

## Annual Registration Statement/ Annual Report 2020 (Form 56-1 One Report)

- TV PROGRAM •
- EQUIPMENT •
- STUDIO •





# Content

## 56-1 One-Report

2

Message from Board of Directors

3

Part 1  
Business Operation  
and Performance

4

1. Business Structure  
and Operation

29

2. Risk Management

34

3. Business Drive for Sustainability

43

4. Management Discussion and  
Analysis : MD&A

53

5. General Information and Other  
Significant Information

55

Part 2  
Corporate Governance

56

6. Corporate Governance Policy

68

7. Corporate Governance Structure  
and Key Information about  
Board of Directors, Sub-committees,  
Management, Employees and Others

83

8. Report of  
Key Corporate Governance  
Performance

108

9. Internal Control and Connected  
Transactions

119

Part 3  
Financial Statement

212

Part 4  
Verification of Information for Annual  
registration statement/ Annual Report  
(Form 56-1 One Report)

214

Attachment 1 Details of Directors,  
Management, Persons with  
Controlling Power, Head of  
Accounting and Finance, and  
Company's Secretary

229

Attachment 2 Details of Directors of  
the Subsidiaries

230

Attachment 3 Details of Head of  
Internal Auditor and Compliance

231

Attachment 4 Assets used for  
business operation and details of  
asset appraisal prices

235

Attachment 5 Complete  
Corporate Governance Policy and  
Complete Code of Ethical Conduct

252

Attachment 6  
Audit Committee Report

## Message from Board of Directors

### **Dear shareholders of Matching Maximize Solution Public Company Limited**

In 2020, global societies and economies were severely impacted by the novel coronavirus (COVID-19). Since its emergence, the pandemic has continued to impact the business sector; therefore, business operators have had to handle the crisis and adjust themselves in accordance with the new normal.

The Company saw the necessity of adjusting our business operation to cope with the business contraction. In particular, as foreign production crews were unable to enter Thailand almost throughout 2020, the Company's revenue fell significantly, given that foreign production crew were the key revenue contributors.

In the latter half of 2020, the Company underwent the organizational restructuring to reduce cost and operating expenses and fine tune the business plan in a bid to expand the domestic client base, covering production teams of movies, series, dramas and commercials, to offset the absent foreign clients. Moreover, the Company had been well prepared, both in terms of technical equipment and personnel, to potentially provide services for foreign clients once the COVID-19 situation eases.

In regard to the Thai economic outlook for 2021, Ministry of Finance projects that the Thai economic growth will expand by 2.8%. The economy is expected to expand at a gradual pace in line with global economic recovery. However, with certain downside risks to be monitored, the duration for business recovery and the economic situation following the COVID-19 vaccine rollout remain challenging. Nonetheless, the Company is committed to enhancement of our business operation efficiency, including revenue generation, new business opportunities, effective cost and expense management as well as development of personnel's professionalism, both in terms of shooting equipment and the studio that meet international standards. These will strengthen the organization and prepare the Company to reap any opportunities post COVID-19 crisis, leading to sustainable revenue and good operating performance going forward.

On behalf of the Board of Directors, I would like to express my deep gratitude to shareholders, investors, financial institutions and all patrons for your continued kind trust and support.



**(Mr. Sansrit Yenbamrung)**

**Chairman of the Board**

# Part 1

## Business Operation and Performance

# 1. Business Structure and Operation

## 1.1 Policies and business overview

Matching Maximize Solution Public Company Limited (formerly known as Matching Studio Public Company Limited) was founded in 1992, with the initial registered capital of 1 million baht. Later in 2004, BBTV Production Company Limited became a shareholder. At present, the Company's core businesses consist of equipment rental service business, studio rental service business and TV content production business.

### 1.1.1 Vision and Mission



#### Vision

Be the leader in the entertainment-related businesses at an international level



#### Mission

Maintain the standard and enhance professionalism in equipment rental services for shooting of featured films and commercials as well as develop an international standard studio (NC25) to completely serve demand of both local and international clients





## Business Overview

The Company's core businesses consist of equipment rental business, studio rental business and TV content production business. The Company has also invested in a joint venture producing featured films. The details of the Company's current businesses are summarized follows.

- **Equipment rental service business**

The Company provides rental equipment for shooting of featured films, commercials and dramas. The rental equipment, accompanied by skillful technicians to instruct how to use such equipment, is delivered to filming sites.

- **Studio rental service business**

The studio rental services are provided to serve film production crew, local and international commercials production crew, TV content producers, and event organizers.

- **TV content production business**

The Company produces TV content broadcast in the airtime leased from the TV channel and sells commercial timeslots to advertising agencies or to product owners directly. In 2021, the Company produced the TV program namely "Plod Nee Plick Chee Vit"

- **Featured film production business**

The Company formed a joint venture to produce Thai films released on cinemas and sold in various channels.

### 1.1.2 Key changes and developments

Matching Maximize Solution Public Company Limited (formerly known as Matching Studio Public Company Limited) was founded in 1992, with the initial registered capital of 1 million baht. Later in 2004, BBTV Production Company Limited became a shareholder. At present, the Company's core businesses consist of TV content production business, equipment rental service business and studio rental service business. History and key development are as follows.

1992 ▶

The Company was established to provide commercial production service with the registered capital of 1 million baht, consisting of 10,000 shares at a par value of 100 baht per share.

2003 ▶

The Company was listed in the Alternative Investment (MAI), with the registered capital of 120 million baht, consisting of 24,000,000 shares at a par value of 5 baht per share. The Company subsequently issued 6,000,000 ordinary shares for public offering and expanded its business to cover wide varieties of entertainment and recreation services. Later, warrant issuance (MATCH-W1) amounting to 108,000,000 units for a duration of five years was approved for existing shareholders.

2004 ▶

The Company increased capital, changed the shareholder structure, moved from the secondary market and expanded to TV content production business.

- Issued and offered capital increase shares to BBTV Production Company Limited (BBTVP) in order to support the Company's expansion of TV program business, enhance business operation within the group and increase the potential in capturing the market share.
- Moved from trading in MAI to the Stock Exchange of Thailand (SET) under the media and printing sector.

2009 ▶

Increased capital and changes major shareholders

- Issued and offered the second warrants ("MATCH-W2") of 103,431,863 units, with the warrant duration of five years, for existing shareholders.
- Three major shareholders agreed to sell common shares and MATCH-W2 to BBTVP. As a result, BBTVP became the major shareholder, with the shareholding increasing to 49.65% from 27.73% previously.

2010 ▶

BBTVP exercised the right to purchase the second warrants, MATCH-W2, raising its shareholding to 57.94%. As a consequence, BBTVP had to tender the right offering. After the tender offer, BBTVP's shareholding rose to 68.48%.

2012 ▶

Increased the registered capital to 535 million baht by issuing capital increase shares of 271 million shares, with a par value of 1 baht per share:

- Capital increase shares of 210 million shares for public offering
- Capital increase shares of 7.54 million shares to support the adjustment to the right exercise of MATCH-W2



2014 ▶

- Established the subsidiary called Time Lapse Company Limited to operate the post production business
- Formed a joint venture named Transformation Film Company Limited to produce Thai featured films leased in cinemas and sold in different channels.

2016 ▶

- Allocated capital increases under the rights offering at the subscription ratio of 1 existing share to 0.4702 new ordinary capital increase shares at 2.00 baht/share, with the total number of shares sold of 112.40 million shares and the net proceeds after expense deduction at 223.64 million baht.

2017 ▶

- Launched THE STUDIO PARK (THAILAND), operated by the subsidiary the Studio Park (Thailand) to offer studio rental services to serve film production crew, local and international commercials production crew, TV content producers, and event organizers.

2018 ▶

- On November 14, 2018, TSP Production Service Co., Lt was established to operate foreign film production coordination business

2019 ▶

- On December 27, 2019, the Company sold the ordinary shares in the subsidiary, Time Lapse Co., Ltd.

2020 ▶

- On April 13, 2020, the Company received the voluntary tender offer (247-4 Form) from BBTVP Production Company Limited which was then shareholder holding 74.5% of the issued and sold shares and the entire voting rights. BBTVP informed its intention of the voluntary tender offer for the remaining ordinary shares of 199,315,417 shares, accounting for 25.5% of the total issued and sold shares and the entire voting rights of the Company.
- On 25 May, 2020, BBTVP held shares at 87.6% of the total issued and sold shares and the entire voting rights of the Company.

### 1.1.3 Fund raising

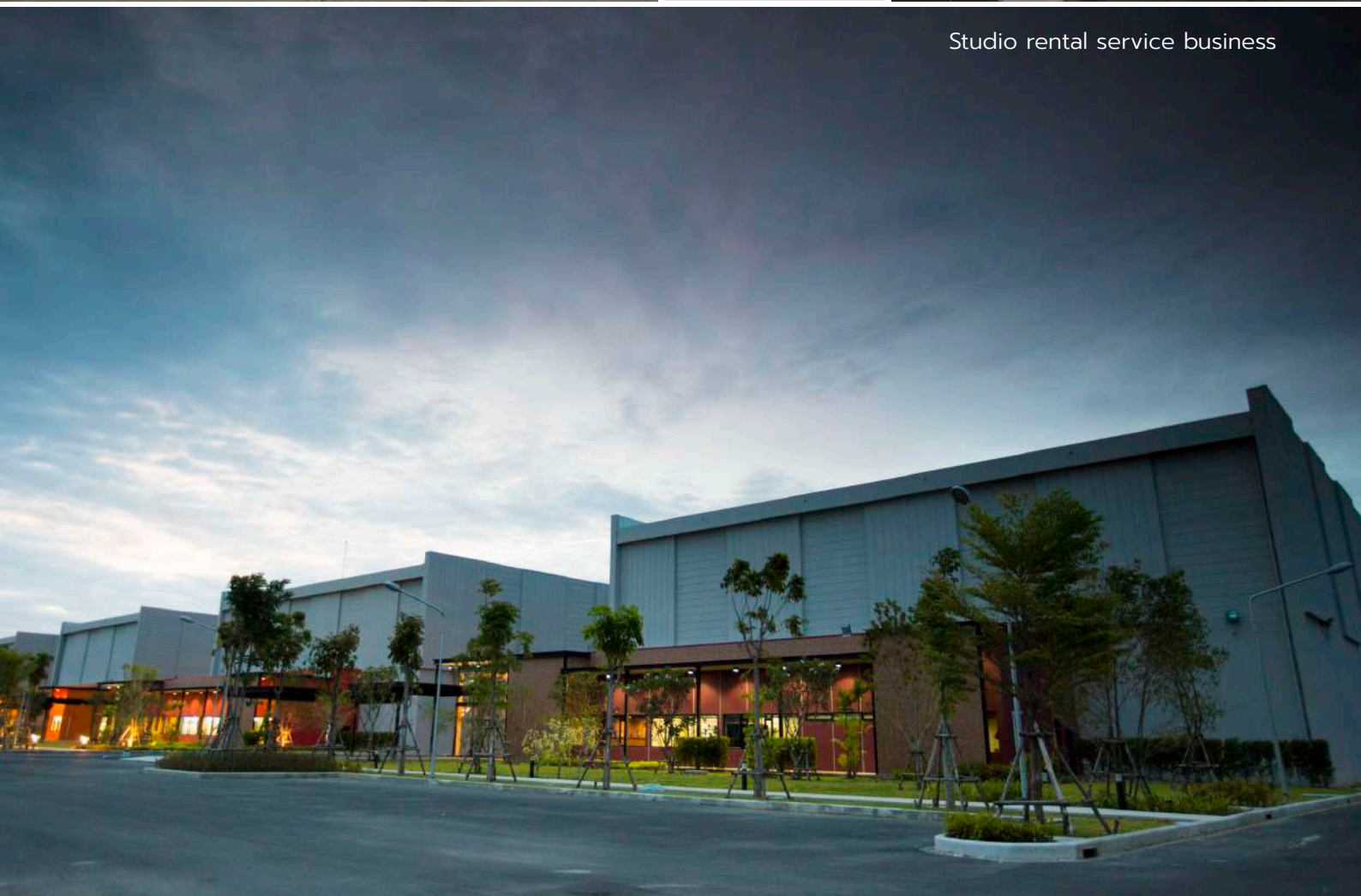
- None -

### 1.1.4 Obligations stated in the filing of the registration statement for securities officer

- None -

### 1.1.5 Name, address of the head office, type of business, business registration number, telephone, fax, company's website, number and types of the Company's securities entirely sold

As shown in Item 5 : General Information and Other Significant Information



## 1.2 Business profile

### 1.2.1 Revenue Structure

Company and our subsidiaries' revenue structure by businesses in the consolidated financial statements of 2018-2020, is as follows:

Consolidated financial statement	2018		2019		2020	
	Mn Bt	%	Mn Bt	%	Mn Bt	%
<b>Core businesses :-</b>						
1. Equipment rental service business	366.52	78.41	380.72	79.44	192.00	76.88
2. TV content production business	44.13	9.44	47.18	9.85	39.61	15.86
3. Studio rental service business *	51.69	11.06	46.17	9.63	15.69	6.28
4. Product sales	5.10	1.09	5.17	1.08	2.44	0.98
<b>Revenue from core businesses</b>	<b>488.00</b>	<b>100.00</b>	<b>479.24</b>	<b>100.00</b>	<b>249.74</b>	<b>100.00</b>

In 2020, the Company operated equipment rental service business, studio rental service business, and TV content production business.

### 1.2.2 Product Details

#### Equipment rental service business

##### 1. Service Details

Managed by Gear Head Company Limited (GH), the Company offers filming equipment rental services, serving all groups of clients who seek high quality equipment. In addition, the high quality teams of technicians are also available to serve the clients. Key client groups include feature film producers, commercials producers, documentary producers, and music video producers, both domestically and internationally. The service for these client groups is offered under the brand "Gear Head". Meanwhile, the Company also serves other groups of clients, i.e., drama producers and content producers, under the brand "Handy Gear".

#### GH's major rental assets

Rental assets	Examples
Digital cameras	cameras: Arri , Red, Sony, Canon, Go Pro lenses: Anamorphic Hawk, Master Prime, Leica , Cooke camera housing for cameras for underwater shoots and drones for air shoots
Lighting	new LEDs, tungsten , daylight , super silent generator
Sound equipment	sound recorders, mixing consoles, microphones
Grip equipment	cranes, telescopic cranes, dolly, Panther Maximus7 remote head, stabilizer and non-stabilizer remote head
Rig equipment	Tailor-made equipment filming activities on clients' demand
Service vehicles	Vans, beverage vehicles, Mobile toilets and Motor homes

The rental equipment services are accompanied with highly-skilled technicians. Equipment is delivered directly to shooting sites by vehicles e.g., six-wheel trucks, equipment pick-up trucks and etc. to facilitate the delivery and ensure timely delivery.

## 2. Market and Competition

### 1. Industry

#### • Film Industry

The COVID-19, which emerged early 2020, led the global economy to inevitably face the severe crisis. In Thailand, the country generally managed to handle the first wave of the pandemic quite well; however, the second wave of infections emerged just before the yearend. This posed severe risks to the country and thus the Thai economy was hit hard because the country depended heavily on the foreign tourists, with the tourism revenue accounting for 13% of the country's GDP. This exposure to the tourism sector is higher than other Asian countries. Furthermore, the economy was hit further by supply disruption, both domestically and internationally. The country was also negatively impacted by the income effect or multiplier effect. Moreover, there were other negative factors arising from domestic political tension in the final quarter of the year. Therefore, the Thai economy in 2020 is projected to show the sharpest contraction since the Financial Crisis in 1998 at -6.4% versus +2.4% in 2019.

According to the data from Thailand Film Office, Department of Tourism, the revenue from foreign filming in Thailand declined by 3,131.35 million baht or a drop of 64.38% when compared to the figure reported for 2019.

#### Figures of foreign filming in Thailand (by type)

Types (Title/Year)	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Advertising	296	314	346	294	329	376	371	335	336	88
Documentaries	155	122	150	159	176	155	156	120	135	22
Music videos	34	41	47	44	57	47	54	46	49	7
TV programs	67	80	86	74	62	80	93	72	103	26
TV program with sensitive content	8	8	6	6	8	14	35	12	-	-
Game shows/ reality shows	-	3	-	1	9	3	-	32	18	5
TV dramas	4	6	7	1	1	3	2	5	1	3
TV series	7	9	8	7	16	16	15	16	16	8
Short films	-	-	-	-	-	32	24	24	22	1
Feature films	35	53	67	41	63	50	60	50	60	15
Others	-	-	-	4	3	3	-	2	-	1
Total (Title)	606	636	717	631	724	779	810	714	740	176
Revenue (million baht)	1,226	1,782	2,173	1,934	3,164	2,371	3,074	3,139	4,864	1,732
YoY revenue differences with (%)	-34.38	45.29	21.97	-11.00	63.6	-25.07	29.65	2.12	54.93	-64.38

Source: Thailand Film Office, Department of Tourism



While the COVID-19 pandemic had brought a number of businesses to a halt, however, the VDO streaming business, e.g., Netflix, expanded significantly in 2Q20, with 10 million subscribers in the quarter. Previously, the subscription volume in the first quarter increased by 15.7 million subscribers. At present, there are over 193 million subscribers<sup>1</sup>. The subscription growth was driven by lockdowns in many countries to contain the COVID-19 infections

<sup>1</sup> source : <https://positioningmag.com/1292132>

The aforementioned factor help strengthen the filming industry. During the time when COVID-19 vaccines were under clinical tests, both Thai and foreign production crew continued to do their work, which was well controlled under the virus containment standards. Therefore, despite the second wave of infections, the filming industry still managed to grow continuously.

#### Supporting factors attracting more foreign filming crews to Thailand

1. As the government realizes the problems, it has imposed a number of policies to attract more foreign filming activities in Thailand, such as:
  - 15-20% rebate for foreign film crews for the spending amount of not less than 50 million baht, accounting for 15-20%;
  - Inbound road show: Leading film producers are invited to visit filming sites in Thailand and meet with Thai operators;
  - Thailand International Film Destination Festival to promote Thailand as a hub for filming locations to attract both foreign and local producers in the new generation;
2. Picturesque scenery in Thailand, worthiness, availability of human resources, equipment as well as infrastructure related to film production in Thailand make it easier for potential foreign producers to choose Thailand as their filming locations.

#### • Advertising Industry

Ad spending during 2019-2020 is shown on the following table.

Media Types	2019	2020	Growth
	(Million Baht)	(Million Baht)	(%)
Analog TV	38,851	28,019	(27.90)
Digital TV	28,028	32,066	14.40
Cable/Satellite TV	2,075	1,245	(40.00)
Radio	4,684	3,577	(23.60)
Newspapers	4,603	3,089	(32.90)
Magazines	1,028	704	(31.60)
Cinema screens	8,757	4,312	(50.80)
OOH	6,867	6,100	(11.20)
Mobile media	6,456	4,851	(24.90)
In-store media	1,011	663	(34.40)
Online media	19,551	19,610	0.30
<b>Total</b>	<b>121,911</b>	<b>104,235</b>	<b>(14.50)</b>

Source : Neilsen Monitored Media Research

The ad spending in 2020 amounted to 104,234.6 million baht, contracting by 14.5% on a year-on-year basis. Most media types contracted, except the 'digital media', which continued to grow. The Thai advertising industry in 2020 may have bottomed out thanks to several factors, including the changing consumer behaviors due to digital disruption (which directly impacted the conventional media types, such as printing media and TV media), the economic slowdown, weaker purchasing power, and the COVID-19 infections, that came with severe impacts.

Furthermore, there are other factors impacting the recovery outlook for the advertising industry, such as the COVID-19 situation both in Thailand and other countries, which had a direct impact on the Thai tourism industry as well as related businesses.

The new COVID-19 containment measures against the second wave of infections after measures were previously eased on phase VI, the prospects for the country to be opened for international travelers and the ongoing political protests are all important factors, which will directly impact the overall advertising industry as well as the economy. However, with some easing of COVID-19 containment measures, huge cash injection from the government to the economic system, and confidence in Thailand's ability to contain the infections in foreigners' view, the Thai advertising industry is believed to have begun to recover since the final part of 2020, with the recovery expected to continue to 2021.

### 3. Competition

Factors influencing clients' decision to rent filming equipment are as follows:

- Pricing: The key factor clients take into account is about prices. With the current pandemic situation suppressing the economic growth, production budget is thus cut accordingly. Competition among the clients to gain the projects by price reduction is also another factor. Once the production budget is cut, budget allocation to equipment rental services has thus cut accordingly.
- Staff teams: Efficient staff teams, both on-site and back-office staffs, help the clients to complete their projects well in speedy and seamless manners and also help enhance good images of the overall production crew.
- Equipment: Each service provider offers similarly basic equipment, so those who can offer new equipment with very good conditions, more varieties and special specification will enjoy advantages over peers. Clients often ask for new equipment and if we cannot offer such items but our competitors can, then the clients may opt for those who can offer their preferred equipment.





- One - stop services: In collaboration with the Studio Park located in adjacent area, the Company can offer one-stop services, covering both equipment and studio rental services.
  - Reputation: Reputation helps create trust among clients. In particular, foreign crews who never come to film in Thailand often seek comments or feedback from past clients.
4. Clients and target groups: The client groups can be divided into three major segments.
    - High-end market: In this segment, the clients require state-of-the-art filming equipment with very high quality. Example clients in this segment include commercial producers, feature film producers both in Thailand and foreign countries. In addition, some clients from neighboring countries also rent some special equipment to be used in their countries.
    - Middle-to-low-end markets: Clients in this group do not require very state-of-the-art equipment as they focus on cost control. Examples of the clients are domestic and international drama producers, TV content producers, music video makers and event organizers.
    - Other equipment rental service providers: Some other equipment rental service providers who are unable to provide certain equipment for their clients may rent some items from us.
  5. Sale distribution and service channels  
 The Company's marketing teams cooperates with the clients for rental transactions. The staff contact potential clients directly to present products and service packages. The rental services are offered both on a daily basis and for the entire project duration, depending on the nature of clients' projects as well as clients' demand.
  6. Pricing  
 The Company employs standard pricing policy that can maintain the Company's competitiveness. The pricing is based on the actual product cost and maintenance cost plus appropriate amount of profit or returns. The service rates are comparable to those offered by other providers of similar equipment rental services.
  7. Competition strategies
    - Provide all types of equipment in good conditions for instant use on clients' demand
    - Arrange highly-skilled technicians to provide services or technical assistance for clients
    - Offer economy packages to attract potential clients
    - Propose bundle offers for potential clients who are interested in both equipment and studio rental services
    - Expand new client base while maintaining the existing client base
    - Join with partners in the related industries to client referral and recommendation



### 3. Provision of products and services

Products and services are divided into two parts: equipment and technicians.

1. Provide equipment, taking into account to demand from a number of clients, popularity of certain equipment, as well as competitors, in order to maintain the clients, preventing them from opting for competitors' service
2. Provide personnel: Recruit new staff occasionally and provide trainings for them to enhance their work efficiency

#### Studio rental services business

The Studio Park (Thailand) project (TSP) is located on a plot of 216 rai of land in Bangbor District, Samutprakan. Having commenced operation since mid-2017, the Studio Park offers sound stage facilities and surrounding outdoor setting mainly to production crews of feature films and commercials as well as to TV content production teams. In addition, our supporting services also include location sourcing in Thailand as demanded by clients. The Company has also sought partners, such as hotels in the group, golf courts and etc.

#### 1. Products/ service details

Five rental studios are available as the following details:

- Two small studios with the size of 20x30x12 meters
- Two medium studios with the size of 30x40x12 meters
- One large studio with the size of 40x60x14 meters

The project features the following functions and design:

- Acoustic Design for international standard sound proof system ("NC 25")
- Practical Design for the structural system that can support heavy weight
- Spacious areas to serve as scenes for filming of both feature films and other content by both Thai and foreign production crews
- Production Convenience: Various functional facilities are available, such as dressing rooms, recreation rooms, conference rooms, private VIP rooms and etc. Inside the studios, there are two VIP lounges (VIP Lounge A and Lounge B) for VIP clients. Especially in Lounge B, there are windows overseeing ongoing activities inside the studio and there is Real Time facility for live monitoring at VIP Lounges. In addition, there are warehouse buildings for equipment storage and large car park areas to support a large number of production teams. In addition, there is a building for Production Office (or Tree House) was constructed. This airy building overseeing surrounding view features four rooms, which can added to filing space. These rooms are adjustable to suit particular setting or scenes. In addition, there is also huge kitchen facility where a meat kitchen, a vegetarian kitchen and a Halal kitchen, are separated.



In addition, there are outdoor areas for rent to completely support integrated services:

- Backlot: Vacant space for unlimited outdoor setting or scenes
- T Lot: Alleys between buildings that can create walking ways, small alleys where a building is required for setting
- Lake: Natural lake within the project, which can be used for shooting river-bank scenes
- Natural Canal
- The Scene: Vacant warehouse with beautiful structure suitable for shooting films, making commercials, taking pictures, using as game show setting, or even using as resting area
- Water Tank: two pools for shooting, as the following details:
  - Glowworm : A 13 x 20 x 3 meter indoor pool suitable for set scenes, such as sea scenes;
  - Sunseeker: 12 x 22 x 4.5 meter outdoor pool for huge scenes with no height limits, supporting scenes with the maximum height of six meters
- Two subway carriages: Currently, renting subway carriages or using a location of production crew entails a number of limitations required by the owners. In particular, for the production of feature films, production crews have to take time to prepare the area before shooting and demolish the used scenes. Therefore, TSP decided to build two subway carriages and platforms to serve clients and in 2019 some clients already used such facility.
- Production Offices: The offices are located at Studios 3, 4, 5, 6 and B6 Building to serve production crews who want offices. This is to help facilitate and make it more convenient and flexible for the clients as the offices are adjacent to the rental studio used during filming. The details of production offices are as follows:
  - Production Office - B3 and B4 with the size of 196.5 square meters
  - Production Office - B5 with the size of 320 square meters
  - Production Office - B6 with the size of 432 square meters



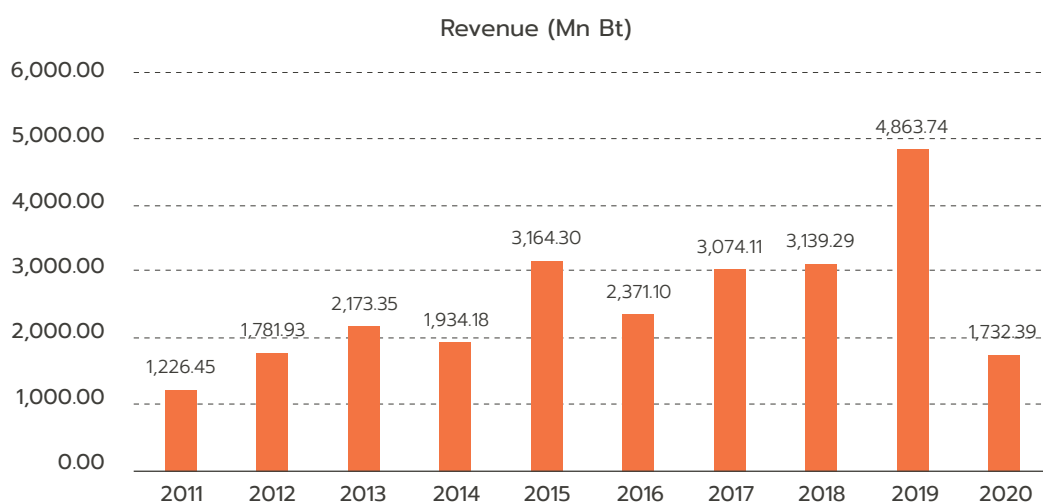
## 2. Market and Competition

### Industry Overview

The COVID-19 pandemic prompted many countries around the world, including Thailand, to impose lockdowns. Hence, the Thai economy in the second quarter of 2020 grew at the lowest pace at -12.2%, the biggest contraction since the Tom Yum Kung Crisis in 2017. As a consequence, the foreign film business in Thailand was brought to a halt, as evidenced by the sharp drop in the number of foreign movies filmed in Thailand.

According to Thailand Film Office, Tourism Department, there were 176 foreign movies filmed in Thailand during January to December 2020, down from 740 films in 2019. The revenue in 2020 stood at 1,732.39 million baht, decreasing by 3,131.35 million baht or a drop of 64.38 % from 4,863.74 million baht reported in 2019

### Revenue from foreign movies filmed in Thailand during 2011 - 2019

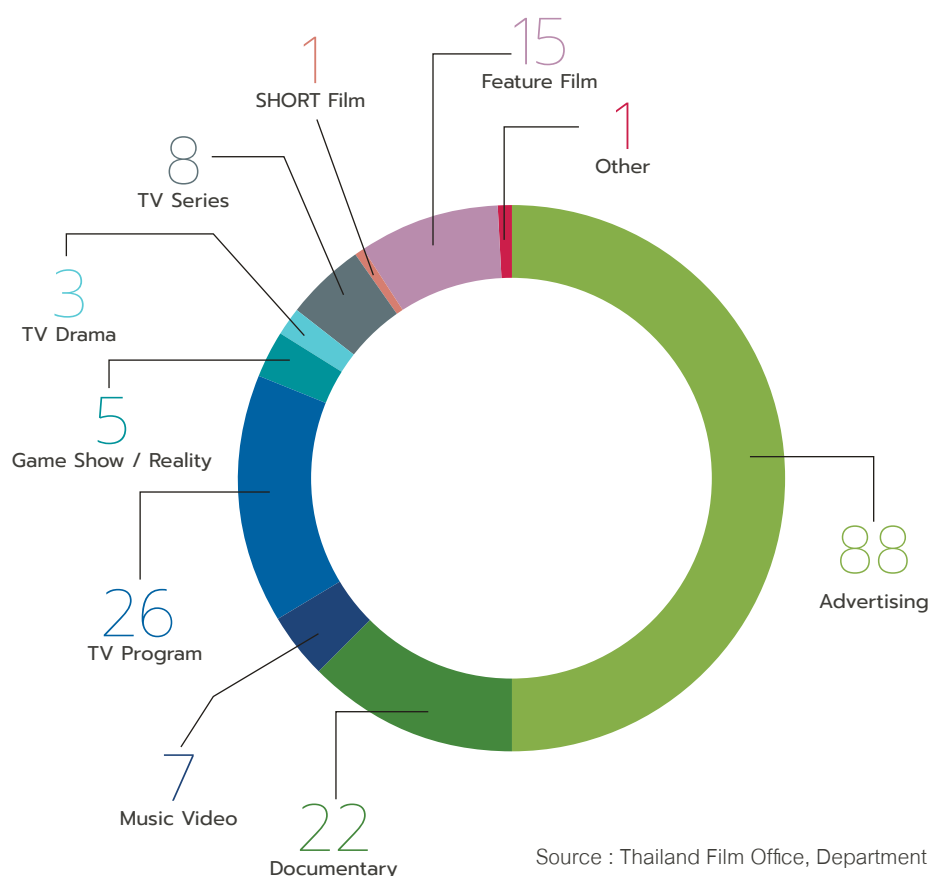


Commercials/ public relation videos showed the biggest amount of 88 titles. As a way to promote the film production industry, the government has imposed supporting measures, such as offering a 15% rebate for spending expenses used during production in Thailand. In addition an additional 3% rebate is also offered to any teams who choose Thai actors or actresses. Moreover, a production crew who produces content that can promote good images of Thailand is also offered an additional rebate of 2%. In total, the government offers 20% rebates to foreign film producers.





Number of foreign movies filmed in Thailand in 2020 (by types)



In 2020, the Company adjusted strategies to cope with the disruption in the foreign film production business as follows:

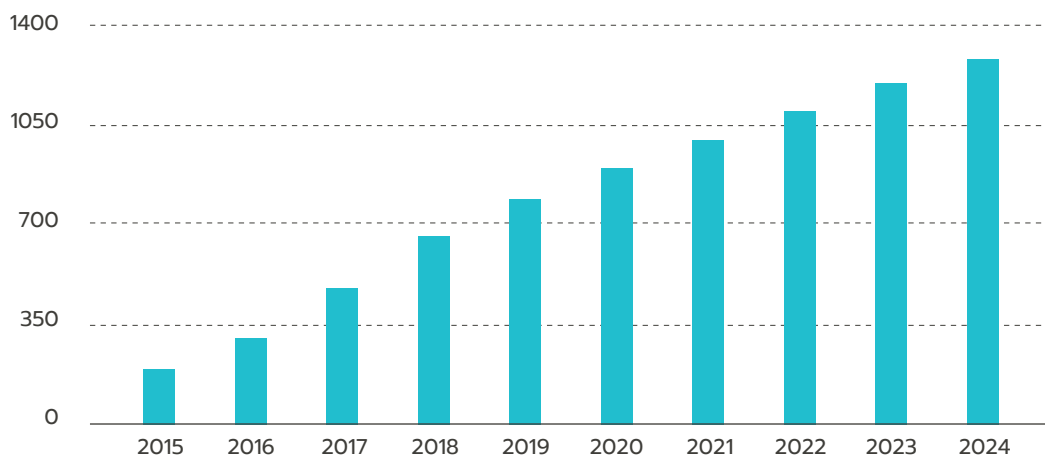
1. Attract clients with one stop services both from the studio and equipment rental businesses.
2. Expand the client base from the existing client base of Gear Head Company Limited.

However, in 2021, the situation may improve. While the infections have continued globally, the positive development of COVID-19 vaccine rollout seems to signal positively to the economy in 2021. In addition, after one year of infections, film production firms should have been well prepared to keep their cooperation well under the government's containment measures.

In contrast to many other businesses, the COVID-19 infections drove VDO streaming-related business up, such as Netflix, Amazon Prime, Disney Plus and etc.

In regard to global views of content over the top TV (OTT TV), the number of OTT TV viewers increased from 790.65 million viewers in 2019 to 899.21 million viewers in 2020, with the figure likely to grow to 1,284.71 million by 2024.

## Global OTT TV viewers (million viewers)



Source : OVUM

The Studio Park (Thailand) has been well known by a number of VDO streaming producers as they had used the facility since 2019. In 2020, a number of producers visited The Studio Park (Thailand) in preparation for their new projects in 2021.

As The Studio Park (Thailand) is the first and only international standard studio in Thailand equipped with acoustic design for international standard sound proof system ("NC 25"), the project enjoys more advantages over competitors in terms of quality of products and services. This service goes well with the equipment rental services, for which the Company has had expertise for 20 years. Therefore, the Company is very well prepared to offer integrated services to all clients

## Competition Strategies

The Company focuses on both local and international clients, with public relation activities to reach major direct client groups, both locally and internationally. The Company has been well prepared for potential projects and tried to enhance the strengths and potentials, as briefly highlighted below.

- Develop vacant space to be filming area, equipped with landscape for certain buildings or setting, such as Thai traditional houses and a garden by a pond to serve clients in the domestic markets.
- Direct approach to the majority of foreign executive producers, producers, key decision makers in the film industry based on Los Angeles, USA.
- Strengthen good relations with the aforementioned client targets
- Offer one -stop services, not just a studio service
- Be clients' trusted partners
- Tighten close relation with growing streaming producers of content in the following channels:
  - Netflix
  - Amazon Prime
  - Disney Plus
  - Apple



- Shortage sound stage around the world
- Tailor- made services to exactly meet clients' demand; seek partners to jointly serve clients' demand and provide one-stop services in Thailand
- Networking: Develop good relation with clients with professionalism to create confidence and trust
- Guests speaker at film festivals to represent Thailand as a production hub and promote The Studio Park
- Participate in overseas fairs: Collaborate with the state sector to promote Thailand as high potential country well equipped in all aspects to serve foreign film production crews.
- Enhance facilities and personnel's skills in providing services to meet international standards, offering the best choice for clients' decision making.

## TV content production business

### 1. Service details

For the Company's TV content production business, the Company subleases broadcast timeslots from the TV station for its own TV program. The Company earns revenue from selling commercial timeslots and/or advertising time, for promoting products/services during the program. The Company's content style is as follows:

- "Plod Nee Plick Chee Vit" Program: The content style has been changed from the past. The game show is participated by two guests from certain occupations, who will play the game and win the prizes. The game relates to the occupation of the guests. The guests compete in the game and the winners can accumulate the prizes as many as they can. The game is made more fun by allowing viewers at home to compete. Each week, the winners can play in the game to try to get the double prizes, which they can use to settle debts and thus improve their living. Meanwhile, the losers receive some smaller prizes. The content presents both knowledge and entertainment. The program focuses on offering assistance to those in financial trouble. Through the guests' abilities, the program presents useful content and knowledge, as well as interesting ideas.

### 2. Market and Competition

#### 1. Industry Overview

According to AGB Nielsen Thailand and the forecast by Digital Advertising Association of Thailand (DAAT), the ad spending during January to December 2020 stood at 104,234.60 million baht, contracting by 14.5% on a year-on-year basis. Most media types reported contractions in ad spending, except for the digital media that saw ad spending growth. The ad spending on the TV media stood 61,329.60 million, contracting by 11.1% on a year-on-year basis. Meanwhile, the ad spending through ratio contracted by 23.6% to 3,576.5 million baht. The newspapers saw ad spending amount of 3,088.8 million, -32.9%, and the ad spending through magazines dropped by 31.6% to 703.8 million baht. The ad spending through cinema screen media fell by 50.8% to 4,312.1 million baht. The spending



on outdoor media was at 6,100 million baht, down by 11.2%. The spending through transit media contracted by 24.9% to 4,850.8 million baht. The in-store media recorded ad spending of 662.9 million, contracting by 34.4%. Finally, the ad spending through digital media amounted to 19,610 million baht, growing by 0.3%.

The Thai advertising industry in 2020 may have bottomed out thanks to several factors, including the changing consumer behaviors due to digital disruption (which directly impacted the conventional media types, such as printing media and TV media); the economic slowdown; weaker purchasing power compared to the previous year; and the COVID-19 infections, that came with severe impacts.

Furthermore, there are other factors impacting the recovery outlook for the advertising industry, such as the COVID-19 situation both in Thailand and other countries, which had a direct impact on the Thai tourism industry as well as related businesses.

#### Reds across on offline media. Digital being able to hold off

Media	2020 Jan - Dec		2019 Jan-Dec		% Change 2020 vs 2019
	Million Baht	%	Million Baht	%	
Total TV	61,329.6	58.8	68,953.1	56.6	-11.1
Analog TV/Incumbent	28,018.7	26.9	38,850.7	37.3	-27.9
Digital TV	32,065.6	30.8	28,027.9	26.9	14.4
Cable/Satellite	1,245.3	1.2	2,074.5	2.0	-40.0
Radio	3,576.5	3.4	4,684.3	3.8	-23.6
Newspaper	3,088.8	3.0	4,602.5	3.8	-32.9
Magazine	703.8	0.7	1,028.3	0.8	-31.6
Cinema	4,312.1	4.1	8,757.3	7.2	-50.8
Outdoor	6,100.1	5.9	6,867.0	5.6	-11.2
Transit	4,850.8	4.7	6,456.3	5.3	-24.9
In-store	662.9	0.6	1,010.7	0.8	-34.4
Internet (DAAT)	19,610.0	18.8	19,551.0	16.0	0.3
Grand Total	104,234.6	100	121,910.5	100	-14.5

Source: Nielsen Monitored Media Research

## 2. Competition

In 2020, the COVID-19 infections globally, including in Thailand, had negative impact on the Thai advertising industry. Some businesses had to cease operation, leaving number of workers unemployed. Under the circumstance, advertising budget was among the first areas being impacted. Clients decided to delay advertising, reducing ad spending flows in the industry. The Company had to cut production cost while trying to maintain the rating. In the meantime, the Company attempted to seek new clients to add more revenue channels and also introduce new content to attract more viewers. Meanwhile, the Company had to manage production cost as well as produce the program that can bring maximum satisfaction to the clients.

## 3. Clients can be divided into two groups:

- Agencies: Agencies are firms who plans advertising media and buy media for public relation and promotion of products or services for products/service owners. They plan media purchase for duration of one month, three months, six months or one year.
- Products/service owners (direct clients): This group includes private firms who have their marketing department or ability to outline advertising and public relation activities. These firms buy advertising timeslots directly from the Company.



#### 4. Sale and service distribution channels

The Company's marketing department offers advertising timeslots to clients. The marketing staff contact potential clients directly to present packages. The sale is in the form both airtime (note: the number of minutes to the airtime is determined by Department of Public Relation) and promotion of goods and services during the program.

#### 5. Pricing policy

The Company's pricing is fair and worth the money in order to maintain good long-term relation with clients. The pricing is based on the rating, the competitors, the TV station and the airtime.

As for the case that the Company provides production service for clients, the pricing is based on cost plus the profit margin sufficient to keeps the Company's competitive. The rates are fair and worth clients' budget.

#### 6. Investment Strategies

The Company has continued to improve the program content, the presentation style, and useful information to meet the changing consumer demand. Some content in "Plod Nee Plick Chee Vit" has been adjusted. For example, people are invited to participate in the program, which can help broaden the target audience base and can reach the audience groups on a broader base.

### 3. Provision of products and services

Provision of products and services are divided into five areas, as follow

#### 1. Provision of airtime

In securing airtime from the program, the Company has to propose content details to the TV station to consider approval every quarter. The TV station considers two key aspects, i.e., content presentation style and the ability of the content producer to pay for the leased airtime. For new content, the TV station particularly considers the appropriateness of the content when considering the content style and the airtime as well as the experience of the host(s). For existing content, the TV station mainly considers the rating and feedbacks from the public as well as the ability of the content producer to make the payment for leased airtime, based on the past payment records or financial position of the content producer company.

#### 2. Arrangement TV program production

To arrange TV program production, the content producer manages all related operation, from designing content style, presentation style and production.

- Content style

The Company has a creative team who design new content and presentation styles for each tape of the existing program. The team brainstorms creative ideas as well as new presentation styles, then outline and conclude such ideas to shape the program that presents useful knowledge in a modern presentation style to meet viewers' demand.

- Cost analysis and presentation

The creative team presents the program style to the management for approval. Once approved, the team will complete a story board to be submitted to the production team. Before approval, the finance and marketing departments have to consider the estimated operating cost and study the feasibility of the program in order to ensure that such program can draw viewers' attention and attract client targets and eventually break even within the set timeframe.

- Content production

The production team plans the production operation, determining the tape recording date and making appointment with guests and coordinating with relating units to prepare prior to the tape recording date. In addition to produce each tape, the production team also makes both short-term and long-term plans to determine the content style and presentation as well as to maintain the program rating.

### 3. Provision of content production service

Provision of content production service is different that production of the Company's own content. For the former, the clients, i.e., program owners, have already outlined the content and presentation styles and the Company just produces the content as ordered by the clients. Project details depend on the agreement between the Company and the clients.

### 4. Provision of program host(s) and production personnel

The Company chooses MCs, actors or actresses who have personalities suitable to the program style and selects production personnel who possess related work experience and knowledge.

### 5. Scouting out locations and objects used in the production

The Company's content is taped both indoor and outdoor. Appropriate locations are selected to suit the program style, the content and the demand from viewers. Some locations are sometimes recommended by viewers who send letters to the program producer.

## 4. Assets used for business operation

### 1. Core fixed assets

- Land, plant and equipment - net

As of December 31, 2020, the Company recorded land, plant and equipment with the net amount of 1,213.68 million as the following details:

Type of assets	Ownership Right	Net value (Mn Bt)	Obligation
1. Land	Own	500.41	Partially mortgaged
2. Buildings/studio and adjustment	Own	686.34	None
3. Accessories, office supplies and vehicles	Own	24.99	None
4. Ongoing projects during construction	Own	1.94	None
Total		1,213.68	

• **Leasable assets-net**

As of December 31, 2020, the Company reported the leasable assets with the net amount of 227.12 million as the following details.

Type of assets	Ownership Right	Net value (Mn Bt)	Obligation
1. Shooting equipment	Own	178.37	None
2. Vehicles	Own	48.73	None
3. Ongoing projects	Own	0.02	None
Total		227.12	

The leasable assets consist of shooting equipment of Gear Head for short-term rental services or one-time rental services without any long-term contract obligations.

