Contents

<div style="background-color: #f4a460; padding: 10px; margin-bottom: 10px;"> <div style="background-color: white; color: #f4a460; padding: 5px; display: inline-block; margin-bottom: 5px;">NEW</div> <h3 style="color: #f4a460;">News</h3> <ul style="list-style-type: none"> • Good Morning Thailand • Motion News • The Day News Update </div>	<div style="background-color: #f4a460; padding: 10px; margin-bottom: 10px;"> <h3 style="color: #f4a460;">Sports (Domestic and International)</h3> <ul style="list-style-type: none"> • Basketball Leagues - TBL, TBSL, ABL, NBL • Boxing MONO29 Top King World Series - Chonburi and China • Sepak Takraw Thailand League 2018 </div>
<div style="background-color: #f4a460; padding: 10px;"> <h3 style="color: #f4a460;">Special Interview</h3> <ul style="list-style-type: none"> • Big Billionaire • Next Millionaire • Man Changes the World • Big Hero • Kui Krob Kab Pobek • The Morning </div>	<div style="background-color: #f4a460; padding: 10px;"> <h3 style="color: #f4a460;">Special Activity</h3> <p>MONO29 World Trip, 7 trips in 7 countries: Hong Kong, Hollywood (USA), Shanghai (China), Singapore, Bali (Indonesia), Gold Coast (Australia), and Osaka (Japan)</p> </div>

MONO29 held marketing activities with our business partners throughout Thailand. Some of the events were MONO29 Movie Preview, an activity which was held all year long, music events or concerts, such as Transmission Thailand 2018 (EDM Concert), John Legend Darkness and Light Tour, Route66 Summer Party (Songkran Festival), S2O Songkran Music Festival 2018, BOYd 50th #2 Simplified The Concert, Jak Phupa Tung Talay Sam Tamnan Folk Songs 70 Years Nga Caravan, Season of Love Song 9, etc. Events related to festivals included Bangkok Comic Con X Thailand Comic Con 2018 and The Mall Shopping Center “Aroi Tua Thai”. World class exhibition was The Marvel Experience Thailand. Other events included running events and Triathlon, for example, Khon Kaen Marathon, Amazing Thailand Marathon Bangkok 2018, August 12 Half Marathon Bangkok, and Bangsean 21.

Furthermore, Pattaya City relied on MONO29 to hold a countdown party “MONO29 Pattaya Countdown 2019: Universe of Entertainment” at Bali Hai Bay, Chonburi. The party, with over 100,000 participants, received a wonderful feedback from Pattaya City and all the supporters.



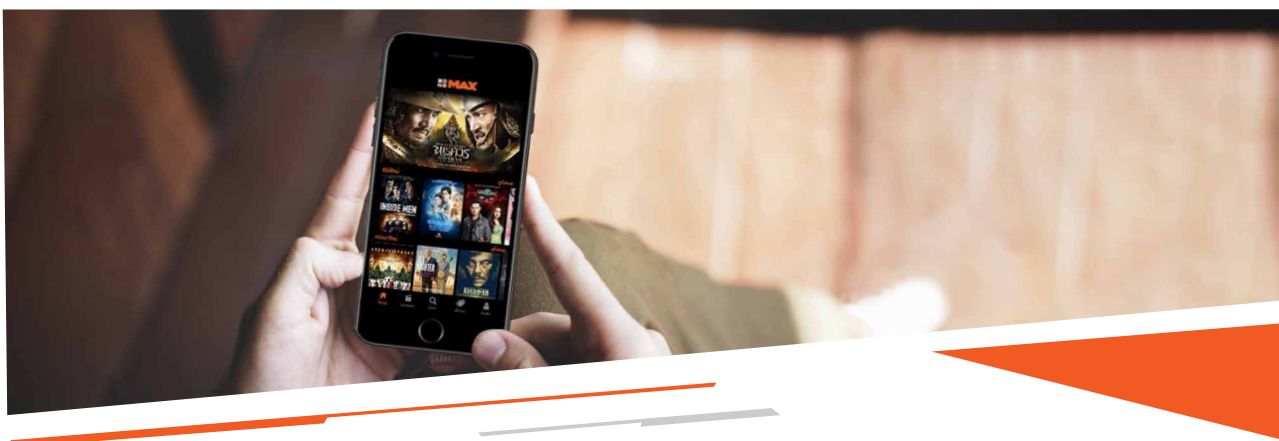
1.2 Satellite TV and Cable TV businesses, as a producer of entertainment programs since 2010, MONO PLUS with an additional five years license from the National Broadcasting and Telecommunication Commission (NBTC).



MONO PLUS started with the channel under the concept of “Endless Happiness Moment”. It presents high quality programs which are produced for the broadcasting in high-definition. Selected premium contents include movies, Thai dramas, Thai and international series, songs, varieties and sports, such as basketball leagues both domestic

and internal, Sepak Takraw Thailand League, and online game competition ‘Singapore League E-Sport’. Audience could watch these programs in C-Band system (black dish, such as Hisattel, Ideasat, Infosat, Leotech, PSI and Thaisat), cable TV channel nationwide, Cloud IPTV box of 3BB, and TOT, or via <http://monoplus.mthai.com> 24 hours a day.

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



2. Online Business

Product and Service

The Company is an online provider of information, news, and entertainment content with total online marketing solution service for business partners from planning campaign to providing advertising space which is appropriate for the target group.

At present, the Company focuses on developing and creating Rich Content in videos format so that viewers can choose to see what they like for free. With income from Advertising Video On Demand (AVOD), content providers will get the share of the AVOD income from the number of viewers who watch the videos. Services provided by the Company currently include:

Mthai.com is a website for Thai people. In 2018, the average number of the website viewers was 25 million people per month (Source: Google Display Network). The website provides a wide range of contents including entertainment, news, sports, women, men, teenagers, and many other topics.

Seeme.me is a quality online video website firstly launched in the end of 2017. The website provides a total online marketing solution to business partners, starting from planning on advertising campaign, advertising space which is appropriated to the target group, advertising pictures and clip videos, to Pre-Roll, Mid-Roll, and Post-Roll Ads. Advertorials are also produced according to the budget and customer requirements. In 2018, the average number of the website viewers was 10 million people per month. (Source: Google Display Network)

3. Subscription Business

Product and Service

The Company is the provider of information, news, and entertainment on smart devices. These contents are presented in video format, where customers can choose either Subscription Video on Demand (SVOD) (monthly charging, unlimited access) or Transactional Video on Demand (TVOD) (per-content charging). Currently the services include:

Monomax one of the first online movie streaming providers in Thailand, offers copyright online movie service with more than 20,000 hours of blockbuster movies, award winning movies, independence movies or movies for specific viewer groups, sports, animations, series, and documentaries. These contents are available on all devices such as computer, smart TV, smartphone, and other smart devices like Android box, Chromecast, etc. The service is also available on iOS and Android devices. Furthermore, virtual reality technology which gives an excellent HD quality picture has been created to add new value to the application.



Mono Mobile offers information and entertainment services that satisfied the life style of the new generation. The service includes Tutor Me, an online knowledge library available at any place and any time. Customers can enjoy interesting edutainment classes of different subjects which are intensive lessons on language, business, music, and lifestyles with well-known tutors who are experts in those issues. This application with pre and post evaluation technology is also available on every device.

Mono Astro offers online horoscope service from famous fortune tellers and astrologers. Customers can easily video chat with our fortunetellers by using Horolive application, an online horoscope which is the hub of more than 100 fortune tellers, the highest number in Thailand. Customers can consult about life and business or suggestions on making decisions from different types of fortune-telling techniques, for example, Thai Astrology, Tarot Card, Feng Shui, etc. Not only presented on website <https://horoscope.mthai.com>, the service is also available in digital content on mobile phones which customers can choose to get their daily horoscope according to specific interest styles.

Media and Entertainment Content Service Business Oversea

Myanmar: In 2018, Myanmar economy continued to grow. The government launched policies and laws to boost economy and a new ministry was established to promote investment among overseas investors in various businesses such as tourism and all kinds of services. As Myanmar lacked strong local entrepreneurs, it was a business opportunity for overseas investors. In addition, the political situation is calm, and, despite the issue on Rohingya, the government was able to take control of the problem very well. As for the problem of depreciation of kyat in quarter 3-4, the government and the central bank of Myanmar had issued policies to help and the situation was slightly better.

Continued from 2017, information and entertainment service business of Mono Myanmar could see a bright future and opportunities were opened. The overview of the market had shown an obvious growth in Q4/2017 and continued to 2018. This was because the 4 mobile operators had a price war, and so customers usually changed their SIM cards as new SIM cards were cheaper and provided both mobile phone and internet services. Nevertheless, the price of internet service was still very high comparing to the income. So Mono Myanmar joined hands with Telenor Myanmar in a marketing campaign on giveaways for customers, and as a result, revenue was higher than the year before. Mono Myanmar also took the chance to do CSR activities. Money was donated to different sectors, for example, nursing home for the elderly, institute for HIV infected children, and foundation for unidentified corpses. With good support from these sectors, many local contents participated in the activities. In the future, Mono Myanmar plans to present more contents to Myanmar both movies and series by teaming up with Myanmar free TV. Monomax application is also another service to be presented there.

Radio Business

Product and Service

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

In 2018, the Company has expanded the showbiz business with special business partners like the Government Savings Bank (GSB) and Dhipaya Insurance PCL. A total of 14 premium concerts were organized for the customers in the events of GSB WOW Concert, Original Concert, and Legend of Rock Concert, all of which were held at Mono29 Studio on Chaiyapruk Rd., with artists from various music studios and the beautiful 270-degree LED screen.





5. Movie Business

Product and Service

Mono Film operates a full range of film business, including producing many film categories, acquiring domestic and international film licenses for cinemas, cable TV channel, free TV channel, and the Internet as well as selling local license to international clients through many film festivals. Licenses of films, series, dramas, game shows, and interesting programs are also acquired to support TV business on MONO29 and MONO PLUS channels, as well as Monomax on the internet.

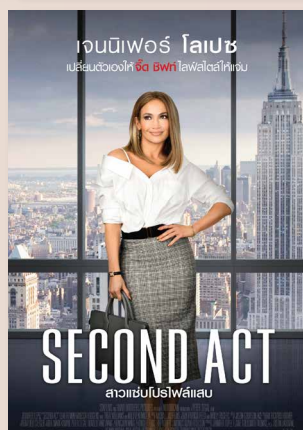


In 2018, T Moment Co., Ltd. launched two movies. The first was **App War**, a romantic comedy of young-bloods in Start Up business, starring Gen Y artists, such as Nat - Nat Kitcharit, Jing Jing - Warisara Yu, Third - Tanaphop Yoovitchit, and Orn BNK48. The movie was directed by Seua - Yanyong Kuruaungkoul. The second was **The Pool (Narok 6 Meters)**, a thriller of a fight for survival in a 6-meter deadly pool with a crocodile. The movie which was directed by Ping Lumprapleng was regarded as a new challenge of Thai film industry. The movie starred an experienced actor Ken - Theeradeth Wonpuapan with Grace - Ratnamon Ratchiratham as the leading actress.

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

There were 14 theatrical movies launched shown in cinemas in 2018. All of these were selected quality movies. Some of them are award-winning movies from various film festivals. The Company plans to acquire quality films from Hollywood and Asia in order to continue providing movies for cinemas.

International Movies in Cinemas during 2018





6. Sports Business

Product and Service

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

In 2018, the Company supported basketball competitions with cooperation from government sectors, including Sports Authority of Thailand (SAT), Thailand Basketball Association (TBA), Basketball Sport Association of Thailand (BSAT), and Office of the Basic Education Commission (OBEC). Basketball leagues were held continuously as a challenge for basketball players and children to practice and develop their skills in order to step forward to international levels. Important basketball leagues were as follows:

GSB Thailand Basketball Super League (GSB TBSL), held between January 27 and April 1, 2018, consisted of 10 participants from leading basketball clubs of Thailand and foreign countries, such as Philippines, Singapore, Vietnam, and Laos. Mono Vampire Basketball Club successfully won this competition.

GSB Thailand Basketball League (TBL), held between May 5 and July 23, 2018, was the biggest professional tournament in Thailand with 10 participants. The competition was held to develop basketball sport and enhance the ability of professional basketball players so that they can be top players of Asian. Participation by joining basketball leagues in regional levels was also supported.

OBEC - MONO Champion Cup, held by Mono Group and the Office of the Basic Education Commission (OBEC), was a basketball competition for students to win the championship in regional and national levels. Being held for the second year, the program was held between May 3 and July 10, 2018. The competition of a total of 57 provinces was divided into 6 classes, male and female age 14, 16, and 18. The objective of this program was to support and increase the potential of Thai children and enable them to move to professional basketball leagues in the future.

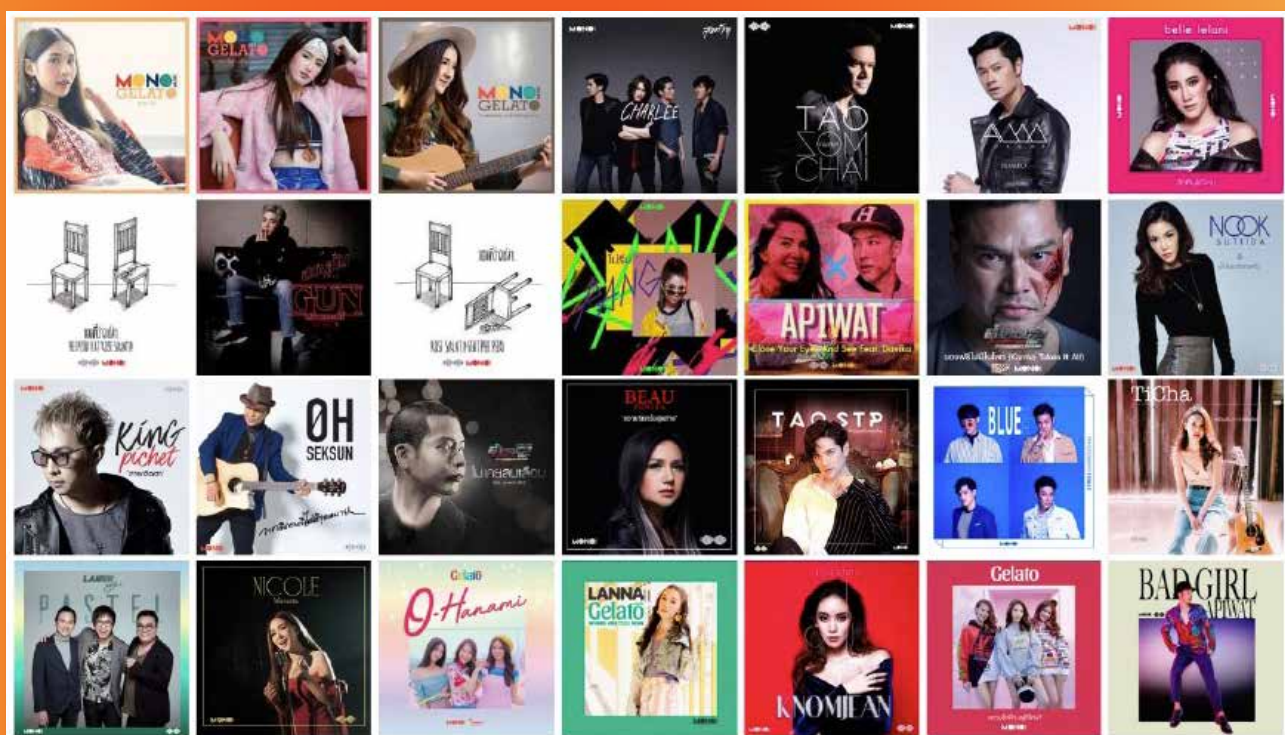
In addition, the Company also live broadcasted FIBA ASIA CUP 2021 SEABA PRE-QUALIFIERS and Takraw Thailand League 2018 No.17.

7. Music Business

Product and Service

Mono Music produces and creates songs by talented artists. Not only working with experienced music artists, such as Nung - Apiwat, Tao - Sattaphong, Knomjean, Nicole Terio, and Bow - Sunita, in special project Pitches Music, Mono Music also promotes well-trained new artists both solo and group such as Gelato and Blue Gents to offer a variety of music choices for listeners. Currently, the business focusses on digital services including downloadable songs, downloadable ring back call, online song library on JOOX, iTunes, Apple Music, and Spotify. In addition, fans can follow the work of artists, chat, and update news on facebook.com/monomusic or Official Channel on youtube.com/MrMonoMusic.

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



8. Entertainment Business

Product and Service

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

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

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

Gossip Star is the first paparazzi magazine in Thailand. Firstly launched in October 2003, the magazine was published every two weeks. Nevertheless, at present it is a monthly free copy magazine which is also available online through social media with more than 2.6 million followers. The magazine still features all kinds of topics on entertainment.

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

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

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

Books and Pocketbooks

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

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

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.

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

In addition, GSB Gen by Campus Star 2018 was held for the third year. The Company organized this contest to give opportunity for university students to show their talents and improve their personality. The contest was held in each region including the central region, the north, the east, and the northeastern to cover all universities nationwide. The event was also one of the activities to promote magazines and other services among young people.

9. Game Business

Product and Service

Mono Play concentrates on developing online game entertainment which allows players to enjoy different kinds of games both on website and smartphone. Players can follow games launched by the Company on Playplay.in.th. The website has a collection of casual game which is easy to play and many other games to enjoy. Players can choose to play games in buffet package and collect points to get lots of free gifts.

In addition, there are game applications for smartphone which can be downloaded by Android and iOS devices. Boxing Angel, a single game, is an action RPG for gamers who like fighting game of boxing Japanese girl anime and in 2018, Light Shadow was launched. Light Shadow is an anime MOBA (Multiplayer Online Battle Arena) game played in teams to destroy the tower of the opponent. Currently, the game has been downloaded for more than 400,000 times. In the future, the Company is ready to develop new games and hold e-sport tournaments to extend game fan club.



10. Commerce Business

Product and Service

The Company is a distributor of products and services through home shopping and online service. In 2018, a new business, TV Home Shopping, was launched on MONO29 under the name 29Shopping. With many types of quality



products from Thailand and overseas, customers can easily place orders through call center 02 - 100 - 7066, website 29shopping.com, and social network. The service also includes free delivery nationwide.

Travel service, room reservation, tourist activity, and complete online hotel and flight booking are still available for Thai and foreign customers who wish to travel in Thailand, ASEAN countries, or other countries around the world. Trendy tourist attractions are also updated. These services are available on websites Hotelsthailand.com and Hotelthailand.com. With more than 600,000 followers, Facebook.com/HotelsThailand is another channel to present contents and talk about travelling. Furthermore, basketball and concert tickets are also available to support the business operation of subsidiaries.

Product and Service Provider

As the core business of Mono Group is media business and content service, the Company has places importance on the development and the acquisition of interesting contents. There are teams that are responsible for performing, collecting, and producing various contents, for example, TV program production team of MONO29, music production team of Mono Music, film production team of T Moment, publishing team of Gossip Star, etc. Moreover, the Company has acquired copyrights of domestic and international contents, as well as cooperates with business partners or outsources to produce various programs. Hence, the Company has different kinds of contents to satisfy every customer desire.

Products and services are contents which are presented through multiplatform including computer, mobile phone, smartphone, tablet, TV, internet TV, and other modern communication devices. Equipment and communication technology are provided and developed in order to connect and send contents to customers with regard to safety, stability of the system, and speed of service.

The Company recruits personnel with expertise in their field of work and gives importance to human development in every aspect. Trainings and personnel development courses are regularly provided for both presenters, like artists and actors of Mono Group, and internal employees.

Risk Factors

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

1. Risk from competition in digital TV business

In the previous year, the overall of the competition in digital TV business had been drastic among the market leaders competing for market share. Each player tried various audience engagement strategies by changing and improving their contents to always capture audience's attention. Huge budget was invested on content acquisitions and program productions to satisfied audience and increase TV rating. Hence, TV channels could increase the advertising rate accordingly. In 2018, the existing players had been remarkable and succeeded with popular Thai dramas which gained tremendous rating. As a result, they could maintain the leadership in digital TV market. As for MONO29 channel, with the strength on "Great Movies, Famous Series", 2018 was regarded as an import year with an important move since TV rating of the channel rose to number three and was able to maintain that position steadily for almost throughout the year.

Mono Group has two television channels - MONO29 and MONO PLUS, a satellite channel. The strategy that the Company uses is distinct from the beginning as the channel constantly presents entertainment contents including movies, series, and quality programs to the public. Throughout five years of broadcasting, MONO29 has successfully elevated its rating popularity. Hence, many channels have changed their strategy and purchased more movies to air on their channels. Nevertheless, the Company has established strong relationships with new business partners and major studios. The Company has secured special First Premiere content licensing that enables MONO29 to be the first free TV channel to broadcast those contents. Moreover, with Movie Pack strategy, the audience is convinced to follow the TV programs on MONO29 during weekends and long holidays (seasonal holidays). The strategy which increasingly raises interest among the audience airs movies with sequels continually every day. Productions of quality Thai series are also provided to continually satisfied the audience. Aside from that, the Company pays attention to audience's satisfaction by analyzing program schedule and selecting contents. Automatic computer processing system analyzing the response of the audience has been introduced, and therefore, it enables the channel to select the contents for daily program schedule more appropriately.

2. Risk from changes of technology which effect customer behaviors

The constant development of technology and the Internet network significantly influences people's ways of living and society. Everyone can promptly and easily access contents on the Internet via smartphones, and the number of users tends to radically increase. Therefore, online business under Mono Group improves products and services to conform with the changes of technology and customer demands. As an example, the number of TV audience has declined and increasingly turned to online contents on smartphones. In response to the shift of behavior, the Company launched an additional online service platform, the application MONO29,

to support the intensifying usage of smartphones and other devices. In addition, another change in customer behavior is that some movie lovers are willing to pay for membership to watch video-on-demand on the Internet. This is because that nowadays TV can easily connect to the Internet and so movie lovers have more choice to watch video-on-demand at home. Audiences can select the movies they like and watch them anytime at their convenience. Currently, there has been video-on-demand service providers on the Internet and the service is becoming more popular. The Company sees the significance in the demand of this group of customers so the service Monomax, with its highlight on the unlimited over 20,000 hours of worldwide premium series, movies, and sports, has been provided. Such service includes Thai soundtrack as well. Thus, due to the Company's expertise in technology at the outset, Mono Group can easily adjust our business to digital platform by connecting different platforms on hand and efficiently integrating them, which is the Company's strength and advantage.

3. Risk from Piracy

In the previous year, due to many forms of piracy on film content which regarded as one of Mono Group's core content, the Company has assigned a legal unit to take legal action on piracy. Information systems is adopted to trace and monitor film piracy, as well as to find piracy on websites, allowing the legal unit to compile relevant evidences to proceed with legal action. As for the prevention of internal piracy, the Company has provided the access control system in every process of content production. DRM system (Digital Right Management System) which requires coding for visual, audio, and video files with control access of information and protection of duplication is also employed for the prevention of contents broadcasted on digital channels.

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

4. Risk from security control of important information and contents

The rapid change of technology has brought advantages and disadvantages on business which need to be cautious. With the awareness of data loss and hacking, the Company, therefore, keeps the business information and movie files separately in a closed computer system which is inaccessible from the Internet. Accessibility to the room where the information is kept is merely authorized to specified persons. For general information, such as presentations, statistics, and document forms, cloud system has been adopted so that employees can work conveniently away from office. With this system, employees can work on mobile phones and customers can also access those presentations. Nevertheless, accessibility to the system requires a registration code to prevent data leakage.

In addition, the Company continually hires a consultancy firm to set a protection system against external hacking, especially to improve the safety of information.

5. Risk from foreign exchange rate fluctuation

The core content of Mono Group includes international films and series. The agreement to acquire rights is often based on foreign currency which risks of fluctuation and is unpredictable due to many factors, such as internal economic fundamentals, monetary and financial policy, global economic conditions, speculation and political stability at home and internationally. The volatile foreign exchange rate may affect business sector, particular for those depending on foreign exchange rate that leads to gain or loss. Although fluctuation of exchange rate is uncontrollable, the Company resolves the problem by using the appropriate tool to prevent the risk. Forward FX which complied with purchasing plan and international payments is employed so cost management is accurate and fluctuation is lessened.