**2. Right-of-use assets under leases**

As of December 31, 2020, the Company reported right-of-use assets under leases at the net amount of 14.66 million as the following details:

Type of assets	Ownership Right	Net value (Mn Bt)	Obligation
1. Office buildings	Own	12.62	None
2. Vehicles	Own	2.04	None
Total		14.66	

**3. Intangible assets-net**

As of December 31, 2020, the Company recorded intangible assets, i.e., program computers and the copyright fee, with the net amount of 2.30 million, as the following details:

Type of assets	Ownership Right	Net value (Mn Bt)	Obligation
Program computers and the copyright fee	Own	2.30	None

**5. Undelivered project**

- None -

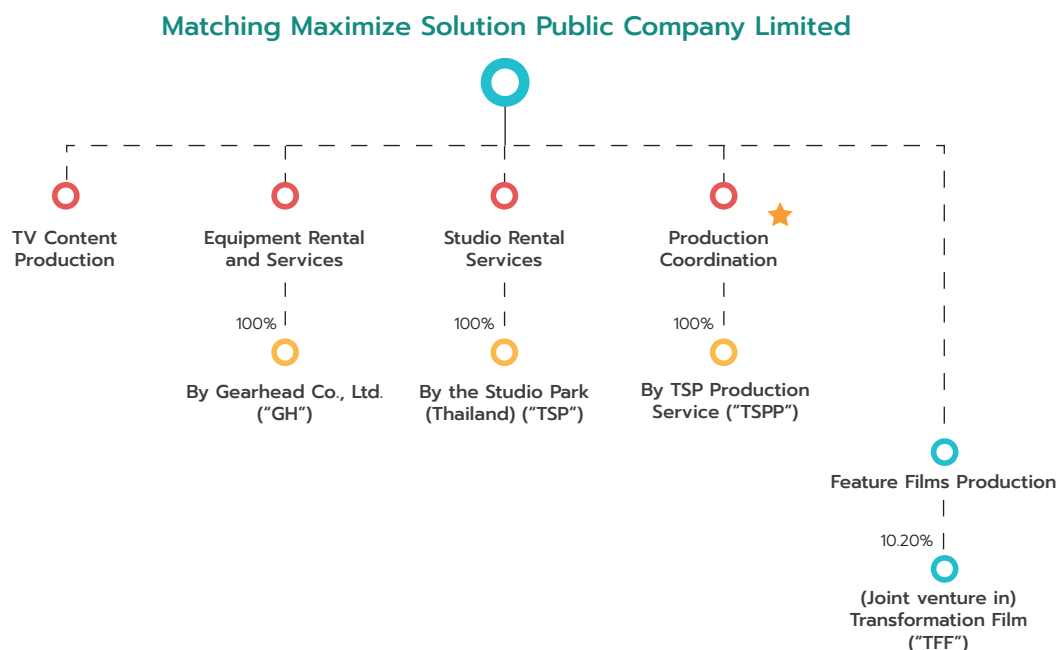




## 1.3 Shareholding Structure

### 1.3.1 Shareholding structure of the group of the company

As of December 31, 2020, the Company's business structure by types of business was as follows:



★ TSPP has registered the business dissolution since November 16, 2020; the company has now been under the liquidation process.

## Investment Policies

### 1. Investment policies and control in subsidiaries

As of December 31, 2020, the Company had invested in the following subsidiaries with the shareholding of 99.99%; i) Gear Head Co., Ltd., ii) The Studio Park (Thailand) Co., Ltd., iii) TSP Production Service Co., Ltd. (under the liquidation process).

The investment value in the subsidiaries, based on the cost method, was worth at 956.04 million baht. The investment in the subsidiaries accounted for 65.19% of the total assets.

#### Details of investment in the subsidiaries

##### 2017

- On January 12, 2017, the shareholders' extraordinary meeting No. 1/2017 of Matching Broadcast Co., Ltd. approved the company name change to the Studio Park (Thailand) Co., Ltd. The name change was registered with the Ministry of Commerce on January 18, 2017.
- On March 30, 2017, the Company received the returned capital from Matching Studio Plus Co. Ltd., following the decrease in the registered capital of 44,500 shares, with the par value of 100 baht. The total amount of the returned capital stood at 4.45 million baht.
- On November 16, 2017, the shareholders of Book Makers Co., Ltd. approved the capital increase from the registered ordinary shares of 20,000 shares, with the par value of 100 baht, to the ordinary shares of 70,000 shares, with the par value of 100 baht. New 50,000 ordinary shares were issued, with the par value of 100 baht. The Company invested in all newly issued shares, with the total investment amounting to 5 million baht.
- On December 21, 2017, the company received the returned capital from Matching Entertainment Co., Ltd. following the decrease in the registered capital of 40,000 shares, with the par value of 100 baht. The Company received total amount of the returned capital at 4 million baht.



## 2018

- On January 5, 2018, the company received the returned capital from Matching Entertainment Co., Ltd. following the decrease in the registered capital of 10,000 shares, with the par value of 100 baht. The Company received total amount of the returned capital at 1 million baht.
- On June 13, 2018, the company received the returned capital from Book Makers Co., Ltd following the decrease in the registered capital of 20,000 shares, with the par value of 100 baht. The Company received total amount of the returned capital at 2 million baht and saw the reversal of the allowance for impairment on related investment at the amount of 2 million baht.
- Matching Entertainment Co., Ltd. registered the business dissolution with the Ministry of Commerce on December 27, 2016 and completed the liquidation process on April 3, 2018. The Company received the returned capital and the retained earnings from Matching Entertainment at the amount of 147,444 baht and saw the reversal of the allowance for impairment on related investment at the amount of 110.52 million baht.
- Matching Studio Plus Co., Ltd. registered the business dissolution with the Ministry of Commerce on December 28, 2016 and completed the liquidation process on June 18, 2018. The Company received the returned capital and the retained earnings from Matching Studio Plus Co., Ltd at the amount of 271,404 baht and saw the reversal of the allowance for impairment on related investment at the amount of 133.55 million baht.
- On November 7, 2018, the Board of Directors approved the establishment of TSP Production Service Co., Ltd., with the registered capital of 1 million baht. The Company invested in 10,000 ordinary shares, with the par value of 100 baht, accounting for 99.97%.

## 2019

- On February 20, 2019, the shareholders of TSP Production Service Co., Ltd., approved the capital increase from 10,000 ordinary shares at the par value of 100 baht to 20,000 ordinary shares at the par value of 100 baht. The Company invested in all newly issued shares, with the total investment amounting to 1 million baht.
- On December 23, 2019, the Board of Directors meeting No. 12/2019 approved the disposal of all shares in Time Lapse Co., Ltd. to external purchasers and directors. The disposal was expected to be completed by 2020; therefore, the investment in Time Lapse Co., Ltd., was put under the current asset item.

## 2020

- On January 27, 2020, the Company received the returned capital from Time Lapse Co., Ltd. because Time Lapse Co., Ltd. decreased the registered capital by 60,000 shares, with the par value of 100 baht. The Company received the total returned capital at the amount of 5.81 million baht, based on its shareholding.
- On February 27, 2020, the Company disposed all of its 328,950 ordinary shares in Time Lapse Co., Ltd., to external purchasers and directors. The Company received the proceeds from the share disposal amounting to 6.62 million baht. On December 27, 2019, the Company received a deposit of 2 million baht and realized the divestment loss of 26.28 million baht and saw the reversal of allowance for impairment of related investment at the amount of 27.85 million baht.
- Book Makers Co., Ltd. registered the business dissolution with the Ministry of Commerce on January 19, 2018 and completed the liquidation process on October 28, 2020. The Company received the returned capital and the retained earnings from Book Makers Co., Ltd. at the amount of 703,718 baht and saw the reversal of the allowance for impairment on related investment at the amount of 5 million baht.

- On October 1, 2020, the extraordinary meeting No. 1/2020 of the shareholders of TSP Production Service Co., Ltd., approved the capital increase from 20,000 ordinary shares at the par value of 100 baht to 100,000 ordinary shares at the par value of 100 baht. The Company invested in all newly issued shares, with the total investment amounting to 8 million baht.
- On November 16, 2020, the extraordinary meeting No. 2/2020 of the shareholders of TSP Production Service Co., Ltd., approved the business dissolution. The Company had held shares in this subsidiary at 99.99%, with the registered capital of 10 million baht, consisting of 100,000 ordinary shares at the par value of 100 baht. This subsidiary has registered the business dissolution since November 16, 2020; the company has now been under the liquidation process.

## 2. Investment policies in joint ventures

- In August 2017, Matching Studio Plus Co., Ltd. invested in Transformation Film Co., Ltd. with the total investment amount of 25,000,000 baht for the total share number of 250,000 shares at the par value of 100 baht, accounting for 14.29% of registered and paid-up capital. The investment was jointly done with other three juristic persons. The Company used the equity method to book the investment in the joint venture.
- On March 24, 2017, the Company purchased shares in Transformation Film Co., Ltd. from the subsidiary Matching Studio Plus Co., Ltd. at the amount of 250,000 shares at the par value of 100 baht with the cost of 5.20 million baht. This investment in the joint venture was booked by the cost method in the separate financial statement.
- On July 23, 2018, Transformation Film Co., Ltd. increased the capital of 70 million baht but the Company did not increase the investment in Transformation Film Co., Ltd.; therefore, the shareholding decreased from 14.29% to 10.20%.
- In 2019, the Company realized the impairment loss from the investment in the joint venture, Transformation Film Co., Ltd., for the remaining amount of 1.88 million baht as the joint venture continued to generate losses and the book value of this investment was higher than the recoverable amount.
- In 2020, the Company realized the impairment loss from the investment in the joint venture, Transformation Film Co., Ltd., for the full amount because the joint venture continued to generate losses and the book value of this investment was higher than the recoverable amount.

## 3. Investment policies in securities

Company did not have any policies to invest in any securities, except for the any investment relating to the Company's core business operation.

## 4. Contracts relating to business operation

### 4.1 Long-term leases

As of December 31, 2020, the Company had engaged in leases for the office building used for business operation as the following details.

Contract parties	Landlord : The Crown Property Bureau
	Tenant : Matching Maximize Solution Public Company Limited
Objective	Lease land and Varichves Palace Building to serve as reception area
Leased Venue	Sukhothai Road, Dusit Sub-district, Dusit District, Bangkok
Contract Period	30 years, from March 15, 2005 to March 15, 2035

<b>Contract parties</b>	Landlord : Khun Samrouy Chuenkar Tenant : Matching Maximize Solution Public Company Limited
<b>Objective</b>	Lease land and buildings on the deed title No. 37027-37028 to serve as the studio for film shooting and other activities
<b>Leased Venue</b>	Soi Petkasen 112, Nongkanplu Sub-district, Nong Kam, Bangkok
<b>Contract Period</b>	1) 8 years from February 1, 2012 to January 31, 2020, with the extension until January 31, 2021 2) On August 1, 2020, the Company terminated the lease contract and completed the return of the property on August 26, 2020.

#### 4.2 Airtime leases

<b>Contract parties</b>	Lessor: Bangkok Broadcasting & TV Co., Ltd. Lessee : Matching Maximize Solution Public Company Limited																		
<b>Objective</b>	Lease airtime for broadcast of the Company's TV content on 7HD channels and all network channels																		
<b>Details</b>	<table> <tr> <td>Content :</td><td>Plod Nee</td></tr> <tr> <td>Broadcast :</td><td>Taped</td></tr> <tr> <td>Broadcast time:</td><td>Every Sunday at 16.30 - 17.00 hrs (Starting from January 6 to January 13, 2019)</td></tr> </table> <table> <tr> <td>Content :</td><td>Plod Nee Mahachon</td></tr> <tr> <td>Broadcast :</td><td>Taped</td></tr> <tr> <td>Broadcast time:</td><td>Every Sunday at around 16.30 - 17.00 hrs (Starting on January 20 - February 24, 2019) Every Saturday at around 16.00 - 16.30 hrs (Starting from March 2 to June 29, 2019)</td></tr> </table> <table> <tr> <td>Content :</td><td>Plod Nee Plick Chee Vit</td></tr> <tr> <td>Broadcast :</td><td>Taped</td></tr> <tr> <td>Broadcast Time:</td><td>Every Monday to Tuesday at around 17.15 - 18.00 hrs. (Starting from July 1 to September 30, 2019) (Starting from October 1 to December 2019) (Starting from January 6 to March 31, 2020) (Starting from January 4 to March 30, 2021)</td></tr> </table>	Content :	Plod Nee	Broadcast :	Taped	Broadcast time:	Every Sunday at 16.30 - 17.00 hrs (Starting from January 6 to January 13, 2019)	Content :	Plod Nee Mahachon	Broadcast :	Taped	Broadcast time:	Every Sunday at around 16.30 - 17.00 hrs (Starting on January 20 - February 24, 2019) Every Saturday at around 16.00 - 16.30 hrs (Starting from March 2 to June 29, 2019)	Content :	Plod Nee Plick Chee Vit	Broadcast :	Taped	Broadcast Time:	Every Monday to Tuesday at around 17.15 - 18.00 hrs. (Starting from July 1 to September 30, 2019) (Starting from October 1 to December 2019) (Starting from January 6 to March 31, 2020) (Starting from January 4 to March 30, 2021)
Content :	Plod Nee																		
Broadcast :	Taped																		
Broadcast time:	Every Sunday at 16.30 - 17.00 hrs (Starting from January 6 to January 13, 2019)																		
Content :	Plod Nee Mahachon																		
Broadcast :	Taped																		
Broadcast time:	Every Sunday at around 16.30 - 17.00 hrs (Starting on January 20 - February 24, 2019) Every Saturday at around 16.00 - 16.30 hrs (Starting from March 2 to June 29, 2019)																		
Content :	Plod Nee Plick Chee Vit																		
Broadcast :	Taped																		
Broadcast Time:	Every Monday to Tuesday at around 17.15 - 18.00 hrs. (Starting from July 1 to September 30, 2019) (Starting from October 1 to December 2019) (Starting from January 6 to March 31, 2020) (Starting from January 4 to March 30, 2021)																		
<b>Contract Period</b>	3 months, extendable every quarter provided that the contract is not terminated																		

### 1.3.2 Persons with possible conflicts of interest who hold shares in the subsidiaries and affiliates at over 10% of the number of shares with the voting right

- None -

### 1.3.3 Relationship with the business group of the major shareholders

- None -

### 1.3.4 Shareholders

The major shareholders and the percentage of shareholding out of the registered capital and the paid-up capital as of the latest book closing date on March 9, 2021 are as follows:

Major shareholders	Shareholding	% of paid-up capital
1. Bangkok Broadcasting and TV Co., Ltd. <sup>/1</sup>	685,613,224	87.72
2. Mr. Vera Supattaratid	11,000,000	1.41
3. Mr. Chatchavarn Piyapraphanphong	10,444,137	1.34
4. Mr. Panumas Mongkholsapaya	6,000,060	0.77
5. Mr. Wiroj Chanphichai	3,343,740	0.43
6. Mr. Phornchai Ariyaratthathopas	3,039,400	0.39
7. Mr. Rangson Chiawsirikajorn	2,350,000	0.30
8. Mr. Vasin Phathikulset	2,128,100	0.27
9. Mr. Prasit Rakthaisaentawee	2,045,000	0.26
10. Mrs. Sunantha Sachdev	2,000,000	0.26

Notes : <sup>/1</sup> BBTB Production is a group of companies managing 7HD Channel, consisting the following shareholders:

Bangkok Broadcasting and TV Co., Ltd.	30%
BBTV Asset Management Co., Ltd.	25%
BBTV Sat Television Co., Ltd.	25%
Stronghold Asset Co., Ltd.	20%

## 1.4 Registered and paid-up capital

### 1.4.1 Ordinary shares

As of December 31, 2020, the Company's registered capital stood at 781,629,851 million baht, consisting of 781,629,851 ordinary shares at the par value of 1.00 baht and the paid-up capital of 781,628,733 shares at the par value of 1.00 baht.

## 1.5 Issuance of other securities

- None -

## 1.6 Dividend Payout Policy

The Company's minimum dividend payout is 40% of the net profit, provided that there are no other necessary reasons to use this amount and that the amount of dividend paid must not significantly affect the Company's core business operation. Meanwhile, the subsidiaries do not have a minimum dividend payout policy but the dividend payment at each subsidiary depends on their performance and their needs for capital.

## 2. Risk Management

### 2.1 Risk Management Policies and Plans

At present, Matching Maximize Solution Company Limited and the group have continued to withstand changes, caused by both external and internal factors. External factors include the COVID-19 pandemic, the economic and political changes and higher competition. Meanwhile, internal factors come from the Company's operating strategies and internal information management. However, the Company's Board of Directors realizes the importance of risk management, which is a key management mechanism that can lead the organization to succeed and achieve the set objectives while reducing losses and increasing competitive potentials. The risk management can also minimize obstacles or unexpected events while effectively responding to the changes in business circumstances and it is a key component of the good governance. Therefore, the Company arranged systematic risk management and has continued to develop such system. The Executive Committee has been appointed to review policies. In addition, the issues about risk management have been indicated in the job description of all units so as to ensure that all employees are aware of and emphasize this issue. The Company also put in place corporate governance system and arranged the monitoring system to assess the risk management to fit the changing circumstances, both internally and externally.

To create clear operation in the risk management, the Company thus outlined risk management policies as follows.

1. Ensure the organizational risk management under the international standards. The Company and the group arranged the internal control system in line with the suggestion of the SET and the Committee of Sponsoring Organizations of the Treadway Commission (COSO), which outlined the Internal Control Framework concepts. The Company determined responsibilities and authority of management and employees at the operating level in a clear written form. The details also include the control and optimization of the Company's assets. Duties of operating employees and monitoring and controlling bodies as well as evaluating bodies are clearly separated in order to create appropriate balance of power and cross-checking.
2. Enhance the risk management to the most effective and acceptable levels. Require employees at all levels to realize risks that may occur from the performance of person(s) or the organization. Emphasize the risk management and ensure that it is at an adequate and appropriate level.
3. Determine guidelines to prevent and mitigate risks from the Company's operation in order to avoid damages and losses that may occur. In addition, performance relating to risk management must be followed and monitored regularly.
4. Promote risk management as part of the culture that may lead to creation of value to the organization.

## 2.2 Business Operation Risks

### Risk in regard to economic slowdown as a result of COVID-19

The COVID-19 has impacted people across the globe. The governments of many countries have thus deployed stringent measures, i.e., lockdowns, to contain the infections. Businesses involving crowds were ordered to be close, leading to economic recession globally including Thailand. Thai entertainment venues, department stores, markets, and tourist attractions had to suspend operation to mitigate risks of infections of the virus. The suspension inevitably affected operators. For the film industry, the government announced both core and supporting containment measures to control filming sites of movies and videos. Production team owners/heads were requested to prepare appropriate places and prevention material and ensure people distancing. Some production teams decided to postpone filming operation, which led to delays in movie release. The new releases of many finished films had to be postponed due to the lockdowns imposed by the governments.

The Company's core businesses, i.e., equipment rental services, studio rental services, and TV content production, entailed different risks, as discussed below.

#### 2.2.1 Equipment Rental Service Business

##### Risk in regard to COVID-19

The COVID-19 infections impacted film and video production business, which inevitably had negative impact on the equipment rental services. The containment measures led to higher production cost, limited numbers of crew members in the production team, prohibition from venue owners, as well as travel restrictions. The risks relating to these matters are variable to the degree of severity of government's measures. Film and video producers have had to adjust themselves to be able to operate under the government's measures. Once the measures are eased further, the equipment rental service business is expected to pick up eventually.

##### Risk in regard to higher production cost

Limited production budget is another factor leading to the risk that the Company may face price competition in the equipment rental and business. However, with our state-of-the-art equipment and reasonable prices, the Company should be able to withstand the ongoing economic headwind in the long term.

##### Risk in regard to the changes in technology and obsolete filming equipment

The Company provides equipment rental services for production of feature films, commercials, TV programs and TV dramas. The technology for such equipment changes rapidly. Clients tend to choose service providers who can offer new equipment they are familiar with. The Company has continued to invest in new equipment to serve clients' demand. In addition, the Company has also enhanced personnel's efficiency to provide equipment with special techniques and offer technical support to the clients. The Company periodically conducts personnel trainings to enhance personnel skills in using equipment in order to facilitate make it more convenient for the clients.



### **Risk in regard to investment in equipment**

To provide equipment rental services, the Company has to consistently put huge investment in new equipment. Therefore, the Company will see some investment risks if the invested equipment fails to attract the clients and thus become unable to break even and general good returns. To address the risk, before deciding to invest in any new equipment, the Company takes into account clients' needs and demand by conducting preliminary surveys to study their preferences. In addition, the Company always analyzes the profitability outlook of an asset before deciding to invest in such asset. The Company's Studio Park project, an international rental studio with attached warehouse facility to store rental equipment, enables the Company to promptly and conveniently provide integrated services to clients, helping them to reduce transportation cost and prompting them to make fast decisions to place new orders for additional rental equipment.

## **2.2.2 Studio Rental Service Business**

### **Risk in regard to COVID-19**

Travel restriction and quarantine requirement led to production cost elevation. Hence, the Company had to coordinate with foreign production crew with more careful planning. The plan adjustment may lead to production delay and this will lead the Company to see risks relating to the area adjustment on clients' demand done earlier. However, some coordinating companies may book for service areas to cover wider range of film production and smoothen operation.

### **Risk in regard to inability to attract clients as targeted**

Possible risks may cause the Studio Park to fail to yield profits or good returns to the Company. However, the Company has tried to control and keep risks under an acceptable level. With extensive experience in the film and broadcast industry, the Company foresees growing demand for rental studios. Furthermore, Company is the first provider of rental studio under the NC 25 International Standard. Moreover, the Company also provides state-of-the art equipment. This is one of our strengths, coupled with several functions, which can completely serve and meet clients' demand. For instance, we provide water tanks for two pools, which can be used for both indoor and outdoor shoots. We also have two subway carriages and platforms. In addition, the project also helps support the government's policy to attract more foreign film production crew into the country and it should also well respond to the growing competition in the digital TV industry. The Company is confident that its Studio Park project will serve large clients' demand very well and that it will demonstrate a potential to attract a number of international clients.

## **2.2.3 TV Content Production**

### **Risk in regard to COVID-19**

Risk regarding COVID-19 is new for people around the world. The pandemic severely impacted businesses, corporate and shops. Some TV content producers were also impacted due to delays of budget spending plans and reduction in ad spending budget. Give growing number of unemployed people, sellers' sales volume decreased. However, as many countries have tried to roll out COVID-19 vaccines, it is hoped that the vaccines will be able to contain the infections.

**Risk in regard to program plan reshuffle or amendments in terms and conditions in the contracts**

Engaging in the TV content production business, the Company sees risks linked to the possibility that the TV channel may reshuffle its program line-up in order to maintain its market share or rating. Also, there is a risk that the TV station may decide to amend the terms and conditions in the contract, e.g., hiking the airtime lease rates, lowering revenue sharing, and reducing advertising time slots, which may impact the continuation of the Company's TV program. Being well aware of such risks, the Company tries to minimize the chances that the TV station will decide not to extend the subleasing contracts or decide to extend the contracts but under some unfavorable conditions. In so doing, the Company is committed to steady enhancement of our program content in order to raise audience share (i.e., boosting the program's rating) as well as attracting more sponsors given that the rating level and the number of program sponsors are key factors for the TV station to decide whether or not to extend the subleasing contracts. The Company keeps monitoring its popularity and boosting audience shares by enhancing its program content regularly.

**Risk in regard to ad spending flows toward new media channels instead of TV media**

The ad spending trend is under the ongoing transition period; the ad spending through analog TV (free TV) has become lesser, while more spending is distributed to other media channels, especially digital media, online advertising media, Internet media, outdoor media and transit media. New media channels tend to become more influencing in consumers' decision making to buy products and services. However, data suggest that both analog TV media and digital media remain the major media for ad spenders as the two media types still gain the biggest market shares given that they can reach customers in mass markets. The competition in ad spending results in high competition in TV content production business as operators try to compete in improving quality and content of their programs. Realizing this factor, the Company has continued to develop our content and present content varieties to suit consumers' behaviors, both for the existing programs and potential programs.

**Risk in regard to operators' limited ad budget**

The current economic slowdown as well as various unfavorable factors has negatively impacted consumers' purchasing power, and this has in turn impacted operators' ad budget allocation. Operators tend to spend their ad budget more carefully and try to limit ad budget. Also, some operators change their ad spending allocation strategy, i.e., from full-year planning to shorter-term planning. However, the more intense competition, coupled with greater varieties of ad media channels, still attracts operators to efficiently spend ad budget in order to promote their products/services among their targeted customers. Also, more new operators may be attracted to spend ad budget on media channels. In the meantime, the state sector may also come up with new projects, which require extensive advertising through various media channels. Should the economy recover, operators will become more confident in ad spending; and this will ultimately help to boost ad spending growth.

**Risk in regard to lower popularity or changing consumer behavior trend**

Consumer behavior is very dynamic as it is always variable to the popularity trends. The program's rating is a key factor directly impacting revenue from the TV content business. Advertising agencies and product/service owners decide to choose TV programs to promote their goods or services, based mainly on the ratings and the value for the ad budget based on the number of viewers. Therefore, creation of programs to attractive consumers and maintenance of popularity are key factors impacting the growth in Company's revenue and earnings.

## 2.3 Management Risks

### 2.3.1 Risk in regard to major shareholder's influence on management policies

As of March 9, 2021, the major shareholder, BBTV Production, held 87.716% of the total paid-up capital. With this percentage of shareholding, BBTV Production has power to make decisions and determine management policies to a certain degree. With BBTV Production as the only major shareholder with such a huge shareholding portion, it is very unlikely that the Company will be taken over by other companies, without the approval from BBTV, even though other shareholders may see opportunities to raise the corporate value. Being well aware of this issue, the Company takes good corporate governance principles seriously and also appoints the Audit Committee, consisting of three independent directors from the total nine directors. The independent directors can help enhance the management as well as bring transparency and balance the power of directors. The independent directors also act as representatives of retail shareholders to examine the performance of the management. Moreover, should there be any significant legal issues, approval from shareholder meetings is required before further procedure. The aforementioned factors help to control management and management risks quite well.

### 2.3.2 Risk in regard to possible conflicts of interests and competing businesses from the major shareholder

BBTV is the Company's indirect major shareholder (i.e. it is the major shareholder of BBTV Production, which is the Company's major shareholder). It is also an indirect holder of all shares in Media Studio Co, Ltd. ("Media Studio"), which also operates TV content production business. Media Studio produces news and entertainment programs broadcast only on Channel 7HD. Hence, Media Studio's business may be seen as competing business with one of the Company's businesses. However, although the two companies are held by the same group of the shareholder, their production crews are separated. While both companies produce TV programs, the content of each program is different. In addition, their other businesses are different. It should also be noted that the TV content production is just one of the Company's several businesses. According on the Company's major business plan, the Company is currently focusing more on becoming a leader in student rental and equipment rental services to serve all groups of clients.

### 2.3.3 Risk in rehard to low free float that will reduce trading liquidity

As of June 19, 2020, the Company's shares stood at around 684,685,524 shares, 87.597% of which were held by BBTV Production Company Limited. Therefore, the free float is quite small, at just 12.39% of the registered capital. This means that there may be not so many trading transactions in the secondary market and that general investors may not be able to do regular trading transactions. Therefore, there is a risk that shareholders may be unable to sell shares right at their desired prices. To solve the problem, the Company is seeking an appropriate solution to the problems relating to share distribution, according to the regulations of the SET.

### 3. Business Drive for Sustainability

#### 3.1 Policies and objectives of sustainability management

The Company adheres operating guidelines for business drive for sustainability, covering three aspects, namely economy, society and environment. The Company's business operation complies with the code of ethical business and relevant laws. The Company emphasizes the significance of the good corporate government principles, focusing the importance of the rights of all groups of stakeholders as well as corporate social responsibility; this relates to and supports the United Nations Sustainable Development Goals (UN SDGs).

##### Objectives of sustainability development in 2021

Emphasizing the significance of business drive for sustainability, the Company follows the CSR - in - process operation for sustainable development, covering economic, social and environmental aspects through the operation in the key elements, i.e., organization, human rights, labor, environment, fair business operation, consumers, stakeholding, community development in order to ensure that the Company's operation is trusted by all stakeholders. All these elements are discussed below.

### 3.2 Management on impacts on stakeholders in business value chain

#### 3.2.1 Business value chain

Business	Supply	Production process	Goods/service distribution process	Marketing /Sales	After-sale service
<b>1. MMS-TV</b> TV content production 	<ul style="list-style-type: none"> <li>• Airtime</li> <li>• Production team/ Content presentation style</li> <li>• Host(s)</li> <li>• Venue(s)</li> </ul> 	<ul style="list-style-type: none"> <li>• Visual/sound recording</li> <li>• Production of scoop/spot</li> </ul> 	<ul style="list-style-type: none"> <li>• Broadcast/advertising</li> </ul> 	1. Survey/ Analysis of clients' demand 	1. Feedback seeking 
<b>2. GH</b> Services/ Equipment rental 	<ul style="list-style-type: none"> <li>• Quality/modern equipment</li> <li>• Professional technicians</li> </ul> 	<ul style="list-style-type: none"> <li>• Filming equipment with technicians present at filming sites</li> </ul> 		2. Determine target groups 	2. Welcome comments 
<b>3. TSP</b> Services/ Studio rental 	<ul style="list-style-type: none"> <li>• Professional personnel</li> <li>• Facilities</li> <li>• Utilities</li> </ul> 	<ul style="list-style-type: none"> <li>• Indoor/outdoor filming sites with personnel</li> </ul> 		3. Outline strategies 	3. Create good relation with clients 



## 3.2.2 Stakeholders in business value chain

Stakeholders	Procedure	Stakeholders' expectation	Responses to stakeholders' expectation
<b>Stakeholders within the organization</b>			
<b>Stakeholders</b>	<ul style="list-style-type: none"> <li>- Annual General Meetings/ Extraordinary shareholders meetings</li> <li>- Regularly release information through the Company's website and email</li> </ul>	<ul style="list-style-type: none"> <li>- Good earnings and good investment returns</li> <li>- Good corporate governance</li> <li>- Transparent Business operation</li> <li>- Disclose accurate information on a timely manner</li> <li>- Effectively communicate with shareholders</li> <li>- Welcome shareholders' comments in regard to operating performance of the Company</li> </ul>	<ul style="list-style-type: none"> <li>- Complete annual reports</li> <li>- General good performance and dividends</li> <li>- Disclose information with transparent and in a timely manner through the SET's channels and other channels including Company's website</li> <li>- Complete and improve good corporate governance principles regularly and consistently</li> <li>- Invite shareholders to determine meeting agendas in the AGMs and express their opinions in the meetings</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>- Evaluate annual performance and individual development plan</li> <li>- Arrange socializing activities among employees and management, e.g., manager meetings and annual staff parties</li> <li>- Arrange meetings in the department level and other activities</li> </ul>	<ul style="list-style-type: none"> <li>- Secured job and career advance</li> <li>- Appropriate benefits</li> <li>- Appropriate working house and payment</li> <li>- Respect the right of equality</li> <li>- Safety and good sanitary in workspace</li> </ul>	<ul style="list-style-type: none"> <li>- Determine policies and operation plan of HR relevance to relevance to relating laws</li> <li>- Offer good career path and appropriate remuneration and benefits</li> <li>- Provide standard trainings</li> <li>- Arrange annual appraisal plan</li> <li>- Improve workplace environment</li> </ul>
<b>Clients</b>	<ul style="list-style-type: none"> <li>- Interact with clients when providing services</li> <li>- Survey clients' satisfaction through email and online media</li> <li>- Socialize and create networks</li> <li>- Arrange exhibitions and trade/service shows</li> </ul>	<ul style="list-style-type: none"> <li>- Service quality: response to clients' demand, credibility, accountability and appropriate changes</li> <li>- Value of money</li> <li>- Delivery of standard goods/services meeting clients expectations and relevant laws</li> <li>- Transparent pricing, e.g., quotations in websites</li> <li>- Safety of personal information</li> </ul>	<ul style="list-style-type: none"> <li>- Provide trainings to ensure excellent services</li> <li>- Deliver standard services</li> <li>- Introduce new service channels to serve clients' demand</li> <li>- Conduct clients' surveys</li> <li>- Review sale promotional campaign on a regular basis</li> <li>- Be honest to clients</li> </ul>

Stakeholders	Procedure	Stakeholders' expectation	Responses to stakeholders' expectation
<b>Stakeholders within the organization</b>			
<b>Business partners</b>	<ul style="list-style-type: none"> <li>- Meetings and inspection of quality of products/service</li> <li>- Provide trainings and activities for partners to participate regularly</li> <li>- Consistent opinion survey</li> </ul>	<ul style="list-style-type: none"> <li>- Fair and equal treatment to all partners</li> <li>- Transparent and fair requirement process</li> <li>- Regular and clear orders</li> <li>- Provision of goods/services in a timely manner with flexibility in pricing as appropriate</li> </ul>	<ul style="list-style-type: none"> <li>- Complete operation guideline and code of ethical business of partners</li> <li>- Conduct opinion surveys from partners</li> <li>- Review and improve recruitment process</li> <li>- Examine and solve problems immediately</li> </ul>
<b>Community</b>	<ul style="list-style-type: none"> <li>- regularly visit communities and leader communities</li> <li>- Participate in community activities through employment and other community development projects</li> </ul>	<ul style="list-style-type: none"> <li>- Recruitment</li> <li>- Participate in activities aimed at development of economy, society and communities</li> <li>- Reduce impacts on the society and the community.</li> <li>- Listen to comments from the communities and regularly communicate with the communities</li> </ul>	<ul style="list-style-type: none"> <li>- Recruit local labor and promote vocational development in the communities</li> <li>- Promote local recruitment</li> <li>- Participate in community activities regularly</li> </ul>

### 3.3 Environmental Sustainability Management

#### 3.3.1 Environmental policies and operation guideline

The Company emphasizes the environmental impact and safety in all operation procedure as well as the effective use of resources and energy saving under international principles. The Company also launches campaigns and impacts the awareness among employees in regard to clever and effective utilization of resources and energy. In addition, some creative and useful activities are organized for the purposes of maintenance, preservation, and utilization of natural and environmental resources as well as a number of energy forms. All employees are obliged to take care and protect the Company's assets under their responsibility and effectively utilize other recourse of the Company and the country. The Company has compiled operation guidelines to focus on necessary use of energy and reduction of resource wastes. The Company has continued to launch a number of environmental preservation projects.

#### *Operation guideline*

- In business process, the Company focuses on effective use of resources and technology in the process of production and service provision, taking into account safety and friendliness to environment.
- The Company effectively utilizes resources by initiating "Green Office Program" aimed at saving energy. In addition, the Company also launched effective waste sourcing procedure in the office under the concept of 3R (Reduce Reuse Recycle). There is the effective waste sourcing system while employees' awareness in energy saving is implanted and all related parties are also invited to participate in energy saving producer.

### 3.3.2 Environmental operation performance

Following the campaign encouraging the employees to save and use energy and resources, e.g., water, electricity, more effectively, the Company found that the electricity and water bills in 2020 declined from the figures in 2019.

#### 1. Electricity use fell by 52,937 units

Usage	Electricity		decrease	%
	2020	2021		
Unit	187,319	134,382	(52,937)	28.26
Baht	817,887.23	612,615.14	(205,272.09)	25.10

Note: Data only at the head office and one branch

#### 2. Water use fell by 819 units

Usage	Water		decrease	%
	2020	2021		
Unit	2,556	1,737	(819)	32.04
Baht	31,306.22	19,851.75	(11,454.47)	36.59

Note: Data only at the head office and one branch

#### 3. Waste management

Employees and related parties put trash at the right sourcing bins, making it easier for waste management.

#### 4. Greenhouse gas emission

At present, the Company does not have information about greenhouse gas emission. However, The Company focuses on reducing of greenhouse gas emission. The Company's business activity with the highest greenhouse gas emission is electricity use from air conditioners in the office and fuel use of the Company's vehicles. The Company currently employs a basic action plan to reduce greenhouse gas emission, both in the client service and business support operation. Examples are as follows:

- Manage equipment transportation to filming sites by using vehicles with the least fuel burning usage and the most effective usage to reduce greenhouse gas emission in the transportation process.
- Prepare maintenance plans and plans to change all kinds of vehicles used by the Company to fuel-based vehicles to electric vehicles whenever the country's infrastructure and technology are widely available.
- Continuously promote environmentally friendly operation, with more digital uses to replace paper use; and use environmentally friendly products. Promote the use of air-conditioners in the office that can reduce chemical substances destroying the atmosphere to reduce greenhouse gas emission and save energy.

### 3.4 Social Sustainability Management

#### 3.4.1 Social policies and operation guideline

The Company focuses on human rights and treats other people under the human right principles. The Company treats labor with fairness, be responsible for consumers and help to develop the community and society, as the following details.

##### 1. Respect human rights

The Company focuses on the importance of human rights and follows human right principles, taking into account the equality, freedom, and equality of dignity and rights of individuals. The Company is strongly against discrimination of nationalities, races, religions, languages, ages, genders, marital status, sexual preferences and disability.

##### *Operation guideline*

- Support and respect human right protection affairs, e.g., not supporting any activities that force labor to work; or being against child labor, and etc.
- The Company and the subsidiaries offer equal employment opportunities to general individuals, including disabled people.

##### 2. Treat employees with fairness

Being well aware that manpower is a key factor that can enable the Company to enhance our potential and successfully reach our business growth targets, the Company treats employees with fairness, with the following policies:

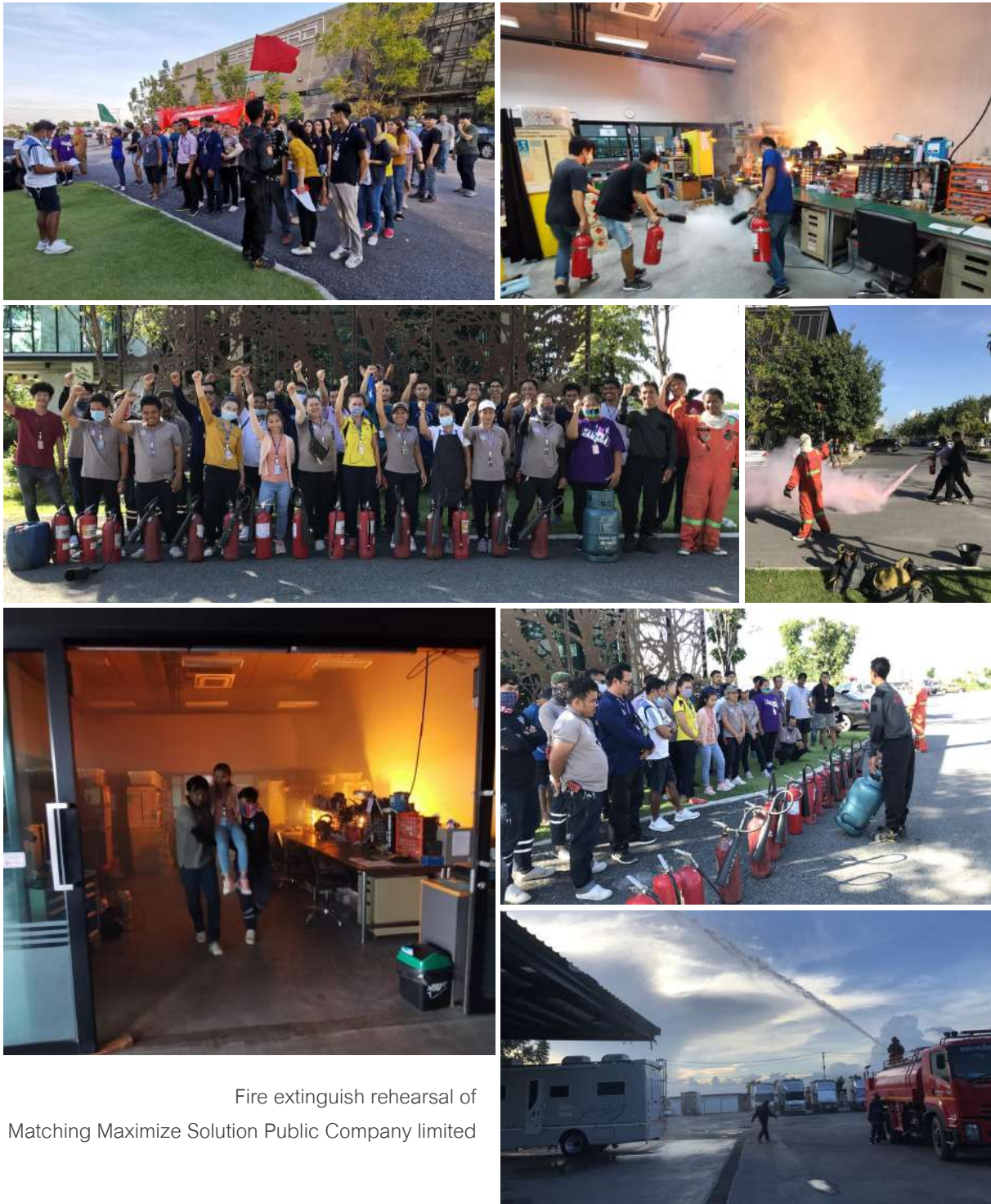
##### *Recruitment policies and operation guideline*

- Be against any practices of labor forcing; not collect money or keep employees' identification documents unless required by law;
- Make payment of wages and remuneration in the Thai baht currency at the rates not less than what specified by laws; not withhold employees' remuneration for any cases, except for the case specified by law;
- Ensure working hours not exceeding the hour maximum specified by law and calculate overtime hours in accordance with relevant laws;
- Provide safe workplace for pregnant employees; neither terminate their employment contracts nor reduce their benefits due to their pregnancy;
- Support employees' efficiency enhancement by allowing them to participate in public trainings and in-house trainings at all levels; organize field trips for employees to see business operation of other organizations in the same industries in order to broaden visions as well as learn new technologies, which can be used to develop the organization;
- Provides safe and hygienic workplace as well as necessary and appropriate healthcare facilities.

##### *Personnel policies and operation guideline*

- Employees are the Company's most valuable resources and they are key success factors for the Company. The Company creates favorable values, culture and working environment and also treats employees with politeness, also with respects of their rights and freedom. The Company also tries to tighten relationship and bond among employees under the same Company's group.
- Employment, appointments, transfer, remuneration and benefits of employees are based on fairness and facets as well as the Company's actual operation performance.





Fire extinguish rehearsal of  
Matching Maximize Solution Public Company limited

- Safety is also another key issue. It's the Company's responsibility in creating working environment that is safe for employees' lives and their property. The Company also provides necessary and appropriate welfare items, e.g., certificate for free-drug workplace from the Department of Labor Protection and Welfare, an annual test of alarm system, annual check-up, group life insurance and accident insurance policies, OPD allowance, and other benefit packages.



### 3. Responsibility to consumers

The Company is committed to development of goods/services that bring benefits to both the organization and society. The Company is also determined to produce high quality goods/services, which do not harm consumers and environment.

#### *Operation guideline*

- Create TV content, which not only focuses on entertainment and profit but also includes useful information, assistance and creation of good opportunities for people in communities, all of which will lead to long-term benefits to the society.
- Provide quality services, in terms state-of-the-art equipment and convenient and high-standard service venues as well as highly-skilled personnel to meet clients' need with fair treatment, e.g., producing works or offering services based on the terms and conditions stated in the contracts.
- Keep clients' information safe and confidential, unless authorized to disclose information by the clients.

### 4. Help develop communities and society

Emphasizing the responsibility to society, the Company supports, collaborates and provides assistance in various community development programs. The assistance is in the forms of both cash sponsor and gifts or freebies offered to the youths in several occasions.

#### 3.4.2 Social operation performance

The Company follows human rights, starting from recruitment to taking care of employees to make them feel like home in the office and feel that the organization is part of their families. In 2020, employee-related operation is as follows.

##### (1) recruitment

Details	Number of Headcounts	
	Male	Female
Permanent employees	288	73
Disable employee	1	-
Total	289	73



The Company donated bicycles to state agencies in Bang-bor District



#### Employee training

In 2020, the Company provided 12 trainings for employees, with the average hour number of knowledge training of 4.9 hours per year per employee versus the target of six hours per employee.

#### Safety and sanitary

Since 2020, the COVID-19 infections have continued, in order to reduce risks of illnesses, injuries or death, the Company arranges health insurance policies to cover COVID-19 for employees. There has been no report of the Company's employees being infected thus far.

#### Employees' bond

In 2020, employees voluntarily resigned at the turnover rate of 5.07%, up by 1.5% from last year.

#### (2) Clients

The Company developed goods and products to serve clients and meet their satisfaction with responsibility, honesty and moral. In 2020, the Company's services were well satisfied by clients, without any complaints in major matters.

#### (3) Community and society

The Company operates business with responsibility and society with emphasis on environmental impact. The Company tries to avoid any actions that may have a negative impact on people's living quality in the community. In 2020, the Company received no complaints from the community about environmental matters.

Furthermore, the Company also takes part in living quality development and participation to community's activities. For example, the Company donated bicycles and sport equipment to state agencies in Bong-bor District, Samutprakan Province, to support youth activities in the area.

## 4. Management Discussion and Analysis: MD&A

### Significant Financial information

#### 1. Financial Statement

##### 1.1 Audit Reports

###### 2018

The audit report for financial statement fiscal year 2018, ending December 2018, audited by Khun Sa-nga Choknithisawat, License No.11251 from PricewaterhouseCoopers ABS Co., Ltd, showed unqualified opinion.

###### 2019

The audit report for financial statement fiscal year 2019, ending December 2019, audited by Khun Sa-nga Choknithisawat, License No.11251 from PricewaterhouseCoopers ABS Co., Ltd, showed unqualified opinion.