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

As of December 31, 2018, Mr. Pete Bodharamik held up to 64.29 percent of total paid-up capital, accounting for more than a half of paid-up capital. As a result, this leads to his right to control the resolutions of shareholders' meeting as well as the Company's policy and management, except for some agendas that require three-fourths of votes in the shareholder's meeting as prescribed by the law or the Company's Article of Association. To ensure transparency as well as check and balance system of the Company's operation, the Company has appointed competent personnel to be the management team. The scope of our operations has been streamlined. The Company has clearly specified the delegation of authority to directors and executives and appointed outsiders to be the Company's three independent directors and members of the Audit Committee who will be responsible for auditing, balancing the decision making and considering approval of any agenda before proposing the shareholder's meeting. In addition, the Company formed the internal audit unit by hiring an experienced company that is directly supervised by the Audit Committee for promoting their independent operation. This unit shall be responsible for monitoring internal control system as specified by the Company in order to ensure transparency and balance of power in our business management.

Legal Dispute

The Company was sued by two unrelated companies as follows:

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

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

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

In May 2018, the plaintiff submitted petitions to the Supreme Court in civil case and criminal case. Currently, both cases are in the process of trial of the Supreme Court.

2. In July 2017, a case of copyright infringement of the online broadcast of video and audio content via the Company's website sued in a criminal case. In November 2018, the Central Intellectual Property and International Trade Court announced the judgement on the lawsuit. The Court of First Instance ordered dismissal of the plaintiff's action. The case is in the process where the plaintiff can appeal to the Court of Appeal.

In addition, the Company and subsidiaries were sued by unrelated person as follows:

- In August 2018, the Company and subsidiaries were sued in a criminal case, in a case of copyright infringement of literary work. The Central Intellectual Property and International Trade Court appointed a preliminary examination on March 25, 2019.

The management of the Company and subsidiaries 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, 2018. Moreover, there is no other significant dispute which may affect the operation of the Company or subsidiaries.



Corporate Social Responsibility

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

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

1. Fair Operating Practices

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

2. Anti - Corruption Practice

The Company has established policies and practices on anti-corruption which are communicated to executives and employees through internal communication via intranet website. Employee training and orientation for new employees are also performed. As for external communication, notification on the policy about giving and accepting gifts is informed to business partners as well as presented on the Company's website under the subject "Corporate Governance" continuously.

The Company has certified membership of Thailand's Private Sector Collective Action Coalition Against Corruption since the third quarter of 2016 with three years membership duration. In addition to this, the Risk Management Committee and the Audit Committee have always paid attention to risk assessments, internal control, and risk management. Operations of all sectors, including sales and marketing, purchasing and contract, and human resource management, are monitored while record keeping is reviewed and monitored by the internal audit unit. Nevertheless, the Company has provided complaint channels for employees and stakeholders to file complaints, opinions or suggestions, and blowing whistle on suspected act of corruption. As in 2018, there was no report or any act of corruption related to the Company and subsidiaries. In addition to this, being a media business operator enables the Company to support the government sector in presenting news, information, and related activities toward anti-corruption, such as anti-corruption organizations and other governmental authorities which promote good sense of honesty to the public in anti-corruption.

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. Fundamental rights shall not be violated and discrimination on racism, nationality, religion, language, skin color, sex, age, education, physical appearance, or social status is prohibited. Besides, Mono Group supports non-disclosure of personal information as well as non-violation of individual privacy or non-exploitation of personal information. 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. Awareness on the principles of human rights is also promoted among the employees.

4. Equitable Treatment of Labors

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

Compensation and Welfare Management Policy

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

Occupational Health and Safety Policy (OHS)

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

The Company is ready to provide sufficient resources, support personnel training as well as create awareness for implementing Safety, Occupational Health, and Work Environment Policy. In 2018, there was no report on any accident or injury related to work.

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

Personnel Development Policy

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

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

In 2018, the Company's total budget allocated on personnel development amounted to 3 million Baht and 86.01 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 such as “TV Samukkee Cup No.3 Badminton Competition”, which MONO29 won the gold medal in Division One, and “Chaengwattana Sampan Samukkee Game 2018”.

5. Accountability to Consumers

As a media provider and content creator, the Company emphasizes on providing information and entertainment that covers the demand of the highest number of customers with awareness of the accuracy of such information. There are also units or responsible persons to take care of customers and consumers of each business, for example, Sales and Marketing Team, Call Center Unit, webmaster, social media officer, technical team, etc. These units provide suggestions on services, handle with complaints, and find solutions for any problems related to the Company's products and services.

MONO29 channel produces contents and programs that are useful for society. Some of these programs include: Good Morning Thailand, in the section of Man Change The World which presents stories of people who do good things for the society and the environment in order to admire them and build inspiration for others, website mthai.com which reported the news of the 13 Wild Boars football team lost in Tham-Luang, Chiang Rai intensively, quickly, and accurately, and Twitter : MThai which is accepted for reporting news clearly and relevantly. In addition, the Company is the medium for public relations on volunteer projects of both Mono Group and other sectors. Not only publicizing news to the public, the Company also takes part in helping the society in a large scale.



- Mono Technology PCL. received the award “People Who Dedicate Themselves to The Engineering Institute of Thailand Under H.M. The King’s Patronage” (juristic person category) in “National Engineering 2018”.

- Good Morning Thailand on MONO29 was awarded “Ta Chang Thong” for Outstanding Supporter of the year 2018 in providing knowledge and understanding to the public. The award was presented by the Thai Youth Community Foundation in cooperation with Consumer Rights Protection Association.



- MONO29 received the award for Outstanding Media Supporter in the project “250 Years: Amphibious Squadron: King Taksin the Great From Chantaburi to Ayutthaya” by Royal Thai Navy.



6. Support Environment Responsibilities

Environmental conservation has been one of the policies underlined by Mono Group. For this reason, employees are taught to use resources efficiently and be environmental friendly through practices such as using both sides of papers. By introducing new technology to the work systems, costs and the use of natural resources are reduced. Last year none of the businesses under Mono Group affected the environment.

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

- “Summer Nature Camp” at Khao Yai National Park by Baimai Group. This project targeted to educate children about nature, wild life, and conservation activities.
- “Pua Fun Wan Anurak Camp” No. 19 at Thap Lan National Park Protection Unit 13, Suan Hom, Nakhon Ratchasima, by Environmental Conservation Club of Srinakhainwirot University. The aim of this project is to support natural and environmental conservation and to promote the understanding on the importance of natural resources to human.

7. Community and Social Development

The Company still follows the policy on community and society development. In 2018, the Company focused on education development and health care for children through various projects as listed:

- Project on Construction of School Building Mono Group 9 at Ban Dong Ta Wan Border Patrol Police School, Ubon Ratchathani. The Company has supported the construction of school buildings in several schools for 9 years.
- Project on Fixing and Building Basketball Court. The fourth basketball court renovation took place at Thalang Pranangsang School in Phuket with the aim to create happiness for the communities and promoting sports.
- “Kid Kon Chat Sure Kon Share” (Think Before Chat and Share), the project held with CP All PCL. to promote critical thinking about the information on social media. Activities included workshop and Infographics Slides Contest to win scholarships and souvenirs.
- “Turn Darkness to Smiles with Tee-Yai II Series”. The activity included money donation, singing, and distributing gifts at Lighthouse for the Blind, Nonthaburi.

The support on more than 20 projects was given to government and private sectors, academic institutes, foundations, clubs, associations, and organizations. Some of the projects are listed below.

- Dek Thai Chalard Kid 2018 Project (school visit), by Cartoon Club campaigning on protection and resistance against narcotic drugs.
- Youth Light Camp 2018 Project, by Youth for Next Step which is a network group formed of students from 7 universities.
- Volunteer Camp Project, by Veterinary Student Volunteer Club, Social Development and Outreach Activity Sector of Faculty of Veterinary Science, Chulalongkorn University.
- International Academic Seminar Project in the occasion of CIPIT 21st anniversary.

In 2018, the Company continues to support Mono Runner, Mono Group’s running club, with the aim to promote good health and harmony among employees. There were more than 20 running events that Mono Group supported and/or encouraged Mono Runner to take part in. Some of these running events are as listed.

- | | |
|---|--|
| • 12 August Half Marathon Bangkok 2018 | • Amazing Thailand Marathon Bangkok 2018 |
| • Khon Kaen International Marathon 2018 | • EGAT Charity Green Run 2018 |
| • Pattaya Marathon 2018 | • Bangkok Marathon Bangkok 2018 |



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

Mono Group places importance on creation and dissemination by utilizing its media business to drive social development activities in several ways as follows.

For basketball development, the Company has made the sport become recognized and easier to approach by promoting it on MONO29 and MONO PLUS, both live broadcasts and record programs. The channels air NBA tournament and there is news update on basketball.mthai.com. In addition, the Company has supported several basketball competitions at Mono's Stadium29, the most modern standardized basketball court in Thailand. Some of the competitions held at Stadium29 include OBEC - MONO Champion Cup 2018, GSB Thailand Basketball Super League 2018, ASEAN Basketball League (ABL) 2017-2018, FIBA ASIA Champions Cup 2018, etc.

In 2018, the Company carries on the project MONO Basketball Dream by sending professional basketball players of Mono Vampire Basketball Club out to teach basketball techniques and build inspiration towards basketball for children in Thailand. The activity was held 19 times in 19 schools the previous year with more than 1,200 children from various schools around the country participated in the project.



As for online media, website Seeme.me held a project Seeme "Tai-clip Dai-boon: Clip-A-Tive 2018". In this project, people were invited to join a social service activity in a contest of self-created video clips for promoting or helping charities, or good people in the society, to win rewards and donations for the charities they wanted to donate. Furthermore, the good feedback from viewers admiring MThai for news report on the mission in Tham-Luang Cave has led the Company to publish a book recording the incident titled **"#Tham Luang Following the Mission to Save the Wild Boars"**. Income from the book after the reduction of expenses will be donated to Foundation for the Blind in Thailand.



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



General Information

General Information of the Company

Company Name	:	Mono Technology Public Company Limited		
Symbol	:	MONO		
Registration Date	:	June 6, 2013		
Registration Number	:	0107555000040		
Address	:	200 Jasmine International Tower 16 th Fl., Moo 4 Chaengwattana Road., Pakkred, Nonthaburi 11120		
Type of Business	:	Media and Content Business		
Website	:	www.mono.co.th		
Telephone	:	(66) 2502 0700		
Fax	:	(66) 2100 8148		
Total number and type				
of issued shares	:	Registered capital	486,299,997.50 Baht	
		Paid-up capital	347,102,965.80 Baht*	
		Registered ordinary shares	4,862,999,975	Shares
		Paid-up ordinary shares	3,471,029,658	Shares*
		Par value	0.10	Baht

* As of December 31, 2018

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

Company Name And Head Office Address	Nature of Business	Total Paid-up Capital/ Investment	Proportion of Common Shareholding of Mono Technology and/or the Subsidiaries
Mono Generation Co., Ltd.	Entertainment business	9,820,000 shares	100%
Mono Film Co., Ltd.	Movie business	8,710,000 shares	Mono Generation Co., Ltd. 100%
Mono Production Co., Ltd.	TV business	20,200,000 shares (96.53% celled up)	100%
Mono Broadcast Co., Ltd.	TV business	140,000,000 shares	Mono Production Co., Ltd. 100%
Mono Sport Entertainment Co., Ltd.	Sports business	25,000,000 shares (72% celled up)	Mono Production Co., Ltd. 100%
Mono Info Systems Co., Ltd.	IT service and support business	80,000 shares	100%
Mono Travel Co., Ltd.	Travel business	4,000,000 shares	100%
Mono Music Co., Ltd.	Music business	270,000 shares	100%
Mono Radio Co., Ltd.	Radio business	2,000,000 shares	100%
Mono Radio Broadcast Co., Ltd.	Radio business	100,000 shares (25% called up)	100%
Mono Talent Studio Co., Ltd.	Artist management business	80,000 shares	100%
T Moment Co., Ltd.	Movie business	2,000,000 shares (57.50% called up)	100%
Mono Play Co., Ltd.	Game business	350,000 Shares (35.71% celled up)	100%
Mono Astro Co., Ltd.	Horoscope business	50,000 Shares	100%
Mono Technology Hong Kong Limited	Investment in China	25,000,000 shares	100%

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

Office Locations

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

Oversea Office Locations

Mono Technology Hong Kong Limited	401 Jardine House, 1 Connaught Place, Central, Hong Kong
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Reference Persons

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

Shareholding and Management Structures

Shareholding Structure Information

Number of registered and paid-up capital as of December 31, 2018

Registered capital	:	486,299,997.50	Baht
Paid-up capital	:	347,102,965.80	Baht
Registered ordinary shares	:	4,862,999,975	Shares
Paid-up ordinary shares	:	3,471,029,658	Shares
Par value 0.10 Baht per share			

Capital Movement in 2017-2018

As of December 31, 2017, the Company has the registered capital of 519,699,997.50 Baht and the paid-up capital of 339,074,022.40 Baht. As of January 8, 2018, the paid-up capital of the Company increased by 644.80 Baht due to the exercise of MONO-W1 of 6,430 units which is equal to 6,448 ordinary shares. Therefore, the paid-up capital of the Company is 339,074,667.20 Baht.

As of April 4, 2018, the paid-up capital of the Company increased by 8,028,298.60 Baht due to the exercise of MONO-W1 of 80,042,858 units which is equal to 80,282,986 ordinary shares. Therefore, the paid-up capital of the Company is 347,102,965.80 Baht.

The 2018 Annual General Meeting of Shareholders held on April 25, 2018 resolved to reduce registered capital of 33,400,000 Baht by reducing registered shares that have not been issued in an amount of 334,000,000 shares. This amount was the remaining of the allotment of new shares under the General Mandate that was approved by the 2017 Annual General Meeting of Shareholders. Therefore, the registered capital remained at 486,299,997.50 Baht which can be divided into 4,862,999,975 ordinary shares, at the par value of 0.10 Baht per share.

Shareholders

The top ten shareholders of the Company as of the closing date on May 4, 2018 are as follows:

List of Shareholders	Number of Shares	Percent
1. Mr. Pete Bodharamik	2,228,361,980	64.20
2. Mr. Pramote Pasawong	65,000,000	1.87
3. Mr. Soraj Asavaprapha	60,341,800	1.74
4. Mr. Visute Poolvorakaks	50,000,000	1.44
5. Krung Thai Selective Equity Fund	37,373,300	1.08
6. Mr. Satit Viddayakorn by Denali Prestige Asset Management Limited	30,336,600	0.87
7. Good Corporate Governance Long Term Equity	25,789,700	0.74
8. Provident Fund TISCO Master Pooled Fund (registered)	20,518,300	0.59
9. Thai Life Insurance Public Company Limited	20,000,000	0.58
Mr. Annop Jirakiti	20,000,000	0.58
10. EAST FOURTEEN LIMITED-DFA EMERG MARKET CORE EQ PORT	17,818,800	0.51
Other Shareholders	895,489,178	25.80
Total	3,471,029,658	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 - 2018, the exercise of MONO-W1 was 147,649,544 units, whereas the remaining MONO-W1 that was not exercised as of December 31, 2018, was 1,352,353,083 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 1.015 ordinary share
Exercise Price	2.464 Baht per share

Dividend Payment Policy

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

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

Management Structure

Board of Directors

The Board of Directors consists of nine directors. In 2018, five 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	5/5
2. Mr. Navamin Prasopnet	Assistant Chairman, Chairman of Executive Committee, and Chairman of Risk Management Committee	5/5
3. Mr. Sang Do Lee	Director and Executive Director	5/5
4. Mr. Patompong Sirachairat	Director, Executive Director, and Risk Management Committee	5/5
5. Mr. Komsak Wattanasriroj	Director and Executive Director	5/5
6. Mr. Siri Luengsawat	Director	5/5
7. Mrs. Punnee Worawuthichongsathit	Independent Director, Chairperson of Audit Committee, and Member of Nomination and Remuneration Committee	5/5
8. Mr. Preecha Leelasithorn	Independent Director, Member of Audit Committee, and Chairman of Nomination and Remuneration Committee	5/5
9. Mr. Kriengsak Thiennukul	Independent Director, Member of Audit Committee, and Member of Nomination and Remuneration Committee	5/5

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

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.

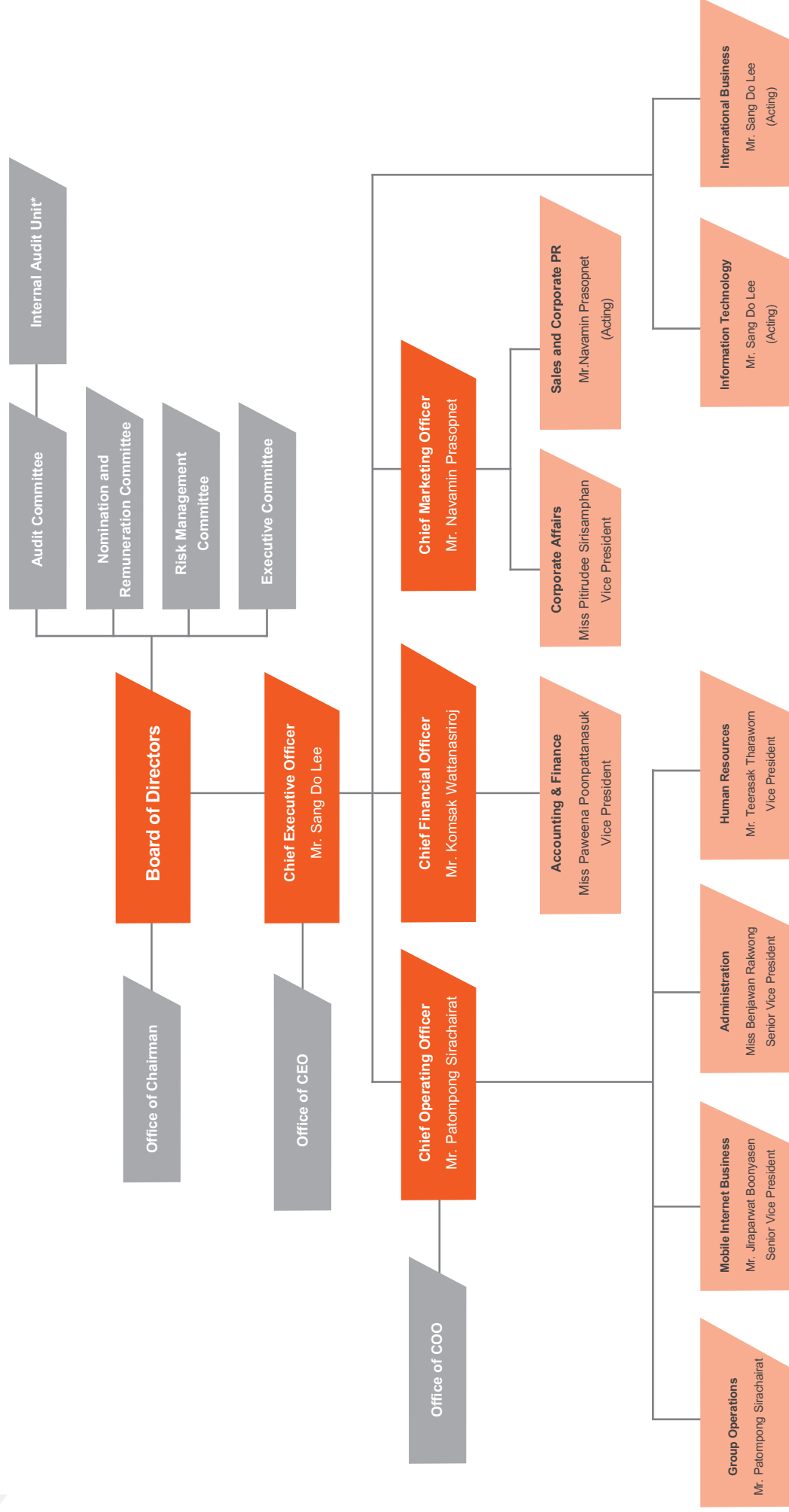
Authority, Duties, and Responsibilities of Board of Directors

1. To consider specify details and give approval towards vision, business strategies, direction, policy, financial and non-financial goals, business plan for short-term, medium-term, and long-term, and budget of the Company and subsidiaries as per details arranged by the Executive Committee and the management. Such topics are to be reviewed annually so that they are appropriate for the circumstance, business potential, and be able to create sustainability to the business.
2. To supervise and monitor the management of the Executive Committee, the Chief Executive Officer, and the employees that their performance is done with responsibility, caution, and honesty, as well as to ensure that their operation complies with the law, the objectives, the regulations of the Company, the resolutions of the Board of Directors, and the resolutions of the Meeting of Shareholders.
3. To give the management authority to the Executive Committee, the Chief Executive Officer, or the authorized persons with written statement, as well as to supervise and monitor that the management and the performance of such persons comply with the policy of the Board of Directors. This also includes consideration on clarifying the responsibility of the directors, the Executive Directors, and the Chief Executive Officer so that the management is in accordance with the trend of the Company.
4. To continuously monitor the Company's performance to ensure the compliance with the Company's strategy, work plan and budget.
5. To lead the Company and subsidiaries to arrange adequate and appropriate internal control system and risk management system in order to ensure that transactions are approved by authorized persons and risks with impact on the Company are being prevented.
6. To employ appropriate accounting system, arrange financial statement, sign off to certify the financial statement before presenting to the Annual General Meeting of Shareholders to consider 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, business ethics, and code of conduct for directors, executives, and employees so as to communicate the practices to employees of all levels and to monitor policies compliance. The policies are to be revised and practiced annually.
9. To arrange the Charter of the Board of Directors that specify the role and the responsibility of the directors and to approve the charters of other committees. The charters are to be revised at least once a year.
10. 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.
11. 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.
12. To specify and change names of authorized directors.
13. 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.
14. To ask for external professional associations' opinion to support their precise decision making.
15. 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, 2018)



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

Executives

As of December 31, 2018, the Company has 9 executives:

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

The Company Secretary

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

Remuneration for Directors and Executives

1) Remuneration in Cash

Remuneration for Director

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

The 2018 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 2017). 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 / received remuneration of 10,000 Baht per month.
- Member of Nomination and Remuneration Committee received remuneration of 10,000 Baht per month.

The details of individualized remuneration as of December 31, 2018 are as follows:

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

Remarks: 1) Remuneration per meeting attendance

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

Remuneration for Executives

Total remuneration, including salaries, bonus, overseas allowances and social insurance contributions, for 9 executives as of December 31, 2018 amounted to 26.52 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, 2018, the Company's contribution to the provident fund for 9 executives amounted to 1.19 million Baht.

Personnel

As of December 31, 2018, the Company and subsidiaries has 1,149 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 500 million Baht.

Mono Technology PCL.	349
Business Units	
Mobile Internet Business	179
International Business	4
Support Units	
Office of Chairman	13
Office of CEO	4
Group Operations	31
Sales and Corporate PR	23
Accounting and Finance	21
Administration	42
Human Resources	19
IT	8
Corporate Affairs	5
Subsidiaries	800
Total Employees (Person)	1,149

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

Corporate Governance

Corporate Governance Policy

The Board of Directors always gives significance to good corporate governance business operation, good governance management, transparency, accountability, protection of shareholders' rights, and consideration on the benefits of all stakeholders. The Company has formulated the good governance policy, the business code of conduct, and the code of conduct for directors, executives, and employees, all of which have been annually revised. In 2018, the Board agreed to study and review the policies by utilizing the corporate governance guidelines for listed companies 2017, developed by The Securities and Exchange Commission (SEC). Regarding the practice, the Company already has its own apparent guidelines, and some of which are currently being studied and developed in accordance with the Company's activities to establish long-term business value in the future.

The Company has these regulations communicated and disclosed to directors, executives, and employees through all of the internal communication channels and the Company's website for acknowledgement and as guidelines to follow. Ethical activities, orientation, and other courses has also been provided. The implementation of the policy is 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. Moreover, as Mono Technology Public Company Limited highlights the importance of policy and practices on anti-corruption and risk assessment as well as keeps follow up with the monitor of business operating systems, the Company has certified a membership of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC).

In this regard, the Company was rated a five stars or excellent level by the Corporate Governance Report Evaluation (CGR) among Thai listed companies in 2018 and received a full score on the assessment of the Annual General Meeting of Shareholders by Thai Investors Association.

The corporate governance guidelines the Company highlights are as follows:

1. The Board of Directors, executives, and personnel shall emphasize and comply with Corporate Governance practices, business ethics, and code of conduct applicable for directors, executives, and employees.
2. The Board of Directors, executives, and employees shall perform their duties with dedication, accountability, caution, and honesty under the regulations of the Company and related guidelines.
3. The Company shall realize the responsibilities to supervise the Company to attain good governance and determine objectives, strategies, working policies, and resource allocation along with performance reports and disclosure of information.

4. The Company shall establish an apparent company structure by appointing sub-committee as appropriate to review the matter as well as defining the scope of work of each committee and clarifying the responsibilities of Chairman and Chief Executive Officer.
5. The Company shall establish an appropriate level of internal control system and risk management.
6. The Company shall prudently consider matters related to conflict of interests with emphasis on the Company's interest.
7. The Company shall prioritize rights and equitable treatment of shareholders. This likewise includes a convenient communication channel between the Company and the shareholders.
8. The Company shall realize sustainability value creation, business ethics, and responsibilities toward all stakeholders, society, and environment. This further includes responsive economical adaptation, innovation promotion, and technological implementation to enhance competitiveness and meet the customer's needs.
9. The Board of Directors shall disclose sufficient, accurate, and reliable information of the Company regarding financial and non-financial information.
10. The Company shall promote anti-corruption, human rights, and non-infringement of intellectual properties.
11. The Company shall cultivate values, virtues, ethics, and consciousness toward employees to have a mutual understanding and apply it as the organizational culture.

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:

Before the Meeting of Shareholders

1. The Board of Directors shall ensure that the points or important agendas which affect the business directions or as prescribed by law are being considered and/or approved by the shareholders so that the stakeholders can participate in the important decisions of the Company.
2. According to the law, shareholders shall be provided with prior notice of shareholders' meeting and supporting documents. The information presented shall be accurate, complete, and sufficient for exercising the shareholder's rights and considering the meeting agendas. Such documents consist of the details of the

agendas, facts and reasons, the Board of Directors' opinions for each agenda's item, proxy forms on which shareholders are able to specify their votes, the names of independent directors whom the shareholders can appoint as their proxy, documents to be presented to clarify on the meeting date, and the Company's regulations relating to the meeting, the procedures, and the voting.

3. In the Annual General Meeting of Shareholders, the Company shall manage to mail the notice of shareholders' meeting and supporting documents to the shareholders at least 21 days ahead of the meeting date and disseminate both Thai and English versions via corporate website at least 28 days prior to the meeting date.

The Day of the Meeting of Shareholders

1. 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 sufficient. Barcode Technology shall be applied to facilitate the quick vote counting and exact result process. Besides, stamp duty shall be provided for proxy form.
2. The Board of Directors should prohibit any actions which hinder shareholders to attend the meeting or place an undue burden on the shareholders. In this regard, there is no regulation that requires shareholders or proxy to present the identification documents exceeding the applicable regulatory requirements.
3. Prior to the meeting, the Chairman shall inform the number and the proportion of self-attending shareholders and proxy holders as well as explain a meeting procedure, voting, and vote counting as specified in the Company's regulations. The Company shall clearly separate vote for each agenda and committee voting shall be voted individually. Moreover, the Company shall ask non-stakeholders or representatives of shareholders to witness the counting of vote in order to protect the shareholders' right.
4. The Chairman shall ensure that the meeting of shareholders is abided by the law, related rules, and the Company's regulations by allocating the meeting time sufficiently, and conducting 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 Company promotes the use of ballot papers on significant agenda(s) such as related party transaction, acquisition or disposal of corporate assets, collecting ballot papers in the meeting room and calculate the scores altogether with the scores taken in advance from proxy forms. Then, the resolution of each agenda shall be announced to the meeting with the results on agreement(s), disagreement(s), abstention(s), and voided ballot(s). Also, the resolutions shall be reported in the minutes of the meeting.

After the Meeting of Shareholders

1. The shareholders' resolutions and voting results categorized by each agenda's item shall be disclosed to the Stock Exchange of Thailand ("SET") and on the Company's website no later than the next day after the meeting.
2. The Company shall submit the minutes of the meeting to The Stock Exchange of Thailand (SET) and The Securities and Exchange Commission (SEC) within 14 days after the meeting date and disseminate via the Company's website. The minutes of the shareholders' meeting shall be complete and accurate with the information including names of participating directors and executives and the proportion of participating and non-participating directors, clarification on the voting process and vote counting, resolutions, voting results in each agenda, questions and answers raised in the meeting, and name of the persons asking and answering.

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 via the SET's communication channel(s). In addition, explicit criteria for the rights of shareholders to propose agendas for Annual General Meeting of Shareholders and the questions being sent in advance shall be notified via corporate website.
2. The shareholders shall be offered an opportunity to nominate any candidate(s) for election as director prior to the shareholders' meeting via SET's communication channel(s). The notification of the nomination criteria shall be disseminated via corporate website. The candidate(s) shall have complete qualifications as defined in director's specifications and give their consent for nomination. Then, the application form including required documents shall be submitted to the Company in order to continue nomination procedures by the Nomination and Remuneration Committee.
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. 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 Company shall regularly disseminate information to shareholders through SET's communication channel(s), the Company's website, and The Securities and Exchange Commission (SEC) by considering the equitable rights to access news and prohibiting any actions which limit the shareholders to access such information or obstruct communication between the shareholders.

5. The Company shall have information security system and written procedures concerning the use and protection of inside information. The Company's Board of Directors, executives, employees, and all related persons, including spouse, minor children, and nominees or professional consultants shall be supervised to follow the rules and information security system.
6. The Company shall conduct market-sensitive information management by prohibiting the person(s) related to inside information to disclose the information prior to the public disclosure via SET. Directors and executives shall be notified to refrain from the Company's stock trading prior to the periodic disclosure of performance and financial status as well as the crucial market-sensitive information disclosure in order to promote fairness to the shareholders.
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. 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 and the shareholders' utmost benefits. The meeting minutes shall also contain the connected transaction(s) disclosed by the directors. The director(s) with significant connected transaction(s) shall be ensured to abstain from participating in the consideration of certain agenda(s).
9. The Company shall manage and monitor the matter(s) which may have the conflict of interest as well as determine the practice which complies with the operation procedures and rules on disclosure of information as prescribed by law. In doing so, the Company shall disclose any related party transaction that required the approval from the shareholders. 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, in order to sustainably achieve the aim and the main target of the Company.

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 and respect human rights 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. This includes monitoring as well as evaluating the progress and long-term success of the projects. 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, Transparency, and Financial Integrity

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

Financial and Non-financial Information Disclosure

1. The Company shall manage to perform the financial report. Financial statement disclosure is required to be reviewed by an independent auditor and also in accordance with the financial reporting standards and

related practices. This includes disclosure of the Annual Report, Form 56-1, Management Discussion and Analysis (MD&A), and other important financial information in an accurate, sufficient, and timely manner. This is to acknowledge investors whether there is a change in financial status and performance of the Company in each operating period.

2. The Company shall disclose the financial reports by considering the result of the assessment on the sufficiency of the internal control system, independent auditor's opinion, notice on the internal control system, and notices from other communication channels. Audit Committee's opinion and consistency in the objective, the target, and the Company's policies shall also be considered.
3. The Company shall disclose non-financial information, including compliance with the law and policies (i.e. corporate governance; business ethics; code of conduct for directors, executives, and employees; transparent and fair management; anti-corruption policy; practice toward stakeholders; emphasis on human rights; social and environmental responsibilities). All of which are communicated toward the employees to implement as practice principles which can create long-term business value.
4. The Company shall ensure that the directors disclose their information accurately and completely.
5. The Company shall support and ensure that there is a sufficient number of personnel with competency to provide and disclose information. Development on knowledge, skills, and experience in accordance with the personnel responsibilities shall be provided as appropriate.
6. The Company shall disclose the apparent shareholding structure in subsidiaries and associated companies (if any) in order to ensure shareholders that the operational structure of the Company is transparent and accountable. In case of any shareholders' agreement, or policy effecting the shareholding structure, shareholders' relationship, or power to takeover the business, it is considered that the agreement or policy does not impose obstacles to the committee's duties. The matter shall also be disclosed in accordance with SET's regulation.
7. The Company shall regularly disclose financial and non-financial information by presenting the up-to-date information on the website of the Company both in Thai and English.
8. The Company shall provide minority shareholders the channel to inquire information through emails of independent directors or the company secretary for other matters, such as directors' activities, corporate governance, and audit.

Financial Status Management of the Company

1. The management shall monitor, assess financial status of the business, and report to the Board of Directors regularly. If there is an event or a sign which affect liquidity and debt paying ability, it should be monitored closely to jointly solve the problem and carefully operate the business. Information disclosure which is in accordance with criteria of related sectors shall also be provided.

2. The management shall establish the plan to solve financial problems by concerning about the fairness to stakeholders and debtors. Decision to implement any approach shall be reasonable and the progress of the report regarding the problem solving shall be regularly informed to the Board of Directors.
3. The meeting of shareholders shall approve any proposals or transactions and prudently consider such matter so that it does not affect business continuity, financial liquidity, and debt paying ability.

Investor Relations

1. The Chief Executive Officer, Chief Marketing Officer, and the Chief Financial Officer are assigned to be responsible for communicating with institutional investors, shareholders, analysts and relevant government agencies.
2. The management shall determine strategic directions and investor relations development which clearly specify duties and responsibilities of investor relations function, formulate information disclosure policy to third party in an appropriate, fair, and timely manner, and monitor the use of internal information and market-sensitive information in order to ensure effective information disclosure.
3. The Company's news, information, and financial reports are provided via communication channels as follows
 - In 2018, the Company involved in investor relations activities to present the Company's information and operating result, as well as future business trend to analysts, investors, and the media. These activities were as follows.
 - » Organized MONO DAY 2018: ANALYST EVENT to present business plans and growth strategy of the Company to securities analysts, fund managers, and institutional investors on January 17, 2018
 - » Organized a company visit to welcome institutional investors, securities companies, and asset management companies
 - » Participated in Opportunity Day
 - » Participated in Local Roadshow with Bualuang Securities PCL. on March 6, 2018
 - » Participated in Local Roadshow with KGI Securities (Thailand) PCL. on March 14, 2018
 - Websites of the Stock Exchange of Thailand (www.set.or.th) and the Company (www.mono.co.th)
 - Investors Relations Unit, Tel.: 02-502-0787 , 02-502-0797
 - Email : ir@mono.co.th
 - Analyst Meeting which shall be held on a regular basis
 - Press conference and newsletters which show financial trends and financial status of the Company

5. Responsibilities of the Board of Directors

5.1 Structure of the Board of Directors

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

Group 1: Characterized by their executive management roles:

- Executive Director
- Non - Executive Director

Group 2: Characterized by independency

- Independent Director
- Non-independent Director

As of December 31, 2018 the Board of Directors was comprised of nine members: four members were executive directors (Executive Director is defined as the top-four executives next to Chief Executive Officer) and five members were non-executive Directors. Among those five members of the non-executive directors, three members were the independent directors and the members of Audit Committee. Meanwhile, four members of executive directors were comprised of the Chief Executive Officer, the Chief Marketing Officer, Chief Financial Officer, and Chief Operating Officer. For the structure of Board of Directors, one-third of the total number of the Board of Directors are independent directors to ensure the checks and balances in voting as well as in the management of executives for the best benefit of the Company. In addition, the number of the Company's independent directors is in line with the SEC's regulations requiring one-third of the total number of the Board of Directors must be independent directors.

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

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

- Passing Away
- Resignation
- Qualifications fall short of the criteria or incompatibility as specified by law
- Resolution to be removed by the Annual General Meeting of Shareholders which require not less than three-fourths of the number of shareholders attending the meeting and having the right to vote. Total number of shares shall be not less than a half of shares held by shareholders attending the meeting and having the right to vote.
- Order by the Court to resign

3. Persons to be appointed as independent directors must possess qualifications as required by SEC, CMSB and SET.
4. At least one-third, but not less than three members of the Company's Board of Directors must be independent directors.
5. The Chairman shall be elected by the Board of Directors, while the Chief Executive Officer shall be nominated by the Nomination and Remuneration Committee.
6. The Company shall encourage the directors to have knowledge of their duties and dedicate enough time for the Company's operation.
7. 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.
8. Company Secretary who has appropriate qualification and experience has been appointed by the Board of Directors to provide legal and regulatory advice to the Board, take care of the Board's meeting as well as important documents and administrative activities, monitor compliance with the Board's resolutions, and communicate with the shareholders and other concerned regulatory agencies. The disclosure of the Company Secretary's qualification and experience appears in the Annual Report and the Company's website.

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 five 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. If necessary, the Board may seek independent professional advice at the Company's expense.
7. Independent Directors are encouraged to express their opinion and propose useful information toward the Company in the meeting agendas.
8. 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 2018, the Board of Directors assessment score averagely equals to 95.71%.

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 2018, the individual Director self-assessment score averagely equals to 96.90%.

3) Performance Assessment of Other Committees is conducted yearly in order to improve their roles and responsibilities supporting the Board of Directors' performance. In 2018, 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 96.76%.

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. The Nomination and Remuneration Committee shall determine the structure and 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 by concerning each pay components as appropriate, in both fixed rates and remuneration paid in accordance with the Company's performance.
2. Remuneration for the directors is considered as to comply with the Company's business strategy and long-term objectives, then compared with the remuneration in the industry. The experiences, scope of work, and responsibilities of the directors in each committee shall also be considered appropriately at the fixed rate.
3. The Board of Directors shall establish standard performance assessment criteria and approve supportive compensation structures for Chief Executive Officer, high level executives, and employees so as to achieve the objectives and the targets of the business both in short-term and long-term. Such matter shall be managed by communicating the performance assessment criteria in advance, monitoring the performance, and considering the result of the performance assessment with consistent criteria stated above.
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, the employees' performance, years of employment, etc. The result of consideration shall be submitted to the Nomination and Remuneration Committee, the Executive Committee and Board of Directors to be considered approval.

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, or other sectors, as well as holds annual development projects for the executives, as the knowledge gained will be beneficial and can help improve their performances. Basically, the directors must attend all development programs as required by SET and SEC.

In 2018, Mr. Komsak Wattanasriroj, a director, passed the Advanced Audit Committee Program (AACP), Class 30/2018, from Thai Institute of Directors (IOD).

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 prepare the succession plan and 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, 2018, 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	4/4
2. Mr. Preecha Leelasithorn	Member of Audit Committee	4/4
3. Mr. Kriengsak Thiennukul	Member of Audit Committee	4/4

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, the laws, and the standards 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 report the performance to the Board of Director as well as to prepare and to 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 and risk management 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, as well as the development and the verification of internal control system and risk management efficiency;
- 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 verify the correctness of self-assessment form on the anti-corruption practice of the Company, including the documents relating to Thailand's Private Sector Collective Action Coalition Against Corruption, and to ensure that the policy and the anti-corruption practices are being followed.

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

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 inspect and take a corrective action within the period of time that the Audit Committee deems fit:

- a transaction which causes conflicts of interest;
- a complaint or whistleblowing on a fraud or 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 and standards 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, 2018, the Executive Committee comprised five members and details of their meeting attendances were as follows :

Name	Position	Number of Attendances/ Number of Meetings (Time)
1. Mr. Navamin Prasopnet	Chairman of Executive Committee	31/31
2. Mr. Sang Do Lee	Executive Director	28/31
3. Mr. Patompong Sirachairat	Executive Director	28/31
4. Mr. Komsak Wattanasriroj	Executive Director	31/31
5. Miss Benjawan Rakwong	Executive Director	30/31

Miss Saranya Amornrattanasuchad is the Secretary to the Executive Committee

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, 2018, the Nomination and Remuneration Committee comprised three members and details of their meeting attendances were as follows:

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

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

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. This includes the revision on the criteria and the procedure of the selection prior the term of the committee selection.

2. To consider revision of the policy and criteria on remuneration and benefits of the Company's directors, high-ranking executives, and employees annually.
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, 2018, the Risk Management Committee comprised five members and details of their meeting attendances were follows:

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

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

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.

5. Scope of Work and Responsibilities of the Chairman

- Accountable to be the leader of the Board of Directors as well as decide with the management in topics relevant to the Company's policies and business objectives which resulted from the meeting of the Board.
- Supervising and monitoring the Board's and sub-committee's exercise of duties to perform effectively and achieve the Company's objectives.
- Performing as the Chairman of the Board's meeting and shareholders' meeting with an ability to control the meeting effectively, allocate meeting time to consider important points sufficiently, manage the meeting in accordance with the specified agendas and regulations of the Company.
- Determining the meeting agendas with the management and proposing important topics to be filed in the agenda. The Chairman shall encourage all directors to participate in the meeting and share their opinions.
- Promoting business ethics and good governance as the Company's culture.
- Establishing a good relationship between executive directors and non-executive directors as well as between the Board and the management.
- Performing other duties as assigned according to the resolutions of the meeting of the Board of Directors and/or the Meeting of Shareholders.

6. Scope of Work and Responsibilities of the Chief Executive Officer

- Managing the Company, subsidiaries, and associated companies in accordance with the visions, missions, and policies under the scope of authority assigned by the Board of Directors.

- Ensuring the Company's operations in compliance with the main objectives of the Company as well as monitoring the performance of the management and reporting the Company performance and operating results to the Board of Directors regularly.
- Establishing policies and regulations supporting the operations of all units as specified by the Board.
- Promoting business ethics and code of conduct under the scope of corporate governance.
- Taking care of human resources management, personnel recruitment, remuneration management, and benefits, as well as enhancing the capabilities of employees to perform their duties effectively.
- Taking care of financial management and effective implementation of resources and budget.
- Performing other duties as assigned according to the resolutions of the Meeting of the Board of Directors and/or the Meeting of Shareholders.

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).

Information Technology Policy

The Board of Directors established the policy and the guideline regarding information technology (IT) management to control the use of IT system effectively, ensure IT security, and enable the Company to operate continuously by achieving the objectives which respond to business utmost outcomes and facilitating employees' operations. This also includes risk management to control the risk which may damage the IT system as well as internal and external threats. The guidelines are provided below:

1. Ensuring the segregation of duties in order to perform cross-checking among employees and prevent a case that only a person takes sole responsibility throughout a process of operation, which may cause risks to make edits or changes to the IT system wrongfully.

2. Implementing an access control and computer center security which only authorized person can access to edit and make changes in the computer center and preventing any incidents that may occur in the computer center which may cause the computer system to be terminated.
3. Providing information, network, and computer security by limiting authority of each person to access the system appropriately and implementing password and network security which can prevent external threats.
4. Providing control or change in the computer system so that the system is accurate, complete, and in the compliance with the needs of the users.
5. Providing a back-up and IT continuity plan in case of emergency so that the computer system of the Company can operate continuously.
6. Maintaining the regular computer operation with clear procedures to utilize the computer system correctly and effectively together with information security to secure data imported and exported from the computer system.
7. Monitoring IT outsourcing, beginning from the selection, confidentiality agreement, and computer system access control.
8. Maintaining IT risk management in order to prevent any risks or minimize the risks to the Company's acceptance level and prepare to handle new risks that may occur.
9. Employees are required to apply IT system in compliance with related laws by not violating Cybercrime act or causing damage to other people.
10. Employees of the Company shall cooperate to audit, control, and monitor any activities so as to ensure that the Company's IT system is safe and secured.

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. The Company held a knowledge sharing course on risk management and anti-corruption to executives and supervisors. The Anti-Corruption Policy was also included in the orientation course for new employees.
5. It shall be prohibited to support any offerings, or facilitations, or bribes to external parties in exchange for doing or refraining from doing any acts in an unethical manner for inappropriate business settlements.
6. It shall be prohibited to receive any properties or extra-benefits from external parties which are given to influence unethical decision making of one's duties or refrain from doing one's duties. However, there is an exception for gifts that are presented in traditional occasions. In addition, the gifts should not be cash and their values must not exceed 3,000 Baht.
7. The Company shall provide channels for whistle-blowing on any suspicious acts of corruption involved with the Company either directly or indirectly. Such acts shall be informed to the Audit Committee or the Company Secretary or antifraud@mono.co.th. Whistleblower and confidentiality protection shall be provided to prevent any problems or injustice arising from the whistle-blowing. Investigating procedures and penalties for persons who violate the rule shall be determined as well.

8. As being a part of prevention and promotion on anti-corruption practices, the Company shall give support to any kind of activities organized by the anti-corruption bodies and organizations.

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

Remuneration of Auditor

In 2018, 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 2018 (Baht)
Audit fee	5,622,000
Non-audit fee	100,000
Total	5,722,000

Other Compliance with Corporate Governance Principle

Report on Compliance with Corporate Governance Policy

In 2018, 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 2018 Annual General Meeting of Shareholders on April 25, 2018. 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 2018 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 2018 AGM quality received 100 full score for five consecutive years. Assessment covers the overall AGM process (pre-, during- and post-meeting).

3. Role of Stakeholders

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

4. Disclosure and Transparency

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

5. Responsibilities of the Board of Directors

1. Structure of Board of Directors comprised of three independent directors from the entire number of nine directors. The three independent directors are also in the Audit Committee of the company, with qualification required by SEC, CMSB and SET and independency in the management of auditing works.

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

Due to the fact that all members of the Board of Directors are qualified and highly competent, and devote their time in fulfillment of their management roles with excellent performance, the Board of Directors has not specified the term limit for an independent director and the limit on the number of board seats or directorship in listed companies in the Corporate Governance Policy. Although, the Company does not establish the Corporate Governance Committee, the Corporate Affairs Department shall serve as an internal unit with the roles and responsibilities to ensure that the Company's businesses are operated in accordance with the laws and related regulations; the compliance with Corporate Governance Policy, Good Governance, the Code of Business conducts, etc.; as well as to report the Audit Committee and the Board of 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 2018 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
	2018	2017	(Increase / Decrease)	As of Dec 31, 2018 (%)
Directors				
1. Mr. Pete Bodharamik	2,231,361,980	2,248,121,980	(16,760,000)	64.29
2. Mr. Navamin Prasopnet	12,900,000	22,900,000	(10,000,000)	0.37
3. Mr. Sang Do Lee	13,100,000***	15,000,000**	(1,900,000)	0.38
4. Mr. Patompong Sirachairat	6,600,000	6,600,000	-	0.19
5. Mr. Komsak Wattanasriroj	9,635,000	11,135,000	(1,500,000)	0.28
6. Mr. Siri Luengsawat	-	-	-	-
7. Mr. Kriengsak Thiennukul	1,500,000	-	1,500,000	0.04
Executives				
1. Mr. Jiraparwat Boonyasen	6,600,000	6,600,000	-	0.19
2. Miss Benjawan Rakwong	1,602,900	1,602,900	-	0.05
3. Miss Pitirudee Sirisamphan	2,050,000	2,050,000	-	0.06
4. Mr. Teerasak Tharaworn	1,000,000	1,000,000	-	0.03
5. Miss Paweena Poonpattanasuk	900,000	1,000,000	(100,000)	0.03

* The Company's Paid-up Capital as of December 31, 2017 amounted to 3,390,740,224 shares and as of December 31, 2018, amounted to 3,471,029,658 shares.

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

*** In 2018, the total amount of share in Thailand Securities Depository Company Limited for Depositors was 100,000 shares.

**** In 2018, all two independent directors, including Mrs. Punnee Worawuthichongsathit and Mr. Preecha Leelasithorn as well as their spouses and minor children reported no shareholding. Furthermore there had been no report on the securities holding by spouses and/or minor children of all 14 directors and executives.

Warrants (MONO-W1)

Name	Number of Shares as of Dec. 31*		Changes	Shareholding Percentage
	2018	2017	(Increase / Decrease)	As of Dec 31, 2018 (%)
Directors				
1. Mr. Pete Bodharamik	807,694,165	887,694,165	(80,000,000)	59.73
2. Mr. Navamin Prasopnet	-	-	-	-
3. Mr. Sang Do Lee	3,992,944	44	3,992,900	0.30
4. Mr. Patompong Sirachairat	3,214,286	3,214,286	-	0.24
5. Mr. Komsak Wattanasriroj	750,000	700,000	50,000	0.06
6. Mr. Siri Luengsawat	-	-	-	-
Executives				
1. Mr. Jiraparwat Boonyasen	3,214,286	3,214,286	-	0.24
2. Miss Benjawan Rakwong	1,442,858	1,442,858	-	0.11
3. Miss Pitirudee Sirisamphan	-	-	-	-
4. Mr. Teerasak Tharaworn	30,016	16	30,000	0.002
5. Miss Paweena Poonpattanasuk	-	-	-	-

* The allocation of warrants which are outstanding or are not exercised as of December 31, 2017 amounts 1,432,395,941 units and as of December 31, 2018, amounted to 1,352,353,083 units.

** In 2018, 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.

Board of Directors

Mr. Pete Bodharamik

Aged 46

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 and Political Science, UK
- IOD Training Programs: -

Shareholding (%)¹

MONO : 64.29%, MONO-W1 : 59.73%

Experience

Directorship in Listed Companies

2012 - Present Chairman, Mono Technology PCL.

2008 - Present Director and CEO
Jasmine International PCL.

Directorship in other Companies

2018 - Present Director,
Pinvest Food and Restaurant Co., Ltd.

2017 - Present Director, Jas Holding 2017 Co., Ltd.

2015 - Present Director, Pinvest Corporation Co., Ltd.

2012 - Present Director, PVS Development Co., Ltd.