###### 2020

The audit report for financial statement fiscal year 2020, ending December 2020, audited by Khun Sa-nga Choknithisawat, License No.11251 from PricewaterhouseCoopers ABS Co., Ltd, showed unqualified opinion.

##### 1.2 Consolidate Financial Statement Year 2019-2020

Statements of Financial Position	Audited Statement					
	Dec 31, 2018		Dec 31, 2019		Dec 31, 2020	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>Assets</b>						
Cash and cash equivalents	21.20	1.22%	67.01	3.82%	22.40	1.38%
Trade and other receivables, net	131.44	7.57%	103.96	5.93%	67.58	4.17%
Inventories	12.59	0.72%	13.85	0.79%	13.30	0.82%
VAT refund	8.05	0.46%	1.75	0.10%	1.42	0.09%
Withholding tax deducted at sources, net	19.55	1.13%	22.80	1.30%	22.47	1.39%
Other current assets	0.52	0.03%	0.78	0.04%	0.30	0.02%
Non-current assets held for sale	-	0.00%	6.78	0.39%	-	0.00%
<b>Total current assets</b>	<b>193.35</b>	<b>11.13%</b>	<b>216.93</b>	<b>12.37%</b>	<b>127.47</b>	<b>7.87%</b>
Investment in joint venture, net	1.89	0.11%	-	0.00%	-	0.00%
Property, plant and equipment, net	1,251.45	72.03%	1,249.97	71.27%	1,213.68	74.89%
Assets for rent, net	281.63	16.21%	270.91	15.45%	227.12	14.01%
Right of use assets, net	-	0.00%	-	0.00%	14.66	0.90%
Intangible assets, net	3.65	0.21%	3.08	0.18%	2.30	0.14%
Deferred tax assets, net	3.83	0.22%	11.77	0.67%	33.99	2.10%
Other non-current assets	1.61	0.09%	1.11	0.06%	1.44	0.09%
<b>Total non-current assets</b>	<b>1,544.06</b>	<b>88.87%</b>	<b>1,536.84</b>	<b>87.63%</b>	<b>1,493.19</b>	<b>92.13%</b>
<b>Total assets</b>	<b>1,737.41</b>	<b>100.00%</b>	<b>1,753.77</b>	<b>100.00%</b>	<b>1,620.66</b>	<b>100.00%</b>

Statements of Financial Position	Audited Statement					
	Dec 31, 2018		Dec 31, 2019		Dec 31, 2020	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>Liabilities</b>						
Short-term borrowing from bank	-	0.00%	40.00	2.28%	35.00	2.16%
Trade and other payables	40.15	2.31%	41.09	2.34%	21.04	1.30%
Current portion of long-term borrowing from bank, net	23.45	1.35%	14.56	0.83%	21.10	1.30%
Current portion of liability under finance lease, net	3.83	0.22%	3.26	0.19%	3.39	0.21%
Other current liabilities	13.76	0.79%	12.57	0.72%	8.71	0.54%
Liabilities directly associated with non-current assets held for sale	-	0.00%	1.57	0.09%	-	0.00%
<b>Total current liabilities</b>	<b>81.19</b>	<b>4.67%</b>	<b>113.05</b>	<b>6.45%</b>	<b>89.24</b>	<b>5.51%</b>
Long-term borrowing from bank, net	77.69	4.47%	98.05	5.59%	166.02	10.24%
Liability under finance lease, net	2.87	0.17%	1.18	0.07%	11.52	0.71%
Deferred tax liabilities, net	2.54	0.15%	-	0.00%	-	0.00%
Employee benefit obligations	26.46	1.52%	35.28	2.01%	15.34	0.95%
Deferred income from sales and leaseback, net	0.15	0.01%	-	0.00%	-	0.00%
Other non-current liabilities	-	0.00%	-	0.00%	-	0.00%
<b>Total non-current liabilities</b>	<b>109.71</b>	<b>6.31%</b>	<b>134.51</b>	<b>7.67%</b>	<b>192.88</b>	<b>11.90%</b>
<b>Total liabilities</b>	<b>190.90</b>	<b>10.99%</b>	<b>247.56</b>	<b>14.12%</b>	<b>282.12</b>	<b>17.41%</b>
<b>Equity</b>						
Share capital	781.63	44.99%	781.63	44.57%	781.63	48.23%
Issued and paid-up share capital	781.63	44.99%	781.63	44.57%	781.63	48.23%
Share premium	906.21	52.16%	906.21	51.67%	906.21	55.92%
Share premium from warrants	-	0.00%	-	0.00%	-	0.00%
Deficits:-	-	0.00%	-	0.00%	-	0.00%
Appropriated - legal reserve	10.66	0.61%	10.66	0.61%	10.66	0.66%
Unappropriated	(152.02)	-8.75%	(191.99)	-10.95%	(359.93)	-22.21%
<b>Equity attributable to owners of the parent</b>	<b>1,546.48</b>	<b>89.01%</b>	<b>1,506.51</b>	<b>85.90%</b>	<b>1,338.57</b>	<b>82.59%</b>
<b>Non-controlling interests</b>	<b>0.03</b>	<b>0.00%</b>	<b>(0.30)</b>	<b>-0.02%</b>	<b>-</b>	<b>0.00%</b>
<b>Total equity</b>	<b>1,546.51</b>	<b>89.01%</b>	<b>1,506.21</b>	<b>85.88%</b>	<b>1,338.57</b>	<b>82.59%</b>
<b>Total liabilities and equity</b>	<b>1,737.41</b>	<b>100.00%</b>	<b>1,753.77</b>	<b>100.00%</b>	<b>1,620.69</b>	<b>100.00%</b>

Statements of Comprehensive Income	Audited Statement					
	Dec 31, 2018		Dec 31, 2019		Dec 31, 2020	
	Million Baht	%	Million Baht	%	Million Baht	%
Services income	462.34	98.91%	474.07	98.92%	247.30	0.99
Sales	5.10	1.09%	5.17	1.08%	2.44	0.01
Total revenue	467.44	100.00%	479.24	100.00%	249.74	1.00
Cost of services	(338.79)	-72.48%	(335.87)	-70.08%	(263.69)	(1.06)
Cost of sales	(2.52)	-0.54%	(2.19)	-0.46%	(1.11)	(0.00)
Total cost	(341.31)	-73.02%	(338.06)	-70.54%	(264.80)	(1.06)
Gross profit	126.13	26.98%	141.18	29.46%	(15.06)	(0.06)
Other income	22.55	4.82%	0.82	0.17%	4.85	0.02
Profit before expenses	148.68	31.81%	142.00	29.63%	(10.21)	(0.04)
Selling expenses	(18.19)	-3.89%	(17.84)	-3.72%	(11.28)	(0.05)
Administrative expenses	(153.26)	-32.79%	(151.52)	-31.62%	(160.50)	(0.64)
Other expenses	-	0.00%	(2.53)	-0.53%	-	-
Finance cost	(7.42)	-1.59%	(6.97)	-1.45%	(10.57)	(0.04)
Share of loss on investment in joint venture	(2.99)	-0.64%	(0.82)	-0.17%	-	-
Total expenses	(181.86)	-38.91%	(179.68)	-37.49%	(182.35)	(0.73)
Profit (loss) before income tax	(33.18)	-7.10%	(37.68)	-7.86%	(192.56)	(0.77)
Income tax expense (income)	(4.13)	-0.88%	7.98	1.67%	22.69	0.09
Profit (loss) from continuing operations	(37.31)	-7.98%	(29.70)	-6.20%	(169.87)	(0.68)
Profit (Loss) from discontinued operations	(1.47)	-0.31%	(9.02)	-1.88%	-	-
Profit (loss) for the year	(38.78)	-8.30%	(38.72)	-8.08%	(169.87)	(0.68)
Loss after revaluation of employee benefit obligations after retirement	-	0.00%	(1.79)	-0.37%	3.57	0.01
Income tax associated with other comprehensive income	-	0.00%	0.22	0.05%	(0.70)	(0.00)
Total comprehensive income (expenses) for the year	(38.78)	-8.30%	(40.29)	-8.41%	(167.00)	(0.67)
Profit (loss) attributable to		0.00%	0.35	0.07%		-
Owners of the parent	(38.74)	-8.29%	(38.39)	-8.01%	(169.85)	(0.68)
Non-controlling interest	(0.04)	-0.01%	(0.33)	-0.07%	-	-
	(38.78)	-8.30%	(38.72)	-8.08%	(169.85)	(0.68)



Statements of Comprehensive Income	Audited Statement					
	Dec 31, 2018		Dec 31, 2019		Dec 31, 2020	
	Million Baht	%	Million Baht	%	Million Baht	%
Total comprehensive income (expense) attributable to	-	0.00%	-	0.00%	-	-
Owners of the parent	-	0.00%	-	0.00%	-	-
- From continuing operations	(37.28)	-7.98%	(30.85)	-6.44%	(166.98)	(0.67)
- From discontinued operations	(1.47)	-0.31%	(9.11)	-1.90%	-	-
Non-controlling interest	(0.03)	-0.01%	(0.33)	-0.07%	-	-
	(38.78)	-8.30%	(40.29)	-8.41%	(166.98)	(0.67)
Earnings (loss) per share						
Basic earnings (loss) per share (Baht)	(0.11)		(0.05)		(0.22)	

Statements of Cash Flows	Audited statement		
	2018	2019	2020
Net cash generated from operating activities	48.55	95.35	(91.42)
Net cash generated from (used in) investing activities	(15.11)	(94.95)	(10.35)
Net cash generated from (used in) financing activities	(34.99)	47.48	57.16
Net increase (decrease) in cash and cash equivalents	(1.55)	47.88	(44.61)
Opening balance of cash and cash equivalents	22.75	21.20	67.01
Cash and cash equivalents from discontinued operations	-	(2.07)	-
Closing balance of cash and cash equivalents	21.20	67.01	22.40

Key financial ratios	Unit	Audited Statement		
		Dec 31, 2018	Dec 31, 2019	Dec 31, 2020
Liquidity ratios :-				
Liquidity ratio	Time	2.38	1.92	1.43
Quick ratio	Time	1.88	1.51	1.01
Cash ratio	Time	0.59	0.98	(0.90)
Account receivables turnover	Time	3.03	3.19	2.05
Average receivables day	Day	118.62	112.79	175.70
Inventory turnover	Time	29.15	25.57	19.51
Average day sale	Day	12.35	14.08	18.46
Account payable turnover	Time	8.97	8.32	8.52
Payment period	Day	40.15	43.26	42.23
Cash cycle	Day	90.82	83.60	151.92
Profitability ratio :-				
Gross Profit Margin	%	26.98	29.46	(6.03)
Operating Profit Margin	%	(10.33)	(6.58)	(74.81)
Net Profit Margin	%	(7.91)	(8.06)	(66.71)
Return on Equity	%	(2.48)	(2.54)	(11.94)

Key financial ratios	Unit	Audited Statement		
		Dec 31, 2018	Dec 31, 2019	Dec 31, 2020
Efficiency Ratio:-				
Return on Assets	%	(2.19)	(2.22)	(10.07)
Return on Fixed Assets <sup>/1</sup>	%	0.08	0.09	(10.23)
Assets Turnover	Time	0.26	0.27	0.15
Leverage Ratio or Financial Ratio :-				
Debt/Equity Ratio	Time	0.12	0.16	0.21
Interest coverage ratio <sup>/2</sup>	Time	8.98	16.68	(6.97)
Cash basis <sup>/3</sup>	Time	0.58	0.77	(2.00)

Note : <sup>/1</sup> Return on Fixed Assets does not include assets for rent.

<sup>/2</sup> Interest Coverage Ratio = Operating cash flow + interest expenses from operating+ tax/ interest expenses from operating and investing.

<sup>/3</sup> Cash basis = Operating cash flows / (loan repayment + capital expenditure+ asset acquisition + dividend payment)

## 2. Discussion and analysis of financial position and operation performance in the past year

### Economic overview and the impact on the operating performance

The National Economic and Social Development Council (NESDC) reported 2020 GDP contraction of 6.1% versus +2.3% in 2019. The economy was severely impacted by the COVID-19 infections, which intensified once again in late 2020 to early 2021. The infections have significantly impacted the domestic tourism and economy. According to Global Entertainment & Media (E&M) Outlook 2020-2024 of PwC Thailand, the COVID-19 pandemic in 2020 severely impacted the global media and entertainment industry, resulting in a reduction in ad spending in the entire industry. According to a survey on the outlook for the media and entertainment industry in 2020 - 2024, the global ad spending in the media and entertainment industry in 2020 dropped by 5.6% from the figure reported for 2019. In Thailand, the ad spending in the media and entertainment industry fell by 2%.

### Results of Operations

The COVID-19 pandemic, which emerged in early 2020 and prompted the government to impose the state of emergency followed by lockdowns in late 1Q20, brought the Thai economy to a halt. Starting March 26, 2020, the Company and the group suspended all operation to comply with the announcement of Bangkok Metropolitan Administration (BMA) and the state of emergency. Later on May 17, 2020, the Company and the group resumed operation, accounting to the regulation in Section 9 of the Emergency Decree on Public Administration in Emergency Situation. However, the pandemic situation continued to impact the number of foreign filming crew clients. Furthermore, the infections were resurgent in the second wave in late 4Q20. As a consequence, the Company's revenue fell significantly. The Company's core businesses in 2020, i.e., the equipment rental business, the studio rental business and the TV production business. The Company's 2020 revenue totaled 249.74 million baht, down by 229.50 million baht or equivalent to the revenue deterioration of 47.89%, compared with 2019. The parent company reported loss of 169.85 million baht, representing a larger loss by 131.46 million, -342% on a year-on-year basis. The details are as follows:

## Revenue breakdown by business (excluding other revenue)

Details	2018		2019		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
1. Revenue from equipment rental service business	366.52	78.41	380.72	79.44	192.00	76.88
2. Revenue from studio rental service business	44.13	9.44	47.18	9.85	39.61	15.86
3. Revenue from TV content production business	51.69	11.06	46.17	9.63	15.69	6.28
4. Revenue from product sales	5.10	1.09	5.17	1.08	2.44	0.98
<b>Total</b>	<b>467.44</b>	<b>100.00</b>	<b>479.24</b>	<b>100.00</b>	<b>249.74</b>	<b>100.00</b>

## Equipment rental service business

In 2020, the equipment rental services were provided for production crews of feature films, domestic and international commercials, TV content, dramas and other projects. The Company booked total revenue from this business at 192.00 million baht, accounting for 76.88% of the total revenue, decreasing by 188.72 million baht or down by 49.57% from the figure booked for 2019.

## TV content production

The Company's revenue from TV content production in 2020 amounted to 39.61 million, accounting for 15.86% of the total revenue. The revenue from this business decreased by 7.57 million baht, or a drop of 16.04% from the figure reported for 2019. The decline was attributable to the drop in ad spending in according to the situation and overall economy. However, the Company adjusted the content and presentation style of our TV program, whose program title was renamed as "Plod Nee Plick Chee Vit", broadcast every Monday and Tuesday at 17.15 - 18.00 hrs.

## Studio rental service business

This business was operated under the "The Studio Park" project. In 2020, the project mostly served local clients, including feature film producers, commercials production crews and TV content production crews. Hence, in 2020, this business generated total revenue of 15.69 million bath, accounting for 6.28% of the total revenue. The figure declined by 30.48 million baht or a decline of 66.02% compared to the previous year.

## Costs of sale and services

In 2020, the Company and the group reported cost of sale and services at 264.80 million baht, decreasing by 73.26 million baht or 21.67% on a year-on-year basis. Hence, the Company saw the gross profit margin in 2020 at -15.06 million baht, or -6.03%.

## Gross Profit Margin

Cost structure and gross profit margin	2018		2019		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from sales and services	467.44	100.00	479.24	100.00	249.74	100.00
Cost of sales and services	341.31	73.02	338.06	70.54	264.80	106.03
<b>Gross Profit (Loss) Margin</b>	<b>126.13</b>	<b>26.98</b>	<b>141.18</b>	<b>29.46</b>	<b>(15.06)</b>	<b>(6.03)</b>

### Selling General and Administration (SG&A) Expenses and Other Expenses

In 2020, the Company and the group booked SG&A expenses at 171.78 million baht, up by 2.42 million or 1.43% from the figure reported for 2019. The Company booked extra expenses relating to the compensation under the normal retirement and early retirement programs at the net after deduction of employee benefit obligations at 37.77 million baht.

SG&A and other expenses	2018		2019		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
Selling expenses	18.19	10.61	17.84	10.38	11.28	6.57
Administration expenses	153.26	89.39	151.52	88.15	160.50	93.43
Other expenses	-	-	2.53	1.47	-	-
<b>Total</b>	<b>171.45</b>	<b>100.00</b>	<b>171.89</b>	<b>100.00</b>	<b>171.78</b>	<b>100.00</b>
Ratio of SG&A expenses to revenue		36.68		35.87		68.78

The Company booked finance cost amounting to 10.57 million baht, increasing by 3.60 million baht or 51.65% when compared to the figure reported in 2019.

### Net profit

In 2020, the parent company booked a net loss of 169.85 million baht, i.e., a bigger loss of 131.46 million baht or a bigger loss of 342% the loss booked in 2019.

### Analysis of financial position in 2019 and 2020

#### Assets

As of December 31, 2020, the total assets decreased by 133.08 million baht to 1,620.69 million baht, equivalent to a decrease of 7.58% from the total assets of 1,753.77 million baht reported in 2019. The total assets consisted of

- Cash and cash equivalent amounted to 22.40 million baht.
- Net receivables and other receivables amounted to 67.58 million baht. Most receivables were undue receivables and receivables overdue not longer than three months, which was a normal credit term for general clients.
- VAT refund declined by 0.33 million baht to 1.42 million.
- Net land, building and equipment amounted to 1,213.68 million baht, down by 36.29 million baht or a decline of 2.90%. The net assets for rent stood at 227.12 million, decreasing by 43.79 million baht or a decrease of 16.16% due to the depreciation and the disposal and amortization of assets.
- Net right-of-use assets amounted to 14.66 million baht, up by 100% due to the impact of the application of the Thai Financial Reporting Standards 16 (TFRS) 16: Financial Leases, for the first time since January 1, 2020.
- Net deferred tax increased by 22.22 million baht, most of which came from the unrealized tax losses due to the adjustment to the tax depreciation projection and the provision for employees' long-term benefits.

## Liabilities

As of December 31, 2020, the Company saw the total liabilities of 282.11 million baht, consisting of the current liabilities of 89.23 million baht and the non-current liabilities amounting 192.88 million baht. The total liabilities in 2020 increased by 34.56 million baht or an increase of 13.96% on a year-on-year basis due to the following reasons.

- The long-term loan from financial institutions in 2020 amounted to 187.12 million baht, increasing by 74.51 million baht or an increase of 66.17%, compared to the loans amounting to 112.61 million baht recorded in 2019. The increase was because during the year the Company took out additional loans of 82.11 million baht and settled the loan repayment of 7.60 million baht.
- The lease liabilities in 2020 amounted to 14.91 million baht, up by 10.47 million baht or an increase of 235.91% from 4.44 million baht recorded in 2019. The increase was because the Company complied with the TFRS 16): Financial Leases for the first time, starting January 1, 2020.
- The employee benefit obligation decreased by 19.80 million baht due to the payment of compensation to the employees under the early retirement program.

## Interest Bearing Debts

Details	2018		2019		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
Loans from financial institutions	101.14	93.79	152.61	97.17	222.12	93.71
Debts under financial leases	6.70	6.21	4.44	2.83	14.91	6.29
<b>Interest bearing debts</b>	<b>107.84</b>	<b>100.00</b>	<b>157.05</b>	<b>100.00</b>	<b>237.03</b>	<b>100.00</b>

## Shareholders' equities

As of December 31, 2020, the shareholders' equities decreased by 167.64 million baht or a decrease of 11.13% to 1,338.57 million baht compared to the figure seen in 2019. The Company's book value per share stood at 1.71 baht, as of December 31, 2020.

## Liquidity and capital adequacy

In regard to the Company's liquidity as of December 31, 2020, the Company's net cash flows used in operating activities stood at 91.42 million baht while the net cash flows used in investing activities amounted to 10.35 million baht. The net cash flows received from financing activities amounted to 57.16 million baht. Therefore, the net operating cash flows declined by 44.61 million baht and thus the remaining cash flows at the end of the period was at 22.40 million baht. The details are as follows:

Details	2020
Net cash used in operating activities	(91.42)
Net cash used in investing activities	(10.35)
Net cash generated from financing activities	57.16
<b>Net decrease in cash and cash equivalents</b>	<b>(44.61)</b>
Opening balance of cash and cash equivalents	67.01
<b>Cash and cash equivalent at the end of the period</b>	<b>22.40</b>



### Capital Structure

Items	Unit	2018	2019	2020
Total Liabilities	Mn Bt	190.90	247.56	282.12
Interest bearing debts	Mn Bt	107.84	157.05	237.03
Shareholder's equity	Mn Bt	1,546.51	1,506.21	1,338.57
Interest bearing debt to equity ratio	time	0.07	0.10	0.18
Debt to equity (D/E) ratio	time	0.12	0.16	0.21

As of December 31, 2020, the Company's issued and paid-up capital amounted to 781.63 million baht and the premium on shares were valued at 906.21 million baht. The liabilities totaled 282.12 million baht, with interest bearing debts amounting to Baht 237.03 million. Hence, the Company's D/E ratio was at 0.21 times.

### Off- balance Sheet Obligations

As of December 31, 2020, the Company and the group had off-balance sheet obligations mostly from core business operation, such as obligations from letters of guarantee, obligations from capital expenses, obligations from operational leases, and guarantee obligations. All aforementioned obligations were already disclosed in Item 36 of the note to financial statement for fiscal year 2020.

### Factors impacting the Company's future financial statement and earnings performance

The situation in 2020 has continued to impact the Thai economy in 2021, which seems to remain highly uncertain. Operators have to consistently monitor the news and business trend. In addition, they should also study clients' changing spending trend in order to adjust themselves as appropriate to the economic condition. The National Economic and Social Development projects Thai 2021 economic growth at 2.5-3.5%, driven by: i) global trade and economic recovery outlook; ii) drivers from state spending; iii) expansion domestic private demand; iv) expansion from the usually low base in 2020; and v) rapid and sufficient vaccine rollout.

The Company has been prepared to reap opportunities after the COVID-19 crisis is over. For example, the Company has prepared infrastructure, shooting techniques, state-of-the-art equipment, key and supporting measures to control filming sites for safety reasons and reduction of COVID-19 infection risks. Furthermore, high quality personnel with extensive expertise and experience is one of the Company's strengths; in addition, supportive measures from the government is also an additional favorable factor. All these factors can attract foreign film production teams to use the Company's facilities.

## Impact of COVID-19

1. Operation ☒ Impacted ☐ Not impacted

The COVID-19 situation, which emerged in late 1Q20, resulted in the slowdown in the equipment and studio rental services provided for both local and foreign clients. In particular, foreign clients, i.e., the Company's major revenue contributors, were unable to travel to Thailand. Therefore, the situation negatively impacted the Company's operation, and caused the Company to report bigger losses in 2020 than the past years.

In terms of supply chain disruption, the Company was not impacted by shortage of labors and goods because the Company's core business is equipment and studio rental services, for which the Company already owned operating assets.

2. Financial ☒ Impacted ☐ Not impacted

While the COVID-19 situation negatively impacted the Company's 2020 operation, leading to larger losses, the Company remained able to pay debts and follow the conditions stated in the loan contracts and maintain the ability to pay interest rates and debt covenant specified by financial institutes. In addition, the Company was able to maintain financial ratios throughout 2020.

3. Balance sheet and performance ☐ Impacted ☒ Not impacted

As shown in the authorized auditor's report

4. Contractual obligations ☐ Impacted ☒ Not impacted

5. Threats to viability ☐ Impacted ☒ Not impacted

The 2020 operational performance may lead to the threats viability of the Company and the group. However, the management believe that the Company has business plans that will enable the Company to generate cash flows. In addition, the remaining credit line is still sufficient to the operation, which will enable the Company to be able to continue business and settle the liabilities both at present and at least in 12-month time.

Thailand has been accepted as a country with effective containment of COVID-19 and more measures have been gradually eased further. Therefore, it is believed that the situation will improve following broader vaccine rollout. Thailand has thus been attractive for foreign filming teams, as evidenced by a number of huge producers contacting Department of Tourism, expressing their interest in filming in Thailand and willingness to following the containment measures. This will certainly be positive to the Thai media and entertainment industry and the Company and the group.

## 5. General Information and Other Significant Information

### 5.1 General Information

#### 5.1.1 General Information of the Company

---

Company Name	: Matching Maximize Solution Public Company Limited
Business Overview	: TV content production and the subsidiaries operating equipment rental service business and studio rental service business
Head Office	: No. 305/12, Soi Sukhothai 6, Sukhothai Road, Dusit Sub-district, Dusit District, Bangkok 10300
Telephone	: 0-2669-4200-9
Fax	: 0-2243-4124 , 0-2243-1494
Homepage	: <a href="http://www.matchinggroup.com">www.matchinggroup.com</a>
Registered capital	: 781,629,851 baht
Paid-up capital	: 781,628,733 baht, consisting of 781,628,733 ordinary shares at 1 baht per share

#### 5.1.2 General Information of the Subsidiaries

---

Company Name	: Gear Head Company Limited
Business Overview	: Equipment rental service business
Head Office	: No.999 Moo 2, Bangbor Sub-district, Bangbor District, Samutprakan 10560
Telephone	: 0-2039-3999
Fax	: 0-2091-8258-9
Branch	: No. 779/34 Prachauthit Road, Samsen Nok Sub-district, Huaykwang District, Bangkok
Telephone	: 0-2691-6395-8
Homepage	: <a href="http://www.gearheadthailand.com">www.gearheadthailand.com</a>
Registered capital	: 175,500,000 baht
Paid-up capital	: 175,500,000 baht, consisting of 1,755,000 ordinary shares at 100 baht

---

Company Name	: The Studio Park (Thailand) Company Limited
Business Overview	: Studio rental service business
Head Office	: No. 305/12 Soi Sukhothai 6, Sukhothai Road, Dusit Sub-district, Dusit District, Bangkok 10300
Telephone	: 0-2669-4200-9
Fax	: 0-2243-4124, 0-2243-1494
Branch	: No. 999 Moo 2, Bangbor Sub-district, Bangbor District, Samutprakan 10560
Telephone	: 0-2034-5999-9
Homepage	: <a href="http://www.thestudioparkthailand.com">www.thestudioparkthailand.com</a>
Registered capital	: 780,000,000 baht
Paid-up capital	: 780,000,000 baht, consisting of 7,800,000 ordinary shares at 100 baht

---

<b>Company Name</b>	: <b>TSP Production Service Company Limited <sup>/1</sup></b>
<b>Business Overview</b>	: Foreign film production coordinator in Thailand/ a joint venture to produce films or a coordinator about film production with individuals/ or juristic persons/ international organizations involved in film production and related activities
<b>Head Office</b>	: No. 999 Moo 2, Bangbor Sub-district, Bangbor District, Samutprakan 10560
<b>Telephone</b>	: 0-2034-5999
<b>Fax</b>	: 0-2674-8090
<b>Registered capital</b>	: 10,000,000 baht
<b>Paid-up capital</b>	: 10,000,000 baht, consisting of 100,000 ordinary shares at 100 baht
<b>Note <sup>/1</sup></b>	Under the business dissolution and liquidation process

### 5.1.3 Information of Registrar

<b>Registrar</b>	: <b>Thailand Securities Depository Company Limited</b>
<b>Office</b>	: 93 Rachadapisek Road, Dindaeng Sub-district, Bangkok, 10400
<b>Telephone</b>	: 0-2009-9000
<b>Fax</b>	: 0-2009-9991
<b>Homepage</b>	: <a href="http://www.set.or.th/tsd">www.set.or.th/tsd</a>

### 5.1.4 Information of Authorized Auditor

<b>Company Name</b>	: <b>Pricewaterhousecoopers ABAS Co., Ltd</b>
<b>Office</b>	: 15 <sup>th</sup> Floor, Bangkok City Building, No. 179/74-80 South Sathorn Rd, Thungmahamek, Sathorn, Bangkok 10120
<b>Telephone</b>	: 0-2286-9999
<b>Fax</b>	: 0-2286-5050
<b>Homepage</b>	: <a href="http://www.pwc.com">www.pwc.com</a>

### 5.1.5 Information of Internal Auditor

<b>Company Name</b>	: <b>JR Business Advisory Company Limited</b>
<b>Office</b>	: No. 288/123, Soi Phutabucha, Kangkae Sub-district, Phutabucha Road, Tungkru, Bangkok, 10140
<b>Telephone</b>	: 0-2815-7862
<b>Fax</b>	: 0-2815-7862

### 5.1.6 Information of Legal Advisor

<b>Company Name</b>	: <b>Siam Premier International Company Limited</b>
<b>Office</b>	: 26 <sup>th</sup> Floor, Central World, No. 999/9 Rama I Rd, Pathumwan, Bangkok 10330
<b>Telephone</b>	: 02-646-1888
<b>Fax</b>	: 02-646-1919
<b>Company Name</b>	: <a href="http://www.siampremier.co.th">www.siampremier.co.th</a>

## 5.2 Other Significant Information

-

## 5.3 Legal Disputes

The Company and the group do not have any legal disputes, which will have negative impact on the Company and the group's assets at a larger extent than 5% of the shareholders' equity in the consolidate financial statement as of the end of fiscal year 2020.

## Part 2

### Corporate Governance



## 6. Corporate Governance Policy

Matching Maximize Solution Public Company Limited (The Company) emphasizes the significance of the management to ensure good corporate governance as this is a key factor to add value and maximize returns to the shareholders as well as all stakeholders in the long term. The Company is committed to development of the corporate governance. The Board of Directors follows the Code of Best Practices and ensures that the Company's business operation is strictly under the supervisory principles of the Securities and Exchange Commission of Thailand (SEC) and the Stock Exchange of Thailand (SET).

Corporate governance is a part of the Company's business operation policies, with the commitment to social responsibility and fairness as well as respects of the right and responsibility for all shareholders, investors, and stakeholders. The Company always reviews and adjusts corporate governance policies to match the ongoing changes in regulations and circumstances.

### 6.1 Overview of corporate governance policies and operation guideline

#### 6.1.1 Policies and operation guideline for directors

Directors are aware and believe that corporate governance will be a key factor benefiting the Company's business operation as it can add value and promote the Company's competitiveness as well as create the returns to shareholders in the long term. In addition, it will also create confidence among shareholders, investors and stakeholders as well as related parties. To succeed in corporate governance operation, all parties in the organization shall collaborate in following the corporate governance principles. Hence, the Company's Board of Directors adjusted the existing corporate governance principles to provide operation guidelines for all management, employees and personnel of the Company as well as the subsidiaries. The corporate government principles cover the following issues.

1. Directors, management and employees will follow the corporate governance principles with understanding.
2. Directors, management and employees will hold on to equal treatment to all stakeholders and perform duties to bring maximum benefits to the Company with faithfulness, transparency and ability to securitize.
3. Ensure appropriate internal control system and risk management
4. Ensure adequate, reliable and prompt disclosure of important information, without any impacts on the Company's rightful benefits.
5. Be aware of and stick firmly to fairness and equality; treat shareholders and stakeholders with equality
6. Directors are encouraged to attend regular trainings, both internally and externally, such as the trainings organized by Thai Institute of Directors (IOD).

#### Nomination and Remuneration of directors and management

In 2013, the Company established the Nomination and Remuneration Committee. The Committee determined the remuneration for the directors and management in 2020, taking into account the business size, the scopes of their responsibilities and the Company's business growth, and propose the amount

of remuneration to the Board of Directors' approval. The remuneration of the Board of Directors and sub-committees must be approved by the shareholders' meeting (details about the remuneration for the directors and management are disclosed in the management section).

#### **Independence of the directors from the management**

The Company has a policy to separate the responsibilities of the chairman of the Board of Directors and the Chief Executive Office; therefore, the two positions are not held by the same person. The duties regarding regular supervisory and management policies of the two positions are clearly separated, thus ensuring the Company's transparent management. This limits the opportunities of conflicts of interests or absolute power of the Chief Executive Officer because the authority and responsibilities of the two positions are clearly separated so as to better bring maximum benefits to the Company and the shareholders.

#### **Development of directors**

The Company has a policy to promote and support all directors, encouraging them to attend a number of relevant trainings to enhance their operation, such as the trainings organized by the OID or other organizations.

### **6.1.2 Policies and operation guideline relating to shareholders and stakeholders**

The Company emphasizes the basic rights of the shareholders and stakeholders, both as the shareholders are both investors and the Company's owners. The Company has a policy to promote the right exercising by the shareholders, as the following details:

1. Right to receive accurate, complete, sufficient and prompt information
2. Right to attend the shareholders of meetings, express opinions and raise questions in the meetings in accordance with the meeting agenda
3. Right to nominate or dismiss directors
4. Right to approve the auditor and propose audit fee
5. Right to propose meeting agenda, that need additional review, in the shareholders' meetings
6. Other rights as stated by laws and the Company's regulations

In addition to basic rights of the shareholders, the Company also facilities and promotes the rights of the shareholders, ensuring that they receive information relating to shareholders' meeting.

1. The Company has a policy to ensure that the shareholders' meetings are organized in accordance with the relevant laws and the regulations of the SEC and the SET.
2. The Company completed the shareholder meeting document including accurate, complete and adequate information, sufficient for the right exercising of the shareholders. The meeting agendas are published on the Company's website within the day that the meeting agenda is approved by the Company's Board of Directors. All information to support meeting agendas are publicized to inform the shareholders 21 days in advance prior to the meeting date.
3. Submit invitation letters that include: the meeting agendas; details of each agenda which clearly states whether it is for acknowledgement. These details are sent to the shareholders no less than 14 days prior to the meeting; moreover, the invitation letters and details about the meeting are also published in the newspapers for three consecutive days at least three days to inform the shareholders.

4. Arrange the proxy documents attached to the invitation letters for the shareholders who may be unable to attend the meeting. Such shareholders may ask any person including an independent directors to act as their proxies.
5. Encourage all shareholders to express their opinions and raise questions, with key issues being recorded in the report of the shareholder meeting minute.
6. Arrange technology devices to be used in the shareholder meetings to ensure that the shareholder meetings are conducted with speed and accuracy.
7. Prior to a meeting, the Company informs the shareholders of the number of shareholders who will be present at the meeting and attend the meeting by proxy as well as the details about meeting method, voting and vote counts.
8. Encourage the use of ballots in the shareholder meetings and encourage the shareholders to vote separately in each agenda.
9. Arrange independent individuals to count and examine votes or witness the vote counts in the meeting. Disclose the votes of agreement, not agreement and no vote in each agenda to the shareholders throughout the meeting. Details of these are included in the meeting minutes.
10. Post the meeting, the Company publishes the meeting resolution of each agenda as well as the votes in each agenda on the Set Portal system of the SET and on the Company's website within 14 days prior to the meeting date.
11. The Company ensures effective storage system for the meeting minutes, which can be examines and used as reference.

#### Equal treat to stakeholders

The Company emphasizes equal and fair treats to all shareholders, i.e., major or minority shareholders, Thai or foreign shareholders. All are treated fairly and equally as following guidelines:

1. All shareholders have the rights and equality of receiving information, expressing opinions and asking questions, in accordance with the meeting agenda and the issues proposed in the meeting.
2. Shareholders are able to obtain the meeting details and agendas from the Company's website prior to the meeting date. To promote the rights of the shareholders, the Company posts an announcement encouraging the shareholders to nominate a person to take the role of a director and suggest additional meeting agendas for the Annual General Meetings of shareholders. In addition, the shareholders are also encouraged to express their ideas about clear operation guidelines.
3. The Company has the policy and operation guidelines about the use of inside information prevent directors, management and employees from wrongly using inside information or preventing inside trading. The securities trading is suspended for one month before the financial statement and inside information are released to the public.
4. Directors and management are required to report the details about their stakeholding so that the Board of Directors can consider any transactions that may involve in conflicts of interest and that may impact overall decision making for the Company's benefits. Directors and management involving in any transactions done with the company shall not take part in decision making in such transactions.

5. Directors and management are required to report the details about their holding and trading of securities to the Company's secretary office, which will submit such report to the SEC, depending on the case, within the duration specified by the laws and related regulations.

#### Control of insider information

The Company emphasizes the transparent and effective corporate governance with fair treatment to securities holders and stakeholders. The Company has a policy to prevent the use of internal information to ensure fairness for all parties and to comply with the Company's code of conduct. There are rules to prevent insider trading among related parties, such as directors, management, and employees of the Company and related firms including their spouses and minor children. The guideline for prevention of the use of key internal information for personal benefits as well as for securities trading is as follows:

1. The Company sets the rules to prevent the use of internal information and include them in the Company's ethical code of conduct and operation guideline, stating that directors, management and employees are not allowed to disclose the Company's information for their personal benefits.
2. The Company limits the number of individuals who are aware of internal information. The passcode system is used to prevent access by outsiders. There are levels to determine the access of the Company's information with each level of the employees in accordance with their roles and responsibilities.
3. The Company arranges all employees to acknowledge and sign in the form stating that they will not disclose confidential information, not do anything wrong about computer use, not infringe intellectual property. New employees are required to sign this form together with the employment form and they are required to declare that they will follow the anti-corruption policies.
4. The Company appoints certain persons to be the center for public information disclosure.
5. Directors, management and employees are prohibited from using inside information they are aware from the positions and using such information to trade securities or engage in future contracts relating to the Company's securities whether or not such transactions generate returns. In addition, they are required to refrain from trading the securities within 30 days before the public disclosure of financial statement or insider information and they are also required to wait at least 24 hours after the aforementioned information is disclosed to public.
6. The Company educates and informs the directors and management of their duty relating the reports of the holding of the Company's securities and related future contracts according to Section 59 of the Securities Act B.E 2535 (including the amendment). These include the holding of themselves and their spouses and minor children in case they hold the combined securities at over 30% of the voting right of such juristic person. If anyone holds such securities and future contracts, they should report their stakeholding relating to the changes of the securities of the Company arising from the purchase, disposal and receive of the transport of securities.
7. Directors and management who hold the Company's securities or future contracts shall inform the Company's secretary, who will help facilitate and cooperate about submitting the reports of the holding of securities and the future contracts to the SEC.
8. Directors and management are required to report about all changes in the holding of the Company's securities and future contracts in the Board of Directors' meetings.
9. Directors, management and employees who do not follow the aforementioned guideline shall be deemed as guilty of violating the Company's rules, depending on each case.

*Prevention of Conflict of Interests*

Realizing possible conflicts of interests, the Board of Directors issues guidelines as a part of the code of ethical business for all management and employees to avoid any personal conflicts of interests with the Company and shareholders when dealing with trade partners and other parties.

Moreover, Board of Directors meetings determines transactions that may cause conflicts of interests or connected transactions and appropriately review them in the board meetings. The Board of Directors clearly determines guideline policies as well as approval procedures in accordance with the Stock Exchange of Thailand's regulations. For example, a person who has conflicts of interest or is a connected party shall inform the Company of his/her relationship or connection with such transactions and shall not attend the meeting for such agenda and vote (i.e. no approval power). In addition, pricing and conditions of the connected transactions shall be conducted in the same manner as normal business practices done with third parties. If some expertise in certain areas is needed, the Company shall seek independent opinions from external specialists such as an auditor or other advisors. The opinion of the Audit Committee and/or other consultants shall be incorporated in decision making process of the Board of Directors and/or shareholders depending upon the related rules and regulations. Such transactions are to be disclosed in the Company's annual report, 56-1 Form and financial statements.

**Anti-fraud and corruption**

The Company has a policy to promote and support anti-corruption action and act against any forms of bribery to demonstrate our intention to act against frauds and corruption. On November 25, 2020, Matching Maximize Solution Public Company Limited signed in Thailand's Private Sector Collective Action Against Corruption in order to prevent directors, management and employees of the Company from involving in any forms of corruptions both directly and indirectly. They are also required to strictly follow the guidelines against corruption. This practice was expected to benefit the organization as well as its operation. They should follow operation guideline, not offering or accepting bribes, neither in the monetary form or non-monetary form to state or private organizations which the Company contacted. They should follow anti-corruption policies and regularly review the operation guidelines.

**Operation Guideline**

1. The Company shall support and encourage all personnel to see the significance of anti-corruption practice and implant the awareness against corruption in employees' mind as part of the Company's organizational culture.
2. The Company shall educate and make the same understand with external parties who make business contact with the Company concerning the practice against corruption
3. The Company shall arrange the internal control system to prevent any corruption actions covering the sale, the purchase, the agreement, the human resource management, the accounting and finance, the accounting record and data record, the operation as well as other procedure relating to anti-corruption measures.
4. The Company has arranged the payment procedure, with clear approval process and the approval limit indicated. Any disbursement and payment apart from the Company's business operation must be accompanied by clear supporting documents to prevent improper disbursement and inappropriate political assistance. It should also be ensured that any payment for charity or donations is not done to support any corruption actions. Also, it must always be ensured that the disbursement to support business operation is not done on the pretext of engaging in any corruption.

5. The Company arranges risk management measures to prevent corruption that may arise from business operation. The risk levels should be assessed both in terms of the chance of risks and possible impact. The Company also monitors the progress of risk management to prevent risks and review risk management measures and ensure that the risk is at the acceptable levels.
6. The Company arranges internal control operation to ensure that the Company's existing risk management system in regard to corruption helps the Company to achieve the set objective. In addition, the Company shall examine the internal operation to ensure that it goes well in line with the Company's rules and regulations.
7. The Company assigns the management to monitor and control the operation of employees at all levels as well as related parties. In particular, employees under the supervisory of the management shall understand and strictly follow the Company's anti-corruption policy.
8. Directors, management and employees as well as related parties are required to strictly follow the Company's anti-corruption policy, corporate governance policy, code of ethical business and regulations. They are prohibited from involving in corruption both directly and indirectly.
9. Directors, management and employees are prohibited from offering or receiving gifts, entertainment and improving any payment to and from government officials or any individuals who do business with the Company. The Company's personnel who are offered any gifts with unusually high value are required to reject the gifts and report the matter to their supervisor immediately.
10. The Company's personnel shall not ignore when they witness any actions deemed as corruption, which relates to the Company. In light of this incident, they should inform their supervisor or responsible persons. They should also collaborate in the investigation procedure. Should they have any problems or questions, they shall consult with their supervisors.
11. Directors, management and employees are required to sign their signatures to acknowledge the Company's anti-corruption policy; this practice can confirm that all employees are aware of and understand the Company's policy and they are also willing to strictly follow the corporate governance principle in regard to the anti-corruption policy as part of their work operation.

#### Political assistance

The Company and the subsidiaries are politically neutral; hence, the Company has set the following basic operation guideline for political assistance.

1. The Company supports any practice under the laws and the democratic form of government with the King as Head of State. The Company does not have any operation practice to offer any assistance to any political parties, either directly or indirectly.
2. Directors, management and employees have the right and freedom to express their political view under the laws; however, they shall not do anything that will cause the Company to lose its neutral political stance. They shall not do anything that cause damages to the Company, resulting from political action involvement.
3. Directors, management or employees shall not use any sources of the Company for political activities and they shall not perform any political activities in the Company.



### Donation to charity

Support for community development and enhancement of living quality and healthcare, education, cultural arts and environment is part of the Company's activities to support the society. To ensure that social support activities are not ways for corruption, the Company has the following guidelines for donation to charity.

1. In donation to charity under the name of the Company, receivers must be foundations, charitable organizations, temples, hospitals, educational institutions, or organizations for society. All these organizations must have certificates for verification. To make a donation to activities, such activities must be able to be proved that they are really organized for charity and they are activities aimed at achieving the project's objectives and really benefiting the society.
2. To make a donation for charity, the Company must make sure that the money is really used for charity, without any objective to use charity as a way to conceal corruption.
3. After making a donation for charity, there must be clear documents, such as receipts or certificate of donation, clearly indicating the donator name, the amount of donation and the objective of donation. The donation procedure must also conform to the Company's regulation in order to ensure that the donation for charity is not a way to conceal corruption.

### Cash sponsorship

For cash sponsorship, there must be the proof that the sponsorship helps the sponsored project to succeed for public relation purposes and thus the good image for the Company. Alternatively, the sponsorship can be done as part of real corporate social responsibility activities. The activities must be transparently and lawfully conducted in order to avoid any hidden purposes and prevent the activities that may be claimed and used to conceal bribery. The principles for cash sponsorship are as follows:

1. In approving the sponsorship, there must be the proof that the person(s) requesting for the sponsorship will really organize the activities and that the sponsorship helps the sponsored project to succeed for public relation purposes and thus for good image for the Company or that the sponsorship is offered as part of the corporate social responsibility.
2. There must be the proof that the cash sponsorship does not relate to offering of some benefits to the Company's personnel or any organizations and that the sponsorship is not claimed as the pretext for corruption.
3. Do not offer or request cash sponsorship or agree to offer cash sponsorship or some other benefits to state officials, both locally and internationally, or officers of international organizations. Do not perform anything that motivate others to perform wrong actions. Everyone is required to strictly follow the internal control measures in order to prevent the Company's personnel or related parties from doing any unlawful actions.