2008 - Present Director, Subsidiaries of
Jasmine International PCL.

2007 - Present Director and Chairman of
Triple T Internet Co., Ltd.

2006 - Present Director and Chairman of
Triple T Broadband PCL.

2002 - Present Director, Subsidiaries of
Mono Technology PCL.

1995 - Present Director, Emerald Farm Co., Ltd.

Family Relations among Executives: None

Mr. Navamin Prasopnet

Aged 46

Assistant Chairman / Chairman of Executive Committee /

Chairman of Risk Management Committee /

Chief Marketing Officer / Authorized Director

(Appointed Director on March 9, 2012)

Education / Training Courses

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

Shareholding (%)¹

MONO : 0.37%, MONO-W1 : None

Experience

Directorship in Listed Companies

2017 - Present Chairman of Executive Committee
and Chairman of Risk Management
Committee, Mono Technology PCL.

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

Directorship in other Companies

2017 - Present Director, Villa Kunalai Co., Ltd.

2014 - Present Director, Herbal King Trading Co., Ltd.

2007 - Present Director, Green Star Environment Co., Ltd.

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

2003 - Present Director, Navesco Co., Ltd.

Family Relations among Executives: None

¹Includes holdings by spouse and minor children as of December 31, 2018

Mr. Sang Do Lee

Aged 43

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 : 0.44%, MONO-W1 : 0.000003%

Experience

Directorship in Listed Companies

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

Directorship in other Companies

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

Family Relations among Executives: None

Mr. Patompong Sirachairat

Aged 38

Director/Executive Director/Member of Risk Management

Committee / Chief Operating Officer

(Appointed Director on February 21, 2017)

Education / Training Courses

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

Shareholding (%)¹

MONO : 0.19%, MONO-W1 : 0.24%

Experience

Directorship in Listed Companies

2017 - Present Director

2014 - Present Chief Operating Officer

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

Directorship in other Companies

2015 - Present Director
Subsidiaries of Mono Technology PCL.

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

Family Relations among Executives: None

¹Includes holdings by spouse and minor children as of December 31, 2018

Mr. Komsak Wattanasriroj

Aged 50

Director / Executive Director / Chief Financial Officer / Authorized Director

(Appointed Director on March 9, 2012)

Education / Training Courses

- Master of Business Administration, Srinakharinwirot University
- IOD Training Programs:
 - Director Certification Program (DCP), Class 105/2008
 - Advanced Audit Committee Program (AACP), Class 30/2561
- Thai Investors Association Training Program
 - Thai Intelligent Investor Program (TIIP), Class 10/2015

Shareholding (%)¹

MONO : 0.28%, MONO-W1 : 0.06%

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.

Family Relations among Executives: None

Mr. Siri Luengsawat

Aged 63

Director

(Appointed Director on March 9, 2012)

Education/ Training Courses

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

Shareholding (%)¹

MONO and MONO-W1 : None

Experience

Directorship in Listed Companies

2012 - Present Director, Mono Technology PCL.

Directorship in other Companies

2014 - Present Director, Herbal King Trading Co., Ltd.

2006 - Present Director, Subsidiaries of Mono Technology PCL.

2003 - Present Director, Angel Trading International Co., Ltd.

2003 - 2008 Executive Editor, Gossip Star Co., Ltd.

Family Relations among Executives: None

¹Includes holdings by spouse and minor children as of December 31, 2018

Mrs. Punnee Worawuthichongsathit

Aged 66

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

(Appointed Director on March 9, 2012)

Education/ Training Courses

- Master/ Bachelor 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:
 - Driving Company Success with IT Governance (ITG),
Class 4/2017
 - Ethical Leadership Program (ELP), 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
 - DCP Refresher Course, Class 2/2009
 - Monitoring Fraud Risk Management, Class 1/2009
 - Role of the Compensation Committee, Class 7/2008
 - Chartered Director Class, Class 3/2008
 - 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

¹Includes holdings by spouse and minor children as of December 31, 2018

Experience

Present	Accounting Professions Committee Consultant - Tax Accounting, Federation of Accounting Professions under the Royal Patronage of His Majesty the King
Present	Thai Investors Association Directors Consultant
Present	Member of Audit Committee Office of National Anti-Corruption Commission
Present	Guest Lecturer/ Member of Audit Committee government and private universities and Federation of Accounting Professions under the Royal Patronage of His Majesty the King

Directorship in Listed Companies

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

Directorship in other Companies

2016 - Present	Director P.W. Consultants Co.,Ltd.
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Family Relations among Executives: None

Mr. Preecha Leelasithorn

Aged 55

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

(Appointed Director on March 9, 2012)

Education/ Training Courses

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

Shareholding (%)¹

MONO and MONO-W1 : None

Experience

Directorship in Listed Companies

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

Directorship in other Companies

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

Family Relations among Executives: None

Mr. Kriengsak Thiennukul

Aged 53

**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
- Master of Business Administration, Assumption University
- Thai - Chinese Leadership Studies (TCL), Class 1/2017
- 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 : 0.04%, MONO-W1 : None

Experience

Directorship in Listed Companies

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

Directorship in other Companies

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

Family Relations among Executives: None

¹Includes holdings by spouse and minor children as of December 31, 2018

Executives

Mr. Jiraparwat Boonyasen

Aged 50

Senior Vice President - Mobile Internet Business

Member of Risk Management Committee

(Appointed Executive on March 15, 2002)

Education/ Training Courses

- Bachelor of Science, Computer Science,
- King Mongkut's University of Technology North Bangkok
- IOD Training Programs:
 - How to Develop a Risk Management (HRP) Class 1/2012

Shareholding (%)¹

MONO : 0.19%, MONO-W1 : 0.24%

Experience

2016 - Present Senior Vice President - Mobile Internet Business Mono Technology PCL.

2002 - Present Member of Risk Management Committee Mono Technology PCL.

2002 - 2015 Vice President - Mobile Internet Business Mono Technology PCL.

Family Relations among Executives: None

Miss Benjawan Rakwong

Aged 47

Senior Vice President - Administration

Executive Director

(Appointed Executive on April 1, 2008)

Education/ Training Courses

- Master of Management, International Affairs Management, Oxford Brookes University, UK

Shareholding (%)¹

MONO : 0.05%, MONO-W1 : 0.11%

Experience

2018 - Present Senior Vice President Administration Mono Technology PCL.

2017 - Present Executive Director Mono Technology PCL.

2008 - 2017 Vice President - Administration Mono Technology PCL.

2008 Vice President - Administration and Corporate Communication Gossip Star Co., Ltd.

2003 - 2008 Vice President - Human Resources and Administration Mono Generation Co., Ltd.

Family Relations among Executives: None

¹Includes holdings by spouse and minor children as of December 31, 2018

Miss Pitirudee Sirisamphan

Aged 49

Company Secretary Vice President - Corporate Affairs

(Appointed Executive on March 14, 2012)

Education/ Training Courses

- Master of Business Economics
Dhurakit Pundit University
- Diploma of Business Management for Internal Audit 2014
Federation of Accounting Professions under the
Royal Patronage of His Majesty the King
- IOD Training Programs:
 - Anti - Corruption : The Practice Guide (ACPG)
Class 24/2015
 - Board Reporting Program (BRP) Class 9/2012
 - How to Develop a Risk Management (HRP)
Class 1/2012
 - Effective Minute Taking (EMT) Class 13/2009
 - Company Secretary Program (CSP) Class 28/2008

Shareholding (%)¹

MONO : 0.06%, MONO-W1 : None

Experience

2012 - Present Company Secretary and
Vice President - Corporate Affairs
Mono Technology PCL.

2008 - 2012 Company Secretary and
Vice President - Human Resources
Mono Technology PCL.

2004 - 2007 Vice President - Human Resources
Mono Generation Co., Ltd.

Family Relations among Executives: None

Mr. Teerasak Tharaworn

Aged 44

Vice President - Human Resources

(Appointed Executive on July 1, 2012)

Education/ Training Courses

- Master of Business Administration, Management,
Ramkhamhaeng University

Shareholding (%)¹

MONO : 0.03%, MONO-W1 : 0.002%

Experience

2016 - Present Vice President - Human Resources
Mono Technology PCL.

2012 - 2015 Assistant Vice President - Human
Resources Mono Technology PCL.

2008 - 2012 Assistant Vice President - Human
Resources Jasmin International PCL.

Family Relations among Executives: None

¹Includes holdings by spouse and minor children as of December 31, 2018

Miss Paweena Poonpattanasuk

Aged 48

Vice President – Accounting and Finance

Member of Risk Management Committee

(Appointed Executive on January 1, 2013)

Education/ Training Courses

- Master of Science in Information Technology
in Business Program Chulalongkorn University
- IOD Training Programs:
 - How to Develop a Risk Management (HRP) Class
1/2012

Shareholding (%)¹

MONO : 0.03%, MONO-W1 : None

Experience

2016 - Present	Vice President - Accounting and Finance Mono Technology PCL.
2013 -Present	Member of Risk Management Committee Mono Technology PCL.
2013 - 2016	Assistant Vice President - Accounting and Finance Mono Technology PCL.
2005 - 2012	Senior Manager - Accounting and Finance Mono Technology PCL.

Family Relations among Executives: None

¹Includes holdings by spouse and minor children as of December 31, 2018

Head of Internal Audit

Mrs. Suansri Suansakul

Aged 58

Head of Internal Audit Secretary of the Audit Committee

Education/ Training Courses

- Master of Accountancy Chulalongkorn University
- Certification of Auditing Chulalongkorn University
- Audit Report Writing by The Institute of Internal Auditors Thailand (April 10-11, 2018)
- Laws Update on Taxation and Accounting by S.P.O. Organizer Co., Ltd. (June 23-24, 2018)
- Seminar on "Accounting Knowledge for the Benefits of Employees in Every Business and Related Laws" by Department of Business Development, Ministry of Commerce (August 20, 2018)
- Seminar on "Tips on the Change from TFRS for NPAEs to TFRSs and Following Events during Report Period" by Department of Business Development, Ministry of Commerce (September 26, 2018)
- Risk - based Audit by The Institute of Internal Auditors Thailand (September 28-29, 2018)
- TFRS 15 - Revenue from Contracts with Customers by 75 CPE Co., Ltd. (November 22, 2018)
- Crossover Thailand 4.0 by Faculty of Commerce and Accountancy Chulalongkorn University Alumni (November 30, 2018)
- IA DAY : Connecting the World by The Institute of Internal Auditors Thailand (December 13, 2018)

Shareholding (%)¹

MONO : None, MONO-W1 : None

Experience

- 2007 - Present Head of Head of Internal Audit and Secretary of the Audit Committee Mono Technology PCL.
- 1996 - Present Executive Director - Accounting and Audit S.C. Accounting & Business Consultant Co., Ltd. (1995)

Family Relations among Executives: None

Head of Corporate Operations of the Company

Miss Pitirudee Sirisamphan

Aged 49

Company Secretary Vice President - Corporate Affairs

(Appointed Executive on March 14, 2012)

Education/ Training Courses

- Master of Business Economics Dhurakit Pundit University
- Diploma of Business Management for Internal Audit 2014 Federation of Accounting Professions under the Royal Patronage of His Majesty the King
- IOD Training Programs:
 - Anti - Corruption : The Practice Guide (ACPG) Class 24/2015
 - Board Reporting Program (BRP) Class 9/2012
 - How to Develop a Risk Management (HRP) Class 1/2012
 - Effective Minute Taking (EMT) Class 13/2009
 - Company Secretary Program (CSP) Class 28/2008

Shareholding (%)¹

MONO : 0.06%, MONO-W1 : None

Experience

- 2012 - Present Company Secretary and Vice President - Corporate Affairs Mono Technology PCL.
- 2008 - 2012 Company Secretary and Vice President - Human Resources Mono Technology PCL.
- 2004 - 2007 Vice President - Human Resources Mono Generation Co., Ltd.

Family Relations among Executives: None

¹Includes holdings by spouse and minor children as of December 31, 2018

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. Navamin Prasopnet	D,ED, Exec	D,ED, Exec	D,ED	D,ED, Exec	D,ED	D,ED	D,ED, Exec
3. Mr. Sang Do Lee	D,ED, Exec	D,ED	D,ED	D,ED	D,ED	D,ED, Exec	D,ED
4. Mr. Patompong Sirachairat	ED, Exec	ED	ED, Exec	D,ED	D,ED, Exec	ED	ED
5. Mr. Komsak Wattanasriroj	D,ED, Exec	ED	ED	ED	ED	ED	ED
6. Mr. Siri Luengsawat	D	D		D	D	D	D
7. Mrs. Punnee Worawuthichongsathit	D						
8. Mr. Preecha Leelasithorn	D						
9. Mr. Kriengsak Thiennukul	D						
10. Mr. Jiraparwat Boonyasen	Exec		D				
11. Miss Pitirudee Sirisamphan	Exec						
12. Miss Benjawan Rakwong	ED, Exec	ED	ED	ED	ED	ED	ED
13. Mr. Teerasak Tharaworn	Exec						
14. Miss Paweena Poonpattanasuk	Exec						

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

หมายเหตุ :

* = Chairman of the Board of Directors

D = Director

ED = Executive Director

Exec = Executive

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

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

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

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

Details of Directorship in Subsidiaries with revenue of over 10 percent of income

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

MONO BC = Mono Broadcast Co., Ltd.

MONO FILM = Mono Film Co., Ltd.

Remarks :

D = Director ED = Executive Director Exec = Executive

¹ Other directors and executives have no related companies.

² Subsidiaries are companies that have significant business operation, for example, their revenues are over 10 percent of the total revenues as of the 2018 Statement of Comprehensive Income

Assets Used in Business Operations

1. Fixed assets used in business operations

Details about fixed assets used in business operations of the Company and subsidiaries are as follows:

Category / Property	Net Book Value as of December 31, 2018 (million baht)	Proprietary Characteristics	Obligation
1. Land and land improvement	254.63	owner	Some properties are under suretyship of long-term loan from banks, limited to 250 million baht.
2. Building, building and leasehold improvement	302.66	owner	
3. Furniture, fixtures and office equipment	81.07	owner	
4. Computer and equipment	73.76	owner / hire-purchase	Some properties are under suretyship of hire-purchase/ lease agreements with leasing companies, limited to 60.57 million baht.
5. Motor vehicles	14.35	owner / hire-purchase	Some properties are under suretyship of hire-purchase/ lease agreements with financial institutes, limited to 7.47 million baht.
6. Assets under installation	5.89		
Total	732.36		

2. Intangible assets

As of December 31, 2018, the Company and subsidiaries is the ownership of website copyright, computer programs, and copyright of films, music, and videos. Details are as follows:

List	Net Book Value as of December 31, 2018 (million baht)	Details of Amortization
Website copyright	23.55	Amortizing according to the useful life
Films, music, and videos copyright	1,512.15	Amortizing according to agreement period/ the useful life
Other copyright	268.94	Amortizing according to agreement period/ the useful life
Computer programs	38.65	Amortizing according to agreement period/ the useful life
Advance payments and work in process	729.52	
Total	2,572.81	

3. Important agreements of the Company

3.1 Lease agreements

The Company and subsidiaries signed lease agreements for building to utilize it as the head office. The lease agreements were signed with the person related to the Company. Details of the agreements are as follows:

Agreement Party	Rental Place	Rental Period			Area (Sq.m.)
		Duration	From	To	
1. Premium Asset Company Limited	Floor 5 room 501	3 years	1-Oct.-17	30-Sep.-20	98
2. Premium Asset Company Limited	Floor 5 room 502	3 years	1-Sep.-16	31-Aug.-19	91
3. Premium Asset Company Limited	Floor 5 room 505	3 years	1-Oct.-17	30-Sep.-20	100
4. Premium Asset Company Limited	Floor 5 room 507	3 years	1-Feb.-17	31-Jan.-20	40
5. Premium Asset Company Limited	Floor 5 room 508	3 years	1-Oct.-17	30-Sep.-20	138
6. Premium Asset Company Limited	Floor 5 room 509	3 years	1-Oct.-17	30-Sep.-20	119
7. Premium Asset Company Limited	Floor 5 room 510	2 years 11 months 15 days	15-Jun.-17	31-May-20	94
8. Premium Asset Company Limited	Floor 5 room 511	3 years	1-Sep.-16	31-Aug.-19	119
9. Premium Asset Company Limited	Floor 5 room 512	3 years	1-Sep.-16	31-Aug.-19	119
10. Premium Asset Company Limited	Floor 5 room 513	3 years	1-Oct.-17	30-Sep.-20	106
11. Premium Asset Company Limited	Floor 5 room 517	3 years	1-Sep.-16	31-Aug.-19	35
12. Premium Asset Company Limited	Floor 5 room 519	3 years	1-Oct.-17	30-Sep.-20	111
13. Premium Asset Company Limited	Floor 11	3 years	1-Sep.-16	31-Aug.-19	1,417
14. Premium Asset Company Limited	Floor 12 room 1202B	3 years	1-Sep.-17	31-Aug.-20	260
15. Premium Asset Company Limited	Floor 14 room 1404B	3 years	1-Jul.-17	30-Jun.-20	110
16. Premium Asset Company Limited	Floor 14 room 1401C	3 years	1-Aug.-17	31-Jul.-20	98
17. Premium Asset Company Limited	Floor 14 room 1401B	3 years	1-Nov.-17	31-Oct.-20	169
18. Premium Asset Company Limited	Floor 16	3 years	1-Jun.-17	31-May-20	1,417
19. Premium Asset Company Limited	Floor 17	3 years	1-Mar.-17	29-Feb.-20	1,417
20. Premium Asset Company Limited	Floor 31	2 years	1-Jan.-17	31-Dec.-19	1,788
21. Premium Asset Company Limited	Floor R1 room UPS	3 years	1-May-17	30-Apr.-20	53

Agreement Party	Rental Place	Rental Period			Area (Sq.m.)
		Duration	From	To	
22. Premium Asset Company Limited	Floor R2 room R201	3 years	1-Dec.-16	30-Nov.-19	342
23. Premium Asset Company Limited	Floor R2 room R202	3 years	1-Oct.-16	30-Sep.-19	60
24. Premium Asset Company Limited	Floor P1 room 1	2 years	1-Feb.-18	31-Jan.-20	21
25. Premium Asset Company Limited	Floor P3 room 2	2 years	1-Aug.-18	31-Jul.-20	21
26. Premium Asset Company Limited	Floor P5 room 9	2 years	1-Apr.-18	31-Mar.-20	12
27. Premium Asset Company Limited	Floor P5 room 7	2 years	1-Jun.-18	31-May-20	15
28. Premium Asset Company Limited	Floor P8 room 15	2 years	1-Aug.-18	31-Jul.-20	11
29. Premium Asset Company Limited	Floor P9 room 18	2 years	1-Apr.-18	31-Mar.-20	21
30. Premium Asset Company Limited	Floor P9 room 19	2 years	1-Apr.-18	31-Mar.-20	11
31. Premium Asset Company Limited	Floor P9 room 20	2 years	1-Apr.-18	31-Mar.-20	11
32. Premium Asset Company Limited	Roof top for satellite dish	3 years	15-Mar.-16	14-Mar.-19	-
33. Premium Asset Company Limited	Billboard area	2 years	1-Feb.-18	31-Jan.-20	-
34. Premium Asset Company Limited	Roof top R2 for evaporator	3 years	1-Apr.-18	31-Mar.-21	8

3.2 Mobile phone service provider agreements

1) Agreements with Advanced Info Service PCL. (Later Advance Info Service PCL. transferred the right to receive payment to MIMO Tech Co.,Ltd.)

Agreement	Detail	Agreement Period
SMS WAP MMS and VOICE Service Provider Agreement	Provide information for AIS mobile phone customers	Agreement starts on July 1, 2010 under one-year period of agreement. If both parties do not intend to cancel the agreement, the agreement shall automatically renew for another one-year term.
SMS Provider Agreement	Provide SMS on AIS mobile phone network	Agreement starts on April 1, 2014 under one- year period of agreement. If both parties do not intend to cancel the agreement, the agreement shall automatically renew for another six-months term.

2) Agreements with Total Access Communication PCL.

Agreement	Detail	Agreement Period
Content Provider Agreement	Provide information for DTAC mobile phone customers	Agreement starts on June 1, 2007 under two- year period of agreement. If both parties do not intend to cancel the agreement, the agreement shall automatically renew for another one-year term.
AUDIOTEXT Content Provider Agreement	Provide audiotext on DTAC mobile phone network for phone number 1900-xxx-xxx	Agreement starts on June 1, 2005 under one- year period of agreement. If both parties do not intend to cancel the agreement, the agreement shall automatically renew for another one-year term.
SMS Provider Agreement	Provide SMS on DTAC mobile phone network	Agreement starts on July 1, 2012 under one- year period of agreement. If both parties do not intend to cancel the agreement, the agreement shall automatically renew for another one-year term.

3) Agreements with True Move Co., Ltd.

Agreement	Detail	Agreement Period
AUDIOTEXT Content Provider Agreement	Provide audiotext on TRUE mobile phone network for phone number 1900-xxx-xxx	Agreement starts on August 15, 2014 under one- year period of agreement. If both parties do not intend to cancel the agreement, the agreement shall automatically renew for another one-year term.
Content Provider on Mobile Phone Agreement	Provide information for True Move mobile phone customers	Agreement starts on August 15, 2014 under one- year period of agreement. If both parties do not intend to cancel the agreement, the agreement shall automatically renew for another one-year term.

4) Agreements with Real Move Co., Ltd.

Agreement	Detail	Agreement Period
Content Provider on Mobile Phone Agreement	Provide information for Real Move mobile phone customers	Agreement starts on August 15, 2014 under one- year period of agreement. If both parties do not intend to cancel the agreement, the agreement shall automatically renew for another one-year term.

5) Agreements with TOT PCL.

Agreement	Detail	Agreement Period
AUDIOTEXT Content Provider Agreement	Provide audiotext on telephone for number 1900-xxx-xxx	Agreement started from September 11, 2003 to September 11, 2018 under fifteen- year period of agreement.

3.3 Other Agreements

1) Digital TV Broadcasting Agreements

Agreement	Detail	Agreement Period
Satellite Channel Service Agreement with Thaicom PCL.	To use satellite for broadcasting TV programs on KU-Band and C-Band	Agreement started from December 1, 2017 to December 19, 2019. Renewal of the agreement can be made by mutual agreement of the parties.
Signal Combination Service Agreement with TC Broadcasting Co., Ltd.	To combine signal and use TV network service	Agreement started from December 1, 2017 to December 19, 2019. Renewal of the agreement can be made by mutual agreement of the parties.
TV Network for Digital SD Ground Frequency Rental Service Agreement	To transmit, compress, and mix satellite signal, as well as convert the frequency and send the compressed signal to the network station, in order to broadcast TV signal in different parts of Thailand	Agreement started from January 17, 2014 to May 31, 2028. Renewal of the agreement can be made by mutual agreement of the parties.

2) Satellite TV Broadcasting Agreement

Agreement	Detail	Agreement Period
Satellite Channel Service Agreement with PSI Broadcasting Co., Ltd.	To use satellite for broadcasting TV programs on C-Band	Agreement started from June 1, 2018 to May 31, 2019. Renewal of the agreement can be made by mutual agreement of the parties.

3) Television Broadcasting Business License

Agreement	Detail	Agreement Period
License for television broadcasting business	To provide TV digital SD ground service on MONO29 channel as National business service	Starts on April 25, 2014 and ends on April 24, 2029
License for Television Broadcasting Business MONO Plus Channel with NBTC	To broadcast programs on MONO Plus channel	Starts on March 25, 2016 and ends on March 24, 2021
Memorandum on the Agreement of Program Production for Broadcasting on Royal Thai Army Radio and Television Station FM Frequency 91.5 MHz.	To broadcast program on radio station everyday	Started on January 1, 2019 and ended on December 31, 2021

4) Property Insurance Contract

Insurance	Insurance Company	Insured Property	Sum Insured (million baht)	Insurance Period	Assured
Property Risk Insurance	Bangkok Insurance PCL.	<ol style="list-style-type: none"> Furniture, decoration, fixture, extensions, office equipment, electronic machines, server, computer and computer devices, and all other properties that belong to the assured and the assured use them for business operation <ul style="list-style-type: none"> Rental area on floor 5,11,12,14,16,17,31, and R2 of Jasmine International Tower Rental house in Soi Lotus, Si Chai Thong Village Server at KSC Geneva Building, floor 8, Muang Thong Thani/ JASTEL Jasmine International Tower, floor 5,6, and 8/ channel 9/ NTT Bangna/ INET Bangkok Thai Tower, floor 10/ Yan Kraw Radio Station Inventory and rewards, books, and office equipment in rental areas <ul style="list-style-type: none"> Storerooms in Jasmine International Tower, floor PG, P3, P5, P8, and P9 	169.83	28 Dec. 2018 - 28 Dec. 2019	Mono Technology PCL. and/ or subsidiaries

Insurance	Insurance Company	Insured Property	Sum Insured (million baht)	Insurance Period	Assured
Property Risk Insurance	Dhipaya Insurance PCL.	1. Construction parts of studio building (excluding the foundation of the building), renovations, stadium, and public utility systems 2. Furniture, extensions, office equipment, electronic machines, server, computer and computer devices, and all other properties that belong to the assured and the assured use them for business operation	324.89	31 Mar. 2018 - 31 Mar. 2019	Mono Production Co., Ltd.