### Offer and receipt of gifts, entertainment and other expenses

The Company improperly offering gifts or entertainment or spending on other expenses for clients may be opens the opportunities for risk of corruption as these events may pave the way for directors, management and employees to involve in bribery. Moreover, any actions that violate the policies of certain clients or partners may lead the some opportunity losses. The Company emphasizes the significance of creating of good relation with business partners while maintaining the Company's good reputation as the entity that operates business with faithfulness and lawfulness. The criteria for disbursement of gifts, payments for entertainment and services are as follow:

The Company does not have a policy to offer money, gifts, and benefits in any forms to clients, business partners of external organizations or stakeholders in a bid to gain business profit, except for usual business lunch or dinner, discounts or sales promotional programs.

1. Neither offer nor receive any gifts or any benefits that may influence decision making or lead a person to neglect to properly perform duties or fail to work to conform to the Company's regulation, code of ethical business, rules, and work procedure as well as laws.
2. Gifts and some fee for entertainment and service must be offered under the Company's name; the person who does not duty shall do it as the authorized person or the Company's representative, except for the case that is necessary under the business norm. The value of entertainment or service shall not exceed 5,000 baht per person.
3. The persons receiving entertainment or service must not be directors, management or the Company's employees, except those who are assigned to participate in such activities.
4. The expenses for entertainment and services must directly relate to the entertainment or services that can facilitate business operation, such as travel allowance, accommodation allowance, food and drink allowance, entertainment performance and sport related expenses.
5. The HR manager/ assigned units have the responsibility in compiling the list as reviewed by various units in order provide gifts for them, which will be done in accordance with the normal business norm, such as new year gifts, and the list shall be subsequently approved by the authority.
6. The working group on anti-corruption hold the responsibility to review the offering and receiving of gifts, entertainment or other expenses to ensure that the related procedure strictly conforms to the anti-corruption policy and the working group also has the duty to make the report to the Corporate Governance Committee.

#### Receipt of gifts or any other benefits

The Company has a policy not to receive any gifts or souvenirs or any forms of benefits in any cases, which may relate to any contacts under the name of the Company, except for the case that the receipt of gifts relates to the personal relation without any impact on decision making or causing the person to neglect to do his/her job. The Company's personnel have the duty to inform external parties of the Company's policy about gift receipt. In case of the necessity to receive any gifts, each department must compile the gifts and record the receipt in the "gift receipt record form" and submit such gifts to the central administration office to management the gifts. The operation guideline is as follows:

- 1) Do not receive cash or cash equivalent, such as cheque, bonds, securities and property
- 2) The gifts must not be illegal objects.
- 3) In case of fruit baskets, the baskets must be submitted to the central administration office on the following day at the latest.
- 4) In case of fresh food, such as cake, fruits, sweets, supervisors in each department shall decide to manage such gifts, e.g., sharing or distributing them within the departments or to other departments
- 5) In case of calendars, diaries or key chains with symbols of sending organizations, department's managers shall receive them and consider distributing them to employees.
- 6) In case of the receipt of gifts or souvenirs under organizations to organizations, such as from contract signing, such gifts shall be deemed as the Company's property and be kept at the central administration body, i.e., the secretary of the Corporate Governance Committee who will control the receipt and the distribution of the gifts in the future.

**Business entertainment**

Business entertainment, e.g., business luncheon, recreational activities related to business operation or any trade practice norms as well as any activities aimed at creation of knowledge and understanding of the business and the trade, can be reasonably conducted and these activities must not influence decision making in business operation or cause conflicts of interest.

- 1) Those who seek approval must make a clear written record, indicating the details, the objectives, the venue and the organizations to whom the entertainment is offered. The record will be submitted to the authority for further approval and the approval will depend on the budget limit and authority indicated in the Company's authority table.
- 2) Approvers should examine the approval request, taking into account the objectives, opportunity and appropriate value before considering approval.
- 3) Those who seek approval must show the receipts, thank you notes or other documents as supporting documents to show proof for further disbursement and accounting records.

**Requirement and Procurement**

The recruitment and procurement within the Company must be done with transparency and faithfulness in compliance with the Company's requirement and procurement as well as the laws and regulations of the state and private sectors, including any laws to prevent improper use of power as well as the rules and regulations issued by the Office of National Anti-Corruption Commission

**Risk Assessment**

1. The Company's management must understand possible risks arising from bribery and corruption and they shall communicate to employees to ensure that employees in all levels understand risks and collaborate to work on effective risk management.
2. The Company will conduct risk assessment from various transactions done by the Company. There may be some steps or process that may provide opportunities for bribery and corruption. The Company reviews the overall risk management policies regularly at least once a year and always ensure that the existing risk management measures are appropriate to prevent or reduce risks in order to limit risks to the acceptable levels.

**Internal Control and Internal Audit**

The Company arranges the internal control system to prevent bribery and corruption; the internal control system shall cover finance aspects as well as accounting and data record processes including other processes relating to anti-corruption measures.

1. The Company manages the internal audit process annually by hiring an external auditor in order to ensure independence auditing operation and ensure that the business operation is conducted within the right and appropriate boundary and that the Company follows policies, laws and regulations relating to the business.
2. The Company reviews the auditing operation by the authorized auditor every quarter and every year, according to the accounting standards and regulations of related organizations.

**Recording and keeping of accounting information**

1. The Company has a process to examine accounting transactions and appropriately approve the transactions in the accounting system. The Company will consider various policies, regulations, related laws, contracts, and agreement. All transactions must be done in accordance with appropriate accounting standards and policies.

2. Operating expenses and investment expenditures must be accompanied by correct and complete supporting documents. They must be approved, based on the budget limit and authority as indicated in the policies about operating expenses and capital expenditure.
3. Financial reports must be completed accurately and must be reliable. The information must be significant, accurate and complete. The reports shall include connected transactions and possible liabilities.
4. The Company has a policy to control the record of accounting documents and ensure that the records are sufficient and safe, so that the accounting documents can be examined immediately. Access to accounting data shall also be controlled and spare data shall be safely kept.
5. The Company creates the system to maintain the data system to prevent the access of data, revision to data, improper data completion in the work operation system, computer work system and data protection system.

#### Human Resources

The Company will use this policy as part of human resource management operation, starting from recruitment, selection, trainings, performance evaluation, rewarding and promotion. Supervisors in all levels must communicate with employees to ensure that they follow the policy with the business activities under their responsibility and to ensure that the operation is efficiently conducted. Moreover, the Company also arranges that all personnel declare that they acknowledge the anti-corruption policies. The Company will protect employees and will not reduce position, punish employees or cause any negative impacts on employees who refuse to engage in any corruption activities.

#### Trainings and communication

1. Directors, management and employees shall continue to receive trainings or acknowledge anti-corruption policies in order that they are aware of the policies. In particular, they should be aware of various forms of corruption, risks arising from possible involvement in corruption. In addition, there should be reports in case of any suspicions about corruption. Moreover, the training about this policy will be part of the orientation program for new directors, management and employees.
2. The Company will communicate the anti-corruption policy to representatives, business intermediary, distributions or goods/services and contractors, starting from the time when business contacts begins and afterwards as appropriate. The Company supports representatives, business intermediary, distributions or goods/services and contractors, to adhere the standards of the social responsibility, as the Company does.

#### Whistleblowing or complaining

All directors, management and employees have the responsibility to monitor general monitoring. Should they have questions or there is any evidence that directors, management, employees or any person involve in corruption, illegal actions or should anyone be treated unfairly, they may inform or lodge a complaint with the Company, as the follow procedure:

#### Complaint channel

Complaints can be filed verbally or in a written form or via an email to the following bodies.

1. Audit Committee, Tel: 02-669-4200-9; Fax: 02-243-4124 or e-mail: [AC@mmsbangkok.com](mailto:AC@mmsbangkok.com)
2. Corporate Governance Committee, Tel: 0-2669-4200-9; Fax: 02-243-4124 or e-mail: [CG@mmsbangkok.com](mailto:CG@mmsbangkok.com)
3. Director of the Human Resource Department; Tel: 0-2669-4200-9 or e-mail: [HR@mmsbangkok.com](mailto:HR@mmsbangkok.com)
4. Complaint through e-mail: [whistle@mmsbangkok.com](mailto:whistle@mmsbangkok.com)
5. Suggestion box in front of the finger scan machine

### Conditions and review of complaints or clues for wrongdoers

#### Process to investigate fact

1. Complaints are received, followed by the process of investigating and compiling fact or person(s)/ unit(s) may be assigned to be representatives to handle the matter within three working days.
2. Complaint responders/ assigned persons can invite the involving employees to give information or ask them to submit relevant documents to find out the fact.
3. After a complaint passes the review, the compliant responders shall report to the top management before reporting to Corporate Governance Committee and Corporate Governance Committee.
4. After the matter being complained is found to be real, the person involve in that matter must receive disciplinary punishment or legal punishment. The human resource department shall propose the matter for the top executive to consider.

#### Measures to protect complainers/informants

Complainers/informants or cooperators in the investigation shall be protected as follows:

1. Complainers/informants or cooperators in investigation are not required to disclose their identities if they view that disclosing their identities may cause danger or any impacts on themselves or closed ones.
2. Any information that can identify complainers, informants, and cooperators must be kept confidential. Relevant actions will be carefully taken as necessary for the purpose of seeking the fact, with the safety and possible impact on complainers, informants, cooperators or related persons to be seriously taken into consideration.
3. Complainers, informants, and cooperators in the investigation or cooperators who faithfully provide. True information will not receive disciplinary punishment and they will be protected against any actions that impact or cause unsafety, such as threatens, intimidation, detention, work disturbance, libel action or unfair
4. In the case that complainers/informants or cooperators in the investigation believe they are threatened, intimidate, detained, disturbed at work or face any label action or unfair treatment, they shall report to the human resource department and if the issue remains unsolved, they should report the matter through the aforementioned channels.

#### Monitoring and Reviewing

1. The Company arranges the monitoring and reviewing of the policy and operation guideline for prevention and act against fraud and corruption regularly (at least once a year), considering new laws and regulations, risk assessment and changing situations or environment. Corporate Governance Committee should be assigned to consider the adequacy and the effectiveness of the anti-corruption measures and report to the Board of Directors.
2. The internal control department will examine the internal control process regularly and report any unusual issues immediately to ensure that the internal control system is effective in terms of anti-corruption measure. The points from the examination result will be discussed in order to seek appropriate solution and then the report on the internal control examination should be reported to the Chairman to the Board of Directors and the Corporate Governance Committee.

Moreover, the Company also arranges that the report about compliance with the anti-corruption policies is made to the Board of Director so that the Board can acknowledge and monitor regularly at least once a quarter.

## 6.2 Code of Ethical Business

### 1. Definitions and Meanings

Ethics refer to stated decent behaviors to practice or the ethics can also mean the treats to other people with fairness.

Code of ethical business refers to stated decent behaviors for directors, management and employee to practice. The code of ethical business must be adequately clear so that it can prevent wrongdoing or improper actions that may lead to damages or bad consequence and it should reflect the organization's desire to have everyone do any action under laws and regulations, based on the organization's policies and value principles. Moreover, the code of ethical business must always be reviewed or updated in order to ensure that the operation guideline is always based on the faithfulness principle and high standards.

### 2. Practices in compliance with the code of ethical business

1. Matching Maximize Solution Public Company Limited and the companies under the group wish to have all directors and employees understand and follow the standards stated in the code of ethical business, which covers the following issues.
  - Persuade, stimulate and attract directors and employees to collaborate in creating value to the organization.
  - Expectation and benefits of directors and employees as well as key stakeholders in the business of the organization, namely shareholders, directors, management, employees, clients, business partners, payables, competitors, community, society, environment and the state sector
  - Ensure that the legal rights of all stakeholders are protected.
  - Treat all stakeholders faithfully, transparently and fairly.
2. In case there is a problem relating to practice or certain points need improvement, supervisors should be informed, based on the chain of command,

## 6.3 Key changes and development of the policy, operation guideline and the corporate governance system in the past year

The Corporate Governance Committee outlined the corporate governance policy and the code of ethical business for directors, management, and employees to practice. The Company also saw that the companies under the group also applied the policy and guideline appropriately and adequately for the Company's business, based on faithfulness, honesty, transparency, fairness, and relevant laws. The Company reviewed policy, code of ethical business, and charter of committees every year in order to remain updated amid the changing situations and circumstances.

In 2020, the Company fine tune some points of operation guideline to match the changes in the business structure of the Company and the group in August 2020. In light of this, the Company launched the early retirement program, based on the Corporate Governance Code 2017 (CG Code) for SE-listed firms announced by the SEC and the SET. The Company believes that the management process under the corporate governance principle meets the international standards and it can enhance the competitiveness for the organization. It can make the Company become more widely accepted both domestically and internationally. This is the key factor for the Company to reach our business goal and add more business value to the Company. Furthermore, it can also create confidence among all groups of stakeholders.

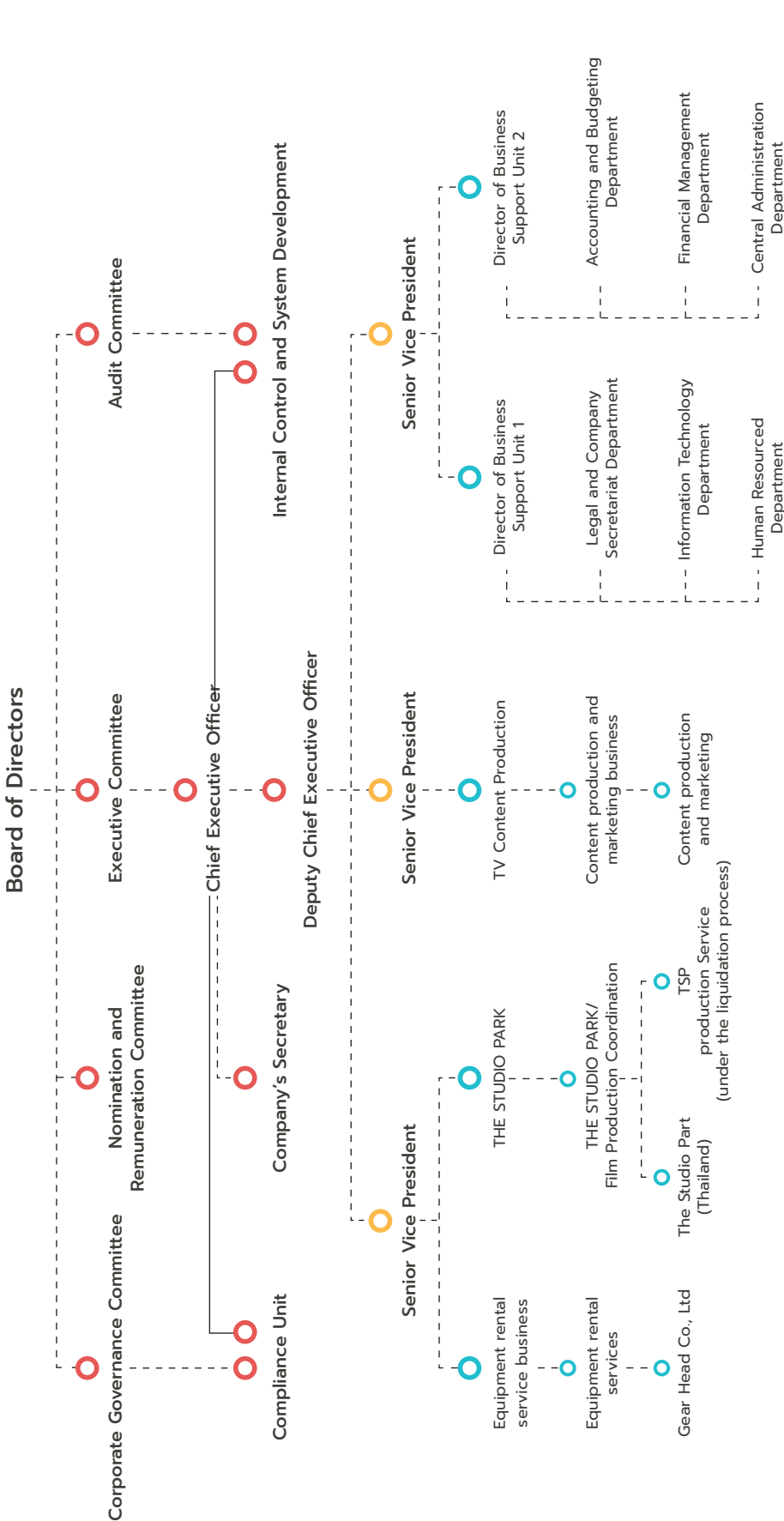
The Corporate Governance Committee reviewed the anti-corruption policy and assigned the anti-corruption working panel to outline and fine-tune relevant operation guidelines, regulations, and policies as well as the code of ethical business and relevant charters. In addition, the committee also arranges the channels to publicize information and receive complaints in order to lift the standard of the Company certified as a company under Thailand's Private Sector Collective Action Against Corruption 2020.



7. Corporate Governance Structure and key information about Board of Directors, sub-committees, management, employees and others

7.1 Corporate Governance Structure as of February 28, 2021

Matching Maximize Solution PLC.



The Company's management structure consists of Board of Directors and four sub-committees: 1) Executive Committee; 2) Audit Committee; 3) Nomination and Remuneration Committee; and 4) Corporate Governance Committee. The details are as follows:

## 7.2 Details about Board of Directors

### Board of Directors

As of December 31, 2020, the Board of Directors (BOD) consisted of the following nine members:

Name	Position	BOD Meetings in 2020		
		No. of attendance	Total meetings	(%)
1. Mr. Sansrit Yenbamrung	Chairman of the BOD	17	17	100
2. Mr. Akarat Na Ranong	Independent Director and Chairman of Audit Committee	17	17	100
3. Mr. Chatrapee Tantixalerm	Independent Director and member of Audit Committee	17	17	100
4. Mr. Kamol Ratanachai	Independent Director and member of Audit Committee	15	17	88.24
5. Mr. Poomchai Wacharapong	Director	16	17	94.12
6. Yaowalak Poolthong, PhD.	Director	17	17	100
7. Mr. Chayanont Ulit <sup>/1</sup>	Director	6	6	100
8. Mr. Neil Wayne Thompson <sup>/2</sup>	Director	-	-	-
9. Mr. Komkrit Sirirat <sup>/3</sup>	Director	-	-	-

Note <sup>/1</sup> Mr. Wiroj Bunsirungruang resigned from the director position, effective on August 1, 2020 and the BOD meeting No. 10/2020 on July 29, 2020 resolved to appoint Mr.Chayanont Ulit to fill in the vacant director position, effective on August 1, 2020.

<sup>/2</sup> Mrs. Natnapang Jongsomjit resigned from the director and executive director positions, effective on December 15, 2020 and the BOD meeting No. 16/2020 on December 23, 2020 resolved to appoint Mr.Neil Wayne Thompson to fill in the vacant director position to replace Mrs. Natnapang Jongsomjit, effective on December 23, 2020.

<sup>/3</sup> Mr. Somkiat Charoenpinyoying resigned from the director and executive director positions, effective on December 15, 2020. The BOD meeting No. 16/2020 on December 23, 2020 resolved to appoint Mr.Komkrit Sirirat to be the director, replacing Mr. Somkiat Charoenpinyoying, effective on December 23, 2020.

### Scope of duties and authority of the Board of Directors

1. Manage and ensure that the Company's business operation conforms to the laws, objectives, and the regulations as well as the lawful resolutions of the shareholders' meetings with honesty and trustworthiness; and maintain benefits of the Company.
2. Determine objectives, guidance, policies, business plans, and budgets of the Company; control and supervise the Executive Committee to ascertain that they follow the assigned policies except for the following matters: The Board of Directors must receive the resolution of the shareholders' meeting regarding the following matters; increases or decreases in shares of registered capital; issuances of debentures; disposition or acquisition of all or parts of the Company's business to other parties; acquisition or transfers of other company's businesses; and amendments to the letters of memorandum or articles of association, and etc.
3. Consider appointing some sub-committees, as deemed appropriate, to be Executive Committee, Audit Committee, Corporate Governance Committee, and Nomination and Remuneration Committee or other sub-committees to perform duties as assigned by the Board of Directors.

4. Assign individuals to operate the Company's business affairs under the Board of Directors' supervision; approve certain degree of authority to such individuals within a timeframe as deemed appropriate by the Board of Directors; and the Board of Directors may cancel, dismiss, or amend such authority.
5. Perform duties by applying knowledge, skills, and experiences to bring utmost benefits to the business operation of the Company, with honesty, morality and responsibility to shareholders; and disclose information to investors accurately, completely and transparently.
6. Make sure that the Company's management performs duties efficiently in accordance with relevant laws, the Company's objectives, regulations and policies; and instruct the management to present significant matters concerning the Company's operation and connected transactions for review so as to be certain that those matters and transactions are conducted in compliance with the rules and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand.
7. Arrange the internal audit department for internal control, monitoring the internal business operation and cooperating with the Audit Committee.

For any matter that a director or an authorized individual may involve in a conflict of interests with the Company and its subsidiaries, such director or authorized individual shall not have a voting right to cast votes for that particular matter.

### 7.3 Details about the sub-committees

The Company's management structure consists four sub-committees: 1) Executive Committee; 2) Audit Committee; 3) Nomination and Remuneration Committee; and 4) Corporate Governance Committee. The details are as follows:

#### 7.3.1 Executive Committee

As of December 31, 2020, the Executive Committee was comprised of the following six members.

Name	Position
1. Mr. Sansrit Yenbamrung	Chairman of the BOD
2. Mr. Poomchai Wacharapong	Executive Director
3. Yaowalak Poolthong, PhD.	Executive Director
4. Mr. Chayanont Ulit <sup>/1</sup>	Executive Director
5. Mr. Neil Wayne Thompson <sup>/2</sup>	Executive Director
6. Mr. Komkrit Sirirat <sup>/3</sup>	Executive Director

Note <sup>/1</sup> Mr. Wiroj Bunsirungruang resigned from the director position, effective on August 1, 2020 and the BOD meeting No. 10/2020 on July 29, 2020 resolved to appoint Mr. Chayanont Ulit to be the executive director, effective on August 1, 2020.

<sup>/2</sup> Mrs. Natnapang Jongsomjit resigned from the director and executive director positions, effective on December 15, 2020 and the BOD meeting No. 16/2020 on December 23, 2020 resolved to appoint Mr. Neil Wayne Thompson to fill in the vacant director position to replace Mrs. Natnapang Jongsomjit, effective on December 23, 2020.

<sup>/3</sup> Mr. Somkiat Charoenpinoying resigned from the director and executive director positions, effective on December 15, 2020. The BOD meeting No. 16/2020 on December 23, 2020 resolved to appoint Mr. Komkrit Sirirat to be the director, replacing Mr. Somkiat Charoenpinoying, effective on December 23, 2020.

Duties and responsibilities of the Executive Committee

1. Propose to the Board of Directors to consider approving the following matters:
  - goals
  - business policies
  - business plans
  - business strategies
  - management power
  - annual expenditure budget
  - risk management policies
  - scope of authority and responsibilities of the managing director
  - other matters that may have significant impacts on the company's operation
  - other matters that the Executive Committee views that they are necessary to be proposed for approval or that they are relevant to the rules set by the Company's Board of Directors
2. Ensure that the Company's operation is in line with the Company's business policies, business plans as well as business strategies already approved by the Company's Board of Directors.
3. Control and oversee the Company's business policies, business plans, and business strategies as well as earnings performance of the subsidiaries.
4. Be authorized to approve the borrowing or loan applications to finance the Company's normal business operation and also to act as a guarantor and settle the payment to support the Company's core business operation, with each transaction value not exceeding 20,000,000 baht or equivalent. Such amount ceiling shall conform to the ceiling approved by the Board of Directors. However, this ceiling is subject to change as appropriate, under the Board of Directors' consideration.
5. Review and approve liquidity management for various transactions including deposits, bills of exchanges of financial institutes, government bonds, mutual fixed-income funds for the amount not exceeding 30,000,000 baht; and review deposit transaction reports prepared by the financial management department.
6. Outline the Company's organization and management structure including recruitment, training, employment and termination of employment contracts
7. Consider investment in projects or securities or joint venture deals as approved by the Company's Board of Directors.
8. Perform other duties as occasionally assigned by the Board of Directors.

However, in any transaction that may lead to conflicts of interest or personal benefits for any members of the Executive Committee (according to the Notification of the SEC), the Executive Committee shall propose the transaction to the Board of Directors for further approval. A particular member of the Executive Committee with possible conflicts of interests shall not have a voting right in the Board of Director's meeting regarding that transaction.

### 7.3.2 Audit Committee

In 2020, the Audit Committee comprised the following three independent members.

Name	Position
1. Mr. Akarat Na Ranong	Chairman of Audit Committee
2. Mr. Chatrapee Tantixalerm	Member of Audit Committee
3. Mr. Kamol Ratanachai	Member of Audit Committee

Mr. Kamol Ratanachai is an independent director and a member of Audit Committee, who possesses knowledge and experience in the Company's financial statement review

#### Terms and Appointment of members of Audit Committee

The Board of Directors appoints three independent directors to be the members of the Audit Committee. At least one of the three independent directors is required to possess knowledge and experience in accounting and finance. The members of the Audit Committee must be independent as stated in the rules and regulations concerning qualifications and scope of duties and responsibilities of the Audit Committee announced in the Notification of the Stock Exchange of Thailand. The members of Audit Committee shall serve the term of three years. Once the term is completed, they shall be re-elected. The Audit Committee reports directly to the Board of Directors and their scope of duties and responsibilities, as stated in the charter of the Audit Committee, is reviewed and adjusted at least once annually.

In case a position of Audit Committee member is vacant due to other reasons, apart from the normal term completion, the Board of Directors shall appoint a qualified individual to fill in the vacancy within 90 days. The replacement shall be in the position only for the remaining duration of the successor.

#### Scope of duties and responsibilities of the Audit Committee

The Audit Committee has duties and responsibilities according to the rules and regulations of the Stock Exchange of Thailand B.E 2551 which became effective from July 1, 2008 onwards. The duties and responsibilities are as follows:

1. Review the financial statements, ensuring that they are accurate and adequate.
2. Review the Company's internal control system and internal audit system and make sure that they are appropriate and effective; review and approve the charters of the internal organization, business plans and budget; ensure the independence of the internal audit department; provide opinions concerning appointments, transfers, and employment termination of the internal audit head or of any other departments overseeing internal audit affairs.
3. Review the Company's operations and make sure that they conform to the rules and regulations of the Stock Exchange of Thailand, and any other laws related to the Company's business operation.
4. Consider proposing an independent individual as the Company's auditor as well as proposing the auditor fee; attend the meetings with the auditor, without the presence of the management, at least once a year.
5. Review connected transactions or some transactions that may cause conflicts of interest in order to ensure that those transactions are in compliance with the regulations of the Stock Exchange of Thailand; and make sure that those transactions are justified and bring maximum beneficial to the Company.

6. Prepare Audit Committee Report to be included in the Company's annual report; the report must be signed by the Chairman of the Audit Committee and at least contain the following details:
  - a) Opinions concerning accuracy, adequacy and reliability of the Company's financial reports
  - b) Opinions concerning sufficiency of the Company's internal control system
  - c) Opinions whether the Company follows the laws related to securities and the stock market, regulations of the Thai stock market and the laws related to the Company's business
  - d) Opinions whether the Company's auditor is qualified
  - e) Opinions concerning some transactions that may cause conflicts of interest
  - f) Opinions in regard to the number of the Audit Committee meetings and the attendance of each member
  - g) Opinions or overall notes that the Audit Committee receives from the charter-based operation
  - h) Other matters that should be disclosed to the shareholders and investors under the scope of responsibilities assigned by the Board of Directors
7. Perform other duties as assigned by the Board of Directors and approved by the Audit Committee.
8. Review the Company's risk management and ensure effective risk management.
9. Report the operation performances of the Audit Committee to the Board of Director at least four times a year.
10. Be empowered to hire advisors or external parties, as stated by the Company's regulations, to provide opinions or consultancy as necessary.
11. Be empowered to invite directors, management, department heads, or the Company's employees to discuss or answer the Audit Committee's questions.
12. Review the scope of authority and responsibilities and evaluate the annual performance of the Audit Committee.
13. Should the Audit Committee find that the following matters may have a significant impact on the Company's financial statement as well as its operating performance, the Committee will report to the Board of Directors in order to improve the matters within the set timeframe as found appropriate by the Audit Committee.
  - a) Transactions involving conflicts of interests
  - b) Corruptions or unusual matters or significant defects of the internal control system
  - c) Violation of the laws concerning rules and regulations of the Stock Exchange of Thailand, and any other laws related to the Company's business operation
14. In case the auditor finds some unusual matters that may indicate that the Chief Executive Officer or any individuals in charge of the Company's operation violate the laws, the auditor should notify the Audit Committee for immediate scrutiny. The preliminary scrutiny result should be submitted to the Securities and Exchange Commission and the auditor within 30 days, starting from the date the auditor reports such suspicious matters. The suspicious matters and the scrutiny procedures should comply with the regulations of the Capital Market Supervisory Board.
15. Review and amend the charter of the Audit Committee as well as reference issues once a year; and propose the amended charter of the Audit Committee to the Board of Directors for approval. This can be done only at the BOE meetings.



Note that the aforementioned scope of authority of the Audit Committee does not include the power that enables a member of Audit Committee or an authorized representative for that member to express opinions about any cases that the particular member or the representative or any persons with connected transactions (as announced by the Securities and Exchange Commission and/or the Notification of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand) may have conflicts of interests with the Company, its subsidiaries and related companies.

### 7.3.3 Nomination and Remuneration Committee

The Board of Director meeting No. 1/2013 on January 25, 2013 resolved that the Company set the Nomination and Remuneration Committee. The Committee has a responsibility of setting policies and criteria to select, and nominate persons to be the directors in the BOD, members of sub-committees and top executive as well directors for subsidiaries for which the Company holds shares of at least 50%. In addition, the Nomination and Remuneration Committee also has the responsibility to consider approving the appropriate remuneration amount for the Company's directors and management.

As of December 31, 2020, the Nomination and Remuneration Committee consisted of the following three members.

Name	Position
1. Mr. Sansrit Yenbamrung	Chairman of Nomination and Remuneration Committee
2. Mr. Chatrapee Tantixalerm	Member of Nomination and Remuneration Committee
3. Mr. Kamol Ratanachai	Member of Nomination and Remuneration Committee

#### Scope of duties and responsibilities of the Audit Committee

1. Determine policies, regulations and operation guidelines:
  1. Determine policies, regulations, and guidelines for selection and nomination of the Company's directors, sub-committee members as well as top management officers, e.g., the Chief Executive Officer, Deputy Chief Executive Officer, and Senior Vice President.
  2. Determine policies, regulations, and guidelines for selection and short-listing of qualified individuals to be directors or hold other equivalent positions at the companies that the Company holds stake at least 50%; and/or select suitable persons from those companies to take a role for such positions.
  3. Determine policies on remuneration and other benefits as well as other packages for directors, sub-committee members and top management members of the Company including the position of managing director and equivalent positions in the companies where the Company holds stake at least 50%.
2. Select or nominate qualified individuals: The Committee is to select or nominate qualified individuals and propose those nominated persons to the Company's Board of Directors, for the following positions:
  1. Directors
  2. Members of sub-committees that report directly to the Board of Directors
  3. Management members, including Chief Executive Officer and/or Deputy Chief Executive Officer, Senior Vice President, as well as those in the same positions at any companies where the Company holds stake at least 50%

### 3. Review remuneration details

The Committee is to ensure that the Company's directors, sub-committee members, management members, i.e., Chief Executive Officer, Deputy Chief Executive Officer, and Senior Vice President, receive suitable remuneration packages in accordance with their responsibilities as well as the Company's policies in line with peers in the industry. Any directors who hold greater responsibilities shall receive suitable remuneration packages accordingly.

### 4. Other responsibilities

1. Ensure that the size and composition of the Company's Board of Directors are suitable for the organization and the changing environment; The Board of Directors shall consist of individuals with knowledge, skills, abilities and extensive experience in various fields that would benefit the Company's corporate governance and business operation.
2. Set guidelines for appraisal of the performance of Directors and management members including Chief Executive Officer and/or Managing Director, Deputy Managing Director, Assistant Managing Director in order to review the annual remuneration, based on scopes of responsibilities and relevant risks. The Committee shall also take into account the value addition for shareholders in the long term when appraising the performance.
3. Appraise performance of the Company's Directors and Chief Executive Officer
4. Complete and the succession plan for Chief Executive Officer and consider approving the succession plan other top executive positions, such as Deputy Chief Executive Officer and Senior Vice President.
5. Disclose the policies and report the performance of the Nomination and Remuneration Committee and include the details about remuneration packages in the Company's annual report.
6. Seek opinions from independent advisers who possess particular expertise with the expenses being responsible by the Company (e.g., surveys on remuneration of the Nomination and Remuneration Committees or management members and etc.).

#### 7.3.4 Corporate Governance Committee

As of December 31, 2020, the Corporate Governance Committee consisted of the following three members.

Name	Position
1. Mr. Chatrapee Tantixalerm <sup>/1</sup>	Chairman of Corporate Governance Committee
2. Mr. Akarat Na Ranong	Member of Corporate Governance Committee
3. Mr. Kamol Ratanachai	Member of Corporate Governance Committee

Note <sup>/1</sup> Mr. Pattanapong Nuphan resigned from the position of Chairman of Corporate Governance Committee, effective on June 5, 2020 and the BOD meeting No. 8/2020 on June 5, 2020 resolved to appoint Mr. Chatrapee Tantixalerm to be the chairman of the Corporate Governance Committee, effective on June 5, 2020

### Appointment of Corporate Governance Committee

The Company's Board of Directors appointed the Corporate Governance Committee, consisting of at least three directors, two of whom are independent directors. (Note that at present, all there members of Corporate Governance Committee are independent directors).

The Board of Directors appoints any member of the Corporate Governance Committee as a chairman of the Committee. The Company's directors or the chairman of the Corporate Governance Committee is empowered to appoint any person (s) to be a secretary of the Corporate Governance Committee.

### Scope of duties and responsibilities of the Corporate Governance Committee

The Corporate Governance Committee holds the following duties and responsibilities.

1. Determine corporate governance policies and business ethical principles and propose them to the Board of Directors for further approval.
2. Ensure that the Company's operation and the performance of directors, management and employees comply with the Company's corporate governance and ethical business principles.
3. Evaluate and review policies, ethics and corporate governance guidelines of the Company in order to ensure they comply with relevant laws and practical guidelines of international standards and leading firms as well as suggestions from various institutions; consider the suggestions related to corporate governance provided by shareholders and present those suggestions to the directors as well as reply to the shareholders.
4. Arrange the operation evaluation to ensure that the operation complies with the Company's corporate governance policy and code of ethical business.
5. Disclose the performance report of Corporate Governance Committee and complete the corporate governance report for stakeholders in the annual report.
6. Oversee and provide suggestions regarding the corporate social responsibility (CSR).
7. Monitor the operation of the Company's directors and management to ensure that it is conducted in accordance with the Company's corporate governance policy
8. Support and see that the Company's business operation to conform to the corporate government policy, the risk management policy in regard to the anti-corruption policy and ensure that these policies are appropriate and adequate for business operation.
9. Review the appropriateness of the changes in policy and guideline concerning anti-corruption operation, as suggested by the management who received suggestions from the anti-corruption working panel; propose the changes to such policy and guidelines to the Board of Directors for further approval.
10. Arrange a mechanism and the process to control and monitor operation regarding risk assessment and anti-corruption operation and ensure that the operation on these matters is sufficient to the business operation. Report the outcome of monitoring anti-corruption operation to the Board of Directors regularly every quarter
11. Propose corporate governance operation guidelines to the Board of Directors and offer any suggestions related to corporate governance matters to the directors.
12. Determine principles and operational guideline and consider complaints; compile complaints and make summaries to be submitted to the Company's directors for further consideration.

13. Consider rewarding for performance of the corporate governance department

14. Review and update the corporate governance principles to always keep it appropriate and up-to-date

15. Perform any other corporate governance –related duties as assigned by the directors.

Under the scope of responsibilities, the Corporate Governance Committee is empowered to determine related operation guideline and also to order the management, department heads or relevant employees to provide opinions, attend the meetings or submit necessary documents. In addition, under this scope of responsibilities, Corporate Governance Committee is eligible to seek advice from external independent directors or any experts in other professions provided that such advice is necessary and appropriate. The Company will be responsible for cost related to such advice.

The Corporate Governance Committee holds direct responsibilities to directors and the committee is also responsible for all forms of procedure the Company has done with third parties.

## 7.4 Details of Management

### 7.4.1 Names and position of the management

As of March 9, 2021, the Company's management (according to the definition of "Management" as in the announcement of by the Capital Market Advisory Board Tor Jor 23/2551), consisted of the following members:

Name	Position
1. Mr. Chayanont Ulit <sup>/1</sup>	Executive Officer
2. Mr. Neil Wayne Thompson <sup>/2</sup>	Deputy Chief Executive Officer
3. Mr. Chatchai Thaowongsa	Senior Vice President, Marketing Department
4. Mrs. Ladawan Khumsap <sup>/3</sup>	Head of Accounting and Finance
5. Mr. Chanintorn Ulit <sup>/4</sup>	Senior Vice President, Marketing Department
6. Mr. Adtachai Kittiwattananukroh	Director of Accounting, Finance and Budget Department

Note <sup>/1</sup> Mr. Wiroj Bunsirirungruang resigned from the CEO position, effective on August 1, 2020, and Mr.Chayanont Ulit was appointed to be the CEO, effective on August 1, 2020.

<sup>/2</sup> Mr.Neil Wayne Thompson was appointed as the Deputy Chief Executive Officer, effective on January 1, 2021.

<sup>/3</sup> Mrs. Ladawan Khumsap was appointed as the Head of Accounting and Finance, effective on September 1, 2020.

<sup>/4</sup> Mr.Chanintorn Ulit was appointed as Senior Vice President, effective on September 1, 2020.

#### Scope of duties and responsibility of the Chief Executive Officer

1. Manage the Company's normal business operation.
2. Carry on operation according to the Company's business policies, business plans, and business strategies already approved by the Board of Directors.
3. Authorize or assign any individuals under an approval of the Chief Executive Officer to perform duties on behalf of the Chief Executive Officer in some necessary and appropriate matters under the Chief Executive Officer's supervision, all of which must be under the principle of laws and the Company's regulations.
4. Perform other duties as assigned by the Board of Directors and / or the Executive Committee on a case-by-case basis.
5. Proceed with and approve the employment or acceptances of projects or binding agreements in the Company's core business operation within a limit of 15,000,000 baht per transaction or equivalent. This credit limit must conform to the Company's regulation about approval authority, which is considered by the Board of Directors. The limit is subject to change as found appropriate by the Board of Directors.

6. Hold authority to issue, revise, increase, and adjust regulations, orders and rules regarding the Company's operation, e.g., employment, appointment, and removal of officers and employees as well as setting salaries and other employee benefits and welfares.

The abovementioned scope of authority assigned to the Chief Executive Officer must be under the laws, rules, and regulations related to the Company's business. In a case where the Chief Executive Officer or a connected person may enter into counter-parties benefits or may involve conflict of interests (according to the Notifications of the Securities Exchange Commissions and/or the Capital Market Supervisory Board and/or the Stock Exchange of Thailand), the Chief Executive Officer shall have no authorities to approve such case. The Chief Executive Officer must propose this matter to the Executive Committee and/or the Board of Directors for further review or approval.

Furthermore, connected transactions or transactions relating to acquisitions or dispositions of the Company's or the subsidiaries' assets, whichever the case may be, according to the Notification of the Stock Exchange of Thailand, must be approved by the shareholders' meeting and/or any other actions as stated in that Notification in order to follow the rules of the Stock Exchange of Thailand in that case.

#### Scope of duties and responsibility of the Deputy Chief Executive Officer

1. Operate and manage the Company's normal business operation.
2. Manage and operate the Company's business in accordance with policies, business plans, and business strategies already approved by the Board of Directors.
3. Authorize or assign any individuals under an approval of the Deputy Chief Executive Officer to perform duties on behalf of the Deputy Chief Executive Officer in some necessary and appropriate matters under the Deputy Chief Executive Officer's supervision and under the laws and the Company's regulations.
4. Perform other duties as assigned by the Board of Directors and / or the Executive Committee on a case-by-case basis.
5. Proceed with and approve the employment or acceptances of projects or binding agreements in the Company's core business operation within a limit of 7,000,000 baht per transaction or equivalent. This credit limit must conform to the Company's regulation about approval authority, which is considered by the Board of Directors. The limit is subject to change as found appropriate by the Board of Directors.
6. Hold authority to issue, revise, increase, and adjust regulations, orders and rules regarding the Company's operation, e.g., employment, appointment, and removal of officers and employees as well as setting salaries and other employee benefits and welfares.

#### **7.4.2 Remuneration Policy for Directors and Management**

##### **Cash remuneration**

In 2020, the remuneration for directors was carefully determined by the meetings of the Nomination and Remuneration Committee. The decision about remuneration was based on the Company's business expansion, earnings growth as well as the scopes of directors' responsibilities and the amount is subject to the approval from the Annual General Meeting.

The remuneration consists of:

- i) Monthly fixed fee;
- ii) Attendance fee calculated in accordance with the number of meeting attendances
- iii) Special gratuity, depending to the Company's earnings performance each year.

As for the directors' remuneration in 2020, the following amount of remuneration for directors was unanimously approved by 2020 Annual General Meeting of Shareholders held on July 24, 2020.

**Monthly fixed fee (per director)**

Board of Directors

Chairman	60,000	baht
Director	30,000	baht

Sub-committees

Chairman	30,000	baht
Directors	20,000	baht

The members of Nomination and Remuneration Committee and Corporate Governance Committee did not receive monthly remuneration.

**Attendance fee (per meeting)**

Nomination and Remuneration Committee

Chairman	30,000	baht
Directors	20,000	baht

Corporate Governance Committee

Chairman	30,000	Baht
Director	20,000	Baht

The members of Board of Directors and other sub-committees did not receive attendance fee.

In 2020, the Company's sub-committees consisted of i) Executive Committee; ii) Audit Committee, and iii) Nomination and Remuneration Committee and Corporate Governance Committee. Any members of sub-committees, who are also members of the Company's Board of Directors, also receive remuneration for the position of director.

The Company did not have a policy to offer other forms of benefits, apart from cash, to directors (excluding general benefits offered to general employees).



### 7.4.3 Remuneration for Directors and Management

#### a) Remuneration for management

In 2020, the remuneration of the management consisted of cash monthly remuneration and meeting attendance fee

Name	Position	Remuneration (baht)			
		Directors in BOD	Executive Committee	Nomination and Remuneration Committee	Total
1. Mr. Sansrit Yenbamrung <sup>/2</sup>	- Chairman of Board of Directors - Chairman of Executive Committee - Chairman of Nomination and Remuneration Committee	300,000	-	30,000	330,000
2. Mr. Poomchai Wacharapong <sup>/2</sup>	- Director - Executive Director	360,000	140,000	-	500,000
3. Yaowalak Poolthong, PhD. <sup>/2</sup>	- Director - Executive Director	150,000	-	-	150,000
4. Mr. Pattanapong Nuphan <sup>/1/2</sup>	- Director - Executive Director - Member of Corporate Governance Committee	150,000	-	-	150,000
5. Mr. Somkiat Charoenpinyong <sup>/2</sup>	- Director - Executive Director	150,000	-	-	150,000
6. Mr. Wiroj Bunsirirungruang <sup>/1</sup>	- Director - Executive Director - Chief Executive Officer	150,000	-	-	150,000
7. Mrs. Natnapang Jongsomjit <sup>/1/2</sup>	- Director - Executive Director	-	-	-	-
8. Mr. Chayanont Ulit <sup>/1/2</sup>	- Director - Executive Director - Chief Executive Officer	-	-	-	-
9. Mr. Neil Wayne Thompson <sup>/2/3/5</sup>	- Director - Executive Director - Deputy Chief Executive Officer	-	-	-	-
10. Mr. Komkrit Sirirat <sup>/2/4</sup>	- Director - Executive Director	-	-	-	-
11. Mr. Chatchai Thaowongsa	- Senior Vice President of Marketing Department	-	-	-	-
12. Mrs. Ladawan Khumsap <sup>/6</sup>	- Head of Accounting and Finance	-	-	-	-
13. Mr. Adtachai Kittiwattananukroh	- Director of Accounting, Finance and Budget Department	-	-	-	-
14. Mr. Chanintorn Ulit <sup>/7</sup>	- Senior Vice President of Marketing Department	-	-	-	-
<b>Total</b>		<b>1,260,000</b>	<b>140,000</b>	<b>30,000</b>	<b>1,430,000</b>

Note <sup>/1</sup> Mr. Pattanapong Nuphan resigned from the positions of director and executive director, effective on June 1, 2020. Mrs. Natnapang Jongsomjit was subsequently appointed to replace the vacant director position, effective on June 5, 2020. Mr. Wiroj Bunsirirungruang resigned from the positions of director and executive director, effective on August 1, 2020, and Mr. Chayanont Ulit was appointed to be the director to replace the vacant position, effective on August 1, 2020.