4. Investment Promotion Incentives

Mono Info Systems Co., Ltd., a subsidiary operating information technology business, is the owner of Enterprise Digital Content Management System which sends content to mobile phones. The investment has been promoted in reference to software business, in the category of Enterprise Software and Digital Content, according to Investment Promotion Act B.E. 2520 passed by The Board of Investment of Thailand. Incentives are as follows.

- Promotion Certificate Number:** 1029(7)/2554
- Date on Promotion Certificate:** January 11, 2011
- Promotion by business-based:** Software Business, in category of Enterprise Software and Digital Content

4. Important Promotion Incentives:

- The business is permitted to import alien workers who are craftsmen or experts, including their spouses and children under their patronage, to Thailand based on the number of workers and duration of stay permitted by The Board of Investment of Thailand (BOI).
- Alien workers who are craftsmen or experts are permitted to stay in the country and work in specific positions agreed by The Board of Investment of Thailand all through the duration of stay permitted.
- The business is exempted of import duties on machinery used in the business permitted by the BOI all through the duration of the promotion.
- The business is exempted of corporate income tax of net profit from the business operation which is being promoted. The exemption lasts for 8 years starting from the day the business generates income.
- The business is exempted of counting the dividend from the business promoted (exempted of corporate income tax) in tax calculation. The exemption lasts throughout the period the business is exempted of the corporate income tax.

5. Important Conditions on Specific Projects:

- The machinery used in the promoted business must be new.
- The project must be ready for business operation within 36 months starting from the issuance of the promotion certificate.
- The registered capital of the business must not be lower than 8 million baht, and shares must be fully paid before the date of business operation.
- Persons of Thai nationality must hold at least 51 percent shares of the registered capital.
- The business must be restricted to the conditions of the project under promotion based on the following issues.
 - The business type must be software business, in the category of Enterprise Software and Digital Content
 - Software development process must consist of modeling, requirement analysis, software designing, implementation of software program and digital content, program and system testing, deployment of software system and digital content distribution, and lastly, configuration and change management of software system or digital content.
- The size of investment (excluding the value of land and working capital) must be at least 1 million baht.
- The business must receive the standard certification from Software Industry Promotion Agency or receive the certification of Capability Maturity Model Integration (CMMI) or equals within 2 years starting from the date of business operation. If the business is unable to receive the certification within the specific period, the incentives on the exemption of corporate income tax shall be revoked for 1 year.
- Software packages which was developed and distributed before the request for investment promotion are excluded from the project under the promotion.
- Income from selling or giving service which directly related to the software under the promotion is regarded as the income from the investment promotion.
- Software development that are copyright violated or opposed to morality and traditional customs are not permitted.

Related Party Transactions

Summary of related party transactions between Mono Group and persons that may have conflicts of interest throughout 2018 :

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"> Triple T Internet Company Limited (“TTTI”) JasTel Network Company Limited (“JASTEL”) Premium Asset Company Limited (“PA”) 	<ul style="list-style-type: none"> Mr. Pete Bodharamik is the major shareholder of both the Company (64.29 percent) and JAS (55.80 percent). 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 percent. 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 percent). JSTC is the subsidiary of JAS, holding share of 100 percent. 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 percent.

Connected Company	Relationship
<ul style="list-style-type: none"> • Jasmine Internet Company Limited (“JINET”) • ACeS Regional Services Company Limited (“ACES”) 	<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). • 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.
<p>2. Green Star Environment Company Limited (“GS”)</p>	<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)
<p>3. Dr. Phichani Bodharamik Foundation for Children and Seniors (“PBF”)</p>	<ul style="list-style-type: none"> • The Foundation is established to assist children and the elderly by being recognized as a charitable organization by the Revenue Department. • The Foundation and the Company have a common director, Mr. Pete Bodharamik, and he is a director of the Foundation and the Company.
<p>4. Pinvest Corporation Co., Ltd. (“PINVEST”)</p>	<ul style="list-style-type: none"> • PINVEST is a business of buying, selling, renting, renting real estates and movable properties. • PINVEST and the Company have a common shareholder and director, Mr. Pete Bodharamik, the authorized director of both companies. He is a major shareholder of PINVEST holding 99.99% of shares.

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

1. Normal business, with general trading conditions:

Connected Company / Transactions	Value (Million Baht) As of December 31, 2018	Necessity and Appropriateness / Opinion of Audit Committee
1. 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, radio and digital TV for TTTI.	22.13	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.	1.01	
<u>Cost and Expense</u>		
<ul style="list-style-type: none">The Company and subsidiaries paid for the space rental for co-location server.	7.86	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.
<ul style="list-style-type: none">The Company and subsidiaries paid TTTI for:<ul style="list-style-type: none">1) Expense of high speed internet service for supporting TV, Mobile Internet and Radio businesses2) Expense of high speed internet service for supporting the office work.	17.32	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.

Connected Company / Transactions	Value (Million Baht) As of December 31, 2018	Necessity and Appropriateness / Opinion of Audit Committee
1. Triple T Internet Company Limited (continued)		
<ul style="list-style-type: none"> The Company paid TTTI for fixed-line telephone service for supporting call center operation. Meanwhile, the Company and a subsidiary used such telephone service for office communication purpose. 	0.81	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.
2. 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). 	0.66	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. 	2.00	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.
3. 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. 	14.08	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, 2018	Necessity and Appropriateness / Opinion of Audit Committee
4. 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.
5. Jasmine International Group , such as TTTBB, TTTI, JINET, JASTEL, ACU, and PA		
<u>Cost and Expense</u>		
<ul style="list-style-type: none"> Subsidiaries received monetary sponsorship for organizing activities. 	0.50	Such service is a normal transaction of the Company for publicizing and promoting activities in each event. The service fee is at the same rate as other customers. Therefore, this transaction is regarded as reasonable at fair price.
6. 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. 	0.11	Such transaction is normal business transaction and the service fee is based on the market rate. Therefore, this transaction is regarded as reasonable at a fair price.
7. ACeS Regional Services Company Limited		
<u>Cost and Expense</u>		
<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.

2. Transactions supporting normal business:

Connected Company / Transactions	Value (Million Baht) As of December 31, 2018	Necessity and Appropriateness / Opinion of Audit Committee
1. Premium Asset Company Limited		
<u>Space Rental</u> <ul style="list-style-type: none"> The Company and subsidiaries paid PA for office rental. 	41.43	Such service is a normal transaction of Mono Group. PA is the owner of Jasmine International Tower and the fee is comparable to the rate collected from other tenants. Therefore, such transaction is regarded as reasonable at a fair price.
2. Dr. Phichani Bodharamik Foundation for Children and Seniors		
<u>Cost and Expense</u> <ul style="list-style-type: none"> The Company made donations to the foundation to support the construction of school buildings for charitable purpose. 	2.00	The transaction is a supporting item for CSR of the Company, which is a normal expense item.

3. Asset or service transactions

Connected Company / Transactions	Value (Million Baht) As of December 31, 2018	Necessity and Appropriateness / Opinion of Audit Committee
1. Pinvest Corporation Co., Ltd.		
<u>Cost and Expense</u> <ul style="list-style-type: none"> Subsidiary paid vdo camera rental to PINVEST for use in business operation. The rates are comparable to the rates charged by the Group to other subscribers. 	15.00	The transaction is a normal business transaction and the rental rates is based on general commercial terms. Therefore, the transaction is reasonable and fair.

Internal Control and Risk Management

The Board of Directors realizes and gives importance to internal control system and risk management to enable Mono Group to achieve its business goals with efficiency and sustainability. The Company appointed the Audit Committee to review the adequacy and the reliability of financial reports of the internal control and audit system. Also, the Committee shall review business operation of the Company in order to ensure the compliance with the law and related rules, both domestic and international levels.

The Company adopts SEC's internal control system assessment form which follows the guideline of COSO (The Committee of Sponsoring Organizations of the Treadway Commission) as the guideline for the assessment of the Company and subsidiaries. The Audit Committee shall consider the assessment form written by the management and discuss it with the internal audit annually, then present the result to the Board of Directors. The meeting of the Board of Directors No. 1/2019, held on February 20, 2019 where all members of the Audit Committee participating in the meeting, assessed the internal control system by discussing with the management and the Members of the Audit Committee. The discussion aimed to consider the adequacy of the internal control system based on 5 aspects as follows:

Part 1 Internal Control of the Organization

The Company set a clear business goal with vision and strategy. Appropriate plan and budget which conformed to the target was arranged as well as the organization structure which complied with the business. The Company delegated management authority and set applicable plan on human resource. To lead internal control adequacy and sustainable growth, the Company stresses on good corporate governance, business ethics, and code of conducts.

Part 2 Risk Assessment

The Company appointed the Risk Management Committee, consisting of high-ranking executives of Mono Group to be responsible for considering risk management policy and guidelines, assessing the efficiency of risk management as well as regularly monitoring and reporting the assessment to the Board of Directors.

- Approving and reviewing risk management policy so that it conforms with the objective and the goal of the business as well as organizing the acceptable level of risk to set the same operation framework
- Analyzing all risk possibilities both from internal and external factors which affect the business operation, planning risk management, assessing risk opportunities and effects as well as the chances on corruption to level the risk according to their importance, realizing the signals or errors in order to find the appropriate practice for risk management
- Monitoring the practice of risk management according to the established plan
- Supervising subsidiaries under the practice of good internal control system and risk management

Part 3 Operation Control

The Company formulated the policy and the process to control different sectors of business operation. Management authority and financial approval limit of the management was clearly and appropriately organized. To enable mutual inspection, the approval authority was separated from the financial details and information recording and the responsibility for asset custody. General controlling activity using information technology system was adopted for an easy verification. In addition, the Company set the practice to ensure that business transactions followed the procedures established and conflict of interest was prevented.

Part 4 IT System and Data Communication

The Company always makes decision based on correct, appropriate, sufficient, and accessible data. Moreover, the Company provides applicable internal and external communication channels and process to communicate information to related persons thoroughly and in time.

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.

The Board of Directors views that internal control system and risk management of the Company and subsidiaries are sufficient and appropriate for business management. The Company has set up the adequate and appropriate internal control system and employees for the operation as well as the internal control system for transactions among the major shareholder, directors, the management team and other related persons.

Furthermore, the Audit Committee and the management continue to put emphasis on internal control and risk management, ensure the adequate and appropriate internal control for the business operation, control risk at the acceptable level, comply with business operation-related law and regulations, and provide accurate and reliable financial report.

Head of Internal Audit

S.C. Accounting & Business Consultant (1995) Co., Ltd. has been employed to be the internal auditor of the Company since 2007. Miss Suansri Suankul has been appointed Head of the Internal Audit Unit and Secretary of the Audit Committee. Under the direct control of the Audit Committee, her responsible includes organizing the annual internal audit plan, following and auditing the accuracy of each unit operation, assessing the internal control system, reviewing, and giving opinion and suggestions to increase the efficiency of the internal control management. Report on such topics shall be submitted directly to the Audit Committee and the copy of report shall be quarterly sent to the relevant management. Also, the summarized internal audit report shall be quarterly presented to the meeting of the Board of Directors for their acknowledgement. In this regard, Miss Pitirudee Sirisamphan, the Company Secretary, shall collaborate with the Internal Audit Unit.

The Audit Committee views that 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.

Head of Corporate Operations

Head of Corporate Operations is responsible for ensuring that the Company's operation follows the principles of good corporate governance, the Company's regulations and policies, as well as laws and related regulations, such as Securities and Exchange Act, announcements of The Securities and Exchange Commission (SEC), and Public Limited Companies Act. B.E. 2535. Hence, Head of Corporate Operations has to give advice to the Board of Directors and executives on practices which need to be followed. This includes ensuring that the Board of Directors, executives, and employees follow those practices correctly. New regulations relating to the Company shall also be observed. In this regard, Miss Pitirudee Sirisamphan, Vice President - Corporate Affairs and Company Secretary, holds responsibility for the tasks mentioned. Furthermore, the Company has employed Seri Manop & Doyle Co., Ltd., an external legal counsellor, to consult and provide suggestions on the accuracy of such practices.

The information on the position of Head of Internal Audit and the Head of Corporate Operations appears in the topic on Details of Head of Internal Audit and Head of Corporate Operations of the Company.

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 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, 2018 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, 2018.



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	4/4
2. Mr. Preecha Leelasithorn	Member of Audit Committee	4/4
3. Mr. Kriengsak Thiennukul	Member of Audit Committee	4/4

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 according to the Audit Committee Charter and good guidelines annually. In 2018, the Audit Committee held 4 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:

- To review the Company's quarterly and annual financial statements of 2018** 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. The Audit Committee agreed with the external auditors that the financial statements were adequate and accurate in accordance with financial reporting standards.
- 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.
- To review the internal control, internal audit system, risk management as well as corruption risk prevention.** The Audit Committee worked in collaboration with auditors and the Head of Internal Audit Unit independently and with no limit to information every quarter to consider the auditing results, hear clarification, findings, recommendations, and feedback of responsible person so that the measures were adequate and met the established objectives by concerning about the enterprise risk management. The measures concern about 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, 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, the adequacy and appropriateness of staff, and the assessment of the internal auditor performance 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 2019** in order to propose the Board of Directors and the Annual General Meeting of Shareholders. After considering performance, independency, and remuneration level, the Audit Committee agreed to appoint Miss Krongkaew Limkittikul (Certified Public Accountant No. 5874), or Mr. Supachai Phanyawattano (Certified Public Accountant No. 3930), or Mr. Nattawut Santipet (Certified Public Accountant No. 5730) of EY Office Limited to serve as the Company and subsidiaries' external auditor again for 2019. 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 2019 to the amount that is not exceeding 5,645,000 Baht.

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

On Behalf of Audit Committee



(Mrs. Punnee Worawuthichongsathit)

Chairperson of Audit Committee

Report of Nomination and Remuneration Committee

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

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

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 2018. 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 2018.
3. Consider allowance payment for directors and bonus payment for executives for 2018.
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
2016	Miss Krongkaew Limkittikul	5874	EY Office Limited
2017	Miss Krongkaew Limkittikul	5874	EY Office Limited
2018	Miss Krongkaew Limkittikul	5874	EY Office Limited

Audit Report Summary

The Company's consolidated and separate financial statements for 2016 - 2018 were audited by the aforementioned auditors, who were approved by SEC. In addition, financial statements of some subsidiaries overseas during 2016 - 2018 were audited by auditors in each country.

Regarding the financial statements for 2016 - 2018, the auditors expressed their unconditioned opinion toward the audited financial statements and were of opinion that the Company's statement of financial position, statement of comprehensive income, statement of changes in shareholders' equity and cash flow statement for each year ended as the same day were correct in accordance with Thai Financial Reporting Standards (TFRS).

Summary of Financial Statements

Statements of financial position of the Company and subsidiaries as of December 31, 2016 - 2018

Statements of Financial Position	As of December 31					
	2018		2017		2016	
	Million Baht	%	Million Baht	%	Million Baht	%
Assets						
Current assets						
Cash and cash equivalents	91.23	1.58	129.83	2.26	86.81	1.61
Current investments - deposits with banks	0.24	-	0.23	0.00	0.23	0.01
Trade and other receivables	448.13	7.77	492.66	8.59	465.98	8.64
Inventories	16.53	0.29	10.50	0.18	8.83	0.16
Current tax assets	69.31	1.20	72.59	1.26	58.83	1.09
Prepaid expenses	38.81	0.67	23.51	0.41	22.90	0.42
Other current assets	75.56	1.31	96.82	1.70	89.33	1.66
Total current assets	739.81	12.83	826.14	14.40	732.91	13.59
Non-current assets						
Restricted bank deposits	62.60	1.09	46.06	0.80	9.13	0.17
Investment in joint venture	-	-	46.83	0.82	51.23	0.95
Property, plant and equipment	732.36	12.70	760.55	13.26	777.36	14.42
Intangible assets	2,572.81	44.63	2,258.10	39.36	1,951.97	36.20
Cost of spectrum license	1,328.01	23.04	1,456.79	25.39	1,585.57	29.41
Deferred tax assets	245.45	4.26	258.97	4.51	210.85	3.91
Other non-current assets	84.04	1.46	83.16	1.46	72.64	1.35
Total non-current assets	5,025.27	87.17	4,910.46	85.60	4,658.75	86.41
Total assets	5,765.08	100.00	5,736.60	100.00	5,391.66	100.00

Statements of Financial Position	As of December 31					
	2018		2017		2016	
	Million Baht	%	Million Baht	%	Million Baht	%
Liabilities						
Current liabilities						
Bank overdrafts and short-term loans from banks	221.86	3.85	120.00	2.09	135.00	2.50
Trade and other payables	423.61	7.35	319.04	5.56	295.06	5.47
Current portion of long-term liabilities						
Long-term loans from banks	109.64	1.90	81.89	1.43	54.89	1.02
Cost of spectrum license payable	6.78	0.12	206.18	3.59	360.57	6.69
Liabilities under finance lease agreements	15.64	0.27	6.60	0.12	6.04	0.11
Income tax payable	1.34	0.02	3.40	0.06	0.30	0.01
Other current liabilities	89.51	1.55	65.29	1.15	77.37	1.43
Total current liabilities	868.38	15.06	802.40	13.99	929.23	17.23
Non-current liabilities						
Long-term liabilities, net of current portions						
Long-term loans from banks	1,333.82	23.14	1,440.84	25.12	1,338.99	24.83
Cost of spectrum license payable	844.06	14.64	695.32	12.12	708.84	13.15
Liabilities under finance lease agreements	18.39	0.32	6.03	0.11	3.09	0.06
Provision for long-term employee benefits	51.86	0.90	43.79	0.76	36.21	0.67
Deferred tax liabilities	7.48	0.13	8.99	0.15	9.69	0.18
Total non-current liabilities	2,255.61	39.13	2,194.97	38.26	2,096.82	38.89
Total liabilities	3,123.99	54.19	2,997.37	52.25	3,026.05	56.12
Shareholders' equity						
Registered capital	486.30		519.70		498.50	
Issued and fully paid-up capital	347.10	6.02	339.07	5.91	320.09	5.95
Premium on ordinary shares	3,632.95	63.02	3,440.90	59.98	2,935.69	54.45
Retained earnings						
Appropriated - statutory reserve	51.97	0.90	51.97	0.91	49.85	0.92
Unappropriated	(1,238.98)	(21.49)	(941.58)	(16.41)	(795.59)	(14.76)
Other components of shareholders' equity	(151.95)	(2.64)	(151.13)	(2.63)	(144.43)	(2.68)
Total parent's equity	2,641.09	45.81	2,739.23	47.75	2,365.61	43.88
Non-controlling interests	-	-	-	-	-	-
Total shareholders' equity	2,641.09	45.81	2,739.23	47.75	2,365.61	43.88
Total liabilities and shareholders' equity	5,765.08	100.00	5,736.60	100.00	5,391.66	100.00

Statement of comprehensive income for the year ended December 31, 2016 - 2018

Statement of Comprehensive Income	Consolidated Financial Statements					
	For the year ended December 31					
	2018		2017		2016	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue						
Sales and service income	2,399.23	95.66	2,528.67	98.17	2,076.76	98.30
Profit from modification of the terms of payment of the spectrum license fee	75.23	3.00	-	-	-	-
Other income	33.66	1.34	47.04	1.83	35.94	1.70
Total Revenues	2,508.12	100.00	2,575.71	100.00	2,112.70	100.00
Expenses						
Cost of sales and services	1,905.89	75.99	1,833.83	71.20	1,633.84	77.33
Selling and servicing expenses	171.03	6.82	139.39	5.41	107.57	5.09
Administrative expenses	483.43	19.27	448.34	17.41	417.92	19.78
Loss on impairment of investment in joint venture	-	-	-	-	21.30	1.01
Loss on impairment of intangible assets	-	-	4.94	0.19	23.78	1.13
Doubtful account	1.90	0.08	0.50	0.02	1.37	0.07
Reversal of allowance for impairment of investment in a joint venture	(4.03)	(0.16)	-	-	-	-
Total Expenses	2,558.22	102.00	2,427.00	94.23	2,205.78	104.41
Profit (loss) before share of loss from investment in a joint venture, finance cost and income tax income (expenses)	(50.10)	(2.00)	148.71	5.77	(93.08)	(4.41)
Share of loss from investment in joint venture	-	-	-	-	(1.81)	(0.09)
Profit (loss) before finance cost and income tax income (expenses)	(50.10)	(2.00)	148.71	5.77	(94.89)	(4.50)
Finance cost	(128.62)	(5.13)	(133.40)	(5.18)	(145.01)	(6.86)
Profit (loss) before income tax income (expenses)	(178.72)	(7.13)	15.31	0.59	(239.90)	(11.36)
Income tax income (expenses)	(14.55)	(0.58)	42.86	1.66	(9.65)	(0.45)
Profit (Loss) for the year	(193.27)	(7.71)	58.17	2.26	(249.55)	(11.81)
Exchange differences on translation of financial statements in foreign currency	(0.82)		(6.70)		0.92	
Actuarial gains (losses)	-		-		(7.15)	
Income tax effect	-		-		1.33	
Other comprehensive income for the year	(0.82)		(6.70)		(4.90)	
Total comprehensive income for the year	(194.09)		51.47		(254.45)	
Profit attributable to						
Profit attributable to equity holders of the Company	(193.27)		58.17		(249.55)	
Profit attributable to Non-controlling interests of the subsidiary	-		-		-	
Profit for the year attributable to	(193.27)		58.17		(249.55)	
Earnings per share						
Basic earnings (loss) per share	(0.056)		0.017		(0.079)	
Diluted earnings (loss) per share	(0.056)		0.015		(0.079)	
Weighted average number of ordinary shares (million shares)	3,451.45		3,351.57		3,172.66	

Statement of cash flows of the Company and subsidiaries for the year ended December 31, 2016 - 2018

Statement of Cash Flows	Consolidated Financial Statements		
	For the year ended December 31		
	2018	2017	2016
	Million Baht	Million Baht	Million Baht
Net cash from operating activities	1,188.95	1,185.86	749.61
Net cash used in investing activities	(1,227.00)	(1,473.10)	(1,536.68)
Cash flows from financing activities	(2.11)	332.57	678.67
Increase (decrease) in translation adjustments	1.56	(2.31)	0.92
Net decrease in cash and cash equivalents	(38.60)	43.02	(107.48)

Key Financial Ratio

Financial Ratio	Consolidated Financial Statements		
	2018	2017	2016
Liquidity Ratio			
Liquidity Ratio (Time)	0.85	1.03	0.79
Quick Ratio (Time)	0.58	0.74	0.54
Cash Flow Liquidity Ratio (Time)	1.42	1.37	0.77
Account Receivable Turnover (Time)	5.49	5.76	5.04
Average Collection Period (Day)	66.46	63.38	72.42
Inventory Turnover (Time)	116.92	132.34	107.99
Average Sale Period (Day)	3.12	2.76	3.38
Payable Turnover (Time)	41.69	43.61	23.22
Average Payment Period (Day)	8.75	8.37	15.72
Cash Cycle (Day)	60.83	57.77	60.08
Profitability Ratio			
Gross Profit Margin (%)	20.56	27.28	20.18
Operating Profit Margin (%)	(6.63)	4.02	(6.21)
Other Profit Margin (%)	4.34	1.83	1.70
Operating Cash Flows to Operating Profit Ratio (%)	(747.83)	1,166.38	(580.98)
Net Profit Margin (%)	(7.71)	2.26	(11.81)
Return on Equity (ROE) (%)	(7.18)	2.28	(10.42)
Efficiency Ratio			
Return on Assets (ROA) (%)	(0.87)	2.67	(1.78)
Return on Fix Assets (ROFA) (%)	(12.09)	20.01	(22.74)
Total Assets Turnover (Time)	0.44	0.46	0.40
Financial Policy Ratio			
Debt to Equity Ratio (Time)	1.18	1.09	1.28
Interest Coverage (Time)	(0.39)	1.11	(0.65)
Cash Basic (Time)	0.80	0.70	0.48
Dividend Payout ^{1/} (%)	-	381.66	38.66

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 2018 amounted to 2,508.12 million Baht, compared to 2,575.71 million Baht in 2017, decreasing by 67.59 million Baht or 2.62 percent, with details summarized as follows:

Revenue	Consolidated Financial Statements			
	2018	2017	Increase (Decrease)	%
Sales and service income	2,399.23	2,528.67	(129.44)	(5.12)
Profit from modification of the terms of payment of the spectrum license fee	75.23	-	75.23	100.00
Other income	33.66	47.04	(13.38)	(28.44)
Total	2,508.12	2,575.71	(67.59)	(2.62)

Sales and service income of the Company and subsidiaries for 2018 totaled 2,399.23 million Baht, compared to 2,528.67 million Baht in 2017, decreasing by 129.44 million Baht, or 5.12 percent. Details of sales and service income can be categorized in terms of business as follows:

Business	Consolidated Financial Statements			
	2018	2017	Increase (Decrease)	%
Media business	2,193.64	2,370.90	(177.26)	(7.48)
Content business	205.59	157.77	47.82	30.31
Total	2,399.23	2,528.67	(129.44)	(5.12)

Revenue from media business comprising of the advertising and subscription business of the Company and subsidiaries for 2018 was 2,193.64 million Baht, comparing to 2,370.90 million Baht in 2017, dropping by 177.26 million Baht or 7.48 percent. The decrease of revenue resulted from the decline in the popularity of SMS. The Company has adjusted the business strategy and turn to subscription with emphasis on Monomax, a video-on-demand service which was rebranded and added interesting contents. Revenue from TV advertising still shows a continuous growth as a subsidiary has run business on SDTV under the name MONO29 channel with the concept of “Free TV with the greatest number of blockbuster movies and premium TV series”, offering world-class quality contents which are fresh and accessible via all groups of audience. MONO29 has gained TV rating and become the third of free digital TV channels, drawing attention of advertising agencies and customers to advertise their products and services via our channel. This trend is continuously increasing.

Revenues from content business comprising movie, sport, music and other businesses of the Company and subsidiaries in 2018 amounted to 205.59 million Baht, increasing by 47.82 million Baht, or 30.31 percent from 157.77 million Baht of 2017. This is due to the import of international films of Mono Film and the production of Thai films of T-Moment to be released through cinemas have gained more popularity as well as the income from sponsors who come to support sporting events and concerts of the group

Other income of the Company and subsidiaries in 2018 was 33.66 million Baht, compared with 47.04 million Baht in 2017, decreasing by 13.38 million Baht or 28.44 percent.

Cost, Expense, Financial Cost and Income Tax

Cost, expense, financial cost and income tax of the Company and subsidiaries in 2018 totaled 2,701.39 million Baht, compared to 2,517.54 million Baht in 2017, increasing by 183.85 million Baht or 7.30 percent.

Details	Consolidated Financial Statements			
	2018	2017	Increase (Decrease)	%
Cost of sales and services	1,905.89	1,833.83	72.06	3.93
Selling and servicing expenses	171.03	139.39	31.64	22.70
Administrative expenses	483.43	448.34	35.09	7.83
Loss on impairment of investment in joint venture	-	-	-	-
Loss on impairment of intangible assets	-	4.94	(4.94)	(100.00)
Doubtful account	1.90	0.50	1.40	280.00
Reversal of allowance for impairment of investment in a joint venture	(4.03)	-	(4.03)	(100.00)
Total expenses	2,558.22	2,427.00	131.22	5.41
Share of loss from investment in joint venture	-	-	-	-
Finance cost	128.62	133.40	(4.78)	(3.58)
Tax income	14.55	(42.86)	57.41	133.95
Total	2,701.39	2,517.54	183.85	7.30

The increase in operating expenses was due to the Company and subsidiaries had increased amortization of copyrights from purchasing new contents from international film studios to support broadcasting in “MONO 29” and on all media platforms continually, especially Monomax which the Company has adjusted the business strategy to subscription responding both website and application customers. The Company and subsidiaries also used more public relation media within the organization and external public relation media together with partners and sponsors.

Net Loss

The Company and subsidiaries recorded the net loss for 2018 at 193.27 million Baht, comparing to net profit of 58.17 million Baht in 2017, loss increased by 251.44 million Baht or 432.25 percent. This is because the revenue from mobile phone service had decreased comparing to the year before as mentioned.

2) Financial Status Analysis

Assets

The total assets of the Company and subsidiaries as of the end of 2018 amounted to 5,765.08 million Baht, increasing by 28.48 million Baht of 2017. This was in consequence of current assets decreased in amount of 86.33 million Baht and non-current assets increased in amount of 114.81 million Baht.

A decrease in current assets was mostly because:

Cash and bank deposits decreased by 38.60 million Baht and trade and other receivables decreased by 44.53 million Baht.

An increase in non-current assets was mostly because:

The intangible assets amounted to 2,572.81 million Baht, increasing by 314.71 million Baht from content acquisition in support of the growth of Digital TV business and movie business, especially the film acquisition with top film studios.

Liabilities

As of the end of 2018, total liabilities of the Company and subsidiaries stood at 3,123.99 million Baht, increasing by 126.62 million Baht from 2017. Liabilities from trade and other payable increased in amount of 104.57 million Baht.

Shareholders' equity

Shareholders' equity of the Company and subsidiaries as of the end of 2018 was 2,641.09 million Baht, decreasing by 98.14 million Baht from 2017 due largely to the 2018 losses in operating performance of 193.27 million Baht. A final dividend for 2017 was paid to the shareholders in amount of 104.13 million baht. Therefore the retained earnings decreased by 297.40 million baht. During 2018, the Company's paid-up share capital rose by 80 million shares, or 200 million bath.

Investment Structure

As of December 31, 2018, the Company and subsidiaries recorded the total liabilities of 3,123.99 million Baht, accounting for 54.19 percent of total assets. Shareholders' equity was 2,641.09 million Baht, accounting for 45.81 percent of total assets. Debt to Equity Ratio was 1.18 times, increasing by 0.09 times from the year 2017.

Profitability

As of December 31, 2018, the Company and subsidiaries' gross profit margin was 20.56 percent, decreasing by 6.72 percent from 2017. Net profit margin was a contraction of -7.71 percent, increasing by 9.97 percent from 2017.

Thus, the decreasing profitability ratio and Return on Equity (ROE) for 2018 was a contraction of -7.18 percent, increasing by 9.46 percent from 2017.

Asset Management Ability

In 2018, the Company and subsidiaries' Return on Assets was a contraction of -0.87 percent, increasing by 3.54 percent from 2017 and Total Assets Turnover in 2018 was 0.44 times which decreased by 0.02 times from the previous year. This was because last year the Company and subsidiaries had loss from operation.

Liquidity and Capital Adequacy

In 2018, the Company and subsidiaries' liquidity ratio was 0.85 times, decreasing by 0.18 times from the previous year. Quick Ratio was 0.58 times, decreasing by 0.16 times from 2017. This was because the decrease in current asset of the Company and subsidiaries, whereas current liabilities increased.

In 2018, debt-to-equity ratio was 1.18 times, increasing by 0.09 times from the previous year because the Company and subsidiaries' total liabilities increased, whereas shareholders equity decreased.

Liability Commitments

In 2018, 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	151
More than one year but not exceeding 5 years	238
More than 5 years	250

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 2018, 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 2018, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

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

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

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

Revenue recognition

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

I have examined the revenue recognition of the Group by

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

Impairment of intangible assets and cost of spectrum license

As at 31 December 2018, intangible assets and cost of spectrum license totaled Baht 3,901 million, representing 68 percent of the Group's total assets, as described in Notes 12 and 13 to the consolidated financial statements. Management's assessment was that there were indicators that these assets may be impaired. In determining the impairment loss, management had to exercise judgement with respect to the projections of future operating performance and plans for management of assets, and determination of an appropriate discount rate and key assumptions, which directly affect the amount of allowance for impairment loss on such assets.

I gained an understanding of and assessed the assumptions applied in preparing plans and cash flow projections, based on the understanding I gained of the process by which the figures were arrived at, comparison of the assumptions with external and internal sources of information and comparison of past cash flow projections with actual operating results in order to assess the exercise of management judgement in estimating cash flow projections. I also evaluated the discount rate applied by management through analysis of the moving average finance costs of the Group and of the industry, tested the calculation of the realizable values of the assets using the selected financial model and considered the impact of changes in key assumptions on those realizable 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 2018, the Company had investments in subsidiaries and loans to subsidiaries amounting to Baht 3,299 million and Baht 619 million, respectively, representing 72 percent and 13 percent of total assets, respectively, as described in Notes 9 and 6 to the consolidated financial statements. Management's assessment was that there were indicators of impairment of these investments and loans. In determining the impairment loss, management had to exercise judgement with respect to the projections of future operating performance and plans of the subsidiaries, and determination of an appropriate discount rate and key assumptions, which directly affect the amount of allowance for impairment loss on such investments and loans.

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

Deferred tax assets for unused tax losses

As at 31 December 2018, the Group had deferred tax assets for unused tax losses amounting to Baht 215 million, representing 4 percent of total assets. The Group has disclosed its accounting policy and details relating to deferred tax in Note 4 and Note 24, respectively, to the consolidated financial statements. A deferred tax asset is recognized when it is highly probable that the Group's taxable profit will be sufficient to allow utilization of the deferred tax in the future. Determining whether there will be sufficient future taxable profit to utilize taxable losses requires significant management judgement with respect to preparation of business plans and projections of future taxable profit based on approved business plans. Therefore, there is a risk with respect to the amount of deferred tax assets.

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

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements.

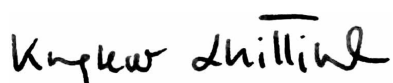
I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

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



Krongkaew Limkittikul

Certified Public Accountant (Thailand) No. 5874

EY Office Limited

Bangkok: 20 February 2019

Consolidated Financial Statements

Mono Technology Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2018

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Assets					
Current assets					
Cash and cash equivalents		91,230,440	129,827,648	8,724,852	67,106,873
Current investments - bank deposits		235,762	232,693	3,020	2,979
Trade and other receivables	7	448,129,583	492,662,568	511,400,338	566,421,976
Inventories	8	16,528,479	10,496,526	-	-
Current tax assets		69,310,492	72,589,531	13,920,311	24,171,801
Prepaid expenses		38,809,034	23,507,844	5,124,495	5,766,083
Other current assets		75,568,809	96,826,099	3,370,248	8,041,936
Total current assets		739,812,599	826,142,909	542,543,264	671,511,648
Non-current assets					
Restricted bank deposits	30.2	62,597,359	46,058,565	262,293	220,293
Investments in subsidiaries	9	-	-	3,298,825,288	3,026,825,626
Investment in a joint venture	10	-	46,832,501	-	-
Loans to subsidiaries	6	-	-	619,250,000	708,750,000
Property, plant and equipment	11	732,357,721	760,550,444	29,987,884	41,761,625
Intangible assets	12	2,572,809,832	2,258,095,254	67,573,304	70,981,549
Cost of spectrum license	13	1,328,014,066	1,456,793,326	-	-
Deferred tax assets	24	245,446,620	258,965,037	11,910,849	3,119,976
Other non-current assets		84,037,754	83,165,553	30,418,509	31,787,577
Total non-current assets		5,025,263,352	4,910,460,680	4,058,228,127	3,883,446,646
Total assets		5,765,075,951	5,736,603,589	4,600,771,391	4,554,958,294

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 2018

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from banks	14	221,856,786	120,000,000	27,985,771	-
Trade and other payables	15	423,612,461	319,038,196	115,618,271	179,570,197
Short-term loan from a subsidiary	6	-	-	52,183,680	-
Current portion of long-term liabilities					
Long-term loans from banks	16	109,640,369	81,892,729	-	-
Cost of spectrum license payable	17	6,777,697	206,176,617	-	-
Liabilities under finance lease agreements	18	15,637,689	6,599,924	-	1,405,954
Income tax payable		1,341,836	3,406,726	-	-
Other current liabilities		89,504,313	65,286,025	12,429,204	11,116,796
Total current liabilities		<u>868,371,151</u>	<u>802,400,217</u>	<u>208,216,926</u>	<u>192,092,947</u>
Non-current liabilities					
Long-term liabilities - net of current portion					
Long-term loans from banks	16	1,333,820,773	1,440,837,930	-	-
Cost of spectrum license payable	17	844,058,013	695,321,168	-	-
Liabilities under finance lease agreements	18	18,392,448	6,028,606	-	-
Provision for long-term employee benefits	19	51,861,054	43,792,432	22,035,519	19,243,927
Deferred tax liabilities	24	7,476,746	8,990,111	-	-
Total non-current liabilities		<u>2,255,609,034</u>	<u>2,194,970,247</u>	<u>22,035,519</u>	<u>19,243,927</u>
Total liabilities		<u>3,123,980,185</u>	<u>2,997,370,464</u>	<u>230,252,445</u>	<u>211,336,874</u>

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

Mono Technology Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2018

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Shareholders' equity					
Share capital	20				
Registered					
4,862,999,975 ordinary shares (2017: 5,196,999,975 ordinary shares) of Baht 0.1 each		<u>486,299,998</u>	<u>519,699,998</u>	<u>486,299,998</u>	<u>519,699,998</u>
Issued and fully paid-up					
3,471,029,658 ordinary shares (2017: 3,390,740,224 ordinary shares) of Baht 0.1 each		347,102,966	339,074,023	347,102,966	339,074,023
Premium on ordinary shares		3,632,950,329	3,440,898,002	3,632,950,329	3,440,898,002
Differences on business combination under common control		(152,365,167)	(152,365,167)	-	-
Retained earnings					
Appropriated - statutory reserve	22	51,970,000	51,970,000	51,970,000	51,970,000
Unappropriated (deficit)		(1,238,978,792)	(941,578,833)	338,495,651	511,679,395
Other components of shareholders' equity		<u>416,430</u>	<u>1,235,100</u>	-	-
Total shareholders' equity		<u>2,641,095,766</u>	<u>2,739,233,125</u>	<u>4,370,518,946</u>	<u>4,343,621,420</u>
Total liabilities and shareholders' equity		<u>5,765,075,951</u>	<u>5,736,603,589</u>	<u>4,600,771,391</u>	<u>4,554,958,294</u>
		-	-	-	-

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

Mono Technology Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2018

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Profit or loss:					
Revenues					
Sales and service income		2,399,232,338	2,528,674,011	380,001,130	804,304,719
Dividend income	9	-	-	-	158,993,673
Difference from modification of the terms of payment of the spectrum license fee	13	75,226,956	-	-	-
Other income		33,657,090	47,037,539	112,099,552	85,439,475
Total revenues		<u>2,508,116,384</u>	<u>2,575,711,550</u>	<u>492,100,682</u>	<u>1,048,737,867</u>
Expenses					
Cost of sales and services		1,905,894,039	1,833,826,580	314,092,255	679,824,078
Selling and servicing expenses		171,025,775	139,390,512	20,103,231	33,765,157
Administrative expenses		483,434,156	448,340,683	233,852,414	223,626,143
Loss on impairment of investments in subsidiaries		-	-	-	43,000,000
Reversal of allowance for impairment of investment in a joint venture	10	(4,037,996)	-	-	-
Loss on impairment of intangible assets	12	-	4,941,744	-	-
Doubtful debts		1,903,504	504,414	-	13,857,790
Total expenses		<u>2,558,219,478</u>	<u>2,427,003,933</u>	<u>568,047,900</u>	<u>994,073,168</u>
Profit (loss) before finance cost and income tax income (expenses)		(50,103,094)	148,707,617	(75,947,218)	54,664,699
Finance cost		(128,619,609)	(133,392,926)	(1,896,738)	(326,396)
Profit (loss) before income tax income (expenses)		(178,722,703)	15,314,691	(77,843,956)	54,338,303
Income tax income (expenses)	24	(14,546,594)	42,858,402	8,790,874	(402,301)
Profit (loss) for the year		<u>(193,269,297)</u>	<u>58,173,093</u>	<u>(69,053,082)</u>	<u>53,936,002</u>
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		(818,670)	(6,697,697)	-	-
Other comprehensive income for the year		<u>(818,670)</u>	<u>(6,697,697)</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>(194,087,967)</u>	<u>51,475,396</u>	<u>(69,053,082)</u>	<u>53,936,002</u>
Earnings per share	26				
Basic earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company		<u>(0.056)</u>	<u>0.017</u>	<u>(0.020)</u>	<u>0.016</u>
Diluted earnings per share					
Profit attributable to equity holders of the Company			<u>0.015</u>		<u>0.014</u>

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

Mono Technology Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2018

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash flows from operating activities				
Profit (loss) before tax	(178,722,703)	15,314,691	(77,843,956)	54,338,303
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:				
Depreciation	103,025,385	95,711,367	15,905,178	17,129,471
Amortisation	981,942,962	834,003,376	10,735,748	5,977,574
Amortisation of spectrum license cost	128,779,260	128,779,260	-	-
Doubtful debts	2,185,044	504,414	-	-
Doubtful debts - loans to subsidiaries	-	-	-	13,857,790
Reduction of inventories to net realisable value (reversal)	(679,759)	(2,437,866)	-	-
Loss on impairment of investments in subsidiaries	-	-	-	43,000,000
Reversal of allowance for impairment of investment in a joint venture	(4,037,996)	-	-	-
Dividend income	-	-	-	(158,993,673)
Difference from modification of the terms of payment of the spectrum license fee	(75,226,956)	-	-	-
(Gain) loss on disposals of equipment	(1,190,819)	29,076	(113,459)	(45,185)
Loss on disposals of intangible assets	3	-	-	-
Loss on impairment of intangible assets	-	4,941,744	-	-
Unrealised (gain) loss on exchange	668,487	(19,009)	2,430,088	-
Withholding tax written off	5,066,750	2,048,099	247,351	20,429
Provision for long-term employee benefits	8,498,912	8,148,576	2,969,532	2,643,150
Interest income	(780,584)	(1,732,630)	(21,349,490)	(21,542,408)
Interest expenses	128,619,609	133,392,926	1,896,738	326,396
Profit (loss) from operating activities before changes in operating assets and liabilities	1,098,147,595	1,218,684,024	(65,122,270)	(43,288,153)
Operating assets (increase) decrease				
Trade and other receivables	42,360,971	(23,801,091)	45,152,492	(22,253,888)
Inventories	(5,352,193)	770,567	-	-
Prepaid expenses	(14,907,492)	(784,371)	718,642	(222,810)
Other current assets	24,726,513	1,651,513	4,671,688	(865,608)
Other non-current assets	(498,465)	214,431	(196,208)	(150,927)
Operating liabilities increase (decrease)				
Trade and other payables	27,022,804	33,991,664	(61,559,220)	(21,027,258)
Other current liabilities	24,218,288	(15,475,038)	(16,730)	(734,994)
Cash flows from (used in) operating activities	1,195,718,021	1,215,251,699	(76,351,606)	(88,543,638)
Cash paid for corporate income tax	(69,849,263)	(72,863,550)	(14,103,507)	(22,646,510)
Cash received from withholding tax refundable	63,081,384	43,470,346	25,672,925	21,112,664
Net cash flows from (used in) operating activities	1,188,950,142	1,185,858,495	(64,782,188)	(90,077,484)

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

Mono Technology Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2018

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash flows from investing activities				
Interest income	780,584	1,732,630	6,248,867	27,471,166
Increase in current investments - bank deposits	(3,069)	(3,130)	(41)	(40)
(Increase) decrease in loans to subsidiaries	-	-	104,000,000	(224,350,000)
Increase in restricted bank deposits	(16,538,794)	(36,929,898)	(42,000)	(113,941)
Cash paid for additional capital of subsidiaries	-	-	(286,499,663)	(112,999,640)
Cash received from a joint venture's liquidation	48,488,349	-	-	-
Dividend income	-	-	26,298,908	187,892,695
Acquisition and cash paid to settle payables from purchases of equipment	(36,661,507)	(75,348,656)	(3,901,041)	(3,544,820)
Acquisition and cash paid to settle payables from purchases of intangible assets	(1,224,957,869)	(1,157,268,684)	(12,327,503)	(47,218,725)
Proceeds from sales of equipment	1,895,872	715,911	145,277	558,409
Cash paid for spectrum license	-	(206,000,000)	-	-
Net cash flows used in investing activities	(1,226,996,434)	(1,473,101,827)	(166,077,196)	(172,304,896)
Cash flows from financing activities				
Cash paid for interest expenses	(103,420,904)	(95,125,860)	(983,017)	(177,424)
Increase (decrease) in bank overdrafts and short-term loans from banks	101,856,786	(15,000,000)	27,985,771	(15,000,000)
Increase in short-term loan from a subsidiary	-	-	50,992,000	-
Cash received from long-term loans from banks	-	128,851,891	-	-
Repayment of long-term loans from banks	(79,269,517)	-	-	-
Repayment of liabilities under finance lease agreements	(17,169,321)	(8,420,532)	(1,405,955)	(3,244,571)
Proceeds from increase in share capital	-	407,550,000	-	407,550,000
Proceeds from exercises of warrants	200,081,270	116,637,280	200,081,270	116,637,280
Dividend paid	(104,192,706)	(201,926,028)	(104,192,706)	(201,926,028)
Net cash flows from financing activities	(2,114,392)	332,566,751	172,477,363	303,839,257
Increase (decrease) in translation adjustments	1,563,476	(2,304,175)	-	-
Net increase (decrease) in cash and cash equivalents	(38,597,208)	43,019,244	(58,382,021)	41,456,877
Cash and cash equivalents at beginning of year	129,827,648	86,808,404	67,106,873	25,649,996
Cash and cash equivalents at end of year	91,230,440	129,827,648	8,724,852	67,106,873
	-	-	-	-
Supplemental disclosures of cash flow information				
Non-cash transactions				
Payable of acquisition of equipment	9,683,390	9,378,111	262,214	-
Payable of acquisition of intangible assets	154,258,971	83,114,733	-	5,000,000
Assets acquired under finance lease agreements	38,570,928	11,911,065	-	-
Settlement of loan to a subsidiary with assets	-	-	-	642,210

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

Mono Technology Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2018

(Unit: Baht)

	Consolidated financial statements									
					Retained earnings		Other components of shareholders' equity			Total shareholders' equity
							Other comprehensive income	Exchange differences on translation of financial statements in foreign currency	Total other components of shareholders' equity	
	Issued and fully paid-up share capital	Premium on ordinary shares	Differences on business combination under common control	Appropriated	Unappropriated (deficit)					
Balance as at 1 January 2017	320,093,554	2,935,691,191	(152,365,167)	49,850,000	(795,591,899)	7,932,797	7,932,797		7,932,797	2,365,610,476
Profit for the year	-	-	-	-	58,173,093	-	-	-	-	58,173,093
Other comprehensive income for the year	-	-	-	-	-	(6,697,697)	(6,697,697)	(6,697,697)	(6,697,697)	(6,697,697)
Total comprehensive income for the year	-	-	-	-	-	(6,697,697)	(6,697,697)	(6,697,697)	(6,697,697)	(6,697,697)
Increase share capital (Note 20)	14,300,000	393,250,000	-	-	-	-	-	-	-	407,550,000
The warrant holders exercised warrants (Note 21)	4,680,469	111,956,811	-	-	-	-	-	-	-	116,637,280
Dividend paid (Note 28)	-	-	-	-	(202,040,027)	-	-	-	-	(202,040,027)
Transfer retained earnings to statutory reserve	-	-	-	2,120,000	(2,120,000)	-	-	-	-	-
Balance as at 31 December 2017	339,074,023	3,440,898,002	(152,365,167)	51,970,000	(941,578,833)	1,235,100	1,235,100	1,235,100	1,235,100	2,739,233,125
Balance as at 1 January 2018	339,074,023	3,440,898,002	(152,365,167)	51,970,000	(941,578,833)	1,235,100	1,235,100	1,235,100	1,235,100	2,739,233,125
Loss for the year	-	-	-	-	(193,269,297)	-	-	-	-	(193,269,297)
Other comprehensive income for the year	-	-	-	-	-	(818,670)	(818,670)	(818,670)	(818,670)	(818,670)
Total comprehensive income for the year	-	-	-	-	-	(818,670)	(818,670)	(818,670)	(818,670)	(818,670)
The warrant holders exercised warrants (Note 21)	8,028,943	192,052,327	-	-	-	-	-	-	-	200,081,270
Dividend paid (Note 28)	-	-	-	-	(104,130,662)	-	-	-	-	(104,130,662)
Balance as at 31 December 2018	347,102,966	3,632,950,329	(152,365,167)	51,970,000	(1,238,978,792)	416,430	416,430	416,430	416,430	2,641,095,766

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

Mono Technology Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2018

(Unit: Baht)