<sup>/2</sup> The directors, who were members of management of the Company or of the companies under the group of companies of the major shareholders expressed their intention not to receive the remuneration or directors from June to December 2020. All members of Executive Committee expressed their intention not to receive the remuneration from January

to May 2020. The directors in the Board of Directors of the Company and the group of companies of the major shareholders expressed their intention not to receive the remuneration from June - December 2020.

<sup>/3</sup> Mrs. Natnapang Jongsomjit resigned from the director and executive director positions, effective on December 15, 2020 and Mr. Neil Wayne Thompson was appointed to fill in the vacant director position to replace Mrs. Natnapang Jongsomjit, effective on December 23, 2020, with his term equal the remaining term of Mrs. Natnapang Jongsomjit

<sup>/4</sup> Mr. Somkiat Charoenpinyoying resigned from the director and executive director positions, effective on December 15, 2020. Mr. Komkrit Sirirat was appointed to be the director, replacing Mr. Somkiat Charoenpinyoying, effective on December 23, 2020, with his term equal the remaining term of Mr. Somkiat Charoenpinyoying

<sup>/5</sup> Mr. Neil Wayne Thompson was appointed as the Deputy Chief Executive Officer, effective on January 1, 2021

<sup>/6</sup> Mrs. Ladawan Khumsap was appointed as the Head of Accounting and Finance, effective on September 1, 2020.

<sup>/7</sup> Mr. Chanintorn Ulit was appointed as Senior Vice President, effective on September 1, 2020.

### Remuneration for Management

As for the cash remuneration of the Company's management (based on the definition given by the SEC and the SET, management includes Chief Executive Office and top-four executives and the executives equivalent to the fourth rank executives), in 2020, the Company and its subsidiaries paid remuneration in a form of salaries at the total amount of 12.80 million baht.

### **Other benefits**

#### **1) Other benefits for the directors**

The Company does not have a policy to offer other benefits to the directors, apart from monthly fixed fee and the meeting attendant fee as mentioned above (excluding benefits to general employees). However, the Company is responsible for expenses related to relevant trainings or similar programs organized by the Thai Institute of Directors and other relevant institutions, which are beneficial to directors' performance. The Company provides insurance policies for directors and management for a coverage of 100 million baht, covering the responsibilities of the Company and the subsidiaries for the policy coverage of one year. The Company extends such insurance policy yearly. In 2020, the Company did not file for any claims from for such insurance.

#### **2) Other benefits for management**

The Company established a provident fund and offered other benefits, such as contributions to the social security fund, the health insurance allowance and life insurance premium and etc. for management. In 2020, the Company's contributions to the provident fund and other benefits for the management totaled 1.19 million baht.

## **7.5 Details about employees**

In 2020, the Company and the subsidiaries recorded a total of 362 employees, with the total paid benefit packages amounting to 17.32 million baht, including salaries, overtime payment, bonuses, medical allowance, contributions to the provident fund, life insurance premium and health insurance premium and the contributions to the Social Security Fund. In addition, the subsidiaries paid the similar benefit packages for the personnel at the amount of 84.20 million baht and paid the benefits and compensation under the early retirement program at the amount of 67.22 million baht.

As of December 31, 2020	Headcounts (persons)
Studio Rental Service Business - The Studio Park	15
Equipment Rental Service Business	333
TV Content Production Business and Central Office	14

### Significant labor disputes over the past three years

During 2018-2020, the Company did not encounter any labor disputes.

### Relation between management and labor union

While no labor union has been established in the Company thus far, the Company's management emphasizes the significance of employees' welfares, offering them fair and appropriate benefits, which can be comparable in the industry. Not only do employees receive compulsory benefits and welfare as specified by the labor protection law and other relevant laws, they are also offered additional benefits, such as health insurance, accident insurance, provident funds and etc.

## 7.6. Other important information

### 7.6.1 Head of Accounting and Finance, Accountant Supervisor, Company's Secretary, Outsourced Internal Audit

- Mrs. Ladawan Khumsap is the head of Head of Accounting and Finance. She is a qualified person, as per the qualification stated by the SEC and the SET as she passed continued accounting trainings for six hours per a calendar year. The trainings were about principles and standards of the existing accounting standards or new accounting standards, which are relevant to the Company's business or expected to impact the completion of the Company's financial statement.
- Mr. Adtachai Kittiwattananukroh is the director of Accounting and Budgeting Department. He supervises the accounting and he is qualified to be an accounting supervisor as per the qualifications stated by the SEC, the SET and conditions for the accounting as stated in the criteria of the Department of Business Development. He attended the trainings to develop his knowledge about accounting for not less than six hours per calendar year as stated in the criteria of the Department of Business Development
- The Board of Directors appointed Mr. Nanat Sonsa-ad, Director of the Legal and Company Secretariat Department, to be Company Secretary, effectively February 1, 2020.
- External Internal Auditor was Ms. Wanida Kanchanasanthisak, License No. 527. JR Business Advisory Co., Ltd.

The details of the aforementioned persons are shown in Attachment 1.

### 7.6.2 Head of Investor Relation

- None -

### 7.6.3 Remuneration for Auditor

#### 1. Audit Fee

The Company and the subsidiaries pay the audit company, for which the Company's authorized auditor worked, in fiscal year 2020 at the total amount of 2,310,000 baht, with 850,000 baht being the audit fee.

#### 2. Non-Audit Fee

- None -

## 8. Report of Key Corporate Governance Performance

### 8.1 Summary of Performance of Board of Directors in the past year

The Company's Board of Directors realizes the roles and responsibility in directing the overall operation as well as monitor management's performance. They perform their work with knowledge, expertise, transparency, caution and accountability to bring the maximum benefits to the Company and shareholders. In the past year, the Board of Directors performed duties as directors. For example, they determined policies and strategies for the management, which can help enhance the Company's business, such as organizational restructuring, determining marketing strategies and outlining guidelines for internal control system as well as risk management and etc.

#### 8.1.1 Selection, Development and Performance Appraisal of Directors

##### Independent directors

The Nomination and Remuneration Committee determined the criteria and regulation for selecting persons to be independent directors, based on qualifications according to the Public Limited Company Act, the Securities Act, the notification of the SEC and the SET, the notifications of the Capital Market Advisory Board as well as other related regulations. The Committee also considers other qualifications, such as experience and knowledge. The Company has a policy to appoint independent directors at least one thirds of the total directors.

##### Qualifications

1. Be appointed by the directors or shareholders' meetings
2. Be qualified under the securities and stock exchange market laws and regulations of the SET
  - 1) Holding shares of not more than one percent of the total shares with the voting right in the parent company, the subsidiary, or a person with controlling power; including the shareholding of persons relating to such independent director
  - 2) Having never been a director participating in management, an employee, a consultant with regular salary, or a person with power to control the Company, the parent company, the subsidiary, the affiliate, the subsidiary at the same level, a major shareholder, or a person with controlling power, except relieved from the aforesaid characteristics at not less than two years before the appointment to the position. However, the prohibited characteristics do not include independent directors who used to work as civil servants or advisors to any government bodies holding major shareholding or having controlling power;
  - 3) Not being a person of whole blood or registration as stated in the law, in the manner of being father or mother, spouse, brotherhood and offspring including spouse of the offspring of the management, other directors, major shareholders, persons with controlling power or persons to be proposed as the Company's directors or management or persons with controlling power on the Company or subsidiaries;
  - 4) Not having business relation with the Company, the parent company, the subsidiaries, the affiliates, the majorshareholders or the persons with controlling power, in the manners that may obstruct the independent exercise of discretion; not having been a significant shareholder of the or a person with controlling power who has business relation with the Company, the parent company, the subsidiary, the major shareholder, or the person with controlling power, except relieved from the aforesaid characteristics at not less than two years

- 5) Not being or having been an auditor of the Company, the subsidiaries, the affiliates, a major shareholder or a person with controlling power; not being a significant shareholder, an authorized person or partner of auditing offices whose auditors work for the Company, the subsidiary, the affiliates, a major shareholder or a person with controlling power in the Company, except relieved from such characteristic at not less than two years before the date of submitting the request for the permission from the SEC and the SET;
- 6) Not being or having been a professional provider of legal consulting or financial consulting services, with service fee exceeding two million baht per annum, for the Company, the parent company, the subsidiaries, the affiliate, the major shareholders or a person with controlling power on the Company; not being a significant shareholder, a person with controlling power or a partner of the professional provider, except relieved from such characteristic at not less than two years before the of submitting the request for the permission from the office;
- 7) Not being a director appointed to be a representative of a director of the major shareholders' companies or a major shareholder who has a relation to the major shareholder;
- 8) Not operating similar business or involving in significant business competition to the Company or the subsidiary; not being a significant partner in a partnership company or not being a management director, an employee, an advisor who receive regular salaries; or not holding shares of over one percent of the total shares with the voting right in other companies that operate business similar to or competing with the business of the Company or the subsidiary;
- 9) Not possessing other characteristics that will hinder independent opinions about the Company's operation
- 10) Being generally trusted or accepted
- 11) Being able to devote sufficient time to perform the duty as a director.

Independent directors are assigned by the Company's Board of Directors in operating the businesses of the Company, the parent company, the subsidiaries, the affiliates, the affiliate at the same levels, the shareholders the persons with controlling power. The can make collective decision.

In case of appointing a person to be an independent director but he/she has business relations or hold professional services with the value over the set amount in Item 4 or 6, the Board of Directors may give some exemptions, if they view that the appointment of such person will not have any impact on operation nor hinder independent opinions. The following details shall be disclosed in the invitation letters to an AGM in the agenda about appointment of independent directors.

- 1) Business relations or professional services that may make the person disqualified as stated by the regulations
- 2) Reasons and necessity for appointment of such person to be an independent director
- 3) Opinions of the Board of Directors

#### **Nomination of directors and top executives**

The Nomination and Remuneration Committee outlines the principles and policies to select the Company's directors and propose to the Board of Directors/ AGM. Nominated persons must possess qualifications under the Public Company Limited Act B.E. 2535, Securities and Exchange Act and the Notifications of the SET and the SEC, the Capital Market Advisory Board and/or other related regulations. Moreover, the Nomination and Remuneration Committee selects directors, based on their expertise and knowledge and etc. Under the Company's regulations, there must be five directors and not less than half of them must reside in the Kingdom. Directors are to be elected by majority voting in an AGM as the following details.

1. Each shareholder shall have one vote per share held.
2. Each shareholder shall cast all of his/her votes in (1) for one or more candidates but shall not divide his/her voting rights amongst the candidates.
3. The candidates elected to fill up the vacant positions in the Board of Directors shall be selected in order of the number of votes received. In a case where there is a tie amongst candidates, the chairman of the meeting shall cast the deciding vote.

In every AGM, one-third of directors have to leave the position. In case the number of directors cannot be divided into three parts, the number of directors closest to the one-third portion shall leave the position. In case there are many directors holding the same terms and the number of these directors is higher than the number of directors supposed to leave, the ones to leave shall be decided by lucky draws. A leaving director can be re-elected in the next term. In addition to completing the term, directors can be out of the position upon death resignation, disqualification or possessing any unlawful qualifications or they are ordered to leave by the AGM's resolution or a court order.

Moreover, directors are prohibited from operating the same business as the Company or competing with the Company or being partners in ordinary partnership or partners with unlimited responsibility in ordinary partnership or being directors in other corporate with similar business either for his/her own benefits or other parties' benefit; except that such directors report these details to the shareholders in the AGM before appointment of the directors.

#### 8.1.2 Meeting attendance and rewards for attending directors

In 2013, the Company established the Nomination and Remuneration Committee. The Committee determined the remuneration for the directors and management in 2020, taking into account the business size, the scopes of their responsibilities and the Company's business growth, and propose the amount of remuneration to the Board of Directors' approval. The remuneration of the Board of Directors must be approved by the shareholders' meeting while that for sub-committees required approval from the Committee first before submitting to the shareholders' meeting.

The remuneration of directors in the BOD and the sub-committee must be approved by the AGM (details about the remuneration of directors and management are disclosed in the Management Section). Meanwhile, the Company imposed the code of ethical business, which will be a guideline for all directors and employees to understand and follow in order to create corporate value. According to this code, directors, management and all employees are encouraged to treat all stakeholders and society with transparency and fairness and they are given freedom to perform duties to their work and society. In addition, responsible persons are assigned to monitor operation and regularly adjust the code of ethical business as well as provide trainings for all employees to understand. Moreover, public relation material or documents are also provided regularly and consistently.



Details of directors' meeting in 2020 are as follows

Name	Position	Attendance / number of the total meetings (Time)				
		Board of Directors	Executive Committee	Corporate Governance Committee	Audit Committee	Nomination and Remuneration Committee
1. Mr. Sansrit Yenbamrung	- Chairman of Board of Directors - Chairman of Executive Committee - Chairman of Nomination and Remuneration Committee	17/17	14/14	-	-	4/4
2. Mr. Akarat Na Ranong	- Independent director - Corporate Governance Committee - Chairman of Audit Committee	17/17	-	5/5	6/6	-
3. Mr. Chatrapee Tantixalern	- Independent director - Audit Committee - Nomination and Remuneration Committee - Chairman of Corporate Governance Committee	17/17	-	5/5	6/6	4/4
4. Mr. Kamol Ratanachai	- Independent director - Corporate Governance Committee - Audit Committee - Nomination and Remuneration Committee	15/17	-	5/5	6/6	4/4
5. Mr. Poomchai Wacharapong	- Director - Executive Director	16/17	13/14	-	-	-
6. Yaowalak Poolthong, PhD.	- Director - Executive Director	17/17	14/14	-	-	-
7. Mr. Pattanapong Nuphan <sup>/1</sup>	- Director - Executive Director	7/8	6/6	-	-	-
8. Mr. Somkiat Charoenpinyong <sup>/4</sup>	- Director - Executive Director	15/16	12/12	-	-	-
9. Mrs. Natnapang Jongsomjit <sup>/3</sup>	- Director - Executive Director	7/7	6/6	-	-	-
10. Mr. Wiroj Bunsirirungruang <sup>/2</sup>	- Director - Executive Director - Chief Executive Officer	11/11	9/9	-	-	-
11. Mr. Chayanont Ulit <sup>/2</sup>	- Director - Executive Director - Chief Executive Officer	6/6	5/5	-	-	-
12. Mr. Neil Wayne Thompson <sup>/3</sup>	- Director - Executive Director - Deputy Chief Executive Officer	-	-	-	-	-
13. Mr. Komkrit Sirirat <sup>/4</sup>	- Director - Executive Director	-	-	-	-	-

Notes <sup>/1</sup> Mr. Pattanapong Nuphan resigned from the positions of director and executive director, effective on June 1, 2020. Mrs. Natnapang Jongsomjit was subsequently appointed to replace the vacant director position, effective on June 5, 2020, serving the remaining terms of Mr. Pattanapong Nuphan.

<sup>/2</sup> Mr. Wiroj Bunsirirungruang resigned from the positions of director and executive director, effective on August 1, 2020, and Mr. Chayanont Ulit was appointed to be the director to replace the vacant position, effective on August 1, 2020, serving the remaining terms of Mr. Wiroj Bunsirirungruang.

<sup>/3</sup> Mrs. Natnapang Jongsomjit resigned from the director and executive director positions, effective on December 15, 2020 and Mr. Neil Wayne Thompson was appointed to fill in the vacant director position to replace Mrs. Natnapang Jongsomjit, effective on December 23, 2020, with his term equal the remaining term of Mrs. Natnapang Jongsomjit

<sup>/4</sup> Mr. Somkiat Charoenpinyoying resigned from the director and executive director positions, effective on December 15, 2020. Mr. Komkrit Sirirat was appointed to be the director, replacing Mr. Somkiat Charoenpinyoying, effective on December 23, 2020, with his term equal the remaining term of Mr. Somkiat Charoenpinyoying

In 2020, the remuneration of directors of the Company and the subsidiaries are as follows:

Name	Position	Remuneration (Baht)					
		Directors in BOE	Executive Committee	Corporate Governance Committee	Audit Committee	Nomination and Remuneration Committee	Total
1. Mr. Sansrit Yenbamrung <sup>/2</sup>	- Chairman of Board of Directors - Chairman of Executive Committee - Chairman of Nomination and Remuneration Committee	300,000	-	-	-	30,000	330,000
2. Mr. Akarat Na Ranong	- Independent director - Corporate Governance Committee - Chairman of Audit Committee	360,000	-	100,000	360,000	-	820,000
3. Mr. Chatrapee Tantixalerm	- Independent director - Audit Committee - Nomination and Remuneration Committee - Chairman of Corporate Governance Committee	360,000	-	150,000	240,000	80,000	830,000
4. Mr. Kamol Ratanachai	- Independent director - Corporate Governance Committee - Audit Committee - Nomination and Remuneration Committee	360,000	-	100,000	240,000	80,000	780,000
5. Mr. Poomchai Wacharapong <sup>/2</sup>	- Director - Executive Director	360,000	140,000	-	-	-	500,000
6. Yaowalak Poolthong, PhD. <sup>/2</sup>	- Director - Executive Director	150,000	-	-	-	-	150,000
7. Mr. Pattanapong Nuphan <sup>/1/2</sup>	- Director - Executive Director - Chairman of Corporate Governance Committee	150,000	-	-	-	-	150,000
8. Mr. Somkiat Charoenpinyoying <sup>/2/4</sup>	- Director - Executive Director	150,000	-	-	-	-	150,000
9. Mr. Wiroj Bunsirirungruang <sup>/1</sup>	- Director - Executive Director - Chief Executive Officer	150,000	-	-	-	-	150,000
10. Mrs. Natnapang Jongsomjit <sup>/1/2/3</sup>	- Director - Executive Director	-	-	-	-	-	-
11. Mr. Chayanont Ulit <sup>/1</sup>	- Director - Executive Director - Chief Executive Officer	-	-	-	-	-	-
12. Mr. Neil Wayne Thompson <sup>/3</sup>	- Director - Executive Director - Deputy Chief Executive Officer	-	-	-	-	-	-
13. Mr. Komkrit Sirirat <sup>/4</sup>	- Director - Executive Director	-	-	-	-	-	-
<b>Total</b>		<b>2,340,000</b>	<b>140,000</b>	<b>350,000</b>	<b>840,000</b>	<b>190,000</b>	<b>3,860,000</b>

- Notes <sup>/1</sup> Mr. Pattanapong Nuphan resigned from the positions of director and executive director, effective on June 1, 2020. Mrs. Natnapang Jongsomjit was subsequently appointed to replace the vacant director position, effective on June 5, 2020. Mr. Wiroj Bunsirungruang resigned from the positions of director and executive director, effective on August 1, 2020, and Mr. Chayanont Ulit was appointed to be the director to replace the vacant position, effective on August 1, 2020.
- <sup>/2</sup> The directors, who were members of management of the Company or of the companies under the group of companies of the major shareholders expressed their intention not to receive the remuneration or directors from June to December 2020. All members of Executive Committee expressed their intention not to receive the remuneration from January to May 2020. The directors in the Board of Directors of the Company and the group of companies of the major shareholders expressed their intention not to receive the remuneration from June - December 2020.
- <sup>/3</sup> Mrs. Natnapang Jongsomjit resigned from the director and executive director positions, effective on December 15, 2020 and Mr. Neil Wayne Thompson was appointed to fill in the vacant director position to replace Mrs. Natnapang Jongsomjit, effective on December 23, 2020, with his term equal the remaining term of Mrs. Natnapang Jongsomjit
- <sup>/4</sup> Mr. Somkiat Charoenpinyoying resigned from the director and executive director positions, effective on December 15, 2020. Mr. Komkrit Sirirat was appointed to be the director, replacing Mr. Somkiat Charoenpinyoying, effective on December 23, 2020, with his term equal the remaining term of Mr. Somkiat Charoenpinyoying.

### 8.1.3 Governance of subsidiaries and affiliates

Matching Maximize Solution Public Company Limited emphasizes the importance of management of the companies under the group, so the Company nominate directors or management to be directors of other firms under the group to ensure that all firms under the group following the same set policies and business operation guidance and that their management and internal control go in line with the Company's policies. This is aimed at bringing the highest benefits and create added value to all stakeholders. Directors of all firms under the group report their performance to the Company's Board of Directors and follow the guidelines for disclosure of information as announced by the Company. Moreover, the Company also have the internal control unit and system development to review the internal control operation and report the result to the management and the Audit Committee so as to ensure that the governance mechanism goes well in line with the guidelines determined by the Board of Directors.

In 2014, the Company jointly invested with four business partners to establish Transformation Films Company Limited to produce Thai feature films and release the films through a number of distribution channels. At present, the Company holds 250,000 shares in this joint venture, out of the total 2,450,000 shares, accounting for 10.2041%. There are seven directors, consisting of two directs from each partner, except one director who is the representative of the Company (appointed by the Board of Directors' meeting). Directors are responsible for management of the joint venture. In each meeting, two-thirds of the directors are required to be present in the meeting. In each meeting, the presence of at least one representative from all four partners is compulsory. The meeting resolution shall be done determined by the majority voting from the present directors.

### 8.1.4 Control of operation to ensure compliance with good corporate governance

#### Assessment of performance in compliance with the policy to prevent conflicts of interest

The Company's operation regarding the prevention conflicts of interest is as follows. In 2020, the Company outlined the "operation guideline to prevent conflict of interest" for all management and directors to follow so that they can avoid any actions that may lead to conflicts of interest; any occasions that they may take some

opportunities or information received from the management and employees to seek their personal benefits; and separate business operation to compete with the competitors. All review process and disclosure of stakeholding matters as well as any connected transactions or transactions that may lead to conflicts of interest must comply with the relevant laws and regulations announced by the SET. Connected persons are required to report details of connected transactions to be reviewed to the Company and they shall not be allowed to take part in decision making or approval such connected transactions. In approving such connected transactions, approvers must take account of the pricing and terms and conditions similar to other transactions done with third parties. In case of suspicious transactions or under the situation that may lead to conflicts of interest, written reports of such transactions shall be made to disclose the details to supervisors based on the chain of command. The reports are required to be submitted to the Company's Secretary, the internal control unit and the system development unit immediately before entering the review procedure whether or not such transactions involve entail conflicts of interest in the group.

The management and supervisors are required to ensure that all employees under their supervisory strictly follow the aforementioned operation guideline as well as other relevant regulations. In case any violation actions are found, further investigation and review of disciplinary punishment shall be proceeded.

**Assessment of performance in compliance with the policy to control the use of insider information**

The Company imposes the policy to control internal information and prevent all employees from disclosing it to external parties or using such information for their own benefits. There is sufficient and appropriate procedure to control the use of insider information and there is a written guideline for control and protection of the internal information. This guideline is communicated to all personnel to follow. The Company prohibits any persons related to internal information from trading the Company's securities within one month before the Company's financial information is disclosed. Furthermore, directors and management (as defined by the SEC) are required to report all details of their holding of securities or the changes of their securities holding in Board of Directors' meetings.

**Assessment of performance in compliance with the anti-fraud and corruption policy**

The Company has announced the following guidelines:

- 1) The Company arranges regular revision of anti-fraud and corruption policy and operation guidelines (at least once a year), taking into account of new laws, risk management and changing circumstances. In addition, the Corporate Governance is also assigned to review the sufficiency and effectiveness of the anti-fraud and corruption measures and report the review result to the Board of Directors.
- 2) The internal control unit regularly inspects all operation processes and immediately report any unusual issues detached so as to ensure that the internal control system is effective enough to prevent corruption. The inspection result shall be further discussed to seek appropriate solutions and the entire outcome is subsequently submitted to the Chief Executive Office, the Corporate Governance Committee and the Audit Committee.
- 3) The performance in compliance with the anti-corruption policy is reported to the Board of Directors regularly at least once quarterly.

## 8.2 Report of performance of Audit Committee in the past year

### Audit Committee Report for 2020

#### **Dear Shareholders of Matching Maximize Solution Public Company Limited,**

The Audit Committee of Matching Maximize Solution Public Company Limited, appointed by the Company's Board of Directors, consists of three independent directors. The scope of responsibilities of Audit Committee, based on the charter of the Audit Committee, is in compliance with the regulations of the Stock Exchange of Thailand.

During the year 2020, the Audit Committee convened a total of six meetings, attended by the authorized auditor, the Company's management and the internal auditor (JR Business Advisory Company Limited). One meeting was attended by only the members of the Audit Committee and the authorized auditor, without the presence of the Company's management. The following key issues were reviewed in the meetings:

#### **1. Good Corporate Governance**

The Audit Committee reviewed and examined whether Company's business operation was in compliance with good corporate governance principles by meeting with the Company's management and the internal auditor (JR Business Advisory Company Limited) to acknowledge the corporate governance guidelines as well as create the same understanding among the directors, the management and the employees, ensuring they followed the set policies. The Company reviewed the corporate governance principles and the code of conduct at least once annually. The Company had started to implement the new set of corporate governance principles or Corporate Governance Code as a key framework for corporate governance practice. In 2020, the Company adjusted some operation guidelines to be in line with the group's business structure, which was changed in August 2020. The Company still followed the corporate governance guidelines for SET-listed companies released in 2017 by the SEC and the SET. The Company is confident that the management procedure under the international standard corporate governance principles, which will help enhance the organization's competitiveness, will make the Company become accepted more widely, both domestically and internationally. This is one key factor helping the Company to reach business objectives and add business value as well as create confidence among all stakeholders.

#### **2. Review of Financial Information**

The Audit Committee reviewed the interim financial information and the annual financial information of the Company and the subsidiaries to ensure that such financial information was completed in compliance with general accounting standards. The results of the review/audit of the financial information were appropriately and adequately disclosed in the meetings attended by the management, the internal auditor, and the authorized auditor. In the meetings, some observed matters, as well as suggestions based on the review/audit report, the auditing plans and guideline and the independence of the authorized auditor were discussed. After being reviewed by Audit Committee, the report was then presented to the Company's directors for approval or proposal for the shareholders' approval whatever the case may be.

#### **3. Internal control and internal audit**

The Audit Committee reviewed the Company's internal control and internal audit operation in order to evaluate the efficiency and effectiveness of the internal audit department. In 2020, the Company adjusted some operation to match the business structure change in August 2020 and appointed an outsourced internal audit provider from JR Business Advisory Company Limited to perform the internal audit for the Company in order to ensure the independence of the internal control operation, examine the internal audit plans, budgets, and develop the internal audit unit. The audit results as well as the results of the follow-up observation of the progress on improvement of the internal audit system, based on the audit review, were reported. The Company's management was invited to provide information about the adequacy

of the Company's internal control operation and the improvement based on the audit review. The Audit Committee made comments and provided additional suggestions for improvement of the internal control system so as to prevent operational risks and ensure that the mechanism of the Company's internal control and audit system were appropriate and sufficient under the current circumstance and the nature of business.

#### 4. Compliance with relevant laws and policies set forth by the Board of Directors

The Audit Committee examined whether the Company followed relevant laws and policies set forth by the Board of Directors through the internal audit process of the Company's internal auditor and the authorized auditor. The Audit Committee arranged meetings with the Company's management, the authorized auditor and the internal auditor to ensure that all involved parties were aware of the relevant laws and the policies set by the Company's Board of Directors. The Audit Committee also provided additional suggestions for the Company to enhance the efficiency and effectiveness of corporate governance, which would lead to consistent development.

#### 5. Review of connected transactions or transactions that may lead to conflicts of interests

The Audit Committee reviewed connected transactions or transactions that may lead to conflicts of interests; the review was done by the internal auditor and the authorized auditor. The Audit Committee arranged meetings with the management in order to ensure that certain connected transactions were justified and that the Company employed appropriate and adequate measures to prevent possible conflicts of interests.

#### 6. Nomination of the authorized auditor and determination of annual audit fee

The Audit Committee considered selecting and nominating an authorized auditor and determining the amount of annual audit fee, taking into account the independence, qualifications and experience of the authorized auditor. In addition, the Audit Committee, together with the management, also appraised the performance of the authorized auditor in the previous fiscal year.

The Audit Committee agreed to suggest that the Board of Directors propose to the shareholders' meeting to appoint PricewaterhouseCoopers ABAS Ltd. as the Company's authorized auditor for the fiscal year of 2021.

#### 7. Report of the performance of the Audit Committee to the Board of Directors

The Audit Committee reported the performances, based on the scope of responsibilities, to the Board of Directors at least once quarterly. In addition, the Audit Committee also made additional observation and, suggestions as well as expressed opinions that would benefit the Company's management and administration, which should be as a mechanism to boost confidence among shareholders, investors, and all stakeholders of the Company.

The Audit Committee performed the duties independently under the scope of its responsibilities and continued to emphasize the significance of the Company's internal control. For the year 2020, the Audit Committee opined that the Company and its subsidiaries had effective internal control system, which was adequate and appropriate to the Company's business operation. The Committee did not find any defects with the Company's internal control system, which would have significant impacts on the accuracy and reliability of the Company's financial reports. In addition, the authorized auditor and internal auditor were found to have worked independently. Finally, the Company's corporate governance and internal control system were found sufficient and appropriate under the current business circumstances.



(Mr. Akarat Na Ranong)  
Chairman of Audit Committee



### 8.2.1 Report of the number of the meetings and attendance of each member of the Audit Committee

Name	Position	Number of Audit Committee Meetings in 2020		
		Number of Meetings	Number of Attendance	Portion (%)
1. Mr. Akarat Na Ranong	Chairman of Audit Committee	6	6	100
2. Mr. Chatrapee Tantixalerm	Member of Audit Committee	6	6	100
3. Mr. Kamol Ratanachai	Member of Audit Committee	6	6	100

### 8.2.2 Clarification of the performance of the Audit Committee

#### Audit Committee

During the year 2020, the Audit Committee convened a total of six meetings to monitor the Company's operation, review the internal control and internal audit as well as assess the effectiveness and efficiency of the internal control unit. In 2020, the Company's operation is as follow:

#### 1. Good Corporate Governance

The Audit Committee reviewed and examined whether Company's business operation was in compliance with good corporate governance principles by meeting with the Company's management and the internal auditor (JR Business Advisory Company Limited) to acknowledge the corporate governance guidelines as well as create the same understanding among the directors, the management and the employees, ensuring they followed the set policies. The Company reviewed the corporate governance principles and the code of conduct at least once annually. The Company had started to implement the new set of corporate governance principles or Corporate Governance Code as a key framework for corporate governance practice. In 2020, the Company adjusted some operation guidelines to be in line with the group's business structure, which was changed in August 2020. The Company still followed the corporate governance guidelines for SET-listed companies released in 2017 by the SEC and the SET. The Company is confident that the management procedure under the international standard corporate governance principles, which will help enhance the organization's competitiveness, will make the Company become accepted more widely, both domestically and internationally. This is one key factor helping the Company to reach business objectives and add business value as well as create confidence among all stakeholders.

#### 2. Review of Financial Information

The Audit Committee reviewed the interim financial information and the annual financial information of the Company and the subsidiaries to ensure that such financial information was completed in compliance with general accounting standards. The results of the review/audit of the financial information were appropriately and adequately disclosed in the meetings attended by the management, the internal auditor, and the authorized auditor. In the meetings, some observed matters, as well as suggestions based on the review/audit report, the auditing plans and guideline and the independence of the authorized auditor were discussed. After being reviewed by Audit Committee, the report was then presented to the Company's directors for approval or proposal for the shareholders' approval whatever the case may be.

### 3. Internal control and internal audit

The Audit Committee reviewed the Company's internal control and internal audit operation in order to evaluate the efficiency and effectiveness of the internal audit department. In 2020, the Company adjusted some operation to match the business structure change in August 2020 and appointed an outsourced internal audit provider from JR Business Advisory Company Limited to perform the internal audit for the Company in order to ensure the independence of the internal control operation, examine the internal audit plans, budgets, and develop the internal audit unit. The audit results as well as the results of the follow-up observation of the progress on improvement of the internal audit system, based on the audit review, were reported. The Company's management was invited to provide information about the adequacy of the Company's internal control operation and the improvement based on the audit review. The Audit Committee made comments and provided additional suggestions for improvement of the internal control system so as to prevent operational risks and ensure that the mechanism of the Company's internal control and audit system were appropriate and sufficient under the current circumstance and the nature of business.

### 4. Compliance with relevant laws and policies set forth by the Board of Directors

The Audit Committee examined whether the Company followed relevant laws and policies set forth by the Board of Directors through the internal audit process of the Company's internal auditor and the authorized auditor. The Audit Committee arranged meetings with the Company's management, the authorized auditor and the internal auditor to ensure that all involved parties were aware of the relevant laws and the policies set by the Company's Board of Directors. The Audit Committee also provided additional suggestions for the Company to enhance the efficiency and effectiveness of corporate governance, which would lead to consistent development.

### 5. Review of connected transactions or transactions that may lead to conflicts of interests

The Audit Committee reviewed connected transactions or transactions that may lead to conflicts of interests; the review was done by the internal auditor and the authorized auditor. The Audit Committee arranged meetings with the management in order to ensure that certain connected transactions were justified and that the Company employed appropriate and adequate measures to prevent possible conflicts of interests.

### 6. Nomination of the authorized auditor and determination of annual audit fee

The Audit Committee considered selecting and nominating an authorized auditor and determining the amount of annual audit fee, taking into account the independence, qualifications and experience of the authorized auditor. In addition, the Audit Committee, together with the management, also appraised the performance of the authorized auditor in the previous fiscal year. The Audit Committee agreed to suggest that the Board of Directors propose to the shareholders' meeting to appoint PricewaterhouseCoopers ABAS Ltd. as the Company's authorized auditor for the fiscal year of 2021.

### 7. Report of the performance of the Audit Committee to the Board of Directors

The Audit Committee reported the performances, based on the scope of responsibilities, to the Board of Directors at least once quarterly. In addition, the Audit Committee also made additional observation and suggestions as well as expressed opinions that would benefit the Company's management and administration, which should be a mechanism to boost confidence among shareholders, investors, and all stakeholders of the Company.

The Audit Committee opined that the Company and its subsidiaries had effective internal control system, which was adequate and appropriate to the Company's business operation. The Committee did not find any defects with the Company's internal control system, which would have significant impacts on the accuracy and reliability of the Company's financial reports. Finally, the Company's corporate governance and internal control system were found sufficient and appropriate under the current business circumstances.

### 8.3 Clarification of the performance of sub-committees

#### Report of Corporate Governance Committee

Matching Maximize Solution Public Company Limited (The Company) emphasizes good corporate system to support the Board of Directors to perform work relating to the corporate governance as well as promote and develop the corporate governance operation. The Board of Directors follows the Code of Best Practices and ensures that the Company's business operation is strictly under the supervisory principles of the Securities and Exchange Commission of Thailand (SEC) and the Stock Exchange of Thailand (SET)

The Corporate Governance Committee consists of three independent directors, who perform duty as assigned by the Board of Directors under the scope of duties and responsibilities as stated in the Charter of the Corporate Governance Committee. In addition, the Corporate Governance Committee has the duty to ensure that the Company's operation conform to the corporate governance guidelines.

In 2020, the Corporate Governance Committee convened five meetings to follow up the Company's operation and ensured it conformed to the corporate governance principles. The Company signed in the Collective Action Coalition (CAC) on November 25, 2020. The overall operation can be summarized below.

- 1) The operation guideline was adjusted to accord with the Company's structure, which was changed in August 2020 (due to the early retirement program);
- 2) The Company appointed JR Business Advisory (the outsourced internal auditor) to perform corporate governance operation and support the operation of the vacant position of the Corporate Governance Committee (due to the early retirement program);
- 3) Educated and created understanding about the CAC among management;
- 4) Appointed the CAC working group to support the operation for the request of the CAC certification;
- 5) Completed the announcement from the chairman of the Board of Directors to inform directors, management and employees about the required attendance to the CAC project;
- 6) Completed the announcement from the chairman of the Board of Directors regarding the anti-corruption policy for the management and employees to acknowledge it;
- 7) Reviewed the corporate governance policy and the charter for the corporate governance to committee and propose them to the Board of Directors' meeting for approval;
- 8) Arranged relevant and necessary regulations and operation guidelines to request CAC certification and these regulations shall be used for the Company's handbook;
- 9) Prepared to submit the request for the CAC certificate from the IOD, which is expected to proceed by June 2021.

The Corporate Governance Committee realizes the significance of the corporate governance and ensures that the Company's operation conforms to the corporate governance policy and code of best practices. The committee ensures that corporate governance policies are communicated and understood within the organization. In addition, the committee always sees that the corporate governance operation is consistently performed within the organization in order to ensure the Company's effective business operation for maximum benefits to the Company and all stakeholders.

อ. ชัยพร ตันติขัลล

(Mr. Chatrapee Tantixalerm)

Chairman of the Corporate Governance Committee

### 8.3.1 Report of the number of the meetings and attendance of each member of the Corporate Governance Committee

#### Corporate Governance Committee

Name	Position	Number of Corporate Governance Committee Meetings in 2020		
		Number of Meetings	Number of Attendance	Portion (%)
1. Mr. Chatrapee Tantixalerm	Chairman of Corporate Governance Committee	5	5	100
2. Mr. Akarat Na Ranong	Member of Corporate Governance Committee	5	5	100
3. Mr. Kamol Ratanachai	Member of Corporate Governance Committee	5	5	100

### 8.3.2 Clarification of the performance of the Corporate Governance Committee

In 2020, the Corporate Governance Committee convened five meetings to follow up the Company's operation and ensured it conformed to the corporate governance principles. The overall operation can be summarized below.

- 1) The operation guideline was adjusted to accord with the Company's structure, which was changed in August 2020 (due to the early retirement program).
- 2) The Company appointed JR Business Advisory (to be the outsourced internal auditor) to perform corporate governance operation and support the operation of the vacant position of the Corporate Governance Committee (due to the early retirement program);
- 3) Educated and crated understanding about the CAC certificate among the management;
- 4) Appointed the CAC working group to support the operation for request of the CAC project certification;
- 5) Completed the announcement from the chairman of the Board of Directors to inform directors, management and employees about the required attendance to the CAC project;
- 6) Completed the announcement from the chairman of the Board of Directors regarding the anti-corruption policy for the management and employees to acknowledge it;
- 7) Reviewed the corporate governance policy and the charter for the corporate governance to committee and propose them to the Board of Directors' meeting for approval;
- 8) Arranged relevant and necessary regulations and operation guidelines to request CAC certification and these regulations shall be used for the Company's handbook;
- 9) Prepared to submit the request for the CAC certificate from the IOD, which is expected to proceed by June 2021.

#### Good Corporate Governance

The Company's Board of Directors realizes and strongly believes that the good corporate governance principle will be a main factor to add values and enhance its competitiveness. The Company has studied and began to implement a new set of corporate government policies or Corporate Governance Code (CG Code) as a framework for our corporate governance practice in order enhance our corporate governance standard to meet the expectations of the business sector, investors, the capital market and the overall society. Hence, the Company reviews and always updates our existing corporate governance principle to complete a guideline for good corporate governance guidance or the new Corporate Governance Code, which covers eight principle aspects.

1. Board of Directors, management, and employees shall follow the good corporate governance principle with clear understanding.
2. Board of Directors, management, and employees shall adhere fairness and treat stakeholders with equality and perform duties with faithfully, honesty and transparency and their full potential to bring benefits to the Company; their performance shall be able be examined so as to create sustainable corporate value.

The Company's good corporate governance principle referred as the operation guideline the Board of Directors, management and employees is discussed below.

#### **1 Establish Clear Leadership Role and Responsibilities of the Board**

The Company's directors shall possess skills, knowledge, abilities and extensive experience so that they can utilize their knowledge, skills, abilities and common senses to determine visions, missions, strategies, directions, policies, and objectives of the Company. The directors also monitor performance and ensure that objectives are achieved and perform duties in accordance with policies, regulations and various rules. They also manage risks, ensuring that the risks are at the acceptable level under the laws, objectives and shareholders' meeting resolutions. They shall perform duties with honesty and caution, taking account of the biggest benefits to the Company. They should also be responsible for shareholders and all stakeholders. They should also work effectively, efficiently, transparently, with their performance being able to be securitized.

In addition to the operating performance, the directors should emphasize social issues as well as environmental and ethical issues. Morals and ethical should be promoted. The Company should strictly firmly to transparency, honesty, and fairness; it thus announced The Code of Ethical Business as standard operation guidelines for directors, management, and employees. This Code is clear enough to prevent wrongdoing or any actions that may damage images and the Code also reflects the Company's desire to have everyone strictly follow the laws and the Company's policies and value. The Company announces its Code of Ethical Business on the website [www.matchinggroup.com](http://www.matchinggroup.com) as a practical guideline for all employees to perform with efficiency

#### **2 Define Objective that Promote Sustainable Value Creation**

The directors are responsible for determining, considering and approving key matters linked to the Company's operation, e.g., vision, missions, objectives, strategies and possible risks. The directors shall take into account of the value to the Company, clients, shareholders, stakeholders and the society as a whole.

#### *Business Philosophy*

To achieve sustainable growth and properly increase values for the stakeholders while taking account of relevant environmental aspects and providing benefits to the society as a whole, the Company set the business philosophy with the aims to:

- Enhance the competitiveness as a market leader in TV content production business;
- Become an excellent organization with the working teams committed to creation of new things, based on the confidence among one another; the operational standard is set for the management and employees at all levels; details of which are as follows:
  - Focus on maximizing benefits for the Company in the long term in order to maximize value to shareholders;
  - Adhere fair treatment to both shareholders and stakeholders
  - Prevent conflicts of interest
  - Perform management with carefulness, caution, caution and responsibility
  - Ensure transparent operation that can be scrutinized
  - Ensure that the Company's internal control and internal audit systems are up to standard, reliable and efficient
  - Set the Code of ethical Business for directors and employees to follow

The Board of Directors oversees the Company's annual plan and strategies, ensuring that they accord the main goal of the Company, taking into account the potential, relevant factors, ongoing circumstances, opportunities and acceptable risks. This is evidenced by the Company's investment in filming equipment, of which the technology can change rapidly. As the Company are aware that clients tend to choose an operator who can provide new equipment. Hence, the Company has continued to invest in new equipment to meet client's demand; moreover, the Company has also continued to enhance the personnel's potential and skill to invent some special equipment with special technique in order to provide technical support for the clients. Furthermore, regular trainings are provided for personnel, so that they possess extensive expertise and skills in using equipment to facilitate our clients.

The Company's business plans and strategies have been regularly reviewed to be prepared for potential changes. The Company has completed long-term business plans to ensure that we operate business in the right direction based on the long-term business plan and strategies and that we can somewhat anticipate some possible events in future.

To communicate the Company's vision, mission or major business goal to employees and external parties, the Company publishes vision, mission, business overview, and business goal in the Company's website.

### **3 Strengthen Board Effectiveness**

The Company's Board of Directors consists of nine directors, who serve each service term of three years. One of them is a management member, while seven do not involve in the management. Out of the total directors, three of them are qualified as independent directors, according to the Securities Exchange Commission (SEC)'s requirement that a SET-listed company must have independent directors at the number equivalent to or more than one-third of the total directors.

The Board of Directors acts as the representatives of the shareholders and oversees the Company's overall management. They shall lead and take part in determining the Company's targets, directions, policies, operation plans and budget. The Board of Directors should honestly make sure that the Company's business is operated in accordance with the laws, Company's objectives and related regulations as well as the resolutions of the shareholder meetings in order to maintain the benefits of the shareholders, with other stakeholders also being taken into account. In addition, the Board of Directors also monitors the management's operation performance to ensure that the established policy is achieved efficiently and effectively to maximize corporate value as well as lead to the highest stability for the shareholders. The Board of Directors arranges the internal control system and the risk management system and closely follows the operation of these units on a regular basis. Moreover, the Board of Directors also establishes the Executive Committee, who oversees the management's operation performance, ensuring that the management's operation is carried out in compliance with the set management policies. The scope of authority and duties of the Executive Committee is determined by the Board of Director and they are authorized to approve the investment worth not more than 20 million baht. Meanwhile, the Chief Executive Officer is authorized to approve the investment worth no more than 15 million baht. In addition, the Company's Board of Directors also appoints the Audit Committee to strengthen the Company's internal control system and ensure sufficient and appropriate good corporate governance practices.