	Separate financial statements				
	Issued and fully paid-up share capital	Premium on ordinary shares	Retained earnings		Total shareholders' equity
			Appropriated	Unappropriated	
Balance as at 1 January 2017	320,093,554	2,935,691,191	49,850,000	661,903,420	3,967,538,165
Total comprehensive income - profit for the year	-	-	-	53,936,002	53,936,002
Increase share capital (Note 20)	14,300,000	393,250,000	-	-	407,550,000
The warrant holders exercised warrants (Note 21)	4,680,469	111,956,811	-	-	116,637,280
Dividend paid (Note 28)	-	-	-	(202,040,027)	(202,040,027)
Transfer retained earnings to statutory reserve	-	-	2,120,000	(2,120,000)	-
Balance as at 31 December 2017	<u>339,074,023</u>	<u>3,440,898,002</u>	<u>51,970,000</u>	<u>511,679,395</u>	<u>4,343,621,420</u>
Balance as at 1 January 2018	339,074,023	3,440,898,002	51,970,000	511,679,395	4,343,621,420
Total comprehensive income - loss for the year	-	-	-	(69,053,082)	(69,053,082)
The warrant holders exercised warrants (Note 21)	8,028,943	192,052,327	-	-	200,081,270
Dividend paid (Note 28)	-	-	-	(104,130,662)	(104,130,662)
Balance as at 31 December 2018	<u>347,102,966</u>	<u>3,632,950,329</u>	<u>51,970,000</u>	<u>338,495,651</u>	<u>4,370,518,946</u>

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

Notes to consolidated financial statements

For the year ended 31 December 2018

1. General information

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

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

2. Basis of preparation

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

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

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

2.2 Basis of consolidation

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

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2018 (Percent)	2017 (Percent)
<u>Held by the Company</u>				
Mono Generation Company Limited	Production, distribution and provision of entertainment content services, magazines and general books, together with motion pictures, music and other entertainment media	Thailand	100	100
Mono Travel Company Limited	Provision of hotel accommodation, tour package, air ticket and online shopping services, together with content production and provision of content services	Thailand	100	100
Mono Production Company Limited	Provision of location services, production of TV and other programming, together with provision of entertainment content services	Thailand	100	100
Mono Info Systems Company Limited	Production and provision of enterprise software and digital content	Thailand	100	100
Mono Music Company Limited	Production and distribution of entertainment content and provision of related services, including organization of entertainment-related activities through all types of media	Thailand	100	100
Mono Radio Company Limited	Radio station and broadcasting business, together with organisation of activities	Thailand	100	100
Mono Radio Broadcast Company Limited	Radio station and broadcasting business	Thailand	100	100

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2018 (Percent)	2017 (Percent)
Mono Talent Studio Company Limited	Provision of actor and artist services and provision of entertainment content through all types of media	Thailand	100	100
T Moment Company Limited	Production and distribution of motion pictures, together with provision of entertainment content services	Thailand	100	100
Mono Play Company Limited	Provision of a range of games software services for the purpose of online entertainment through mobile and website platforms	Thailand	100	100
Mono Astro Company Limited	Provision of horoscope services by fortune-tellers and astrologists through various channels	Thailand	100	100
PT Mono Technology Indonesia (1 percent held by Mono Generation Company Limited)	Provision of entertainment content through various channels (dissolved and currently in process of liquidation)	Indonesia	99	99
Mono Technology Vietnam Company Limited	Provision of entertainment content through various channels (dissolved and completed liquidation on 30 January 2019)	Vietnam	100	100
Mono Technology Hong Kong Limited	Provision of entertainment content through various channels	Hong Kong	100	100
<u>Held by the subsidiaries</u>				
<u>A subsidiary held by Mono Generation Company Limited</u>				
Mono Film Company Limited	Production and distribution of motion pictures, television programs, together with provision of entertainment content services	Thailand	100	100

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2018 (Percent)	2017 (Percent)
<u>Subsidiaries held by Mono Production Company Limited</u>				
Mono Sport Entertainment Company Limited	Organization of sports events and all types of related activities, including management of sports teams and clubs	Thailand	100	100
Mono Broadcast Company Limited	Broadcasting and television business	Thailand	100	100

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

2.3 The separate financial statements present investments in subsidiaries and a joint venture under the cost method.

3. New financial reporting standards

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

During the year, the Company and its subsidiaries have adopted the revised financial reporting standards and interpretations (revised 2017) which were effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements. The adoption of these financial reporting standards did not have any significant impact on the financial statements of the Company and its subsidiaries.

b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2019

The Federation of Accounting Professions issued a number of revised and new financial reporting standards and interpretations (revised 2018), which are effective for fiscal years beginning on or after 1 January 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Company and its subsidiaries believe that most of the revised financial reporting standards will not have any significant impact on the financial statements when they are initially applied. However, the new standard involves changes to key principles, as summarized below.

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes the following accounting standards together with related Interpretations.

TAS 11 (revised 2017)	Construction contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue – Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

The management of the Company and its subsidiaries is currently evaluating the impact of this standard to the financial statements in the year when it is adopted.

c) Financial reporting standards related to financial instruments that will become effective for fiscal years beginning on or after 1 January 2020

During the current year, the Federation of Accounting Professions issued a set of TFRSs related to financial instruments, which consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 9	Financial Instruments
TFRS 7	Financial Instruments: Disclosures

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortized cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

The management of the Company and its subsidiaries is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

4. Significant accounting policies

4.1 Revenue recognition

Sales of goods

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

Rendering of services

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

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

Interest income

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

Dividends

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

4.2 Cash and cash equivalents

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

4.3 Trade and other receivables

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

4.4 Inventories

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

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

4.5 Investments

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

4.6 Property, plant and equipment/Depreciation

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

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

	Useful lives
Building	40 years
Land improvement	20 years
Building and leasehold improvement	10 years
Furniture, fixtures and office equipment	5 years
Computer and equipment	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 derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognized.

4.7 Borrowing costs

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

4.8 Intangible assets and cost of spectrum license/Amortization

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

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

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

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

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

4.9 Related party transactions

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

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

4.10 Long-term leases

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

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

4.11 Foreign currencies

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

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

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

4.12 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the property, plant and equipment or intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognized when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company and its subsidiaries could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognized in profit and loss.

4.13 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

The Company, its subsidiaries and their employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company and its subsidiaries. The fund's assets are held in a separate trust fund and the Company's and its subsidiaries' contributions are recognized 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 recognized immediately in other comprehensive income.

4.14 Provisions

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

4.15 Income tax

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

Current tax

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

Deferred tax

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

The Company and its subsidiaries recognize deferred tax liabilities for all taxable temporary differences while they recognize 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 utilized.

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 utilized.

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.

4.16 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company and its subsidiaries apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and maximizes the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy into three levels based on categorize of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company and its subsidiaries determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgements and estimates

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

Leases

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

Allowance for doubtful accounts

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

Impairment of investments

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

Property, plant and equipment/Depreciation

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

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

Intangible assets

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

Deferred tax assets

Deferred tax assets are recognized 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 utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, 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 and its subsidiaries have contingent liabilities as a result of litigation. The Company's and its subsidiaries' management has used judgement to assess of the results of the litigation and believes that no loss will result. Therefore no contingent liabilities are recorded as at the end of reporting period.

6. Related party transactions

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		Transfer pricing policy
	2018	2017	2018	2017	
<u>Transactions with the subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Sales and service income	-	-	8	6	Contract price or as agreed upon
Dividend income	-	-	-	159	Announced rate
Interest income	-	-	21	20	3 percent per annum
Other income	-	-	86	52	Contract price
Service revenue sharing payments	-	-	153	422	Contract price or as agreed upon
Marketing expenses	-	-	7	10	Contract price or as agreed upon
Rental and service expenses	-	-	1	-	Contract price or as agreed upon
Other expenses	-	-	1	-	Contract price or as agreed upon
Interest expenses	-	-	1	-	3 percent per annum
Sales of intangible assets	-	-	-	102	As agreed upon

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		Transfer pricing policy
	2018	2017	2018	2017	
<u>Transactions with related companies</u>					
Sales and service income	23	22	6	7	Contract price or as agreed upon
Cost of sales and services	14	14	6	6	Contract price or as agreed upon
Rental and service expenses	58	58	37	38	Contract price or as agreed upon
Other expenses	15	14	14	13	Contract price or as agreed upon

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Trade receivables - related parties (Note 7)				
Subsidiaries	-	-	18	10
Related companies (related by common shareholders and directors)	3	2	1	1
Total trade receivables - related parties	3	2	19	11
Other receivables - related parties (Note 7)				
Subsidiaries	-	-	434	351
Dividends receivable - related party (Note 7)				
Subsidiary	-	-	-	26
Deposits and retentions - related parties				
Related companies (related by common shareholders and directors)	7	7	6	6
Trade payables - related parties (Note 15)				
Subsidiaries	-	-	27	74
Related companies (related by common shareholders and directors)	6	11	-	-
Total trade payables - related parties	6	11	27	74
Other payables - related parties (Note 15)				
Subsidiaries	-	-	20	18
Related companies (related by common shareholders and directors)	40	19	27	14
Total other payables - related parties	40	19	47	32

Loans to subsidiaries

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

(Unit: Million Baht)

	Separate financial statements			
	Balance as at 31 December 2017	Increase during the year	Decrease during the year	Balance as at 31 December 2018
Mono Generation Company Limited	-	38	-	38
Mono Travel Company Limited	6	-	(5)	1
Mono Production Company Limited	122	-	-	122
Mono Info Systems Company Limited	-	15	-	15
PT Mono Technology Indonesia	12	-	-	12
Mono Technology Vietnam Company Limited	11	-	-	11
Mono Radio Company Limited	103	4	(99)	8
Mono Radio Broadcast Company Limited	5	-	-	5
Mono Talent Studio Company Limited	19	-	(19)	-
Mono Broadcast Company Limited	380	50	-	430
Mono Sport Entertainment Company Limited	89	37	(126)	-
Total	747	144	(249)	642
Less: Allowance for doubtful accounts	(38)	-	15	(23)
Total loans to subsidiaries - net	709	144	(234)	619

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

Short-term loan from a subsidiary

During the current year, the Company obtained a loan of USD 1.6 million (or equivalent to approximately Baht 52 million as at 31 December 2018) from Mono Technology Hong Kong Limited in the form of a promissory note. The loan is unsecured, carries interest at a rate of 3 percent per annum, and is repayable within one year.

Directors and management's benefits

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Short-term employee benefits	49	48	31	29
Post-employment benefits	1	1	1	1
Total	50	49	32	30

Guarantee obligations with related parties

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

7. Trade and other receivables

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Trade receivables - related parties (Note 6)	3	2	19	11
Trade receivables - unrelated parties	193	161	17	55
Accrued revenues	224	305	38	123
Dividends receivable - related party (Note 6)	-	-	-	26
Other receivables - related parties (Note 6)	-	-	434	351
Other receivables - unrelated parties	36	31	3	-
Total	455	499	511	566
Less: Allowance for doubtful accounts	(8)	(6)	-	-
Trade and other receivables - net	448	493	511	566

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

(Unit: Million Baht)

Age of receivables	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<u>Trade receivables - related parties</u>				
Not yet due	3	2	2	2
Past due				
Up to 3 months	-	-	3	1
3 - 6 months	-	-	5	2
6 - 12 months	-	-	1	2
Over 12 months	-	-	8	4
Total trade receivables - related parties	3	2	19	11
<u>Trade receivables - unrelated parties</u>				
Not yet due	145	121	15	53
Past due				
Up to 3 months	49	35	2	2
3 - 6 months	4	2	-	-
6 - 12 months	3	-	-	-
Over 12 months	28	26	-	-
Total	229	184	17	55
Less: Allowance for sales return	(36)	(23)	-	-
	193	161	17	55
Less: Allowance for doubtful accounts	(8)	(6)	-	-
Total trade receivables - unrelated parties - net	185	155	17	55
Total trade receivables - net	188	157	36	66

8. Inventories

(Unit: Million Baht)

	Consolidated financial statements					
	Cost		Reduction of cost to net realizable value		Inventories - net	
	2018	2017	2018	2017	2018	2017
Finished goods	19	13	(3)	(4)	16	9
Work in process	1	1	-	-	1	1
Total	20	14	(3)	(4)	17	10

During the current year, a subsidiary reversed the write-down of cost of inventories by Baht 1 million (2017: Baht 2 million), and reduced the amount of inventories recognized as expenses during the year.

9. Investments in subsidiaries

(Unit: Million Baht)

Company's name	Separate financial statements					
	Paid-up capital		Cost		Dividend received during the year	
	2018	2017	2018	2017	2018	2017
Mono Generation Company Limited	982	982	902	902	-	-
Mono Travel Company Limited	20	20	9	9	-	-
Mono Info Systems Company Limited	8	8	8	8	-	143
Mono Production Company Limited	1,950	1,820	1,950	1,820	-	-
Mono Music Company Limited	27	106	123	123	-	-
Mono Radio Company Limited	20	1	100	1	-	-
Mono Radio Broadcast Company Limited	-	-	-	-	-	-
Mono Talent Studio Company Limited	8	5	25	5	-	-
T Moment Company Limited	115	90	115	90	-	-
Mono Play Company Limited	12	2	12	2	-	9
Mono Astro Company Limited	5	2	5	2	-	7
PT Mono Technology Indonesia	4	4	4	4	-	-
Mono Technology Hong Kong Limited	107	107	107	107	-	-
Mono Technology Vietnam Company Limited	10	10	10	10	-	-
Total			3,370	3,083	-	159
Less: Allowance for impairment of investments			(71)	(56)		
Total investments in subsidiaries - net			3,299	3,027		

T Moment Company Limited (“T Moment”)

On 9 March 2018, 21 May 2018, and 7 September 2018, the Company paid Baht 10 million, Baht 10 million, and Baht 5 million, respectively, to settle additional calls of share capital of T Moment (totaling 12.5 percent), in accordance with resolutions passed by the Company’s Board of Directors meetings. This caused no change in the Company’s shareholding in T Moment. As a result, T Moment has called-up capital of Baht 115 million, representing 57.5 percent of its registered share capital.

Mono Astro Company Limited (“Mono Astro”)

On 21 February 2018, the meeting of the Board of Directors of Mono Astro passed a resolution to approve the call-up of a further 50 percent of the registered share capital (such that the registered share capital was fully called up), or a total of Baht 2.5 million. The Company made full payment of this share capital on 9 March 2018 in accordance with a resolution passed by the Company’s Board of Directors meeting. The Company’s shareholding in Mono Astro remained unchanged.

Mono Radio Company Limited (“Mono Radio”)

On 2 March 2018, the meeting of the Board of Directors of Mono Radio passed a resolution to approve a Baht 99 million increase in the registered share capital of Mono Radio, from Baht 1 million (100,000 ordinary shares with a par value of Baht 10 each) to Baht 100 million (10,000,000 ordinary shares with a par value of Baht 10 each), through the issue of 9,900,000 additional ordinary shares with a par value of Baht 10 each. The increase in share capital did not have any impact on the Company’s interest in Mono Radio. The Company made payment of Baht 99 million for the new shares on 20 March 2018 and Mono Radio registered the corresponding increase in its share capital with the Ministry of Commerce on 22 March 2018.

Mono Radio used the cash received from these additional shares to repay outstanding loans of Baht 99 million to the Company, as described in Note 6 to the consolidated financial statements. The Company therefore reversed allowance for doubtful accounts of Baht 14.5 million provided for the loan to Mono Radio, and recognized allowance of Baht 14.5 million for impairment of investment in Mono Radio, in the separate financial statements during the current year.

Mono Talent Studio Company Limited (“Mono Talent Studio”)

On 2 March 2018, the meeting of the Board of Directors of Mono Talent Studio passed a resolution to approve a Baht 20 million increase in the registered share capital of Mono Talent Studio, from Baht 5 million (50,000 ordinary shares with a par value of Baht 100 each) to Baht 25 million (250,000 ordinary shares with a par value of Baht 100 each), through the issue of 200,000 additional ordinary shares with a par value of Baht 100 each. The increase in share capital did not have any impact on the Company’s interest in Mono Talent Studio. The Company made payment of Baht 20 million for the new shares on 20 March 2018 and Mono Talent Studio registered the corresponding increase in its share capital with the Ministry of Commerce on 22 March 2018.

Mono Play Company Limited (“Mono Play”)

On 21 May 2018, the Company made payment of a further 50 percent of the registered share capital of Mono Play (such that the registered share capital was fully called up), or a total of Baht 2.5 million, in accordance with a resolution passed by the Company’s Board of Directors meeting. The Company’s shareholding in Mono Play remained unchanged.

Subsequently, on 13 September 2018, the meeting of the Board of Directors of Mono Play passed a resolution to approve a Baht 30 million increase in the registered share capital of Mono Play, from Baht 5 million (50,000 ordinary shares with a par value of Baht 100 each) to Baht 35 million (350,000 ordinary shares with a par value of Baht 100 each), through the issue of 300,000 additional ordinary shares with a par value of Baht 100 each. The increase in share capital did not have any impact on the Company’s interest in Mono Play. The Company made payment of Baht 7.5 million for the new shares on 14 September 2018 and Mono Play registered the corresponding increase in its share capital with the Ministry of Commerce on 17 September 2018.

Mono Production Company Limited (“Mono Production”) and Mono Sport Entertainment Company Limited (“Mono Sport”)

On 14 November 2018, the meeting of the Board of Directors of the Company passed a resolution to approve a Baht 200 million increase in the registered share capital of Mono Production, from Baht 1,820 million (18,200,000 ordinary shares with a par value of Baht 100 each) to Baht 2,020 million (20,200,000 ordinary shares with a par value of Baht 100 each), through the issue of 2,000,000 additional ordinary shares with a par value of Baht 100 each. The Company made payment of Baht 130 million for the new shares on 20 November 2018 and Mono Production registered the corresponding increase in its share capital with the Ministry of Commerce on 21 November 2018. In addition, on 14 November 2018, the meeting of the Board of Directors passed a resolution whereby Mono Production, which is the Company’s subsidiary, is to increase its investment in Mono Sport, which is Mono Production’s subsidiary, by increasing the registered share capital of that company by Baht 200 million, from Baht 50 million (5,000,000 ordinary shares with a par value of Baht 10 each) to Baht 250 million (25,000,000 ordinary shares with a par value of Baht 10 each), through the issue of 20,000,000 additional ordinary shares with a par value of Baht 10 each. Mono Production made payment of Baht 130 million for the new shares on 20 November 2018 and Mono Sport registered the corresponding increase in its share capital with the Ministry of Commerce on 21 November 2018. The increases in share capital did not have any impacts on the Company’s interests in these subsidiaries.

Mono Technology Vietnam Company Limited (“Mono Vietnam”)

On 30 January 2019, Mono Vietnam registered completion of the liquidation, in accordance with a resolution passed by the Company’s Board of Directors meeting on 8 May 2017.

As at 31 December 2018, the net asset value of the subsidiaries was Baht 397 million (2017: Baht 387 million) lower than the cost of the investments. The Company assessed the recoverable amount of its investment in subsidiaries based on the higher of a calculation of fair value less costs to sell and a value-in-use calculation, using cash flow projections. It was concluded that the recoverable amounts of investments in subsidiaries were higher than the carrying amounts and the Company’s management believed that the allowance for impairment is sufficient in the current situation.

10. Investment in a joint venture

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

(Unit: Million Baht)

Joint venture	Nature of business	Consolidated financial statements					
		Shareholding percentage		Cost		Carrying amounts based on equity method	
		2018 (Percent)	2017 (Percent)	2018	2017	2018	2017
Yunnan Mono Digital Technology Company Limited	Provided information and entertainment content	-	42	-	74	-	72
Less: Allowance for impairment of investment				-	(21)	-	(21)
Translation adjustments				-	(4)	-	(4)
Total				-	49	-	47

On 10 February 2017, the meeting of the Board of Directors of Yunnan Mono Digital Technology Company Limited (“Yunnan Mono”) approved its dissolution, which was registered on 13 February 2017. and USD 1.6 million, or equivalent to approximately Baht 48 million, was refunded to the subsidiary on 3 April 2018. The subsidiary therefore reversed the allowance of approximately Baht 4 million, recorded for impairment of investment in this joint venture, in the consolidated financial statements during the current year. Completion of the liquidation was registered on 18 October 2018.

As a result, the subsidiary did not recognize any share of comprehensive income from the investment in Yunnan Mono in the consolidated financial statements. As at 31 December 2017, the net asset value of the joint venture was approximately Baht 53 million, consisting of a bank deposit of approximately Baht 53 million.

11. Property, plant and equipment

(Unit: Million Baht)

	Consolidated financial statements						
	Land and land improvement	Building, building and leasehold improvement	Furniture, fixtures and office equipment	Computer and ment	Motor vehicles	Assets under installation	Total
Cost:							
1 January 2017	256	366	201	265	25	5	1,118
Additions	-	3	34	26	1	16	80
Disposals	-	-	(1)	(8)	(1)	-	(10)
Transfers in (out)	2	13	5	-	-	(20)	-
31 December 2017	258	382	239	283	25	1	1,188
Additions	-	4	20	38	6	7	75
Disposals	-	-	(1)	(17)	(3)	-	(21)
Transfers in (out)	1	-	1	-	-	(2)	-
31 December 2018	259	386	259	304	28	6	1,242
Accumulated depreciation:							
1 January 2017	1	35	105	185	15	-	341
Depreciation for the year	2	24	35	34	1	-	96
Depreciation on disposals	-	-	(1)	(8)	(1)	-	(10)
31 December 2017	3	59	139	211	15	-	427
Depreciation for the year	1	25	40	36	1	-	103
Depreciation on disposals	-	-	(1)	(17)	(2)	-	(20)
31 December 2018	4	84	178	230	14	-	510
Net book value:							
31 December 2017	255	323	100	72	10	1	761
31 December 2018	255	302	81	74	14	6	732
Depreciation for the year							
2017 (Baht 78 million included in cost of services, and the balance in administrative expenses)							96
2018 (Baht 78 million included in cost of services, and the balance in administrative expenses)							103

(Unit: Million Baht)

	Separate financial statements				
	Leasehold improvement	Furniture, fixtures and office equipment	Computer and equipment	Motor vehicles	Total
Cost:					
1 January 2017	36	29	127	7	199
Additions	-	1	3	-	4
Disposals	-	-	(7)	-	(7)
31 December 2017	36	30	123	7	196
Additions	-	1	3	-	4
Disposals	-	-	(14)	-	(14)
31 December 2018	36	31	112	7	186
Accumulated depreciation:					
1 January 2017	17	24	98	5	144
Depreciation for the year	3	3	11	-	17
Depreciation on disposals	-	-	(7)	-	(7)
31 December 2017	20	27	102	5	154
Depreciation for the year	4	1	11	-	16
Depreciation on disposals	-	-	(14)	-	(14)
31 December 2018	24	28	99	5	156
Net book value:					
31 December 2017	16	3	21	2	42
31 December 2018	12	3	13	2	30
Depreciation for the year					
2017 (Baht 7 million included in cost of services, and the balance in administrative expenses)					17
2018 (Baht 4 million included in cost of services, and the balance in administrative expenses)					16

As at 31 December 2018, the Company and its subsidiaries had vehicles and equipment with net book values Baht 48 million (2017: Baht 19 million) (the Company only: Baht 2 million (2017: Baht 4 million)) which were acquired under finance lease agreements.

As at 31 December 2018, certain items of equipment had been fully depreciated but were still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 221 million (2017: Baht 182 million) (the Company only: Baht 112 million (2017: Baht 104 million)).

A subsidiary has mortgaged land with structures thereon with a net book value of Baht 533 million (2017: Baht 547 million) as collateral against a long-term loan facility of Baht 250 million from a bank.

12. Intangible assets

(Unit: Million Baht)

	Consolidated financial statements					
	Website copyright	Films, music and video copyright	Other copyright	Program computer	Advance payments and work in process	Total
Cost:						
1 January 2017	83	1,919	265	66	479	2,812
Additions	-	1	1	6	1,137	1,145
Disposals	-	(496)	(9)	-	-	(505)
Transfers in (out)	-	835	46	-	(881)	-
31 December 2017	83	2,259	303	72	735	3,452
Additions	-	3	1	2	1,291	1,297
Disposals	-	(789)	(2)	-	-	(791)
Transfers in (out)	-	1,157	121	15	(1,293)	-
31 December 2018	83	2,630	423	89	733	3,958
Accumulated amortization:						
1 January 2017	33	708	66	26	-	833
Amortization for the year	5	773	44	12	-	834
Amortization on disposals	-	(496)	(9)	-	-	(505)
31 December 2017	38	985	101	38	-	1,162
Amortization for the year	9	910	49	13	-	981
Amortization on disposals	-	(789)	(1)	-	-	(790)
31 December 2018	47	1,106	149	51	-	1,353
Allowance for impairment loss:						
1 January 2017	13	11	-	-	3	27
Increase during the year	-	1	4	-	-	5
31 December 2017	13	12	4	-	3	32
31 December 2018	13	12	4	-	3	32
Net book value:						
31 December 2017	32	1,262	198	34	732	2,258
31 December 2018	23	1,512	270	38	730	2,573
Amortization for the year						
2017 (Baht 829 million included in cost of services, and the balance in administrative expenses)						834
2018 (Baht 977 million included in cost of services, and the balance in administrative expenses)						981

(Unit: Million Baht)

	Separate financial statements				
	Website copyright	Films, music and video copyright	Program computer	Advance payments and Work in process	Total
Cost:					
1 January 2017	11	21	19	104	155
Additions	-	-	4	48	52
Disposals	-	-	-	(102)	(102)
31 December 2017	11	21	23	50	105
Additions	-	-	1	7	8
Transfers in (out)	-	54	-	(54)	-
31 December 2018	11	75	24	3	113
Accumulated amortization:					
1 January 2017	4	8	4	-	16
Amortization for the year	-	1	5	-	6
31 December 2017	4	9	9	-	22
Amortization for the year	1	7	3	-	11
31 December 2018	5	16	12	-	33
Allowance for impairment loss:					
1 January 2017	1	11	-	-	12
31 December 2017	1	11	-	-	12
31 December 2018	1	11	-	-	12
Net book value:					
31 December 2017	6	1	14	50	71
31 December 2018	5	48	12	3	68

Amortization for the year

2017 (Baht 2 million included in cost of services, and the balance in administrative expenses)	6
2018 (Baht 8 million included in cost of services, and the balance in administrative expenses)	11

13. Cost of spectrum license

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

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

Mono 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, Mono 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 Mono Broadcast must pay a monthly service fee as stipulated in the agreement.

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

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

During the year 2017, Broadcast paid Baht 206 million of the bid price of the spectrum license and provided a bank guarantee to NBTC as a guarantee of payment of the remaining amount.

An announcement in the Government Gazette on 23 May 2018 informed licensees who intend to suspend the payment of the remaining license fee to notify the Office of National Broadcasting and Telecommunications Commission (“NBTC”). Mono Broadcast did this, through a letter dated 23 May 2018, and on 5 June 2018 received a letter from the Office of NBTC approving a suspension of the payment of the remaining license fee, together with interest, in accordance with the terms and conditions stipulated by NBTC. Following the suspension, Mono Broadcast is therefore required to pay the remaining license fee of Baht 954 million (the cost of the spectrum license based on the bid price as at that date (exclusive of VAT)) as follows:

- 1) The remainder of the minimum bid price, amounting to Baht 19 million, is to be paid in full, in accordance with the conditions stipulated by NBTC, within 7 years of the date the license was granted.
- 2) The portion of the license fees in excess of the minimum bid price, amounting to Baht 935 million, is to be paid in 5 installments, in accordance with the conditions stipulated by NBTC, within 11 years from the date the license was granted.

As a result of the above matter, Mono Broadcast recalculated the value of the cost of spectrum license payable, using the existing effective interest rate and new payment terms approved by NBTC, and recorded the difference from the recalculation of the cost of spectrum license payable, amounting to approximately Baht 75 million, as a separate item in the profit or loss for the year.

Movements in the cost of spectrum license payable account during the period are summarized below.

	(Unit: Million Baht)
	Consolidated financial statements
Balance as at 1 January 2018	901
Less: Difference from the recalculation of the cost of spectrum license payable as a result of modification of the terms of payment of the spectrum license fee	(75)
Amortization of deferred interest expenses for the year	31
Interest payment during the year	(6)
Balance as at 31 December 2018	851

In addition, on 19 December 2018, the Monetary Policy Committee (“NPC”) passed a resolution to raise the policy rate by 0.25 percentage point, from 1.50 to 1.75 percent per annum, effective immediately. The licensees who the Office of NBTC approved the extension of the period of payment and the suspension of the payment of the license fee must pay interests at such rates during the extension and suspension periods.

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

(Unit: Million Baht)

	Consolidated financial statements	
	2018	2017
Cost	1,932	1,932
Less: Accumulated amortization	(604)	(475)
Net book value	1,328	1,457

During the year, Mono Broadcast amortized cost of spectrum license amounting to Baht 129 million (2017: Baht 129 million).

14. Bank overdrafts and short-term loans from banks

Bank overdrafts and short-term loans from banks of the Company and its subsidiaries, on which interest is charged at a rate close to the Minimum Overdraft Rate and Minimum Loan Rate, respectively, are secured by the Company and its subsidiaries.

15. Trade and other payables

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Trade payables - related parties (Note 6)	6	11	27	74
Trade payables - unrelated parties	34	41	12	21
Other payables - related parties (Note 6)	40	19	47	32
Other payables - unrelated parties	79	66	16	19
Accrued expenses	101	90	14	29
Accounts payable for purchases of assets	164	92	-	5
Total trade and other payables	424	319	116	180

16. Long-term loans from banks

(Unit: Million Baht)

Loan	Interest rate	Repayment schedule	Consolidated financial statements	
			2018	2017
	(Percent)			
1	MLR minus a certain spread with reference to the agreement	The loan is to be settled on a quarterly basis in 24 installments. The first installment will be due on 30 September 2017 and settlement is to be completed by 30 June 2023.	1,275	1,325
2	MLR minus a certain spread with reference to the agreement	The loan is to be settled on a monthly basis in 84 installments. The first installment was due on 31 December 2017 and settlement is to be completed by 31 May 2023.	168	198
Total			1,443	1,523
Less: Current portion			(109)	(82)
Long-term loans from banks - net of current portion			1,334	1,441

Movements in the long-term loan from bank account during the year are summarized below.

(Unit: Million Baht)

	Consolidated financial statements
Balance as at 1 January 2018	1,523
Less: Repayment	(80)
Balance as at 31 December 2018	1,443

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

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

As at 31 December 2018 and 2017, the Company and its subsidiaries had no long-term credit facilities which have not yet been drawn down.

17. Cost of spectrum license payable

(Unit: Million Baht)

	Consolidated financial statements	
	2018	2017
Cost of spectrum license payable	954	954
Less: Deferred interest expenses	(103)	(53)
Total	851	901
Less: Portion due within one year	(7)	(206)
Cost of spectrum license payable - net of current portion	844	695

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

18. Liabilities under finance lease agreements

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Liabilities under finance lease agreements	37	14	-	1
Less: Deferred interest expenses	(3)	(1)	-	-
Total	34	13	-	1
Less: Portion due within one year	(16)	(7)	-	(1)
Liabilities under finance lease agreements - net of current portion	18	6	-	-

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 4 years.

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

(Unit: Million Baht)

	As at 31 December 2018					
	Consolidated financial statements			Separate financial statements		
	Less than 1 year	1-4 years	Total	Less than 1 year	1-4 years	Total
Future minimum lease payments	18	19	37	-	-	-
Deferred interest expenses	(2)	(1)	(3)	-	-	-
Present value of future minimum lease payments	16	18	34	-	-	-

(Unit: Million Baht)

	As at 31 December 2017					
	Consolidated financial statements			Separate financial statements		
	Less than 1 year	1-4 years	Total	Less than 1 year	1-4 years	Total
Future minimum lease payments	8	6	14	1	-	1
Deferred interest expenses	(1)	-	(1)	-	-	-
Present value of future minimum lease payments	7	6	13	1	-	1

19. Provision for long-term employee benefits

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Provision for long-term employee benefits at beginning of year	44	36	19	17
Included in profit or loss (included in administrative expenses):				
Current service cost	6	7	2	2
Interest cost	2	1	1	-
Provision for long-term employee benefits at end of year	52	44	22	19

The Company and its subsidiaries expect to pay Baht 3 million (2017: Nil) of long-term employee benefits during the next year (the Company only: Nil (2017: Nil)).

As at 31 December 2018 and 2017, the weighted average duration of the liabilities for long-term employee benefit was 17 years (the Company only: 17 years).

Significant actuarial assumptions are summarized below:

(Unit: Percent per annum)

	Consolidated/Separate financial statements	
	2018	2017
Discount rate	3.5	3.5
Salary increase rate	5	5

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Discount rate				
Increase 50 basis points	(5)	(5)	(2)	(2)
Decrease 50 basis points	2	2	1	1
Salary increase rate				
Increase 100 basis points	7	7	3	3
Decrease 100 basis points	(8)	(8)	(4)	(4)

On 13 December 2018, The National Legislative Assembly passed a resolution approving the draft of a new Labor Protection Act, which is in the process being published in the Royal Gazette. The new Labor Protection Act stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive compensation of not less than that of the last 400 days, based on the final wage rate. This change is considered a post-employment benefits plan amendment and the Company and its subsidiaries have additional liabilities for long-term employee benefits of Baht 18 million (The Company only: Baht 8 million). The Company and its subsidiaries will reflect the effect of the change by recognizing past services costs as expenses in the income statement of the period in which the law is effective.

20. Share capital

	Approve by	Ordinary shares (Shares)	Par value (Baht per share)	Registered share capital (Baht)	Registration date
Balance as at 1 January 2017		4,984,999,975	0.1	498,499,998	
1) Cancellation of unissued ordinary shares	Annual General Meeting of the shareholders on 26 April 2017	(122,000,000)	0.1	(12,200,000)	8 May 2017
2) Issue of ordinary shares under a general mandate	Annual General Meeting of the shareholders on 26 April 2017	<u>334,000,000</u>	0.1	<u>33,400,000</u>	9 May 2017
Balance as at 31 December 2017		5,196,999,975		519,699,998	
1) Cancellation of unissued ordinary shares	Annual General Meeting of the shareholders on 25 April 2018	<u>(334,000,000)</u>	0.1	<u>(33,400,000)</u>	22 May 2018
Balance as at 31 December 2018		<u><u>4,862,999,975</u></u>		<u><u>486,299,998</u></u>	

	Ordinary shares (Share)	Par value (Baht per share)	Issued and fully paid-up share capital (Baht)	Premium on ordinary shares (Baht)	Registration date
Balance as at 1 January 2017	3,200,935,537	0.1	320,093,554	2,935,691,191	
1) On 12 and 13 January 2017, the Company allotted the 143 million newly issued ordinary shares to certain investors by way of private placements at an offering price of Baht 2.85 per share, or for a total amount of Baht 407.55 million.	143,000,000	0.1	14,300,000	393,250,000	19 January 2017
2) On 29 September 2017, the Company allotted additional ordinary shares as a result of the exercise of warrants to purchase newly issued ordinary shares (Note 21)	<u>46,804,687</u>	0.1	<u>4,680,469</u>	<u>111,956,811</u>	4 October 2017
Balance as at 31 December 2017	3,390,740,224		339,074,023	3,440,898,002	

	Ordinary shares (Share)	Par value (Baht per share)	Issued and fully paid-up share capital (Baht)	Premium on ordinary shares (Baht)	Registration date
1) On 29 December 2017, the Company allotted additional ordinary shares as a result of the exercise of warrants to purchase newly issued ordinary shares (Note 21)	6,448	0.1	645	15,424	8 January 2018
2) On 30 March 2018, the Company allotted additional ordinary shares as a result of the exercise of warrants to purchase newly issued ordinary shares (Note 21)	80,282,986	0.1	8,028,298	192,036,903	4 April 2018
Balance as at 31 December 2018	<u>3,471,029,658</u>		<u>347,102,966</u>	<u>3,632,950,329</u>	

21. Warrants

On 12 September 2014, the Extraordinary General Meeting of the Company's shareholders passed a resolution approving the issuance of a first tranche of 1,540 million warrants to purchase the Company's ordinary shares (MONO-W1) to existing shareholders, free of charge. The warrants, which were issued in a ratio of 15 warrants for every 14 existing ordinary shares, have an exercise period of 5 years from the date of issuance, and are exercisable every 3 months. One warrant provides the right to purchase 1 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.

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

Subsequently, on 3 May 2018, the Company passed a resolution approving an adjustment of the exercise price and the exercise ratio of MONO-W1 for the purpose of preserving the interests of the holders, from the existing exercise price of Baht 2.492 per share to Baht 2.464 per share and from the existing exercise ratio of 1 warrant to 1.003 ordinary shares to 1 warrant to 1.015 ordinary shares.

Details of the exercises of warrants are as follows:

Exercise date	Exercised warrants (Warrants)	Cash received from exercises (Million Baht)	Issued and fully paid-up share capital (Million Baht)	Registration date
23-29 December 2014	121,183	-	308	8 January 2015
31 March 2015	814,379	2	308	8 April 2015
30 September 2015	20,000,000	50	310	5 October 2015
29 September 2017	46,664,694	117	339	4 October 2017
29 December 2017	6,430	-	339	8 January 2018
30 March 2018	80,042,858	200	347	4 April 2018

As at 31 December 2018, 1,352,353,083 warrants (2017: 1,432,395,941 warrants) were unexercised.

22. Statutory reserve

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

23. Expenses by nature

Significant expenses classified by nature are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Salaries, wages and other employee benefits	527	542	158	178
Cost of mobile value added services	73	180	170	542
Depreciation and amortization	1,214	1,059	27	23
Advertising and sales promotion expenses	154	114	17	31
Utilities expenses	43	103	69	68

24. Income tax

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Current income tax:				
Current income tax charge	3	5	-	-
Adjustment in respect of income tax of previous year	-	1	-	1
Deferred tax:				
Relating to origination and reversal of temporary differences	12	(49)	(9)	(1)
Income tax income reported in the statement of comprehensive income	<u>15</u>	<u>(43)</u>	<u>(9)</u>	<u>-</u>

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Accounting profit (loss) before tax	(179)	15	(78)	54
Applicable tax rate (percent)	20	20	20	20
Accounting profit (loss) before tax multiplied by income tax rate	(36)	3	(16)	11
Adjustment in respect of income tax of previous year	-	1	-	1
Utilisation of previously unrecognised tax losses	(6)	-	-	-
Effects of reversal of temporary differences and tax loss recognised in the past	15	25	-	-
Effects of eliminating entries on the consolidated financial statements	20	-	-	-
Effects of:				
Exception of income	(15)	-	-	-
Promotional privileges (Note 25)	(1)	(25)	-	-
Dividend income	-	-	-	(32)
Tax loss for the year for which a deferred tax asset was not recognised	38	35	6	9
Temporary difference and tax loss for the prior years for which deferred tax assets were recognised	-	(82)	-	-
Others	-	-	1	11
Income tax income reported in the statement of comprehensive income	15	(43)	(9)	-

The tax rates enacted at the end of the reporting period of the subsidiaries in overseas countries are between 16.5 and 25 percent (2017: 16.5 and 25 percent).

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

(Unit: Million Baht)

	Consolidated financial statements			
	Statements of financial position		Profit or loss in statements of comprehensive income	
	As at 31 December		For the years ended 31 December	
	2018	2017	2018	2017
Deferred tax assets (liabilities)				
Allowances for sales return and doubtful accounts	-	-	-	(4)
Accumulated amortization - intangible assets	(8)	(10)	2	1
Cost of spectrum license	23	37	(14)	37
Provision for long-term employee benefits	7	6	1	-
Unused tax loss	215	216	(1)	16
Others	1	1	-	(1)
Deferred tax relating to origination and reversal of temporary differences			(12)	49
Deferred tax assets - net	238	250		
Presented as follows:				
Deferred tax assets	245	259		
Deferred tax liabilities	(7)	(9)		
Total	238	250		

(Unit: Million Baht)

	Separate financial statements			
	Statements of financial position		Profit or loss in statements of comprehensive income	
	As at 31 December		For the years ended 31 December	
	2018	2017	2018	2017
Deferred tax assets (liabilities)				
Accumulated amortization - intangible assets	(1)	(1)	-	-
Provision for long-term employee benefits	5	4	1	-
Unused tax loss	8	-	8	+
Others	-	-	-	1
Deferred tax relating to origination and reversal of temporary differences			9	1
Deferred tax assets - net	12	3		

As at 31 December 2018, the subsidiaries had deductible temporary differences and unused tax losses totaling Baht 998 million (2017: Baht 806 million), on which deferred tax assets have not been recognized as the subsidiaries believe that future taxable profits may not be sufficient to allow utilization of the temporary differences and unused tax losses.

The unused tax losses amounting to Baht 924 million will expire by 2023.

25. Promotional privileges

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

MIS's revenues from the promoted operations for the year ended 31 December 2018 amounted to Baht 25 million (2017: Baht 175 million).

26. Earnings per share

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

Diluted earnings per share is calculated by dividing profit 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 at the beginning of the year.

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

	Consolidated financial statements					
	Profit (loss) for the year		Weighted average number of ordinary shares		Earnings (loss) per share	
	2018 (Million Baht)	2017 (Million Baht)	2018 (Million shares)	2017 (Million shares)	2018 (Baht)	2017 (Baht)
Basic earnings (loss) per share						
Profit (loss) attributable to equity holders of the Company	(193)	58	3,451	3,352	(0.056)	0.017
Effect of dilutive potential ordinary shares						
Warrants offered to existing shareholders	-	-	228	490		
Diluted earnings per share						
Profit (loss) attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	(193)	58	3,679	3,842	Anti- diluted	0.015

	Separate financial statements					
	Profit (loss) for the year		Weighted average number of ordinary shares		Earnings (loss) per share	
	2018 (Million Baht)	2017 (Million Baht)	2018 (Million shares)	2017 (Million shares)	2018 (Baht)	2017 (Baht)
Basic earnings (loss) per share						
Profit (loss) attributable to equity holders of the Company	(69)	54	3,451	3,352	(0.020)	0.016
Effect of dilutive potential ordinary shares						
Warrants offered to existing shareholders	-	-	228	490		
Diluted earnings per share						
Profit (loss) attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	(69)	54	3,679	3,842	Anti- diluted	0.014

27. Provident fund

The Company, its subsidiaries and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company, its subsidiaries and their employees contribute to the fund monthly at the rates of 3-7 percent of basic salary. The fund, which is managed by TISCO Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2018 amounting to Baht 18 million (2017: Baht 15 million) (the Company only: Baht 7 million (2017: Baht 6 million)) were recognized as expenses.

28. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht per share)
Final dividends for 2016	Annual General Meeting of the shareholders on 26 April 2017	100	0.03
Interim dividends for 2017	Board of Directors meeting on 8 November 2017	102	0.03
Total dividends paid for 2017		202	0.06
Final dividends for 2017	Annual General Meeting of the shareholders on 25 April 2018	104	0.03
Total dividends paid for 2018		104	0.03

29. Segment information

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

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

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

(Unit: Million Baht)

	Media business ⁽¹⁾		Content business ⁽²⁾		Adjustments and eliminations		Consolidation	
	2018	2017	2018	2017	2018	2017	2018	2017
Sales and service income								
Revenues from external customers	2,193	2,371	206	158	-	-	2,399	2,529
Inter-segment revenues	-	-	459	258	(459)	(258)	-	-
Total revenues	<u>2,193</u>	<u>2,371</u>	<u>665</u>	<u>416</u>	<u>(459)</u>	<u>(258)</u>	<u>2,399</u>	<u>2,529</u>
Segment profit (loss)	725	914	(232)	(224)			493	690
Unallocated income and expenses:								
Other income							109	47
Selling and servicing expenses							(171)	(139)
Administrative and other expenses							(485)	(450)
Reversal of allowance for impairment of investment in a joint venture							4	-
Finance cost							(129)	(133)
Income tax income							(14)	43
Profit (loss) for the year							<u>(193)</u>	<u>58</u>

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

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

For the years 2018 and 2017, the Company and its subsidiaries have revenues from two major customers, arising from media and content businesses.

30. Commitments and contingent liabilities

30.1 Capital commitments

As at 31 December 2018, the subsidiaries had capital commitments of approximately Baht 380 million (2017: Baht 530 million), relating to the purchases of movie rights.

30.2 Guarantees

- a) The Company has guaranteed bank credit facilities of its subsidiaries (exclusive of guarantees provided for bank guarantees as described in Note 30.2 c) to the consolidated financial statements) totaling Baht 1,727 million (2017: Baht 1,800 million).
- b) The subsidiaries have guaranteed bank credit facilities of the Company amounting to Baht 35 million (2017: Baht 35 million).
- c) As at 31 December 2018, the Company and its subsidiaries had outstanding bank guarantees of Baht 1,038 million and USD 10 million (2017: Baht 1,041 million and USD 6 million) (the Company only: Baht 2 million (2017: Baht 5 million)) issued by banks on behalf of the Company and its subsidiaries to guarantee contractual performance. The bank guarantees are secured by guarantees provided by the Company and its subsidiaries and pledges of their saving deposits.

30.3 Operating lease and service commitments

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

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Payable:				
in up to 1 year	151	159	35	31
in over 1 year and up to 5 years	238	288	8	34
in over 5 years	250	312	-	-

30.4 Litigation

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

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

On 25 April 2017, the Central Intellectual Property and International Trade Court read its judgement on the lawsuit in the criminal case, which was to order the Company to pay compensation of Baht 0.1 million. On 25 July 2017, the Company appealed the judgement of the Court of First Instance to the Court of Appeal for Specialized Cases, and on 27 February 2018, the Court of Appeal for Specialized Cases read its judgement in the criminal case, which was to order dismissal of the plaintiff's action. The Company therefore does not need to pay compensation in accordance with the judgement of the Court of First Instance.

However, on 7 May 2018, the plaintiff appealed the judgements of the Court of Appeal for Specialized Cases in both the civil case and the criminal case to the Supreme Court. The appeals are currently being considered by the Supreme Court.

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

On 15 December 2017, the Central Intellectual Property and International Trade Court accepted the lawsuit. Subsequently, on 6 November 2018, the court ordered dismissal of the plaintiff's action. The plaintiff can appeal the judgement of the court until 6 March 2019.

- c) In August 2018, the Company and its subsidiary were sued by an unrelated individual through the Central Intellectual Property and International Trade Court in a criminal case for infringement of copyright in literary works, seeking compensation of Baht 7.15 million, as well as future damages of approximately Baht 50,000 per month from the date of the lawsuit until the date on which the infringement of the copyright ceases. The court set a date of 25 March 2019 for preliminary examination.

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

31. Financial instruments

31.1 Financial risk management

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

Credit risk

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

Interest rate risk

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

Foreign currency risk

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

As at 31 December 2018, the balances of financial assets and liabilities denominated in foreign currencies are summarized below.

Foreign currency	Consolidated financial statements				Average exchange rate	
	Financial assets		Financial liabilities			
	2018 (Million)	2017 (Million)	2018 (Million)	2017 (Million)	2018	2017
					(Baht per 1 foreign currency unit)	
Kyat	2	-	27	-	0.0209	0.0239
US dollar	-	-	3	-	32.4498	32.6809

Foreign currency	Separate financial statements				Average exchange rate	
	Financial assets		Financial liabilities			
	2018 (Million)	2017 (Million)	2018 (Million)	2017 (Million)	2018	2017
					(Baht per 1 foreign currency unit)	
Kyat	2	-	27	-	0.0209	0.0239

Foreign exchange contracts outstanding are summarized below.

As at 31 December 2018				
Foreign currency	Bought amount (Million)	Contractual exchange rate of bought amount (Baht per 1 foreign currency unit)	Maturity date	Fair value loss (Million Baht)
US dollar	1	33.02 - 33.17	14 and 22 February 2019	0.4

As at 31 December 2017				
Foreign currency	Bought amount (Million)	Contractual exchange rate of bought amount (Baht per 1 foreign currency unit)	Maturity date	Fair value loss (Million Baht)
US dollar	1	33.09	15 May 2018	0.5

As at 31 December 2018 and 2017, the subsidiary had the liabilities for which fair value is disclosed as derivatives - foreign currency forward contracts. The liabilities for which fair value is disclosed in the consolidated financial statements are categorized within the fair value hierarchy as Level 2.

31.2 Fair values of financial instruments

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

The Company and its subsidiaries estimate the fair value of derivatives using the methods and assumptions that their fair value has been determined by using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies, interest rate yield curves and commodity price yield curves. The Company and its subsidiaries had considered to counterparty credit risk when determining the fair value of derivatives.

During the current year, there were no transfers within the fair value hierarchy.

32. Capital management

The primary objective of the Company's and its subsidiaries' capital management is to ensure that they have appropriate capital structure in order to support their business and maximize shareholder value. As at 31 December 2018, the Group's debt-to-equity ratio was 1.17:1 (2017: 1.08:1) and the Company's was 0.05:1 (2017: 0.05:1).

33. Approval of financial statements

These financial statements were authorized for issue by the Company's Board of Directors on 20 February 2019.



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