The Chairman of the Company's Board of Directors shall not be the same person as the Chief Executive Officer so that the responsibilities in regard to corporate governance and general management are separated. This will allow the Company to operate business with transparency and minimize the chances of conflicts of interest and also prevent absolute power of the Chief Executive Officer thanks to the power balance between the two positions, which can better maximize benefits for the Company and the shareholders.



### *Sub-Committees*

For more effective and transparent corporate governance, the Board of Directors sets up some sub-committees to assist in operation and corporate governance affairs as the following details:

- Executive Committee

Company's Board of Directors selects six qualified directors and management to be members of Executive Committee to manage and supervise the Company's operation as assigned by the Board of Directors.

- Audit Committee

The Board of Directors appoints three independent directors to be the members of the Audit Committee. At least one of the three independent directors must possess knowledge and experience in accounting and finance. The members of audit committee must be independent as stated in the rules and regulations concerning qualifications and scope of duties and responsibilities of the Audit Committee set by the Stock Exchange of Thailand (SET). The Audit Committee reports directly to the Board of Directors and their scope of duties and responsibilities, as stated in the charter of the Audit Committee, is reviewed and improved at least once annually.

- Nomination and Remuneration Committee

The Board of Directors appoints the Nomination and Remuneration Committee, consisting of non-management members and two of them are independent directors. This Committee is responsible for setting policies, principles and guidelines for nomination and selection of the Company's directors, sub-committees and top executives. The Committee also determines the amounts of remuneration and other benefits for directors and sub-committee members as well as top executives. The Nomination and Remuneration Committee reports the performance and proposes opinions or suggestions to the Board of Directors.

- Corporate Governance Committee

The Board of Directors appoints the Corporate Governance Committee, consisting of three non-management members and most of them are independent directors. The committee is assigned to oversee and determine corporate governance operation and guideline for the organization in order to promote the organization as an excellent organization in terms of efficient business operation, corporate governance and management, with the focus on maximizing benefits for shareholders and overall stakeholders as well as the employees of the Company and the subsidiaries under the group.

### *Board of Directors Meetings*

The Board of Directors meets monthly and some special meetings are arranged as necessary. The invitation letters clearly indicating the meeting date and agenda are sent to the members of Board of Directors at least seven days prior to the scheduled meetings to ensure that the directors have adequate time to consider the information ahead of their meeting attendance. Each meeting normally takes not less than two hours. In each meeting, the Chairman of the meeting allows each director to express his/her opinions freely. In 2019, there were 12 Board of Directors meetings, 13 Executive Committee meetings, 9 Corporate Governance Committee meetings, 5 Audit Committee meetings, 2 Nomination and Remuneration Committee meetings. In 2020, there were 17 Board of Directors' meetings, 14 Executive Committee meetings, 5 Corporate Governance Committee meetings, 6 Audit Committee meeting and 4 Nomination and Remuneration Committee meetings. The details of each director's attendance are shown in the following table:



## Notes

## In 2019

<sup>/1</sup> Mr. Nuttawit Boonyawat resigned from the director and executive director positions, effective on November 2019. Mr. Wiroj Bunsirirungruang was appointed to be the director, replacing Mr. Nuttawit Boonyawat, effective on December 23, 2019, serving the remaining term of Mr. Nuttawit Boonyawat.

<sup>/2</sup> Mr. Poomchai Wacharapong retired from the CEO position on December 31, 2019 but he remained the Company's director. Mr. Wiroj Bunsirirungruang was appointed to fill in the CEO position, replacing Mr. Poomchai Wacharapong, effective on January 1, 2020.

## In 2020

<sup>/3</sup> Mr. Pattanapong Nuphan resigned from the positions of director and executive director, effective on June 1, 2020. Mrs. Natnapang Jongsomjit was subsequently appointed to replace Mr. Pattanapong Nuphan, effective on June 5, 2020, serving the remaining term of Mr. Pattanapong Nuphan.

<sup>/4</sup> Mr. Wiroj Bunsirirungruang resigned from the positions of director and executive director, effective on August 1, 2020, and Mr. Chayanont Ulit was appointed to be the director to replace Mr. Wiroj Bunsirirungruang, effective on August 1, 2020, serving the remaining term of Mr. Wiroj Bunsirirungruang.

<sup>/5</sup> Mrs. Natnapang Jongsomjit resigned from the director and executive director positions, effective on December 15, 2020 and Mr. Neil Wayne Thompson was appointed to fill in the vacant director position to replace Mrs. Natnapang Jongsomjit, effective on December 23, 2020, with his term equal the remaining term of Mrs. Natnapang Jongsomjit.

<sup>/6</sup> Mr. Somkiat Charoenpinyoying resigned from the director and executive director positions, effective on December 15, 2020. Mr. Komkrit Sirirat was appointed to be the director, replacing Mr. Somkiat Charoenpinyoying, effective on December 23, 2020, with his term equal the remaining term of Mr. Somkiat Charoenpinyoying.

The written minutes of the meetings, endorsed by the Board of Directors, are properly recorded and filed. They are always available for review and examination by the Board of Directors and related parties.

*Board of Directors' Reports*

The Board of Directors holds responsibility for the Company and the subsidiaries' financial statement (already audited by the auditor) as well as all disclosed financial information. The Board of Directors realizes the importance of the accuracy and reliability of such financial reports and information. Hence, the Board of Directors has a policy to complete a report on the responsibility of the Board of Directors in regard to the financial reports and financial information disclosed in the Company's annual report. The financial statement is regularly prepared to conform to the generally accepted accounting standards. In preparing such financial reports, appropriate accounting policies are selected and consistently adapted, with cautious judgment and forecast. Moreover, the significant information shall be adequately disclosed in the notes to financial statement covering important matters under the code of best practices for directors of SET-listed companies announced by SET.

Moreover, the Audit Committee, appointed by the Board of Directors, is responsible for overseeing the quality of Company's financial reports, the internal control system and the internal audit system. Comments from the Audit Committee are reported in the 56-1 Form. All members of the Audit Committee and the management attend meetings in order to review the adequacy of the Company's internal audit system in various areas set by the Company's management. The minutes of every Board of Directors' meeting are recorded and contain proper details, e.g. questions and opinions of each director for each agenda and opposite opinion along with the rationales, so that the shareholders can examine the appropriateness of the directors in performing their duties. Meanwhile, the Board of Directors continuously and firmly focuses on applying the good corporate governance policies to the management and operation to promote a good image and reliability of the Company among investors and the public.

#### Prevention of Conflict of Interests

Realizing possible conflicts of interests, the Board of Directors issues guidelines as a part of the Code of Ethical Business for all management and employees to avoid any personal conflicts of interests with the Company and shareholders when dealing with trade partners and other parties (note: further details about the Company's policy to prevent conflicts of interests can be seen in Item 6.1.2).

#### Remuneration for Directors and Management

The Nomination and Remuneration Committee determined the remuneration for the directors and management in 2020, taking into account the business size, the scopes of their responsibilities and the Company's business growth, and propose the amount of remuneration to the Board of Directors' approval. The remuneration of the Board of Directors and sub-committees must be approved by the shareholders' meeting (Note: The information in regard to the remuneration for the directors and management members is disclosed in the Management section).

#### *The Code of Ethical Business*

The Company puts in place the Code of Ethical Business for all directors and employees to comply with in order to enhance the corporate value. A primary goal of the Code of Ethical Business is to ensure that the directors, management and employees treat the Company, stakeholders and society in professional, honest, transparent, equal and responsible manners. They have the freedom to do perform their duties and shall be independently responsibility to the society. Moreover, the Company also assigns responsible persons to assess the performance and improve such Code of Ethical Business on a regular basis. Finally, the Company also has a policy to regularly and continuously educate and provide trainings for all staff and management to ensure their understanding and knowledge and release relevant information on a regular basis.

#### **4 Ensure Effective CEO and People Management**

The Nomination and Remuneration Committee set the criteria and policy to nominate and appoint the Company's directors and top executives and propose the list for an approval of the Board of Directors and/or an Annual General Meeting of Shareholders. A person to be appointed as the company's director shall possess qualifications as specified by the Public Limited Company Act B.E. 2535, laws relating to securities and securities exchange market, notifications of the Stock Exchange Commission (SEC), notifications of the Capital Market Advisory Board and/or other regulations regarding other qualifications, such as work experience, knowledge, and etc. According to the Company's regulation, the Company's Board of Directors consists of at least five members and at least half of the total members shall reside in the Kingdom of Thailand. In addition, the Company's directors shall be elected by majority voting in the Annual General Meeting of Shareholders as the following details:

1. Each shareholder shall have one vote per share held by them.
2. Each shareholder shall cast all of his/her votes in (1) for one or more candidates but shall not divide his/her voting rights amongst the candidates.
3. The candidates elected to fill up the vacant positions in the Board of Directors shall be selected in order of the number of the votes received. In a case there is a tie amongst candidates, the chairman of the meeting shall cast the deciding vote.

The Board of Directors oversees the management operation and personnel development. The board ensures that human resource management is carried out in accordance with the Company's vision, goals and strategies. They make sure that trainings are provided for employees to educate them, enhance their knowledge, ability and skills as well as motivate them as appropriate. Finally, the Board of Directors also arranges the establishment of employee's provident fund for their pensions.

## **5 Nurture Innovation and Responsible Business**

The directors promote innovation so as to enhance corporate value in accordance with the dynamic economic and environmental conditions. The Company creates organizational culture, principles and conceptual methods, operational process, view about content designs, and services. The directors make sure that the business management and operation are conducted with responsibility to society and environment. The directors also see that the Company operates business with ethics, not infringing the rights of the stakeholders, in order that everyone in the organization can achieve major objectives and goals. The guideline is as follows.

### **1. Responsibility to directors, management and employees**

1.1 The Company has a policy to determine appropriate and fair remuneration for directors, management and employees.

1.2 The Company emphasizes safety, security and career paths of employees.

1.3 The Company has a policy to have directors, management and employees protected by laws.

### **2. Responsibility to clients**

The Company is committed to ensure that the business operation is done in accordance with laws and relevant standards, taking into account health conditions, safety, and fairness. Client's information is kept confidential. After-sales service is provided throughout product and service life. Clients' satisfaction is monitored to develop the products and service. Sales conduct is carried out with responsibility, preventing misunderstanding and not taking advantages of clients' misunderstanding.

### **3. Responsibility to business partners**

The Company wishes to provide goods and services under good standards and ethics. Suppliers are invited to offer the bids and the selection process is appropriately carried out. There are appropriate criteria for selection of business partners with proper contracts being signed. The Company also ensures that the conditions stated in the contracts are strictly followed in order to prevent corruption in the procurement process. The Company has a policy to keep clients' and partners' information confidential in the fair and independent business operation. No wrongdoing is conducted in the business operation between business partners and contract partners. There are no acts of bribery or provision of presents for other parties for business benefits. The Company upholds fair business practice under the decision principles based on comparison of conditions, prices and quality. In addition, services are provided with transparency, which can be securitized. Under any circumstances, the Company is strongly prohibited from offering or gaining improper business benefits.

The Company is committed to sustenance of sustainable relation with partners and contract parties with clear objectives about values of goods and services, worthwhile services, technical quality and trust between each party. The Company makes payment to business partners and contact partners in accordance with the agreed payment terms and conditions.

### **4. Responsibility to communities, society, environment and the state sector**

The Company has a policy to run business while taking into account the communities, society, environment, and the state sector. The Company also complies with the existing laws and regulations related to the communities, society and the state sector. In case there are no certain laws on some particular matters, the Company treats communities, society, environment and the government with responsibility as follows:

4.1 Operate business under laws and the Company's regulations.

4.2 Operate business under laws and relevant state orders and regulations.

4.3 Take into account environmental aspects and decent tradition and culture.

4.4 Encourage directors, management and employees to act as good citizens who contribute to communities and society.

4.5 Respect virtuous national culture when doing business

5. Anti-corruption

On November 25, 2020, Matching Maximize Solution Public Company Limited signed in Thailand's Private Sector Collective Action Against Corruption. The coalition has objectives to create standards for transparent business and enhance business ethical standards. Accordingly, the Company announced an anti-corruption policy aimed at tightening internal control measures and preventing corruption practices, e.g., offering gifts, special service compensation, and other expenses to officials or any individuals that may involve conflict of interests; receiving gifts or assets from outsiders: if the values or gifts are high and it is believed that receiving of such gifts is not appropriate, such items shall be returned to senders. Regarding work transparency, all budget disbursement transactions must be done in accordance with the Company's regulation. Regarding a procedure to choose a supplier, the purchasing department has to follow bidding process. Moreover, the Company also arranges whistle blowing action and determine a guideline to protect whistle blowers under the relevant legal framework.

**6 Strengthen Effective Risk Management and Internal Control**

**Risk Management**

The Company realizes the importance of risk management, which is a key mechanism and tool for management helping the Company reach its goals and targets. The risk management also helps minimize losses while enhancing the Company's competitiveness. Moreover, the risk management is a key element for good governance. Hence, the Company continues to develop its risk management system. In light of this, the Company appoints the Executive Committee to work on the policy level. Meanwhile, the Company also includes the risk management in the job description of all departments so that all employees realize and emphasize the importance of the risk management. All departments hold the responsibility to manage and control and maintain risks at acceptable levels. Finally, they regularly follow up and evaluate risks to be in line with changes in both internal and external circumstances.

*Internal Control and Internal Audit*

Realizing the importance of the internal control system, the Company thus focuses greatly on sufficiency and appropriateness of the internal control system covering finance, management and operation. The Company also ensures that its internal control system complies with related laws and regulation and improves such system to meet the standard set by the Stock Exchange of Thailand and as well as the international standard called Internal Control Framework set by the Committee of Sponsoring organizations of the Treadway Commission or COSO. The Company clearly specifies the duties, responsibilities, and power of the employees both in the operation level and the management level in a written form. Uses of the Company's assets are controlled to maximize benefits to the Company. In addition, the duties of employees in the operation, inspection and evaluation sectors are clearly separated in order that an appropriate balance of work is created. Moreover, the Company also arranges the financial report system for the responsible departments. Note that the members of Board of Directors express their opinions concerning the sufficiency of the internal control system in the Company's financial report under the "Internal Control" section.

To ensure the efficiency in production of important documents and the internal control and to ensure that the internal control is improved regularly, the Company set up the internal audit department in 2008. This department is assigned to review the internal operation as well as assess the effectiveness and the sufficiency of the internal control system of the Company and the subsidiaries. The internal audit department's main objective is to ensure that core operation and the financial activities of the Company and the subsidiaries are effectively run and meet the management's objectives. In addition, the internal audit department also inspects whether all operation of the Company is in accordance with relevant laws and regulations. Hence, in order to enable the members of internal audit department to perform their duties independently, the Board of Directors requires that the internal audit department report directly to the Audit Committee. The internal audit department is also assigned to carry out inspection duties, in accordance with the Company's annual business plan approved by the Audit Committee. The department carries out annual internal audit operation, as approved by the Audit Committee, and also reports outcome as well as suggestions to the related management and Audit Committee in a prompt manner and a regular basis.

#### **7 Ensure Disclosure and Financial Integrity**

The Board of Directors supports the personnel in charge of management and disclosure of financial information, such as, the head of accounting and finance, the director of accounting and finance department, accountants, finance staff, the internal auditor, encouraging them to acquire knowledge, skills and experience appropriate for their responsibilities and ensuring that the Company has sufficient number of such personnel.

The Board of Directors arranges the management to monitor and assess the Company's financial position as well as report operating results to the directors on a regular basis. Once any signs of financial liquidity problems or any signs linked the Company's ability to settle debts are found, the directors and management work together to find rational solutions in a prompt manner.

The Board of Directors ensures the disclosure of information, e.g., financial reports, financial statement, annual reports, shareholder's structure and shareholders' meetings through the Company's website to ensure that the information is disclosed equally both internally and externally in a prompt manner and with the same understanding.

#### **8 Ensure Engagement and Communication with Shareholders**

Although the voting right of shareholders depends on the portion their stakeholding, this does not mean that the basic rights as stakeholders are different. The Company equally treats the stakeholders regardless of genders, ages, nationality, races, religions, belief, and political opinions. In the case that any stakeholders are unable to attend a meeting, they have the right to attend the meeting by proxy.

In every shareholder meeting, all shareholders have the rights and equality of receiving information, expressing opinions and asking questions, in accordance with the meeting agenda and the issues discussed in the meeting. The chairman of the meeting is responsible for allocating appropriate time to the shareholders to ask questions as well as encouraging them to express their opinions. Normally the shareholders are able to obtain the meeting details and agendas from the Company's website prior to the meeting date. To promote the rights of the shareholders, the Company posts an announcement encouraging the shareholders to nominate a person to take the role of a director and suggest additional meeting agendas for the Annual General Meetings (AGM) of shareholders. A clear operation guideline is established.

The Company has a policy to hold an Annual General Meeting of Shareholders once a year within four months after the end of the previous fiscal year. However, in 2020, Thailand declared the state of emergency



as a result of COVID-19; therefore the 2020 AGM was postponed from April to July 21, 2020 when the AGM was held at Ratchadamnuen Hall, Royal Princess Lanluang, No. 269, Lanluang Road, Pomprab, Bangkok. The Board of Directors facilitates all AGMs and treats all shareholders equally, in terms of their right documentation. The Company appointed Thailand Securities Depository Co., Ltd. as the Company's registrar. (note: details about the policy and operation guideline for shareholders and connected persons are disclosed in Item 6.1.2).

The matters to be carried out at an AGM are as follows:

- 1) Consider the Board of Directors' report regarding the Company's performance for the previous fiscal year.
- 2) Consider approving the balance sheet and the statement of comprehensive income.
- 3) Consider approving profit allocation and dividend payment.
- 4) Consider appointing new directors to replace those who leave after their terms end; and determine directors' remuneration.
- 5) Consider appointing an authorized auditor and the audit fee.
- 6) Discuss other matters as deemed appropriate by the chairman of the meeting.

The AGM resolution shall be comprised of the following votes:

- 1) In a normal case, the majority of votes shall be deemed resolution. In case of an equality of votes, the chairman of the meeting shall have a casting vote.
- 2) In the following cases, no less than three-fourth of the total number of votes cast by the present shareholders shall be deemed resolution:
  - Sale or transfer of the Company's business, entirely or partially, to other parties
  - Purchase or receive the transfer of the business from other companies or private companies to the Company
  - Arrangement, amendment or termination of any contracts with respect to the granting of a lease of the Company's business, entirely or partially, the assignment to any other person(s) to manage the Company or the merge of the Company with any other parties in order to share profit and loss
  - Additional amendment of the memorandum of association or article of association
  - Capital increases or decreases
  - Debenture issuances
  - Company amalgamation
  - Company dissolution

In case of some urgent matters or extraordinary agenda which may have an impact on shareholders' benefits or have to conform to any rules or regulations that require shareholders' resolution, the Company may call for an extraordinary general meeting, which will be done on a case - by - case basis.

### Corporate Social Responsibility

The Company arranges the operation guideline under relevant laws and in accordance with the Code of Ethical Business and emphasizes compliance with the good corporate governance principles, which relate the significance of the rights of all stakeholders as well as corporate social responsibility. The Company and subsidiaries' policies and operation guideline in regard to the CSR - in - process principles are as follows.

#### 1. Fair business operation

The Company emphasizes the importance of business operation that promotes free trade competition. The business is carried out with honesty and fairness under relevant laws and the Company's rules and regulations. The Company avoids any activities that may cause conflicts of interests.

#### Operation guideline

- In terms of purchases and recruitment, when choosing operators or contractors, the Company takes into account the equality and fairness. No special favor is given to any particular individuals or entities and the Company is open for fair competition.
- The Company's policy is strongly against any activities that involve in infringement of intellectual property or copyrights.

## 2. Anti-corruption

The Company has a policy against all forms of corruptions and establishes the Code of Ethical Business to highlight the intention against corruptions. In light of this, on November 25, Company signed in the Collective Action Coalition and set up a working panel to work in anti-corruption matters; draft and improve operation guidelines as well as related policies; and determine channels to release information and receive complaints.

## 3. Respect human rights

The Company focuses on the importance of human rights and follows human right principles, taking into account the equality, freedom, and equality of dignity and rights of individuals. The Company is strongly against discrimination of nationalities, races, religions, languages, ages, genders, marital status, sexual preferences and disability.

#### Operation guideline

- Support and respect human right protection actions, e.g., not supporting any activities that force labor to work, being against child labor, and etc.
- The Company and the subsidiaries offer equal employment opportunities to general individuals, including disabled people.

## 4. Treat labor with fairness

Being well aware that manpower is a key factor that can enable the Company to enhance our potential and successfully reach our business growth targets, the Company treats employees with fairness, with the following policies:

### 1) Recruitment policies and operation guideline

- The Company is strongly against any practices of labor forcing, not collecting money nor keeping employees' identification documents unless required by law.
- The Company makes payment of wages and remuneration in the Thai baht currency at the rates not less than what specified by law and does not withhold employees' remuneration for any cases, except for the case specified by law.
- The Company sets the working hours at not exceeding the maximum hours specified by law and calculate overtime hours in accordance with relevant laws.
- The Company provides safe workplace for pregnant employees; in addition, the Company neither terminates their employment contracts nor reduces their benefits due to their pregnancy.
- The Company promotes the enhancement of employees' efficiency by arranging public trainings and in-house trainings for employees at all levels as well as organizing field trips for visit other organizations in the same industry in order to broaden vision as well as learn new technologies, which can be used to develop the organization.
- The Company provides safe and hygienic workplace as well as necessary and appropriate healthcare facilities.

## 2) Personnel policies and operation guideline

- Employees are the Company's most valuable resources and they are key success factors for the Company. The Company creates favorable values, culture and working environment and also treats employees with politeness, also with respects of their rights and freedom. The Company also tries to tighten relationship and bond among employees under the same Company's group.
- Employment, appointments, transfer, remuneration and benefits of employees are based on fairness and facets as well as the Company's actual operation performance.
- Safety is also another key issue. It's the Company's responsibility in creating working environment that is safe for employees' lives and their property. The Company also provides necessary and appropriate welfare items, e.g., certificate for free-drug workplace from the Department of Labor Protection and Welfare, an annual test of alarm system, annual check-up, group life insurance and accident insurance policies, OPD allowance, and other benefit packages.
- In 2020, the Company set the measures to prevent COVID-19 infections among employees and established a happiness-sharing box to provide aimed at providing assistance to the society. The Board of Directors suggested that the management outline the CSR plan as part of the organization's strategies for responsibility to the society and environment under the good ethics and management principles.

## 5. Responsibility to consumers

The Company is committed to development of goods/services that bring benefits to both the organization and society. The Company is also determined to produce high quality goods/services without harmful effects on consumers and environment.

### Operation guideline

- Create TV content, which not only focuses on entertainment and profit but also includes useful information, assistance and creation of good opportunities for people in communities, all of which will lead to benefits to the society in the future.
- Provide quality services that meet clients' need with fair treatment, e.g., producing works or offering services based on the terms and conditions stated in the contracts.
- Keep clients' information safe and confidential, unless authorized to disclose information by the clients.

## 6. Preserve environment

### Operation guideline

- In business process, the Company focuses on effective use of resources and technology in production process and service provision, taking into account safety and friendliness to environment.
- The Company effectively utilizes resources by initiating "Green Office Program" aimed at saving energy.

## 7. Take part in community and society development

Emphasizing the responsibility to society, the Company supports, collaborates and provides assistance in various community development programs.

- The Company signed the memorandum of understanding (MOU) with Bangkok University to promote and support knowledge sharing among experts, lectures and professional technicians, who are asked to conduct trainings and sharing their knowledge and skills in various fields, such as academic knowledge, organizational management knowledge, filming equipment instruction, as well as arrange collaboration in production of creative/academic works.

## 9. Internal Control and Connected Transactions

### 9.1 Internal Control

#### Board of Directors' opinions about the internal control

According to the Board of Directors' meeting No 2/2021 held on February 22, 2021, in the presence of all three members of the Audit Committee as well as the outsourced internal auditor, i.e., J.R Business Advisory, the directors assessed the Company's internal control system for the overall business operation in the past year in all levels, including the entire organization, departments and activities, based on the overall industry of the Company's business. The assessment was conducted through interviews, information reconfirmation, review of related documents, completion of the surveys from heads of each department based on the organizational structure, and the results of the assessment of business plan according to the audit plan in 2020. The assessment was aimed at determining the adequacy of the internal control system, which is based on the assessment form of the SEC and the SET, under the concept of The Committee of Sponsoring Organization of the Tradeway Commission (COSO), which determines five key elements of the internal control, as follows:

- 1) Control Environment
- 2) Risk Assessment
- 3) Control Activities
- 4) Information & Communication
- 5) Monitoring Activities

The directors opined that the Company's internal control system was appropriate and sufficient for business operation under the current circumstances and could prevent the Company's assets from being damaged or unlawfully used for seeking personal benefits by particular individuals.

#### Head of internal control and compliance

The Audit Committee Meeting No. 4/2020 on September 30, 2020 appointed JR Business Advisory Company Limited ("JR") to be the outsourced internal audit and "JR" assigned Khun Wanida Kanjanasantisak, who held the position of Audit Partner, to be responsible for the internal control operation for the Company. Khun Wanida possess extensive experience in internal audit. She attended various trainings related to internal audit operation, such as the Fraud Audit Program by the Internal Audit Association of Thailand, Control Self - Assessment : Facilitation Skills by the Internal Audit Association of Thailand and Anti-Corruption The Practical Guide (ACPG) Class 17/2015, organized by Thai Institute of Directors. Therefore, the directors viewed that she was qualified to perform this function.

Note that to consider appointing, removing and transferring the head of the internal audit department is subject to approval (or acknowledgment) of the Audit Committee. The qualification of the head of internal audit is shown in Attachment 3.

### Connected transaction policies

The Company emphasizes operation under good corporate governance and in compliance with code of ethical business for transparency and ability to be examined. The operation also conducted in compliance with the anti-corruption policies and measures to prevent conflicts of interest. Connected transactions are divided into two groups:

- 1) Transactions occurring when the Company or subsidiaries involve in transactions with management, major shareholders, related parties or close relatives of management or major shareholders;
- 2) Transactions occurring when the Company or subsidiaries involve in transactions with any juristic persons relating to major shareholders, controlling management or persons nominated to be management or persons having controlling power of SET-listed companies or subsidiaries including related parties or close relatives of those individuals

### Principles and procedure for connected transactions

Taking into account the principles about connected transaction procedure announced by the SET, the Capital Market Supervisory Board, and the SEC, the Company determines the following procedure for connected transactions.

- (1) Review connected transactions, based on trade and pricing terms applicable to general clients.
- (2) Transactions relating to offer or receipt of financial assistance must be justified, entails fair terms and conditions and brings maximum benefits to the Company.
- (3) In case of no standard pricing for reference, the Company compared the prices of goods and services with those offered by external providers under similar terms and conditions.
- (4) Directors, management or persons involving in connected transactions with the Company or the subsidiaries can proceed with the transactions only upon approval from the shareholders' meetings.
- (5) For any connected transactions falling under regulations of the SET, the Capital Market Supervisory Board and the SEC, the Company must strictly comply with such regulations.
- (6) The Company is required to disclose connected transactions under the regulations of the SET, the Capital Market Supervisory Board and the SEC, in the Annual Registration Statement and the annual report or any forms, whichever the case may be. The Company is required to disclose the information about connected transactions to the SET and the SEC as well as the other related transactions under the accounting standards.

### Approval of connected transactions

- 1) Connected transactions under the approval authority of the management

In case of connected transactions under the approval authority of the management, related parties are responsible for reviewing the transaction details, based on the approval procedure and the Company's operation authority. The details of transactions must be submitted to the Audit Committee to review the justification of the transactions. Such transactions should subsequently be disclosed in the Company's Annual Registration Statement and the annual report. In addition, the Company must ensure that those who involved in the connected transactions are not present in the meetings to review such transactions and hold no voting rights in the meetings.

2) Connected transactions under the approval authority of the Board of Directors

For any transactions with small to medium sizes and not being under the normal trade terms and conditions, these are under the approval authority of the Board of Directors. Proposers of these transactions must present details concerning the necessity and justification of the transactions in order to seek opinions from the Audit Committee before submitting to the Board of Directors for approval. In addition, the Company must ensure that those who involved in the connected transactions are not present in the meetings to review such transactions and hold no voting rights in the meetings. Details of such transactions should subsequently be disclosed in the Company's Annual Registration Statement and the annual report.

3) Connected transactions under the approval authority of the shareholders

In case of any transactions under the approval authority of the shareholders, proposers of these transactions must present details concerning the necessity and justification of the transactions in order to seek opinions from the Audit Committee before submitting to the Board of Directors for approval. In addition, the Company must ensure that any directors involved in the connected transactions are not present in the meetings to review such transactions and hold no voting rights in the meetings. Following the resolution from the BOD meeting, the Company's Secretary has to prepare documents for an AGM so as to seek approval from the shareholders. Information to support decision making must be adequate, based on the principles of the SET, the Capital Market Supervisory Board and the SEC. Names and the number of shareholding of persons involving in connected transactions who hold no voting rights shall also be disclosed. Finally, details of such Transactions should subsequently be disclosed in the Company's Annual Registration Statement and the annual report.

## 9.2 Connected Transactions

Details of connected transactions during 2018-2020

Persons with possible conflicts of interests/ Nature of Business/ Relation with the Company	Transactions	Transaction Value (Million Baht)				Necessity and Justification
		Year 2018	Year 2019	Year 2020	Q4 2020	
<p><b>Bangkok Broadcasting &amp; TV. Co., Ltd. ("BBTV")</b></p> <p><u>Nature of Business</u> Manage Channel</p> <p><u>Relation with the Company</u> - Being an indirect major shareholder (holding 30 % of shares in BBTV Production, which is the Company's major shareholder)</p> <p>- The Company's directors, i.e., Mr. Sansrit Yenbarnung, and Dr. Yaowalak Poolthong were directors of BBTV.</p>	<p><u>Sub-lease of airtime</u> The Company subleased the airtime from BBTV to broadcast the TV Programs on Channel 7, i.e., "Plod Nee" Kob Dek Sarng Ban and Khon Ja Ruay Chuay Mai Dai.</p> <p>- Cost of service</p>	11.51	12.05	13.90	3.57	<p>The Company subleased the airtime from BBTV to broadcast the TV programs on Channel 7, which was Company's core business and the service cost was based on the airtime slots and the agreements. The transaction was done in according with the general trade practice.</p> <p><u>Comments of the Audit Committee</u> The service was the Company's core business. The service rate and payment conditions were acceptable. Hence, the transaction was found necessary and justified.</p>



Persons with possible conflicts of interests/ Nature of Business/ Relation with the Company <sup>Y</sup>	Transactions	Transaction Value (Million Baht)				Necessity and Justification
		Year 2018	Year 2019	Year 2020	Q4 2020	
<b>BBTV News Media Co., Ltd. ("BBTVNM")</b> <u>Nature of Business</u> Internet advertising and public relation business.  <u>Relation with the Company</u> BBTV, the indirect major shareholder of the Company, indirectly held all shares of BBTVNM	<u>Website design fee</u> The Company hired BBTVNM to develop and improve the website - Administrative expenses - Trade payable	0.11 0.0009	0.11 0.0009	0.11 0.0009	0.03 0.0009	BBTVNM developed and maintained websites, with the service fee rate and payment conditions based on the normal rates in the business.  <u>Comments of the Audit Committee</u> Website development and maintenance was another channel to communicate with the targeted clients. The service fee rate and payment conditions were based on normal rates in the business practice. Thus, the transaction was necessary and justified.
	<u>Rented filming equipment</u> The Company's subsidiary Gear Head Co., Ltd. (GH) provided rental filming equipment for the content production, such as the programs 'Scoop' and 'The Cover'. - Revenue from rental services - Account Receivables	0.06 -	0.15 0.03	- -	- -	Media Studio Co., Ltd. received GH's service for its program production, which was the Company's core operation with the service fee rate being calculated from cost plus profit and service rates and payments conditions being set in accordance with normal business rates.  <u>Comments of the Audit Committee</u> This transaction was the Company's core operation and the service fee rate was calculated from cost plus profit and service rates and payments conditions were set in accordance with normal business operation practice. Thus, the transaction was necessary and justified
<u>Relation with the Company</u> The Company's directors, i.e., Mr. Sansrit Yenbamrung, Dr. Yaowalak Poolthong and Mr. Poomchai Wacharapong was also a director of Media Studio Co., Ltd.						

Persons with possible conflicts of interests/ Nature of Business/ Relation with the Company	Transactions	Transaction Value (Million Baht)				Necessity and Justification
		Year 2018	Year 2019	Year 2020	Q4 2020	
Media Studio Co., Ltd. (continued)	<p><u>Provide filming site for TV content production</u></p> <p>The Studio Park (Thailand), the Company's subsidiary, provided the studio or filming site for TV content production.</p> <p>- Revenue from rental services</p>	0.64	-	-	-	<p>Media Studio Co., Ltd. used the Studio Park (Thailand)'s studio as a site for filming its TV programs. This was the Company's core operation with the service rate being calculated from cost plus profit and service rates and payments conditions being set in accordance with normal business operation practice.</p> <p><u>Comments of the Audit Committee</u></p> <p>This transaction was the Company's core operation and the service rate was calculated, based on the cost plus profit and service fee rates and payments conditions were set in accordance with normal business operation practice. Thus, the transaction was necessary and justified.</p>
<p>HR Pro and Service Security Co., Ltd. ("HRP")</p> <p><u>Nature of Business</u></p> <p>Human Resource Consultancy and Services</p> <p><u>Relation with the Company</u></p> <p>The Company's directors, Mr. Sansrit Yenbarmung and Dr. Yaowalak Poolthong were also directors of HRP and Mr. Poomchai Wacharapong was an advisor to HRP.</p>	<p><u>Security service fee</u></p> <p>The Company received the service from HRP who provided security officers for the Company</p> <p>- Administrative expenses - Accrued expense (security service fee)</p>	1.33 0.11	1.32 0.11	1.18 0.05	0.22 -	<p>HRP provided security officers for the Company, with the service fee rate and payment conditions being set, based on the market rates for normal business practice. Thus, the transaction was necessary and justified.</p> <p><u>Comments of the Audit Committee</u></p> <p>The Company used outsourced security officers provided by the professional service provider instead of engaging in recruitment procedure by itself. This helped to facilitate the Company's internal management. The service fee rate and payment conditions were set based on normal business practices. Hence, the transaction was necessary and justified.</p>

Persons with possible conflicts of interests/ Nature of Business/ Relation with the Company	Transactions	Transaction Value (Million Baht)				Necessity and Justification
		Year 2018	Year 2019	Year 2020	Q4 2020	
HR Pro and Service Security Co., Ltd. ("HRP") (Continued)	<u>Security service fee</u> GH received the service from HRP who provided security officers for the firm. - Administrative expenses - Account payables	- -	0.26 0.02	0.26 0.02	0.06 0.02	HRP provided security officers for GH, with the service fee rate and payment conditions being set based on the market rate for normal business practice. Thus, the transaction was necessary and justified.  <u>Comments of the Audit Committee</u> The Company used outsourced security officers provided by the professional service provider instead of engaging in recruitment procedure by itself. This helped to facilitate the Company's internal management. The service fee rate and payment conditions were set based on normal business practices. Hence, the transaction was necessary and justified.
	<u>Security service fee</u> The Studio Park (Thailand) (TSP) received the service from HRP who provided security officers for the firm. - Cost of service - Administrative expenses - Accrued expense (security service fee)	- 2.57 0.22	0.06 2.94 0.24	0.007 1.86 0.17	0.007 0.52 -	HRP supplied security officers for TSP, with the service fee rate and payment conditions being set based on the market rate for normal business practice. Thus, the transaction was necessary and justified.  <u>Comments of the Audit Committee</u> TSP used outsourced security officers provided by the professional service provider instead of engaging in recruitment procedure by itself. This helped to facilitate the Company's internal management. The service fee rate and payment conditions were set, based on normal business practices. Hence, the transaction was necessary and justified.

Persons with possible conflicts of interests/ Nature of Business/ Relation with the Company	Transactions	Transaction Value (Million Baht)				Necessity and Justification
		Year 2018	Year 2019	Year 2020	Q4 2020	
<p><b>Media Scene Co., Ltd.</b> <u>Nature of Business</u> TV content production and sale of advertising timeslots</p> <p><u>Relation with the Company</u> Media Studio Co., Ltd. held 100% share in Media Scene.</p> <p>The Company's director, i.e., Dr. Yaowalak Poolthong was also a director in Media Scene Co., Ltd.</p>	<p><u>Rent filming equipment for production of TV dramas</u> The Company's subsidiary GH provided rental filming equipment for production of TV dramas, such as Sakowduen, Nang Thip and Hi So Sa On.</p> <p>- Revenue from rental services - Account Receivables</p> <p>Gear Head Co., Ltd sold an OB van and accessories. - Other revenue</p>	1.63 0.06	1.64 0.03	2.75 0.41	0.74 0.07	<p>Media Scene Co. Ltd. used GH's equipment rental services for its drama production</p> <p><u>Comments of the Audit Committee</u> - This transaction was the Company's core operation and the service fee rate was calculated, based on cost plus profit and the payment conditions were set in accordance with normal business operation practice. Thus, the transaction was necessary and justified.</p> <p>- The pricing for is transaction was based on the market price of the similar vehicles equipped with the accessories. The payment conditions were set in accordance with normal business rates. Thus, the transaction was necessary and justified.</p>
	<p><u>Studio rental service</u> TSP (the subsidiary) provides the rental studio rental and filming sites for TV drama production. - Revenue from rental services</p>	0.20	-	-	-	<p>Media Scene used TSP's studio rental service for its TV drama production.</p> <p><u>Comments of the Audit Committee</u> This transaction supported the Company's core operation. The service fee rate was calculated, based on cost plus profit and the payment conditions were set in accordance with normal business practice. Thus, the transaction was necessary and justified.</p>

Persons with possible conflicts of interests/ Nature of Business/ Relation with the Company	Transactions	Transaction Value (Million Baht)				Necessity and Justification
		Year 2018	Year 2019	Year 2020	Q4 2020	
<p><u>Grand Lanluang Co., Ltd.</u>  <u>Nature of Business</u>            Hotel, Resort and Condominium Business</p> <p><u>Relation with the Company</u>            The Company's directors, i.e., Mr. Sansrit Yenbarnung, and Mr. Poomchai Wacharapong were also directors of Grand Lanluang Co., Ltd.</p>	<p><u>Conference and catering service fee</u>            The Company used the conference facility and catering service from Grand Lanluang Co., Ltd. for the Company's AGMs.            - Administrative expenses</p>	0.09	0.09	0.018	-	<p>The Company used conference facility including catering service for the Company's AGM.</p> <p><u>Comments of the Audit Committee</u>            This transaction supported the Company's core operation. The service fee rate was calculated, based on cost plus profit and the payment conditions were set in accordance with normal business operation practice. Thus, the transaction was necessary and justified.</p>
	<p><u>Office space service expenses</u>            TSPP, a subsidiary, used space for its office.            - Administrative expenses</p>	-	0.61	0.32	-	<p>TSPP, a subsidiary, used space for its office.</p> <p><u>Comments of the Audit Committee</u>            This transaction supported the Company's core operation. The service fee rate was calculated, based on cost plus profit and the payment conditions were set in accordance with normal business operation practice. Thus, the transaction was necessary and justified.</p>

Persons with possible conflicts of interests/ Nature of Business/ Relation with the Company	Transactions	Transaction Value (Million Baht)				Necessity and Justification
		Year 2018	Year 2019	Year 2020	Q4 2020	
<p><b>Transformation Film Co., Ltd.</b></p> <p><u>Nature of Business</u></p> <p>Thai film production of the movie, Deep Thai Movie</p> <p><u>Relation with the Company</u></p> <p>The Company's director, i.e., Mr. Chayanont Ulit was also a director of Transformation Film Co., Ltd.</p>	<p><u>Rent filming equipment</u></p> <p>GH (the subsidiary) provided equipment rental service for production</p>	-	-	0.012	0.012	Transformation Film Co. Ltd used GH's rental service for filming its movie Deep Thai Movie
	- Revenue from sale	-	-	0.012	0.012	Comments of the Audit Committee
	- Revenue from rental services	-	-	1.55	1.55	This transaction supported the Company's core operation. The service fee rate was calculated, based on cost plus profit and the payments conditions were set in accordance with normal business operation practice. Thus, the transaction was necessary and justified.
	- Account Receivable	-	-	0.81	0.81	
<p><b>Mrs. Siripen Sasinmanop</b></p> <p><u>Relationship with the Company</u></p> <p>The sister of Mr. Montri Yoosomboon, Assistant Managing Director</p>	<p><u>Lease the building</u></p> <p>GH (a subsidiary) leased a three-storey town house No. 173/13-14 Soi Paholyothin 44, to use as its office.</p> <p>The renewable lease contract lasted one year.</p>	0.43	0.48	-	-	GH leased the property from Mrs. Siripen Sasinmanop to use as its office. The lease rate was appropriate when compared to the rates for leased property nearby. The payment conditions were set in accordance with the normal business practice, similar to the conditions set for third parties. Hence, the transaction was necessary and justified.
	- Administration expenses (office lease expenses)					<p><u>Comments of the Audit Committee</u></p> <p>This transaction supported the Company's core operation. The service fee rate was calculated, based on cost plus profit and the payment conditions were set in accordance with normal business operation practice. Thus, the transaction was necessary and justified.</p>

Persons with possible conflicts of interests/ Nature of Business/ Relation with the Company	Transactions	Transaction Value (Million Baht)				Necessity and Justification
		Year 2018	Year 2019	Year 2020	Q4 2020	
Mrs. Siripen Sasinmanop (Continued)	<u>Lease Land</u> GH (subsidiary) leased the 405 square Wa land, deed title No. 39485 and 39488 to use as a car park and an equipment warehouse. The renewable lease contract lasted one year. - Administrative Expenses (land lease expenses)	0.23	0.42	-	-	GH leased the land from Mrs. Siripen Sasinmanop to use as a car park and an equipment warehouse. The rental rate was appropriate when compared to the rates for leased property nearby. The payment conditions were set in accordance with the normal business practice, similar to the conditions set for third parties. Hence, the transaction was necessary and justified  <u>Comments of the Audit Committee</u> The transaction supported the Company's operation. The lease rate and the payment conditions were similar to what made with third parties. Hence, the transaction was necessary and justified.



## Part 3

### Financial Statement

# Independent Auditor's Report

## To the shareholders of Matching Maximize Solution Public Company Limited

### My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of Matching Maximize Solution Public Company Limited (the Company) and its subsidiaries (the Group) and separate financial position of the Company as at 31 December 2020, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

### What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2020;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

### Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. 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 consolidated and separate financial statements of the current period. I determine one key audit matter: Impairment of assets. The matter was addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on the matter.

**1. Necessity and justification of connected transactions**

Reviewing the connected transactions occurring during 2018 to 2020, the Audit Committee opined that the connected transactions were necessary, justified and beneficial to the Company.

**2. Measure or procedures to approve the connected transactions**

The connected transactions were done based on the reasons and necessities where the benefits of the company were taken into account. The values of transactions arising from the transactions were fair and in compliance with a general trade agreement and the regulations of the SET or the Capital Market Supervisory Board. In case there is a connected transaction between the Company or its subsidiaries and persons who have or may have a potential conflict of interest (when the Management sees that the connected transaction is necessary but it is beyond the scope of responsibilities of the Management), the Company will assign the Audit Committee to provide opinions on necessity and appropriateness of such transaction. If the Audit Committee has no expertise in considering potential connected transactions that may arise, the Company will seek opinions from independent experts or the Company's auditor. Such independent opinions will be used as part of a decision making process of the Board of Directors and/or shareholders, whichever the case may be.

Moreover, the Company's Board of Directors approved in principles of the trade agreements that included general trading conditions for connected transactions between the Company and its subsidiaries and the management and involved individuals. The management is able to approve the connected transactions between the Company and its subsidiaries and/or the management or involved individuals (for both existing and potential transactions), without an approval from the Company's Board of Director Meeting or the Shareholders' Meeting. The connected transactions, which are in forms of trade agreements similar to what responsible men agree with general trade partners in similar situations and without power as the Management, directors or involved individuals, must be reported to the Audit Committee and the Company's Board of Directors at least once annually.

After the Company involved in any connected transactions, it disclosed the information on such transactions as specified in the regulations of the SET. Such disclosed information was also reviewed by the Audit Committee. In addition, the Company also disclosed the connected transactions in the note to the financial statement which was reviewed by the Company's authorized auditor.

**3. Future policies about connected transactions**

The Company has policies to carry out connected transactions between the Company and its subsidiaries as normal business transactions as well as venue rental transactions to support the Company's business. All conditions are set in accordance with normal trading transactions and can be comparable with what agreed with third parties. The Audit Committee or the Company's auditor or independent experts examine and provide their opinions in regard to the appropriateness of pricing and the justification of the connected transactions. For any potential connected transactions, the Board of Directors have to comply with the rules, regulations and notifications imposed by the SET, as well as guidelines on information disclosure regarding the connected transactions and the acquisition or disposition of substantial assets of the Company or its subsidiaries and the accounting standards of Accountants Association and Thailand's Certified Accountants Association.

Key audit matter	How my audit addressed the key audit matter
<p><b><i>Impairment of assets</i></b></p> <p>Refer to notes to the consolidated financial statements : note 10 Critical accounting estimates and judgements and note 20 Property, plant and equipment, net.</p> <p>As of 31 December 2020, the Group has property, plant and equipment in the consolidated financial statements with the carrying amount of Baht 1,123.68 million. This included studio buildings and related assets of a subsidiary, which were for providing services and renting of studios, with the amount of Baht 658.54 million, which represented 54.26% of the total assets. The Group management determined that studio buildings and related assets were cash-generating unit (CGU), which was subject to impairment testing.</p> <p>During 2020, the Group management assessed that studio buildings and related assets of a subsidiary might be impaired as the capacity of the assets is lower than forecast.</p> <p>To measure the recoverable amount of studio buildings and related assets, the Group management engaged independent valuer to identify and assess fair value of assets which was calculated using the cost approach model.</p> <p>From the assessment of valuation report, the fair value of the assets less costs to sell exceeded its carrying amount. The management concluded that no impairment provision was required.</p> <p>I focused on this area because the carrying amount of studio buildings and related assets was material to the consolidated financial statements and the provision for impairment of assets were based Group on management's judgement.</p>	<p>I understood and evaluated the Group management's impairment models and assessed the principles of Group management's judgement by the following procedures ;</p> <ul style="list-style-type: none"> <li>• assessing the Group management's consideration whether there was any indication that assets might be impaired</li> <li>• evaluating the valuer's competency, independence and objectivity</li> <li>• understanding and evaluating the reasonableness of the approaches and key assumptions applied by valuer in the fair valuation of studio buildings and related assets</li> <li>• comparing the carrying amount of the assets with its recoverable amount of each CGU which the recoverable amounts have been determined based on the assets' fair value less costs to sell</li> <li>• reviewing the minutes of board of directors' meetings regarding to the current operation and future plan of a subsidiary</li> </ul> <p>From the procedures performed above, I found the assumptions made by Group management in impairment assessment to be reasonable based on the available evidence.</p>

### Emphasis of matter

I draw attention to note 6.1 (b) to the consolidated and separate financial statements, which describes the accounting policies in relation to adopting the temporary exemptions announced by the Federation of Accounting Professions to relieve the impact from COVID-19 for the reporting periods ending between 1 January 2020 and 31 December 2020. My opinion is not modified in respect to this matter.

### Other information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

### Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRS, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and the Company'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 the directors either intend to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities for overseeing the Group's and the Company's financial reporting process.

### Auditor's responsibilities for the audit of the consolidated and separate financial statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate 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 TSAs 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 consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate 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 and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 and the Company'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 consolidated and separate 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 and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate 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 the audit committee 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 the audit committee 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 the audit committee, I determine those matters that were of most significance in the audit of the consolidated and separate 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.

PricewaterhouseCoopers ABAS Ltd.



Sa-nga Chokenitisawat

Certified Public Accountant (Thailand) No. 11251

Bangkok

22 February 2021



# Statements of Financial Position

Matching Maximize Solution Public Company Limited

As at 31 December 2020

	Notes	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	12	22,402,099	67,014,105	13,090,360	27,243,014
Trade and other receivables, net	13	67,583,716	103,954,531	10,928,841	20,516,376
Short-term loans to subsidiaries, net	37.4	-	-	450,205,950	545,900,000
Inventories	15	13,302,689	13,846,698	2,110,560	1,771,507
VAT refund		1,424,920	1,746,183	-	-
Withholding tax deducted at sources, net		22,474,984	22,802,144	4,904,364	4,514,089
Other current assets		301,062	777,402	163,399	104,442
Non-current assets held for sale	16	-	6,784,693	-	-
Investments in a subsidiary, net	17	-	-	-	10,851,739
<b>Total current assets</b>		<b>127,489,470</b>	<b>216,925,756</b>	<b>481,403,474</b>	<b>610,901,167</b>
<b>Non-current assets</b>					
Investments in subsidiaries, net	17	-	-	956,043,532	957,500,000
Investment in joint venture, net	18	-	-	-	-
Investment property, net	19	-	-	-	-
Property, plant and equipment, net	20	1,213,679,238	1,249,973,282	20,048,658	28,572,602
Assets for rent, net	21	227,120,878	270,911,141	-	-
Right-of-use assets, net	22	14,664,435	-	7,338,665	-
Intangible assets, net	23	2,299,991	3,082,187	133,282	212,456
Deferred tax assets, net	24	33,992,858	11,764,310	1,406,955	3,859,516
Other non-current assets		1,441,495	1,113,938	245,420	245,420
<b>Total non-current assets</b>		<b>1,493,198,895</b>	<b>1,536,844,858</b>	<b>985,216,512</b>	<b>990,389,994</b>
<b>Total assets</b>		<b>1,620,688,365</b>	<b>1,753,770,614</b>	<b>1,466,619,986</b>	<b>1,601,291,161</b>

The accompanying notes on pages 137 to 211 are an integral part of these consolidated and separate financial statements.

## Statements of Financial Position (Cont'd)

Matching Maximize Solution Public Company Limited  
As at 31 December 2020

		Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
	Notes	Baht	Baht	Baht	Baht
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Short-term borrowings from bank	27 (a)	35,000,000	40,000,000	35,000,000	20,000,000
Trade and other payables	25	21,036,372	41,092,872	780,482	7,126,686
Short-term borrowing from a subsidiary	37.5	-	-	-	6,000,000
Current portion of long-term borrowing from bank, net	27 (b)	21,099,000	14,556,000	-	-
Current portion of lease liabilities, net	27 (c)	3,393,356	3,257,939	322,585	-
Other current liabilities	26	8,707,817	12,570,531	1,701,528	1,895,064
Liabilities directly associated with non-current assets held for sale	16	-	1,568,425	-	-
<b>Total current liabilities</b>		<b>89,236,545</b>	<b>113,045,767</b>	<b>37,804,595</b>	<b>35,021,750</b>
<b>Non-current liabilities</b>					
Long-term borrowing from bank, net	27 (b)	166,020,932	98,050,932	-	-
Lease liabilities, net	27 (c)	11,516,876	1,180,863	7,975,339	-
Employee benefit obligations	28	15,340,577	35,280,819	4,459,128	16,714,900
<b>Total non-current liabilities</b>		<b>192,878,385</b>	<b>134,512,614</b>	<b>12,434,467</b>	<b>16,714,900</b>
<b>Total liabilities</b>		<b>282,114,930</b>	<b>247,558,381</b>	<b>50,239,062</b>	<b>51,736,650</b>

The accompanying notes on pages 137 to 211 are an integral part of these consolidated and separate financial statements.

## Statements of Financial Position (Cont'd)

Matching Maximize Solution Public Company Limited

As at 31 December 2020

		Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
	Notes	Baht	Baht	Baht	Baht
Liabilities and equity (Cont'd)					
Equity					
Share capital					
Authorised share capital					
Ordinary shares, 781.63 million shares					
at par value of Baht 1 each	29	781,629,851	781,629,851	781,629,851	781,629,851
Issued and paid-up share capital					
Ordinary shares, 781.63 million shares					
paid-up of Baht 1 each	29	781,628,733	781,628,733	781,628,733	781,628,733
Share premium	29	906,214,683	906,214,683	906,214,683	906,214,683
Deficits					
Appropriated - legal reserve	30	10,658,657	10,658,657	10,658,657	10,658,657
Deficits		(359,928,638)	(191,991,335)	(282,121,149)	(148,947,562)
Equity attributable to owners of the parent		1,338,573,435	1,506,510,738	1,416,380,924	1,549,554,511
Non-controlling interests		-	(298,505)	-	-
<b>Total equity</b>		<b>1,338,573,435</b>	<b>1,506,212,233</b>	<b>1,416,380,924</b>	<b>1,549,554,511</b>
<b>Total liabilities and equity</b>		<b>1,620,688,365</b>	<b>1,753,770,614</b>	<b>1,466,619,986</b>	<b>1,601,291,161</b>

The accompanying notes on pages 137 to 211 are an integral part of these consolidated and separate financial statements.

# Statements of Comprehensive Income

Matching Maximize Solution Public Company Limited

For the year ended 31 December 2020

		Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
	Notes	Baht	Baht	Baht	Baht
Revenue					
Services income		247,302,198	474,070,791	39,628,833	47,267,479
Sales		2,444,397	5,174,039	-	-
<b>Total revenue</b>		<b>249,746,595</b>	<b>479,244,830</b>	<b>39,628,833</b>	<b>47,267,479</b>
Cost of sales and services					
Cost of services		(263,690,429)	(335,870,436)	(39,657,692)	(37,479,583)
Cost of sales		(1,106,261)	(2,191,889)	-	-
<b>Total cost of sales and services</b>		<b>(264,796,690)</b>	<b>(338,062,325)</b>	<b>(39,657,692)</b>	<b>(37,479,583)</b>
<b>Gross profit (loss)</b>		<b>(15,050,095)</b>	<b>141,182,505</b>	<b>(28,859)</b>	<b>9,787,896</b>
Other incomes (other expenses)	31	4,853,270	(1,713,836)	52,240,307	53,070,392
Selling expenses		(11,277,671)	(17,838,782)	(1,750,346)	(1,762,013)
Administrative expenses		(160,497,235)	(151,517,683)	(93,913,750)	(53,223,985)
Finance costs	32	(10,569,999)	(6,967,978)	(1,211,701)	(1,430,993)
Share of loss on investment in joint venture	18	-	(825,464)	-	-
<b>Profit (loss) before income tax</b>		<b>(192,541,730)</b>	<b>(37,681,238)</b>	<b>(44,664,349)</b>	<b>6,441,297</b>
Income tax	34	22,689,473	7,983,380	(2,225,087)	433,591
<b>Profit (loss) from continuing operations</b>		<b>(169,852,257)</b>	<b>(29,697,858)</b>	<b>(46,889,436)</b>	<b>6,874,888</b>
Loss from discontinued operations	16	-	(9,018,138)	-	-
<b>Profit (loss) for the year</b>		<b>(169,852,257)</b>	<b>(38,715,996)</b>	<b>(46,889,436)</b>	<b>6,874,888</b>

The accompanying notes on pages 137 to 211 are an integral part of these consolidated and separate financial statements.

# Statements of Comprehensive Income (Cont'd)

Matching Maximize Solution Public Company Limited

For the year ended 31 December 2020

	Notes	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
Other comprehensive income (expense):					
Item that will not subsequently be reclassified to profit or loss					
Remeasurements of post-employment benefit obligations	28	3,568,868	(1,798,994)	986,620	1,523,351
Income tax on items that will not subsequently be reclassified to profit or loss	24	(699,523)	220,502	(197,324)	(304,670)
Other comprehensive income (expense) for the year, net of tax		2,869,345	(1,578,492)	789,296	1,218,681
Total comprehensive income (expense) for the year		(166,982,912)	(40,294,488)	(46,100,140)	8,093,569
Profit (loss) attributable to:					
Owners of the parent		(169,852,257)	(38,392,689)	(46,889,436)	6,874,888
Non-controlling interest		-	(323,307)	-	-
		(169,852,257)	(38,715,996)	(46,889,436)	6,874,888
Total comprehensive income (expense) attributable to:					
Owners of the parent					
- From continuing operations		(166,982,912)	(30,854,894)	(46,100,140)	8,093,569
- From discontinued operations		-	(9,113,198)	-	-
Non-controlling interest		-	(326,396)	-	-
		(166,982,912)	(40,294,488)	(46,100,140)	8,093,569
Earnings (loss) per share	35				
Basic earnings (loss) per share (Baht)					
- From continuing operations		(0.22)	(0.04)	(0.06)	0.01
- From discontinued operations		-	(0.01)	-	-

The accompanying notes on pages 137 to 211 are an integral part of these consolidated and separate financial statements.

# Statements of Changes in Equity

Matching Maximize Solution Public Company Limited  
For the year ended 31 December 2020

	Consolidated financial statements							
	Note	Attributable to owners of the parent				Non-controlling interests	Total equity	
		Issued and paid-up share capital	Share premium	Deficits				Total owners of the parent
				Appropriated - legal reserve	Unappropriated			
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	
Balance as at 1 January 2019	781,628,733	906,214,683	10,658,657	(152,023,243)	1,546,478,830	27,891	1,546,506,721	
Changes in equity for the year 2019								
Total comprehensive expense for the year	-	-	-	(39,968,092)	(39,968,092)	(326,396)	(40,294,488)	
Balance as at 31 December 2019	781,628,733	906,214,683	10,658,657	(191,991,335)	1,506,510,738	(298,505)	1,506,212,233	
Balance as at 1 January 2020 - as previously reported	781,628,733	906,214,683	10,658,657	(191,991,335)	1,506,510,738	(298,505)	1,506,212,233	
Retrospective adjustments from changes in accounting policy	6	-	-	(954,391)	(954,391)	-	(954,391)	
Balance as at 1 January 2020 - as restated	781,628,733	906,214,683	10,658,657	(192,945,726)	1,505,556,347	(298,505)	1,505,257,842	
Changes in equity for the year 2020								
Disposal of investment in a subsidiary	-	-	-	-	-	298,505	298,505	
Total comprehensive expense for the year	-	-	-	(166,982,912)	(166,982,912)	-	(166,982,912)	
Balance as at 31 December 2020	781,628,733	906,214,683	10,658,657	(359,928,638)	1,338,573,435	-	1,338,573,435	

The accompanying notes on pages 137 to 211 are an integral part of these consolidated and separate financial statements.

## Statements of Changes in Equity (Cont'd)

Matching Maximize Solution Public Company Limited  
For the year ended 31 December 2020

	Separate financial statements					
	Issued and paid-up share capital	Share premium	Deficits		Total equity	
			Appropriated - legal reserve	Unappropriated		
	Baht	Baht	Baht	Baht	Baht	Baht
Balance as at 1 January 2019	781,628,733	906,214,683	10,658,657	(157,041,131)		1,541,460,942
Changes in equity for the year 2019						
Total comprehensive income for the year	-	-	-	8,093,569		8,093,569
Balance as at 31 December 2019	781,628,733	906,214,683	10,658,657	(148,947,562)		1,549,554,511
Balance as at 1 January 2020 - as previously reported	781,628,733	906,214,683	10,658,657	(148,947,562)		1,549,554,511
Retrospective adjustments from changes in accounting policy	6	-	-	(87,073,447)		(87,073,447)
Balance as at 1 January 2020 - as restated	781,628,733	906,214,683	10,658,657	(236,021,009)		1,462,481,064
Changes in equity for the year 2020						
Total comprehensive expense for the year	-	-	-	(46,100,140)		(46,100,140)
Balance as at 31 December 2020	781,628,733	906,214,683	10,658,657	(282,121,149)		1,416,380,924

The accompanying notes on pages 137 to 211 are an integral part of these consolidated and separate financial statements.



## Statements of Cash Flows

Matching Maximize Solution Public Company Limited

For the year ended 31 December 2020

	Notes	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
<b>Cash flows from operating activities</b>					
Continuing operations					
Profit (loss) before income tax		(192,541,730)	(37,681,238)	(44,664,349)	6,441,297
Adjustments for:					
(Reversal of) bad debt expenses and expected credit loss for account receivables	13.2	11,641,749	(1,106,740)	(21,423)	(47,480)
Depreciation and amortisation	33	99,952,046	96,730,934	5,024,070	5,388,186
Employee benefit obligations		(9,812,974)	8,797,489	(6,589,152)	2,384,240
Expected credit loss of short-term loans to subsidiaries	37.4	-	-	31,100,000	-
(Reversal of) allowance for impairment of assets	20	(1,780,774)	1,780,774	-	-
(Reversal of) allowance for impairment of investments in subsidiaries, net	17	-	-	(23,391,793)	7,473,303
(Gain) Loss from disposal of investment in a subsidiary		(908,701)	-	30,572,808	-
Allowance for impairment of investment in joint venture	18	-	1,059,291	-	1,884,755
Write-off withholding tax deducted at source		230,627	10	145,988	-
Allowance for withholding tax deducted at sources		43,364	201,753	43,364	201,753
Share of loss from investments in joint venture	18	-	825,464	-	-
(Gain) Loss from disposal of equipment		(451,856)	(217,351)	(408,015)	20,611
(Gain) Loss from disposal of assets for rent		(2,218,415)	391,485	-	-
Realised deferred (income) from sale and lease back		(148,672)	(294,305)	-	-
Loss from write-off of equipment		6,354,378	1,119,918	4,507,801	-
Loss from write-off of assets for rent		241,943	355,898	-	-
(Gain) from write-off of right-of-use assets		(40,854)	-	(40,854)	-
Loss from write-off of intangible assets		-	1	-	-
Loss from insurance compensation for assets for rent	31	-	117,871	-	-
Interest income	31	(68,912)	(113,517)	(29,909,936)	(32,203,676)
Finance costs	32	10,569,999	6,967,978	1,211,701	1,430,993

The accompanying notes on pages 137 to 211 are an integral part of these consolidated and separate financial statements.

## Statements of Cash Flows (Cont'd)

Matching Maximize Solution Public Company Limited

For the year ended 31 December 2020

		Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
	Notes	Baht	Baht	Baht	Baht
Cash flow before change in					
operating assets and liabilities		(78,938,782)	78,935,715	(32,419,790)	(7,026,018)
Change in operating assets and liabilities:					
- Trade and other receivables		23,536,077	24,141,489	9,759,711	(7,628,342)
- Inventories		544,009	(1,265,872)	(339,053)	(581,063)
- VAT refund		321,263	6,299,241	-	-
- Other current assets		476,340	(258,643)	(58,957)	(51,591)
- Other non-current assets		(327,557)	(50,500)	-	-
- Trade and other payables		(16,333,362)	3,300,354	(3,597,542)	2,601,716
- Other current liabilities		(3,714,042)	(644,594)	(193,536)	397,567
- Employee benefit obligations	28	(6,558,400)	(1,219,200)	(4,680,000)	(168,800)
Cash flows from operating activities		(80,994,454)	109,237,990	(31,529,167)	(12,456,531)
Interest received		68,912	113,517	47,131	64,950
Interest paid		(10,551,148)	(6,988,500)	(1,211,701)	(1,430,993)
Received withholding tax refunded		7,397,622	8,351,182	1,459,282	-
Income tax paid		(7,344,453)	(14,208,446)	(2,038,909)	(2,017,526)
Discontinued operations	16	-	(1,152,935)	-	-
Net cash generated from (used in) operating activities		(91,423,521)	95,352,808	(33,273,364)	(15,840,100)

The accompanying notes on pages 137 to 211 are an integral part of these consolidated and separate financial statements.

## Statements of Cash Flows (Cont'd)

Matching Maximize Solution Public Company Limited

For the year ended 31 December 2020

		Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
	Notes	Baht	Baht	Baht	Baht
<b>Cash flows from investing activities</b>					
Continuing operations					
Cash payment for short-term loans to subsidiaries	37.4	-	-	(71,000,000)	(86,900,000)
Cash received from short-term loans to subsidiaries	37.4	-	-	48,400,000	68,500,000
Cash payment for investment in subsidiaries	17	-	-	(8,000,000)	(1,000,000)
Cash received from capital return of subsidiaries	17	5,805,000	-	5,805,000	-
Cash received from dissolution of subsidiaries		4,618,474	-	5,322,192	-
Cash payment for purchases of assets		(8,489,262)	(48,267,774)	(91,259)	(321,212)
Cash payment for purchases of assets for rent		(23,264,992)	(46,808,752)	-	-
Cash payment for purchases of intangible assets		(12,980)	(1,522,519)	-	-
Proceeds from disposal of equipment		564,067	647,197	414,084	10,747
Proceeds from disposal of assets for rent		10,428,809	1,068,870	-	-
Cash received from insurance compensation for assets for rent		-	133,832	-	-
Interest received from short-term loans to subsidiaries		-	-	29,862,805	32,739,404
Discontinued operations	16	-	(202,699)	-	-
Net cash generated from (used in) investing activities		(10,350,884)	(94,951,845)	10,712,822	13,028,939

The accompanying notes on pages 137 to 211 are an integral part of these consolidated and separate financial statements.

## Statements of Cash Flows (Cont'd)

Matching Maximize Solution Public Company Limited

For the year ended 31 December 2020

	Notes	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
<b>Cash flows from financing activities</b>					
Continuing operations					
Cash received from short-term borrowing from bank		80,000,000	40,000,000	80,000,000	20,000,000
Cash received from short-term borrowing					
from a subsidiary	37.5	-	-	-	2,300,000
Repayments to short-term borrowing from a subsidiary	37.5	-	-	-	(3,300,000)
Cash received from long-term borrowing from bank	27 (b)	82,110,000	34,890,000	-	-
Cash payment for short-term borrowing from bank		(85,000,000)	-	(65,000,000)	-
Cash payment for short-term loan to a third party		(6,000,000)	-	(6,000,000)	-
Repayments to long-term borrowing from bank	27 (b)	(7,597,000)	(23,423,068)	-	-
Repayments to lease liabilities		(6,350,601)	(3,992,471)	(592,112)	-
Net cash generated from financing activities		57,162,399	47,474,461	8,407,888	19,000,000
<b>Net increase (decrease) in cash and cash equivalents</b>					
Opening balance of cash and cash equivalents		67,014,105	21,204,295	27,243,014	11,054,175
Cash and cash equivalents of discontinued operations	16.2	-	(2,065,614)	-	-
Closing balance of cash and cash equivalents		22,402,099	67,014,105	13,090,360	27,243,014
<b>Non-cash transactions</b>					
Outstanding payable arising from purchases of assets		-	557,148	-	-
Outstanding payable arising from purchases					
of assets for rent		48,422	484,601	-	-
Acquisition of assets for rent by means of finance lease		-	1,732,710	-	-
The reversal of right-of use assets	22	3,548,615	-	3,548,615	-
The reversal of lease liabilities	27 (c)	3,578,943	-	3,578,943	-

The accompanying notes on pages 137 to 211 are an integral part of these consolidated and separate financial statements.

# Notes to the Consolidated and Separate Financial Statements

Matching Maximize Solution Public Company Limited

For the year ended 31 December 2020

## 1 General information

Matching Maximize Solution Public Company Limited, (the “Company”) is a public limited company which is incorporated and domiciled in Thailand. The address of the Company’s registered offices are as follows:

No. 305/12 Soi Sukhothai 6, Sukhothai Road, Dusit, Bangkok.

The Company is listed on the Stock Exchange of Thailand. For reporting purposes, the Company and its subsidiaries are referred to as “the Group”.

The Company and its subsidiaries (the Group) is principally engaged in the business of producing television programs and commercial production, providing post production and edition of visual and audio effect of film services, providing film production equipment for rent and related services, selling of goods, providing services and renting of studio and production service and co-operation of movie film.

The consolidated and separate financial statements have been approved by the Board of Directors on 22 February 2021.

## 2 Significant events during the current year

The outbreak of Coronavirus Disease 2019 (“COVID-19”) in early 2020 has adverse effects on operating results for the year ended 31 December 2020.

From 26 March 2020, the Group must abide the Announcements of the Bangkok Metropolitan and the State of emergency not to shoot the television programs, provide film production equipment for rent and related services, provide services and renting of studio and production service and co-operation of movie film.

The operation continually stopped in April and May. However, since 17 May 2020, the Group has been able to reopen its business operations according to Regulation Issued under Section 9 the Emergency Degree on Public Administration in Emergency Situations B.E. 2005 (No.7). The Group is now paying close attention to the development of the COVID-19 situation, evaluating its impact on the Group operation while strategizing effective and appropriate solutions.

## 3 Financial position

For the year ended 31 December 2020, the Group has incurred a net loss of Baht 169.85 million and has deficit of Baht 359.93 million. This indicator raised doubt on the Company’s ability to continue as a going concern. Nevertheless, management believes that the Group has an business plan and available credit facilities are sufficient for operation, which enables the Group to continue as a going concern and fulfil all of its financial obligations now and in the future for a minimum period of 12 months. Therefore, the preparation of the financial statements is based on accounting principles applicable to going concern basis.

#### 4 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards (“TFRS”) and the financial reporting requirements issued under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 10.

An English language version of the consolidated and separate financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

#### 5 New and amended financial reporting standards

##### 5.1 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2020 and have significant impacts to the Group

###### a) Financial instruments

The new financial standards related to financial instruments are as follows:

TAS 32	Financial instruments: Presentation
TFRS 7	Financial instruments: Disclosures
TFRS 9	Financial instruments
TFRIC 16	Hedges of a net investment in a foreign operation
TFRIC 19	Extinguishing financial liabilities with equity instruments

The new financial reporting standards related to financial instruments introduce new classification and measurement requirements for financial instruments as well as provide derecognition guidance on financial assets and financial liabilities. The new guidance also provides an option for the Group to apply hedge accounting to reduce accounting mismatch between hedged item and hedging instrument. In addition, the new rule provides detailed guidance on financial instruments issued by the Group whether it is a liability or an equity. Among other things, they require extensive disclosure on financial instruments and related risks.

The new classification requirements of financial assets require the Group to assess both a) business model for holding the financial assets; and b) cash flow characteristics of the asset whether the contractual cash flows represent solely payments of principal and interest (SPPI). The classification affects the financial assets’ measurement. The new guidance requires assessment of impairment of financial assets as well as contract assets and recognition of expected credit loss from initial recognition.

## 5 New and amended financial reporting standards (Cont'd)

### 5.1 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2020 and have significant impacts to the Group (Cont'd)

#### a) Financial instruments (Cont'd)

On 1 January 2020, the Group has adopted the financial reporting standards related to financial instruments in its financial statements. The impact from the first-time adoption has been disclosed in Note 6.

#### b) TFRS 16, Leases

Where the Group is a lessee, TFRS 16, Leases will result in almost all leases being recognised on the balance sheet as the distinction between operating and finance leases is removed. A right-of-use asset and a lease liability will be recognised, with exception on short-term and low-value leases.

On 1 January 2020, the Group has adopted the new lease standard in its financial statements. The impact from the first-time adoption has been disclosed in Note 6.

#### c) Amendment to TAS 12, Income tax clarified that the income tax consequences of dividends of financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised.

#### d) Amendment to TAS 19, Employee benefits (plan amendment, curtailment or settlement) - clarified accounting for defined benefit plan amendments, curtailments and settlements that the updated assumptions on the date of change are applied to determine current service cost and net interest for the remainder of the reporting period after the plan amendment, curtailment or settlement.

#### e) Amendment to TAS 23, Borrowing costs clarified that if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.

#### f) Amendment to TAS 28, Investments in associates and joint ventures (long-term interests in associates and joint ventures) clarified the accounting for long-term interests in an associate or joint venture, which is in substance form part of the net investment in the associate or joint venture, but to which equity accounting is not applied. The Group must account for such interests under TFRS 9, Financial instruments before applying the loss allocation and impairment requirements in TAS 28, Investments in associates and joint ventures.



## 5 New and amended financial reporting standards (Cont'd)

### 5.1 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2020 and have significant impacts to the Group (Cont'd)

- g) **TFRIC 23, Uncertainty over income tax treatments** explained how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. In particular, it discusses:
- that the Group should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, i.e. that detection risk should be ignored.
  - that the Group should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment.
  - that the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

### 5.2 New and amended financial reporting standards that are effective for accounting period beginning or after 1 January 2021 and have significant impacts to the Group

Certain amended financial reporting standards have been issued that are not mandatory for current reporting period and have not been early adopted by the Group.

- a) **Revised Conceptual Framework for Financial Reporting** added the following key principals and guidance:
- Measurement basis, including factors in considering difference measurement basis
  - Presentation and disclosure, including classification of income and expenses in other comprehensive income
  - Definition of a reporting entity, which maybe a legal entity, or a portion of an entity
  - Derecognition of assets and liabilities

The amendment also includes the revision to the definition of an asset and liability in the financial statements, and clarification the role of management's ability to maintain the entity's economic resources, and uncertainty of the measurement in financial reporting.

- b) **Amendment to TFRS 9, Financial instruments and TFRS 7, Financial instruments: disclosures** amended to provide relief from applying specific hedge accounting requirements to the uncertainty arising from interest rate benchmark reform such as IBOR. The amendment also requires disclosure of hedging relationships directly affected by the uncertainty.
- c) **Amendment to TAS 1, Presentation of financial statements and TAS 8, Accounting policies, changes in accounting estimates and errors** amended to definition of materiality. The amendment allows for a consistent definition of materiality throughout the Thai Financial Reporting Standards and the Conceptual Framework for Financial Reporting. It also clarified when information is material and incorporates some of the guidance in TAS 1 about immaterial information.

## 6 Impacts from initial application of the new and revised financial reporting standards

This note explains the impact of the adoption of TAS 32 Financial Instruments: Presentation, TFRS 7 Financial Instruments: Disclosure, TFRS 9 Financial Instruments and TFRS 16 Leases by the Group. The new accounting policies applied from 1 January 2020 were disclosed in Note 7.6, 7.12, and 7.13, respectively.

The Group have adopted those accounting policies from 1 January 2020 by applying the modified retrospective approach. The comparative figures have not been restated. The reclassifications and the adjustments arising from the changes in accounting policies were therefore recognised in the statement of financial position as of 1 January 2020.

The impact of first-time adoption of new financial reporting standards on the consolidated and separate statements of financial position are as follows:

	Consolidated financial statements			
	Adjustment and reclassification			
	31 December 2019 Previously reported	TFRS 9 and TAS 32	TFRS 16	1 January 2020 Restated
	Baht	Baht	Baht	Baht
<b>Current assets</b>				
Trade and other receivables, net	103,954,531	(1,192,989)	-	102,761,542
<b>Non-current assets</b>				
Assets for rent, net	270,911,141	-	(14,415,921)	256,495,220
Right-of-use assets, net	-	-	34,078,759	34,078,759
Deferred tax assets, net	11,764,310	238,598	-	12,002,908
	386,629,982	(954,391)	19,662,838	405,338,429
<b>Current liabilities</b>				
Trade and other payables	41,092,872	-	(748,662)	40,344,210
Current portion of lease liabilities	3,257,939	-	3,462,297	6,720,236
<b>Non-current liabilities</b>				
Lease liabilities	1,180,863	-	16,949,203	18,130,066
	45,531,674	-	19,662,838	65,194,512
<b>Deficit</b>	(191,991,335)	(954,391)	-	(192,954,726)
	(191,991,335)	(954,391)	-	(192,954,726)

## 6 Impacts from initial application of the new and revised financial reporting standards (Cont'd)

The impact of first-time adoption of new financial reporting standards on the consolidated and separate statements of financial position are as follows: (Cont'd)

	Separate financial statements			
	Adjustment and reclassification			
	31 December 2019 Previously reported	TFRS 9 and TAS 32	TFRS 16	1 January 2020 Restated
	Baht	Baht	Baht	Baht
<b>Current asset</b>				
Trade and other receivables, net	20,516,376	150,753	-	20,667,129
Short-term loans to subsidiaries, net	545,900,000	(87,194,050)	-	458,705,950
<b>Non-current assets</b>				
Right-of-use assets, net	-	-	11,730,843	11,730,843
Deferred tax assets, net	3,859,516	(30,150)	-	3,829,366
	570,275,892	(87,073,447)	11,730,843	494,933,288
<b>Current liabilities</b>				
Trade and other payables	7,126,686	-	(748,662)	6,378,024
Current portion of lease liabilities	-	-	963,500	963,500
<b>Non-current liabilities</b>				
Lease liabilities	-	-	11,516,005	11,516,005
	7,126,686	-	11,730,843	18,857,529
<b>Deficit</b>	(148,947,562)	(87,073,447)	-	(236,021,009)
	(148,947,562)	(87,073,447)	-	(236,021,009)

The above adjustments and reclassifications can be summarised as follows:

- Adjustments on expected credit loss of trade receivables and short-term loans to subsidiaries to retained earnings
- Recognitions of right-of-use assets and lease liabilities resulted in adjustments of trade and other payables
- Adjustments on deferred tax assets related to the above adjustments

## 6 Impacts from initial application of the new and revised financial reporting standards (Cont'd)

### 6.1 Financial instruments

The total impact on the Group's deficit as of 1 January 2020 are as follows: (Cont'd)

	Consolidated financial statements	Separate financial statements
	Baht	Baht
Deficit as of 31 December 2019 (as previously reported)	(191,991,335)	(148,947,562)
Increase in provision for trade receivables	(1,192,989)	150,753
Increase in provision for short-term loans to subsidiaries	-	(87,194,050)
Recognised deferred tax assets related to the above adjustments	238,598	(30,150)
Total adjustments to opening deficit from adoption of TFRS 9	(954,391)	(87,073,447)
Deficit as of 1 January 2020		
after reflecting TFRS 9 adoption (before impact from TFRS 16)	(192,945,726)	(236,021,009)

#### (a) Reclassifications of financial instruments on adoption of TFRS 9

On 1 January 2020, the date of initial application, the measurement categories and carrying amounts of financial assets and financial liabilities were as follows.

	Consolidated financial statements				
	Measurement categories		Carrying amounts		
	Previously reported (TAS 105 and other TAS)	New (TFRS 9)	Previously reported Baht	New Baht	Difference Baht
<b>Current financial assets</b>					
Cash and cash equivalents	Amortised cost	Amortised cost	67,014,105	67,014,105	-
Trade and other receivables	Amortised cost	Amortised cost	103,954,531	102,761,542	(1,192,989)
<b>Current financial liabilities</b>					
Short-term borrowings from bank	Amortised cost	Amortised cost	40,000,000	40,000,000	-
Trade and other payables	Amortised cost	Amortised cost	41,092,872	41,092,872	-
Current portion of long-term borrowings from bank	Amortised cost	Amortised cost	14,556,000	14,556,000	-
<b>Non-current financial liabilities</b>					
Long-term borrowings from bank	Amortised cost	Amortised cost	98,050,932	98,050,932	-

## 6 Impacts from initial application of the new and revised financial reporting standards (Cont'd)

### 6.1 Financial instruments (Cont'd)

#### (a) Reclassifications of financial instruments on adoption of TFRS 9 (Cont'd)

On 1 January 2020, the date of initial application, the measurement categories and carrying amounts of financial assets and financial liabilities were as follows. (Cont'd)

	Separate financial statements				
	Measurement categories		Carrying amounts		
	Previously reported (TAS 105 and other TAS)	New (TFRS 9)	Previously reported Baht	New Baht	Difference Baht
<b>Current financial assets</b>					
Cash and cash equivalents	Amortised cost	Amortised cost	27,243,014	27,243,014	-
Trade and other receivables	Amortised cost	Amortised cost	20,516,376	20,667,129	150,753
Short-term loans to subsidiaries	Amortised cost	Amortised cost	545,900,000	458,705,950	(87,194,050)
<b>Current financial liabilities</b>					
Short-term borrowings from bank	Amortised cost	Amortised cost	20,000,000	20,000,000	-
Trade and other payables	Amortised cost	Amortised cost	7,126,686	7,126,686	-

#### (b) Impairment of financial assets

The Group have following financial assets that are subject to the expected credit loss model:

- cash and cash equivalents
- trade and other receivables
- loans to related parties

The Group was required to revise its impairment methodology under TFRS 9. The impact of the change in impairment methodology on the Group's retained earnings at 1 January 2020 were Baht 954,391 and Baht 87,073,447, respectively.

While cash and cash equivalents are subject to the new impairment requirement, the identified impact was immaterial.

#### Trade receivables

The Group applies the simplified approach in measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the historical payment profiles of sales, the corresponding historical credit losses experienced as well as forward-looking information that may affect the ability of the customers to settle the receivables.

## 6 Impacts from initial application of the new and revised financial reporting standards (Cont'd)

### 6.1 Financial instruments (Cont'd)

#### (b) Impairment of financial assets (Cont'd)

As of 1 January 2020, the Group reversed and recognised additional expected credit loss for trade receivables in consolidated and separate financial statements at Baht 1,192,989 and Baht 150,753, respectively.

During the year 2020, the Group has recognised expected credit loss for account receivables in the consolidated financial statements at Baht 11,641,749 and reversed expected credit loss for account receivables in the separate financial statements at Baht 21,423.

The Group chose to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ended between 1 January 2020 and 31 December 2020 by excluding forward-looking information in assessing the expected credit loss under the simplified approach of trade receivables. The expected credit loss for trade receivables were assessed based on historical credit loss together with the management's judgement in estimating the expected credit loss.

Information about the impairment of trade receivables is disclosed in Note 13.2.

#### Loans to related parties

The Company has loans to related parties measured at amortised cost. The 12-month expected credit loss allowance was recognised for those loans without any significant increase in credit risk. The lifetime expected credit loss was recognised for those loans with significant increase in credit risk.

Information about the impairment of loans to related parties is disclosed in Note 37.4.

### 6.2 Leases

On adoption of TFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of TAS 17 Leases for leases with lease terms more than 12 months. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2020. The weighted average lessee's incremental borrowing rates applied to the lease liabilities on 1 January 2020 were 4.88% and 5.88% per annum.

The associated right-of-use assets for property leases were measured on a retrospective basis as if the new rules had always been applied in which the incremental borrowing rate for the whole lease term is applied. Other right-of-use assets were measured at the amount equal to the lease liability in which the incremental borrowing rate for the remaining lease terms from the initial application date is applied, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position as at 31 December 2019. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application.

## 6 Impacts from initial application of the new and revised financial reporting standards (Cont'd)

### 6.2 Leases (Cont'd)

For leases previously classified as finance leases the Group recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right of use asset and the lease liability at the date of initial application. The measurement principles of TFRS 16 are only applied after that date.

	Consolidated financial statements	Separate financial statements
	Baht	Baht
Operating lease commitments disclosed as at		
31 December 2019	19,298,737	13,388,421
Less: Discounted using the lessee's incremental borrowing rate of at the date of initial application	(4,954,500)	(4,257,863)
Add: Finance lease liabilities recognised as at 31 December 2019	4,438,802	-
Add: Adjustments as a result of a different treatment of extension and termination options	6,067,263	3,348,947
<b>Lease liability recognised as at 1 January 2020</b>	<b>24,850,302</b>	<b>12,479,505</b>
Current lease liabilities	6,720,236	963,500
Non-current lease liabilities	18,130,066	11,516,005
<b>Total</b>	<b>24,850,302</b>	<b>12,479,505</b>

#### Practical expedients applied

In applying TFRS 16 for the first time, the group has used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- reliance on previous assessments on whether leases are onerous
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2020 as short-term leases
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease, and
- elect not to reassess whether a contract is, or contains a lease as defined under TFRS 16 at the date of initial application but relied on its assessment made applying TAS 17 and TFRIC 4 Determining whether an arrangement contains a Lease.



## 7 Accounting policies

### 7.1 Principles of consolidation and equity accounting

#### a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost method.

#### b) Joint ventures

A joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement. Interests in joint ventures are accounted for using the equity method.

In the separate financial statements, investments in joint ventures are accounted for using cost method.

#### c) Equity method

The investment is initially recognised at cost which is consideration paid and directly attributable costs.

The Group's subsequently recognises shares of its joint ventures' profits or losses and other comprehensive income in the profit or loss and other comprehensive income, respectively. The subsequent cumulative movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in joint ventures equals or exceeds its interest in the joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

#### d) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received is recognised within equity.

If the ownership interest in joint ventures is reduced but significant influence and joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate. Profit or loss from reduce of the ownership interest in joint ventures is recognise in profit or loss.

## 7 Accounting policies (Cont'd)

### 7.1 Principles of consolidation and equity accounting (Cont'd)

#### d) Changes in ownership interests (Cont'd)

When the Group loses control, joint control or significant influence over investments, any retained interest in the investment is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount of the retained interest which is reclassified to investment in a joint venture or a financial asset accordingly.

#### e) Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

### 7.2 Foreign currency translation

#### a) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Group's functional and presentation currency.

#### b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

### 7.3 Cash and cash equivalents

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call, short-term highly liquid investments with maturities of three months or less from acquisition date.

### 7.4 Trade accounts receivable

Trade receivables are amounts due from customers for goods sold or service performed in the ordinary course of business. They are generally due for settlement within 60 - 90 days and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The impairment of trade receivables are disclosed in Note 7.6(f).

## 7 Accounting policies (Cont'd)

### 7.5 Inventories

#### a) Equipment and accessories for film production

Equipment and accessories for film production are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition, less all attributable discounts.

#### b) TV programs production in progress

TV programs production in progress, and TV programs ready for broadcasts are stated at production cost which is directly attributable to the program production. The cost will be recognised in the income statement when broadcast.

### 7.6 Financial asset

For the year ended 31 December 2020

#### a) Classification

From 1 January 2020, the Group classifies its debt instrument financial assets in the following measurement categories depending on a) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Group has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVPL.

#### b) Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

## 7 Accounting policies (Cont'd)

### 7.6 Financial asset (Cont'd)

For the year ended 31 December 2020 (Cont'd)

#### c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether the cash flows are solely payment of principal and interest.

#### d) Impairment

From 1 January 2020, the Group applies the TFRS 9 simplified approach in measuring the impairment of trade receivables, which applies lifetime expected credit loss, from initial recognition, for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances.

The expected credit loss rates are based on payment profiles for 36 months before 1 January 2020, and historical credit losses. The Group chose to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ended between 1 January 2020 and 31 December 2020 by excluding forward-looking information in assessing the expected credit loss under the simplified approach of trade receivables. The expected credit loss were assessed based on historical credit loss together with the management's judgement in estimating the expected credit loss. Information about the expected credit loss is disclosed in Note 13.

For other financial assets carried at amortised cost and FVOCI, the Group applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing expected risk of default as of the reporting date against estimated risk of default on the date of initial recognition.

## 7 Accounting policies (Cont'd)

### 7.6 Financial asset (Cont'd)

For the year ended 31 December 2020 (Cont'd)

#### d) Impairment (Cont'd)

The Group assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to the Group and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Group reflects the following:

- probability-weighted estimated uncollectible amounts
- time value of money; and
- supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

Impairment (and reversal of impairment) losses are recognised in profit or loss and included in administrative expenses.

Classification and measurement of financial assets for the year ended 31 December 2019 is disclosed in Note 6.1(a).

For the year ended 31 December 2019

#### *Investments in debt and equity securities*

Investments other than investments in subsidiaries, associates and joint ventures are initially recognised at fair value of consideration paid plus direct transaction cost.

### 7.7 (Group of) non-current assets held-for-sale and discontinued operation

Non-current assets (or disposal groups) are classified as assets held-for-sale when their carrying amount will be recovered principally through a sale transaction and a sale is considered highly probable. They are measured at the lower of the carrying amount and fair value less costs to sell.

An impairment loss is recognised for write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised.

A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss.

## 7 Accounting policies (Cont'd)

### 7.8 Investment property

Investment properties, principally land under leases, are held for long-term rental yields or for capital appreciation or both and are not occupied by the Group.

Investment property is measured initially at cost, including directly attributable costs and borrowing costs.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Subsequently, they are carried at cost less accumulated depreciation and impairment.

Land is not depreciated.

### 7.9 Property, plant and equipment

All other property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group. The carrying amount of the replaced part is derecognised.

All other repairs and maintenance are charged to profit or loss when incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

#### Building and equipment

Land improvement and leasehold studio building improvement	10, 20 years
Office building and office building improvement	5, 10, 20 years
Studio building and studio building improvement	20, 60 years
Utility system	5, 10, 20 years
Production equipment	5 years
Furniture fixture and office equipment	5, 10 years
Motor vehicles	10 years

#### Asset for rent

Production equipment	5, 10 years
Supply for film production	3 years
Motor vehicles	5, 10 years

## 7 Accounting policies (Cont'd)

### 7.9 Property, plant and equipment (Cont'd)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in other gains or losses.

### 7.10 Intangible assets

#### Computer software

Acquired computer software is measured at cost. These costs are amortised over their estimated useful lives not over than 5 years.

Cost associated with maintaining computer software are recognised as an expense as incurred.

### 7.11 Impairment of assets

Assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Other assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the other assets concerned other than goodwill is reversed.

### 7.12 Leases

#### For the year ended 31 December 2020

Leases - where the Group is the lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.



## 7 Accounting policies (Cont'd)

### 7.12 Leases (Cont'd)

For the year ended 31 December 2020 (Cont'd)

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office furniture.

For the year ended 31 December 2019

#### **Leases - where the Group is the lessee**

Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

At the inception of finance lease, the lower of the fair value of the leased property and the present value of the minimum lease payments is capitalised. Each lease payment is allocated between the liability and finance charges to achieve a constant rate on the liabilities balance outstanding. The corresponding rental obligations is presented net of finance charges. Finance cost is charged to profit or loss over the lease period.

## 7 Accounting policies (Cont'd)

### 7.13 Financial liabilities (Cont'd)

For the year ended 31 December 2020

#### a) Classification

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

#### b) Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

#### c) Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Group assesses whether the renegotiation / modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains/(losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated / modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/(losses) in profit or loss.

## 7 Accounting policies (Cont'd)

### 7.13 Financial liabilities (Cont'd)

For the year ended 31 December 2019

#### *Borrowings*

Borrowings are recognised initially at the fair value, net of directly attributable transaction costs incurred. Borrowings are subsequently stated at amortised cost.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it will be drawn down. The fee is deferred until the drawn down occurs and included in effective interest calculation. However, if it is probable that facility will not be drawn down, that portion of the fee paid is recognised as a prepayment and amortised over the period of related facility.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled, or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

### 7.14 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets less investment income earned from those specific borrowings. The capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Other borrowing costs are expensed in the period in which they are incurred.

### 7.15 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

#### *Current tax*

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

## 7 Accounting policies (Cont'd)

### 7.15 Current and deferred income taxes (Cont'd)

#### *Deferred income tax*

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### 7.16 Employee benefits

#### a) Short-term employee benefits

Liabilities for short-term employee benefits such as wages, salaries, paid annual leave, bonuses and medical care that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

#### b) Defined contribution plan

The Group pays contributions to a separate fund on a mandatory basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

#### c) Defined benefit plans

Amount of retirement benefits is defined by the agreed benefits the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee's latest compensation at retirement.

## 7 Accounting policies (Cont'd)

### 7.16 Employee benefits (Cont'd)

#### c) Defined benefit plans (Cont'd)

The defined benefit obligation is calculated by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are recognised directly to other comprehensive income in the period in which they arise. They are included in retained earnings in the statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

#### d) Termination benefits

The Group recognises termination benefits at the earlier of (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the Group recognises costs for the related restructuring. Benefits due more than 12 months are discounted to their present value.

### 7.17 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

### 7.18 Revenue recognition

Revenue of the Group consist principally revenue from television program and commercial production, post production and edition of visual and audio effect of film, rental and service of film production equipment, sales of goods, and service and rental of studio.

Revenue from television program and commercial production are recognised when the advertisement or program is broadcasted.

Revenue from post production and edition of visual and audio effect of film is recognised when control of ownership of the post production and edition are transferred, being when the production and edition are delivered, to the buyer. Revenue from altering and additional production are recognised when completed.

Revenue from service and rental of equipment is recognised when services are rendered. Rental with inclusive of service revenues are recognised based on portion of service rendered.

## 7 Accounting policies (Cont'd)

### 7.18 Revenue recognition (Cont'd)

Revenue from sales of goods comprised the fair value of the consideration received or receivable for the sales of goods net of value-added tax, returns and discounts. Revenue from sales of goods is recognised when control of goods is transferred to the buyer.

Revenue from providing service and renting of studio is recognised when services are rendered.

#### Other income

Interest income is amortisation on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the Group.

Dividend income is recognised when the right to receive payment is established.

### 7.19 Dividend distribution

Dividend distributed to the Company's shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

### 7.20 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Board of Directors committee that makes strategic decisions.

## 8 Financial risk management

### 8.1 Financial risk factors

The Group exposes to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The board of directors provides written principles for overall risk management which is carried out by a central treasury department (the Group treasury), including identification, evaluation and hedge of financial risks in close co-operation with operating units.

## 8 Financial risk management (Cont'd)

### 8.1 Financial risk factors (Cont'd)

#### 8.1.1 Foreign exchange risk

The Group operates in the business of producing television programs and commercial production, providing post production and edition of visual and audio effect of film services, providing film production equipment for rent and related services, selling of goods, providing services and renting of studio and production service and co-operation of movie film in Thailand. Therefore, its operation does not based on foreign exchange rate and does not use any forward contracts, transacted with the financial institutions, to hedge their exposure to foreign currency risk of transactions in foreign currency.

#### 8.1.2 Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group is exposed to interest rate risk relates primarily to its deposits at financial institutions, loans to related parties, short-term borrowings, and long-term borrowings. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate. The Group assesses that the interest rate risk is insignificant as the interests from financial assets and financial liabilities are not significantly different.

#### 8.1.3 Credit risk

The Group has no significant concentrations of credit risks due to the large number of customer from which the income is charged in cash. The Group has policies in place to ensure that sales of products and services are made to customers with appropriate credit history. Cash transactions are limited to high credit quality financial institutions.

#### Impairment of financial assets

The Group has financial assets that are subject to the expected credit loss model:

- Trade and other receivables
- Loan to related parties

While cash and cash equivalents are also subject to the impairment requirements of TFRS 9, the identified impairment loss was immaterial.

#### *Trade receivables*

The Group applies the TFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected credit loss for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

Information about the expected credit loss of trade receivables is disclosed in Note 13.2.



## 8 Financial risk management (Cont'd)

### 8.1 Financial risk factors (Cont'd)

#### 8.1.3 Credit risk (Cont'd)

##### *Trade receivables (Cont'd)*

The Group write-off trade receivables when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the group, and a failure to make contractual payments or cannot be contacted.

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

##### *Previous accounting policy for impairment of trade receivables for comparative period*

In the year 2019, the Group recognised impairment of trade receivables based on the incurred loss model such as uncollectible, which was not taken into account future losses. Therefore, loss allowance and allowance for doubtful accounts are not comparable.

##### *Loans to related parties*

Loans to related parties measured at amortised cost are considered to have low credit risk, and the loss allowance recognised during the year was therefore limited to 12 months expected losses. Lifetime expected credit losses is recognised for the loans that the credit risk is significant increased.

Information about the expected credit loss of loans to related parties is disclosed in Note 37.4.

#### 8.1.4 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions.

Management monitors i) rolling forecasts of the Group's liquidity reserve (comprising the undrawn borrowing facilities below); and ii) cash and cash equivalents on the basis of expected cash flows. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary, monitoring balance sheet liquidity ratios and maintaining financing plans.

##### a) Financing arrangements

Information about the undrawn credit facilities as at 31 December is disclosed in Note 27.

## 8 Financial risk management (Cont'd)

### 8.1 Financial risk factors (Cont'd)

#### 8.1.4 Liquidity risk (Cont'd)

##### b) Maturity of financial liabilities

The tables below analyse the maturity of financial liabilities grouping based on their contractual maturities. The amounts disclosed are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Maturity of financial liabilities	Consolidated financial statements				
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht	Carrying value Baht
As at 31 December 2020					
Short-term borrowings from bank	35,000,000	-	-	35,000,000	35,000,000
Trade and other payables	21,036,372	-	-	21,036,372	21,036,372
Lease liabilities	4,094,379	6,658,976	7,956,000	18,709,355	14,910,232
Long-term borrowings from bank	21,099,000	131,856,000	34,164,932	187,119,932	187,119,932
<b>Total financial liabilities</b>	<b>81,229,751</b>	<b>138,514,976</b>	<b>42,120,932</b>	<b>261,865,659</b>	<b>258,066,536</b>

Maturity of financial liabilities	Consolidated financial statements				
	On demand Baht	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Carrying value Baht
As at 31 December 2019					
Short-term borrowings from bank	40,000,000	-	-	40,000,000	40,000,000
Trade and other payables	41,092,872	-	-	41,092,872	41,092,872
Lease liabilities	3,421,851	1,286,935	-	4,708,786	4,438,802
Long-term borrowings from bank	14,556,000	67,824,000	30,226,932	112,606,932	112,606,932
<b>Total financial liabilities</b>	<b>99,070,723</b>	<b>69,110,935</b>	<b>30,226,932</b>	<b>198,408,590</b>	<b>198,138,606</b>

Maturity of financial liabilities	Separate financial statements				
	On demand Baht	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Carrying value Baht
As at 31 December 2020					
Short-term borrowings from bank	35,000,000	-	-	35,000,000	35,000,000
Trade and other payables	780,482	-	-	780,482	780,482
Lease liabilities	720,000	2,994,000	7,956,000	11,670,000	8,297,924
<b>Total financial liabilities</b>	<b>36,500,482</b>	<b>2,994,000</b>	<b>7,956,000</b>	<b>47,450,482</b>	<b>44,078,406</b>

## 8 Financial risk management (Cont'd)

### 8.1 Financial risk factors (Cont'd)

#### 8.1.4 Liquidity risk (Cont'd)

##### b) Maturity of financial liabilities (Cont'd)

Maturity of financial liabilities	Separate financial statements				
	On demand Baht	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Carrying value Baht
As at 31 December 2019					
Short-term borrowings from bank	20,000,000	-	-	20,000,000	20,000,000
Trade and other payables	7,126,686	-	-	7,126,686	7,126,686
<b>Total financial liabilities</b>	<b>27,126,686</b>	<b>-</b>	<b>-</b>	<b>27,126,686</b>	<b>27,126,686</b>

### 8.2 Capital management

#### 8.2.1 Risk management

The objectives when managing capital are to:

- safeguard their ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital based on gearing ratio which is determined by dividing net debt with equity.

Loan covenants

Under the terms of the major borrowing facilities, the Group is required to comply with debt to equity ratio not more than 2 times

The Group has complied with these covenants throughout the reporting period

## 9 Fair value

Fair values are categorised into hierarchy based on inputs used as follows:

- Level 1: The fair value of financial instruments is based on the current bid price by reference to the Stock Exchange of Thailand.
- Level 2: The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.
- Level 3: The fair value of financial instruments is not based on observable market data.

See Note 19 and Note 27 for disclosure of the investment properties and borrowings that are disclosed at fair value.

## 10 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### a) Estimated impairment of investments in subsidiaries and investment in joint venture

The Group tests whether investments in subsidiaries and investment in joint venture have suffered any impairment. The recoverable amounts have been determined by management based on estimated cash flow of the subsidiaries and joint venture.

### b) Impairment of receivables

The Group maintains an expected credit loss to reflect impairment of trade receivables relating to estimated losses resulting from the inability of customers to make required payments.

### c) Impairment of property, plant and equipment and intangible assets

The Group considers impairment indicator for property, plant and equipment and intangible assets as described in Note 7.11. The recoverable amounts have been determined based on the higher of an asset's fair value less costs to sell and value in use. The fair value is measured by independent valuer. The calculation of value-in-use requires the use of estimates. The change in the assumption used would impact the recoverable amount.

### d) Property and equipment, assets for rent and intangible assets

Management determines the estimated useful lives and residual values for the Group's property and equipment, asset for rent and intangible assets. Management will revise the depreciation charge where useful lives and residual values are different from previously estimation, or it will write off or write down technically obsolete or assets that have been abandoned or sold.

## 10 Critical estimates and judgements (Cont'd)

### e) Deferred tax

Deferred tax assets and liabilities are recognised for temporary difference arising between tax bases of assets and liabilities and their carrying amount for accounting purposes as at the end of reporting date. Significant management judgment is used in considering whether it is highly probable that the Group will generate sufficient taxable profits from its future operations to minimize these deferred tax assets. The Group's assumptions regarding the future taxable profits and the anticipated timing of minimise of deductible temporary differences and significant changes in these assumptions from period to period may have a material impact on financial position and results of operations.

### f) Defined retirement benefit obligations

The present value of the retirement benefit obligations depends on a number of assumptions. Key assumptions used and impacts from possible changes in key assumptions are disclosed in Note 28.

### g) Classification of joint arrangements

The Group holds 10.20% of the voting rights in Transformation Film Co., Ltd. The Group has joint control over this arrangement as under the contractual agreements, unanimous consent is Group required from all parties to the agreements for all relevant activities.

The Group's joint arrangement is structured as a limited company and provides the Group and the parties to the agreements with rights to the net assets of the limited company under the arrangements. Therefore, this arrangement is classified as a joint venture.

### h) Determination of lease terms

Critical judgement in determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of properties, the most relevant factors are historical lease durations, the costs and conditions of leased assets.

Most extension options on vehicles and production equipment leases have not been included in the lease liability, because the Group considers i) the underlying asset condition and/or ii) insignificant cost to replace the leased assets.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstance affecting this assessment occur, and that it is within the control of the Group.

### i) Determination of discount rate applied to leases

The Group determines the incremental borrowing rate as follows:

- Where possible, use recent third-party financing received by the individual lessee as a starting point, adjusting to reflect changes in its financing conditions.
- Make adjustments specific to the lease, e.g. term, country, currency and security.

## 11 Segment information

Financial statements by business segments are as follows:

	Television programs		Equipment rental and service		Studio rental and service		Sales of product		Total	
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	
For the year ended 31 December 2020										
Revenues										
Gross segment revenues	39,607,806		194,269,432		38,899,922		2,461,499		275,238,659	
Inter-segment revenues	-		(2,268,982)		(23,205,980)		(17,102)		(25,492,064)	
Net revenues from third parties	39,607,806		192,000,450		15,693,942		2,444,397		249,746,595	
Segment result	(9,996,118)		(75,857,618)		(50,121,899)		1,338,137		(134,637,498)	
Other income									4,853,270	
Interest paid									(10,569,999)	
Unallocated cost/expenses									(52,187,503)	
Income tax									22,689,473	
Loss attributable to owners of the parent									(169,852,257)	
Loss attributable to non-controlling interests									-	
Net loss for the year									(169,852,257)	
Timing of revenue recognition:										
At a point in time	39,607,806		-		-		2,444,397		42,052,203	
Over time	-		192,000,450		15,693,942		-		207,694,392	
	39,607,806		192,000,450		15,693,942		2,444,397		249,746,595	

## 11 Segment information (Cont'd)

Financial statements by business segments are as follows: (Cont'd)

	Television programs	Equipment rental and service	Studio rental and service	Sales of product	Total
	Baht	Baht	Baht	Baht	Baht
As at 31 December 2020					
Segment for assets					
Property, plant, and equipment, net	20,048,658	8,948,866	1,184,681,714	-	1,213,679,238
Assets for rent, net	-	227,120,878	-	-	227,120,878
Other assets	40,321,846	111,637,233	16,737,041	11,192,129	179,888,249
					1,620,688,365
Segment for liabilities					
Payable arising from purchases of fixed assets	-	48,422	-	-	48,422
Bank borrowings	35,000,000	76,998,000	110,121,932	-	222,119,932
Other liabilities	15,239,062	35,179,314	9,528,200	-	59,946,576
					282,114,930
Depreciation and amortisation	5,024,070	62,956,049	31,971,927	-	99,952,046
Capital expenditure	91,259	26,428,858	5,247,117	-	31,767,234

## 11 Segment information (Cont'd)

Financial statements by business segments are as follows: (Cont'd)

	Television programs	Equipment rental and service	Studio rental and service	Sales of products	Post production	Total
	Baht	Baht	Baht	Baht	Baht	Baht
<b>For the year ended 31 December 2019</b>						
Revenues						
Gross segment revenues	47,183,829	384,341,657	69,502,241	5,200,670	14,470,697	520,699,094
Inter-segment revenues	-	(3,624,748)	(23,332,188)	(26,631)	-	(26,983,567)
Net revenues from third parties	47,183,829	380,716,909	46,170,053	5,174,039	14,470,697	493,715,527
Segment result	5,095,083	44,442,290	(33,518,072)	2,982,150	(8,656,756)	10,344,695
Other expenses						(1,630,666)
Interest paid						(6,967,978)
Unallocated cost/expenses						(47,175,411)
Share of loss of investment in joint ventures						(825,464)
Income tax						7,983,380
Loss attributable to owners of the parent						(38,271,444)
Loss attributable to non-controlling interests						(323,307)
Net loss for the year						(38,594,751)
Timing of revenue recognition:						
At a point in time	47,183,829	-	-	5,174,039	14,470,697	66,828,565
Over time	-	380,716,909	46,170,053	-	-	426,886,962
	47,183,829	380,716,909	46,170,053	5,174,039	14,470,697	493,715,527



## 11 Segment information (Cont'd)

Financial statements by business segments are as follows: (Cont'd)

	Television programs	Equipment rental and service	Studio rental and service	Sales of products	Post production	Total
	Baht	Baht	Baht	Baht	Baht	Baht
<b>As at 31 December 2019</b>						
<b>Segment for assets</b>						
Property, plant, and equipment, net	28,572,602	10,017,201	1,211,383,479	-	2,243,165	1,252,216,447
Assets for rent, net	-	270,911,141	-	-	-	270,911,141
Other assets	54,152,943	142,997,987	16,481,155	11,879,916	4,541,528	230,053,529
Unallocated assets						589,497
						1,753,770,614
<b>Segment for liabilities</b>						
Payable arising from purchases of fixed assets	-	506,108	535,641	-	-	1,041,749
Bank borrowings	20,000,000	20,000,000	112,606,932	-	-	152,606,932
Other liabilities	25,022,102	57,619,992	9,699,181	-	1,568,425	93,909,700
						247,558,381
<b>Depreciation and amortisation</b>	5,388,186	61,320,812	30,021,936	-	5,531,951	102,262,885
<b>Capital expenditure</b>	321,212	52,576,820	45,433,723	-	203,166	98,534,921

Unallocated costs mainly represent corporate expenses. Segment assets consist primarily property and equipment, assets for rent, short-term investments, and operating cash.

Information of post production segment is reclassified as non-current assets held for sale and discontinued operation (Note 16).

Liabilities mainly are trade and other payables purposed to be used for operating of all segments and for the Group's liquidity.

## 12 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Cash on hand	535,000	545,000	95,000	125,000
Deposits held at call with banks	21,867,099	66,469,105	12,995,360	27,118,014
	22,402,099	67,014,105	13,090,360	27,243,014

As at 31 December 2020, deposits held at call with banks carry interest at the rate ranging from 0.13% to 0.38% per annum (2019: from 0.10% to 0.37% per annum).

## 13 Trade and other receivables, net

### 13.1 Trade and other receivables

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Trade receivables				
- Third parties	101,151,541	125,681,853	12,718,421	16,199,170
- Related parties (Note 37.3)	1,220,976	63,451	-	-
Unearned income	58,618	1,154,874	-	450,000
<u>Less</u> Advances received	(145,874)	(4,098)	-	-
Expected credit loss				
(2019: Allowance for doubtful accounts under TAS 101)	(40,375,186)	(31,869,109)	(2,410,506)	(2,582,682)
Trade receivables and unearned income, net	61,910,075	95,026,971	10,307,915	14,066,488
Prepaid expenses	3,280,002	4,856,728	620,926	1,127,915
Other receivables				
- Third parties	2,393,639	4,070,832	-	1,008,094
- Related parties (Note 37.3)	-	-	-	4,313,879
	67,583,716	103,954,531	10,928,841	20,516,376

During 2020, the Group had written off trade receivables which fully allowance amounting to Baht 4,328,661 in the consolidated financial statements.

### 13 Trade and other receivables, net (Cont'd)

#### 13.1 Trade and other receivables (Cont'd)

Outstanding trade receivables and unearned income as at 31 December 2020 and 2019 can be analysed as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Trade receivables and unearned income				
Current	44,742,635	66,056,453	7,495,423	10,369,304
Overdue less than 3 months	14,046,378	20,118,521	2,856,657	3,913,525
Overdue 3 to 6 months	3,456,014	6,600,196	-	-
Overdue 6 to 12 months	10,259,203	5,528,655	-	-
Overdue over 12 months	29,781,031	28,592,255	2,366,341	2,366,341
	102,285,261	126,896,080	12,718,421	16,649,170
<u>Less Expected credit loss</u>	<u>(40,375,186)</u>	<u>(31,869,109)</u>	<u>(2,410,506)</u>	<u>(2,582,682)</u>
Trade receivables and unearned income, net	61,910,075	95,026,971	10,307,915	14,066,488

#### 13.2 Impairments of trade receivables

The Group chose to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ended between 1 January 2020 and 31 December 2020 by excluding forward-looking information in assessing the expected credit loss under the simplified approach of trade receivables. As of 31 December 2020, the expected credit loss of Baht 40,375,186 and Baht 2,410,506 for trade receivables in the consolidated and the separate financial statements, respectively, were assessed based on historical credit loss together with the management's judgement in estimating the expected credit loss.

### 13 Trade and other receivables, net (Cont'd)

#### 13.2 Impairments of trade receivables (Cont'd)

The loss allowance for trade receivables and unearned income was determined as follows:

As of 1 January 2020	Consolidated financial statements					
	Not yet due Baht	Up to 3 months Baht	3 - 6 months Baht	6 - 12 months Baht	More than 12 months Baht	Total Baht
Gross carrying amount						
- trade receivables						
and unearned income	66,056,453	20,118,521	6,600,196	5,528,655	28,592,255	126,896,080
Loss allowance	753,753	561,394	986,492	2,168,222	28,592,255	33,062,098

As of 31 December 2020	Consolidated financial statements					
	Not yet due Baht	Up to 3 months Baht	3 - 6 months Baht	6 - 12 months Baht	More than 12 months Baht	Total Baht
Gross carrying amount						
- trade receivables						
and unearned income	44,742,635	14,046,378	3,456,014	10,259,203	29,781,031	102,285,261
Loss allowance	1,153,500	1,620,531	716,720	7,103,404	29,781,031	40,375,186

As of 1 January 2020	Separate financial statements					
	Not yet due Baht	Up to 3 months Baht	3 - 6 months Baht	6 - 12 months Baht	More than 12 months Baht	Total Baht
Gross carrying amount						
- trade receivables						
and unearned income	10,369,304	3,913,526	-	-	2,366,341	16,649,171
Loss allowance	9,617	55,971	-	-	2,366,341	2,431,929

As of 31 December 2020	Separate financial statements					
	Not yet due Baht	Up to 3 months Baht	3 - 6 months Baht	6 - 12 months Baht	More than 12 months Baht	Total Baht
Gross carrying amount						
- trade receivables						
and unearned income	7,495,423	2,856,657	-	-	2,366,341	12,718,421
Loss allowance	7,036	37,129	-	-	2,366,341	2,410,506

### 13 Trade and other receivables, net (Cont'd)

#### 13.2 Impairments of trade receivables (Cont'd)

The reconciliations of loss allowance for trade receivables for the year ended 31 December are as follow:

	Consolidated financial statements	
	2020	2019
	Baht	Baht
31 December - calculated under TAS 101	31,869,109	32,975,849
Amounts restated through opening retained earnings (Note 6)	1,192,989	-
Opening loss allowance as at 1 January 2020 - calculated under TFRS 9 (2019: TAS 101)	33,062,098	32,975,849
Recognised (reverse) loss allowance recognised in profit or loss during the year	11,641,749	(1,106,740)
Receivable written off during the year as uncollectible	(4,328,661)	-
As of 31 December - calculated under TFRS 9 (2019: TAS 101)	40,375,186	31,869,109

	Separate financial statements	
	2020	2019
	Baht	Baht
31 December - calculated under TAS 101	2,582,682	2,630,162
Amounts restated through opening retained earnings (Note 6)	(150,753)	-
Opening loss allowance as at 1 January 2020 - calculated under TFRS 9 (2019: TAS 101)	2,431,929	2,630,162
(Reverse) loss allowance recognised in profit or loss during the year	(21,423)	(47,480)
As of 31 December - calculated under TFRS 9 (2019: TAS 101)	2,410,506	2,582,682

### 14 Financial assets and financial liabilities

As at 31 December 2020, classification of the Group's financial assets and financial liabilities are as follows:

	Consolidated financial statements	Separate financial statements
	Amortised cost	Amortised cost
	Baht	Baht
Financial assets		
Cash and cash equivalents	22,402,099	13,090,360
Trade and other receivables, net	67,583,716	10,928,841
Short-term loans	-	450,205,950
Other non-current financial assets	1,441,495	245,420

## 14 Financial assets and financial liabilities (Cont'd)

As at 31 December 2020, classification of the Group's financial assets and financial liabilities are as follows:  
(Cont'd)

	Consolidated financial statements	Separate financial statements
	Amortised cost	Amortised cost
	Baht	Baht
<b>Financial liabilities</b>		
Short-term borrowings from bank	35,000,000	35,000,000
Trade and other payables	21,013,367	780,482
Other current financial liabilities	8,707,818	1,701,527
Long-term borrowings from bank	187,119,932	-
Lease liabilities	14,910,231	8,297,924

### 14.1 Other financial assets at amortised cost

#### a) Classification of financial assets at amortised cost (2019: amortised cost under TAS105)

The Group classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows;
- the contractual terms give rise to cash flows that are solely payments of principal and interest

#### b) Expected credit loss

Information about the impairment of financial assets at amortised cost and the Group's exposure to credit risk is disclosed in Note 13 and Note 37.4.

## 15 Inventories

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Equipments and accessories for film production	11,192,129	11,879,916	-	-
TV programs production in progress	2,110,560	1,771,507	2,110,560	1,771,507
Movie from co-operation in progress	-	195,275	-	-
	13,302,689	13,846,698	2,110,560	1,771,507

## 16 Non-current assets held-for-sale

On 23 December 2019, the Board of Director Meeting no. 12/2019 approved to sell investment in Time Lapse Co., Ltd. ("Subsidiary") to third parties and non-controlling interest. The sales transaction is expected to be finished in March 2020. The associated assets and liabilities were consequently presented as non-current assets held for sale in the consolidated financial statements.

The details of non-current assets held for sale are as follows:

### 16.1 The operating results and net cash flows

For the year ended 31 December	2019
	Baht
Services income	14,470,697
Cost of services	(11,681,963)
Gross profit	2,788,734
Other incomes (other expenses)	83,170
Selling expenses	(1,355,758)
Administrative expenses	(10,413,039)
Loss before income tax	(8,896,893)
Income tax expense	(121,245)
Loss from discontinued operations	(9,018,138)
Loss on re-measurement of post-employment benefit obligations after income tax	(95,060)
Total comprehensive expense for the year from discontinued operations	(9,113,198)
Net operating cash flows	(1,152,935)
Net investing cash flows	(202,699)
Net financing cash flows	-
Total cash flows	(1,355,634)

### 16.2 Detail of assets and liabilities

As at 31 December	2019
	Baht
Cash and cash equivalents	2,065,614
Trade and other receivables, net	1,698,095
Property, plant and equipment, net (Note 20)	2,243,165
Intangible assets, net (Note 23)	226,559
Other assets	551,260
Total assets	6,784,260
Trade and other payables	1,152,238
Other liabilities	416,187
Total liabilities	1,568,425

## 16 Non-current assets held-for-sale (Cont'd)

### 16.2 Detail of assets and liabilities (Cont'd)

Investment classified as non-current assets held for sale during the reporting period was measured at the lower of its carrying amount and fair value less costs to sell at the time of the reclassification, resulting in the recognition of a write-down of Baht 7,473,303 as administrative expense in statement of comprehensive income in the separate financial statements. The non-recurring fair value was determined using the market approach and is a level 2 in the fair value hierarchy.

## 17 Investments in subsidiaries, net

	Separate financial statements	
	2020	2019
	Baht	Baht
Investments in subsidiaries	965,500,000	1,001,200,000
<u>Less</u> Allowance for impairment	(9,456,468)	(32,848,261)
Investments in subsidiaries, net	956,043,532	968,351,739

Investments in subsidiaries are comprised as follows:

	Separate financial statements	
	2020	2019
	Baht	Baht
- Current assets	-	10,851,739
- Non-current assets	956,043,532	957,500,000
	956,043,532	968,351,739

Movements of investments in subsidiaries are summarised as follows:

	Separate financial statements	
	2020	2019
	Baht	Baht
For the year ended 31 December		
Opening net book amount	968,351,739	974,825,042
Acquisition	8,000,000	1,000,000
Disposal	(32,895,000)	-
Decrease in capital of a subsidiary	(5,805,000)	-
Dissolution of a subsidiary	(5,000,000)	-
Reversal of impairment on investments in subsidiaries	32,848,261	-
Impairment on investment (Note 31)	(9,456,468)	(7,473,303)
Closing net book amount	956,043,532	968,351,739



## 17 Investments in subsidiaries, net (Cont'd)

The details of investments in subsidiaries are as follows:

Subsidiaries	Nature of business	Relationship	Paid up Share capital ('000)		% Ownership interest		2020			2019		
							Cost Method Baht	Allowance for impairment Baht	Net Baht	Cost Method Baht	Allowance for impairment Baht	Net Baht
			2020	2019	2020	2019						
Gear Head Co., Ltd.	Provide film production equipment for rent and related services	Direct shareholder	175,500	175,500	99.99	99.99	175,500,000	-	175,500,000	175,500,000	-	175,500,000
The Studio Park (Thailand) Co., Ltd.	Provide services and renting of studio	Direct shareholder	780,000	780,000	99.99	99.99	780,000,000	-	780,000,000	780,000,000	-	780,000,000
Book Maker Co., Ltd.	Production and distribution of magazines	Direct shareholder	-	5,000	-	99.99	-	-	-	5,000,000	(5,000,000)	-
Time Lapse Co., Ltd.	Post production and edition of visual and audio effect of film services	Direct shareholder	-	40,000	-	96.75	-	-	-	38,700,000	(27,848,261)	10,851,739
TSP Production Services Co., Ltd.	Production service and Co-operation of movie film	Direct shareholder	100,000	2,000	99.99	99.99	10,000,000	(9,456,468)	543,532	2,000,000	-	2,000,000
							965,500,000	(9,456,468)	956,043,532	1,001,200,000	(32,848,261)	968,351,739

All subsidiaries are incorporated in Thailand. All holdings are investments in ordinary shares

## 17 Investments in subsidiaries, net (Cont'd)

All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of ordinary shares held.

The total non-controlling interest as at 31 December 2019 of Baht 298,505 is of an individual shareholder under Time Lapse Co., Ltd. which is not material.

### 2020

On 27 January 2020, the Company received a refund capital from Time lapse Co., Ltd. for capital reduction of 60,000 shares at Baht 100 par value. The Company received refund capital for Baht 5.81 million in proportion of ownership interest.

On 27 February 2020, the Company disposed the investment in Time Lapse Co., Ltd. to third parties and director for 328,950 shares, totalling Baht 6.62 million. On 27 December 2019, the Company received deposit for Baht 2 million. The Company recognised loss from disposal of Baht 26.28 million. The related allowance for impairment of Baht 27.85 million has been reversed.

Book Maker Co., Ltd. had registered for liquidation with Ministry of Commerce on 19 January 2018 and was dissolved on 28 October 2020. The Company received the capital return and retained earnings from Book Maker Co., Ltd. amounting to Baht 703,718. The related allowance for impairment of Baht 5 million has been reversed.

On 1 October 2020, the Extraordinary Shareholders' Meeting No. 1/2020 of TSP Production Services Co., Ltd. approved to increase the authorised share capital from 20,000 ordinary shares at value of Baht 100 each to 100,000 ordinary shares at par value of Baht 100 each. The Company has subscribed all the newly issued shares, totaling Baht 8 million.

On 16 November 2020, the Extraordinary Shareholders' Meeting No. 2/2020 of TSP Production Services Co., Ltd. approved the dissolution of TSP Production Services Co., Ltd., a subsidiary in which the Company holds 99.99% shares, with a registered capital of Baht 10 million, divided into 100,000 ordinary shares at par value of Baht 100 each. The liquidation was registered with the Ministry of Commerce on 14 November 2020. As at the reporting date, the Company is currently being processed of liquidation.

### 2019

On 20 February 2019, the shareholders of TSP Production Services Co., Ltd. approved to increase the authorised share capital from 10,000 ordinary shares at value of Baht 100 each to 20,000 ordinary shares at par value of Baht 100 each. The Company has subscribed all the newly issued shares, totaling Baht 1 million.

On 23 December 2019, the Board of Director Meeting no. 12/2019 approved disposal of investment in Time Lapse Co., Ltd. to third parties and director. The sales transaction is expected to be finished in March 2020. The investment in Time Lapse Co., Ltd. was consequently presented as current assets.

## 18 Investment in joint venture, net

Details of Transformation Film Co., Ltd. are as follows:

Joint venture	Nature of business	Nature of relationship	% Ownership interest	
			31 December 2020	31 December 2019
Transformation Film Co., Ltd.	Production of film, advertisement, television programmes, and providing entertainment services in all forms	Direct shareholder	10.20	10.20

Joint venture is incorporated in Thailand. Holdings are investments in ordinary shares.

Movements of investments in joint venture are as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Opening net book amount	-	1,884,755	-	1,884,755
Impairment on investment (Note 31)	-	(1,059,291)	-	(1,884,755)
Share of loss	-	(825,464)	-	-
Closing net book amount	-	-	-	-

The Company recognised an impairment loss on investments in Transformation Film Co., Ltd. in full amount as this joint venture has suffered a continued loss and the carrying amount of the investment exceeds its recoverable amount.

## 19 Investment properties, net

	Consolidated financial statements	
	2020	2019
	Baht	Baht
As at 31 December		
Cost	1,960,000	1,960,000
Less Provision for impairment	(1,960,000)	(1,960,000)
Net book amount	-	-

## 19 Investment properties, net (Cont'd)

As at 31 December 2020, a subsidiary owns a piece of property that is not utilised, with total cost of Baht 1.96 million (2019: Baht 1.96 million), comprising land and building at Kanchanaburi Province of Baht 1.96 million (2019: Baht 1.96 million).

For the years ended 31 December 2020 and 2019, there is no income or expense that is related to investment properties recognised in profit and loss.

### Fair value

The fair value measurement information in accordance with TFRS 13 are given below.

- Quoted prices in active markets for identical assets (level 1).
- Significant other observable inputs (level 2).
- Significant unobservable inputs (level 3).

	Consolidated financial statements	
	2020	2019
	Baht	Baht
Fair value		
Land and building - Kanchanaburi Province (level 2)	-	-
Total fair value	-	-

### Valuation techniques used to derive Level 2 fair value

Level 2 fair value of the Group's investment properties was appraised by independent professional qualified valuer who holds a recognised relevant professional qualification and has experience in the location and categories of the investment properties valued. Fair value of land and building at Kanchanaburi Province valued by applying cost approach. Under the approach, sales prices of comparable properties in the close proximity are adjusted for differences in key attributes such as width of land. The most significant input into this valuation approach is price per square wah.

## 20 Property, plant and equipment, net

	Consolidated financial statements									
	Land	Land improvement and leasehold studio building improvement	Office building and improvement	Studio building and improvement	Utility system	Production equipment	Furniture fixtures and office equipment	Motor vehicles	Construction in progress	Total
<b>At 1 January 2019</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
Cost	491,650,815	20,942,683	220,429,439	329,277,224	249,730,713	17,087,715	90,457,076	6,076,870	6,360,850	1,432,013,385
Less Accumulated depreciation	-	(4,531,680)	(53,538,570)	(24,106,851)	(22,303,372)	(12,753,646)	(58,195,180)	(5,130,805)	-	(180,560,104)
Net book amount	491,650,815	16,411,003	166,890,869	305,170,373	227,427,341	4,334,069	32,261,896	946,065	6,360,850	1,251,453,281
<b>For the year ended</b>										
<b>31 December 2019</b>										
Opening net book amount	491,650,815	16,411,003	166,890,869	305,170,373	227,427,341	4,334,069	32,261,896	946,065	6,360,850	1,251,453,281
Additions	8,761,611	-	620,034	-	-	234,166	8,823,137	103,090	29,093,709	47,635,747
Transfer in (out)	-	-	15,309,611	-	1,571,104	-	4,208,370	-	(21,089,085)	-
Disposals and write-off, net	-	(1)	(952,438)	-	(2)	(419)	(236,838)	(365,168)	-	(1,554,866)
Impairment	-	(1)	(1,780,752)	-	(21)	-	-	-	-	(1,780,774)
Transferred to non-current assets classified as held for sale (Note 16)	-	-	-	-	-	(1,565,420)	(677,745)	-	-	(2,243,165)
Depreciation	-	(1,895,351)	(8,573,039)	(6,193,448)	(12,465,726)	(2,916,962)	(11,161,256)	(331,159)	-	(43,536,941)
Closing net book amount	500,412,426	14,515,650	171,514,285	298,976,925	216,532,696	85,434	33,217,564	352,828	14,365,474	1,249,973,282
<b>At 31 December 2019</b>										
Cost	500,412,426	20,926,203	232,401,359	329,277,224	251,227,495	3,494,672	90,450,693	5,176,870	14,365,474	1,447,732,416
Less Accumulated depreciation	-	(6,410,552)	(59,106,322)	(30,300,299)	(34,694,778)	(3,409,238)	(57,233,129)	(4,824,042)	-	(195,978,360)
Less Provision for impairment	-	(1)	(1,780,752)	-	(21)	-	-	-	-	(1,780,774)
Net book amount	500,412,426	14,515,650	171,514,285	298,976,925	216,532,696	85,434	33,217,564	352,828	14,365,474	1,249,973,282

	Consolidated financial statements									
	Land	Land improvement and leasehold studio building improvement	Office building and improvement	Studio building improvement	Utility system	Production equipment	Furniture fixtures and office equipment	Motor vehicles	Construction in progress	Total
<b>For the year ended</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>31 December 2020</b>										
Opening net book amount	500,412,426	14,515,650	171,514,285	298,976,925	216,532,696	85,434	33,217,564	352,828	14,365,474	1,249,973,282
Additions	-	-	723,395	-	680,000	-	1,439,526	-	5,089,193	7,932,114
Transfer in (out)	-	-	1,395,894	14,839,172	878,621	-	403,369	-	(17,517,056)	-
Disposals and write-off, net	-	(236,125)	(1,780,753)	(4,206,378)	(21)	(29)	(243,281)	(2)	-	(6,466,589)
Reversal of impairment	-	1	1,780,752	-	21	-	-	-	-	1,780,774
Depreciation (Note 33)	-	(1,884,801)	(8,865,177)	(5,874,346)	(12,652,777)	(56,357)	(10,040,289)	(166,596)	-	(39,540,343)
Closing net book amount	500,412,426	12,394,725	164,768,396	303,735,373	205,438,540	29,048	24,776,889	186,230	1,937,611	1,213,679,238
<b>At 31 December 2020</b>										
Cost	500,412,426	18,999,381	224,922,859	323,259,973	251,520,055	3,117,677	82,326,012	4,542,342	1,937,611	1,411,038,336
Less Accumulated depreciation	-	(6,604,656)	(60,154,463)	(19,524,600)	(46,081,515)	(3,088,629)	(57,549,123)	(4,356,112)	-	(197,359,098)
Net book amount	500,412,426	12,394,725	164,768,396	303,735,373	205,438,540	29,048	27,776,889	186,230	1,937,611	1,213,679,238

Depreciation of Baht 27,685,030 (2019: Baht 30,050,653) and Baht 11,855,313 (2019: Baht 13,486,288) are included in cost of providing services and administrative expenses, respectively, in the consolidated financial statements.

Land of a subsidiary with book value of Baht 278.24 million (2019: Baht 278.24 million) was pledged as a collateral for loan acquired by subsidiary (Note 36.4)

## 20 Property, plant and equipment, net (Cont'd)

	Separate financial statements						
	Land improvement and leasehold studio building improvement	Office building and improvement	Studio building and improvement	Production equipment	Furniture fixtures and office equipment	Motor vehicles	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht
<b>At 1 January 2019</b>							
Cost	931,229	60,087,145	20,856,423	4,213,982	26,803,295	4,673,510	117,565,584
Less Accumulated depreciation	(387,606)	(34,681,880)	(15,088,663)	(3,836,197)	(25,536,854)	(4,434,579)	(83,965,779)
Net book amount	543,623	25,405,265	5,767,760	377,785	1,266,441	238,931	33,599,805
<b>For the year ended 31 December 2019</b>							
Opening net book amount	543,623	25,405,265	5,767,760	377,785	1,266,441	238,931	33,599,805
Additions	-	-	-	31,000	255,473	-	286,473
Disposals and write-off, net	-	-	-	(419)	(30,939)	-	(31,358)
Depreciation (Note 33)	(46,561)	(3,004,358)	(1,042,821)	(322,932)	(692,647)	(172,999)	(5,282,318)
Closing net book amount	497,062	22,400,907	4,724,939	85,434	798,328	65,932	28,572,602
<b>At 31 December 2019</b>							
Cost	931,229	60,087,145	20,856,423	3,494,672	25,988,500	4,673,510	116,031,479
Less Accumulated depreciation	(434,167)	(37,686,238)	(16,131,484)	(3,409,238)	(25,190,172)	(4,607,578)	(87,458,877)
Net book amount	497,062	22,400,907	4,724,939	85,434	798,328	65,932	28,572,602

## 20 Property, plant and equipment, net (Cont'd)

	Separate financial statements						
	Land improvement and leasehold studio building improvement	Office building and improvement	Studio building and improvement	Production equipment	Furniture fixtures and office equipment	Motor vehicles	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht
<b>For the year ended 31 December 2020</b>							
Opening net book amount	497,062	22,400,907	4,724,939	85,434	798,328	65,932	28,572,602
Additions	-	-	-	-	91,259	-	91,259
Disposals and write-off, net	(236,124)	-	(4,206,378)	(29)	(71,337)	(2)	(4,513,870)
Depreciation (Note 33)	(36,010)	(3,004,358)	(518,561)	(56,357)	(420,122)	(65,924)	(4,101,313)
Closing net book amount	224,928	19,396,549	-	29,048	398,128	6	20,084,658
<b>At 31 December 2020</b>							
Cost	511,481	60,087,145	-	3,117,677	20,668,092	4,083,982	88,423,377
Less Accumulated depreciation	(286,553)	(40,690,596)	-	(3,088,629)	(20,269,964)	(4,038,976)	(68,374,719)
Net book amount	224,928	19,396,549	-	29,048	398,128	6	20,084,658

Depreciation of Baht 574,919 (2019: Baht 1,365,754) and Baht 3,526,414 (2019: Baht 3,916,564) are included in cost of providing services and administrative expenses, respectively, in the separate financial statements.



**21 Assets for rent, net**

	Consolidated financial statements			
	Production equipment	Motor vehicles	Assets under installation	Total
	Baht	Baht	Baht	Baht
<b>At 1 January 2019</b>				
Cost	788,206,487	173,285,369	6,076,557	967,568,413
<u>Less Accumulated depreciation</u>	(570,383,017)	(115,559,256)	-	(685,942,273)
Net book amount	217,823,470	57,726,113	6,076,557	281,626,140
<b>For the year ended 31 December 2019</b>				
Opening net book amount	217,823,470	57,726,113	6,076,557	281,626,140
Additions	39,380,626	8,221,959	610,455	48,213,040
Transfer in (out)	5,390,178	-	(5,390,178)	-
Disposals and write-off, net	(1,427,173)	(640,783)	-	(2,067,956)
Depreciation (Note 33)	(47,504,207)	(9,355,876)	-	(56,860,083)
Closing net book amount	213,662,894	55,951,413	1,296,834	270,911,141
<b>At 31 December 2019</b>				
Cost	815,477,711	174,961,645	1,296,834	991,736,190
<u>Less Accumulated depreciation</u>	(601,814,817)	(119,010,232)	-	(720,825,049)
Net book amount	213,662,894	55,951,413	1,296,834	270,911,141
<b>For the year ended 31 December 2020</b>				
Opening net book amount - as previously reported	213,662,894	55,951,413	1,296,834	270,911,141
Effect from changes in accounting policy (Note 6)	(12,182,038)	(2,233,883)	-	(14,415,921)
Opening net book amount - as restated	201,480,856	53,717,530	1,296,834	256,495,220
Additions	17,234,894	5,104,205	489,714	22,828,813
Transfer in (out)	1,487,707	-	(1,487,707)	-
Transferred to right-of-use assets (Note 22)	11,010,665	-	-	11,010,665
Disposals and write-off, net	(7,194,211)	(1,258,126)	-	(8,452,337)
Depreciation (Note 33)	(45,646,464)	(9,115,019)	-	(54,761,483)
Closing net book amount	178,373,447	48,448,590	298,841	227,120,878
<b>At 31 December 2020</b>				
Cost	796,912,397	166,068,269	298,841	963,279,507
<u>Less Accumulated depreciation</u>	(618,538,950)	(117,619,679)	-	(736,158,629)
Net book amount	178,373,447	48,448,590	298,841	227,120,878

## 21 Assets for rent, net (Cont'd)

Depreciation of Baht 54,761,483 (2019: Baht 56,860,083) is included in cost of providing services in the consolidated financial statements.

A subsidiary owns assets for rent which is not for long-term lease.

Leased assets included above, where the Group is a lessee under finance lease under TAS 101 comprise production equipment and motor vehicles as follows:

	Consolidated financial statements	
	2020	2019
	Baht	Baht
Cost of leased assets	-	22,041,036
Less Accumulated depreciation	-	(7,625,115)
Net book amount	-	14,415,921

## 22 Right-of-use assets, net

	Consolidated financial statements			
	Office building	Production equipment	Motor vehicles	Total
	Baht	Baht	Baht	Baht
Opening net book amount - as previously reported	-	-	-	-
Effect from changes in accounting policy (Note 6)	19,662,838	12,182,038	2,233,883	34,078,759
Opening net book amount - as restated	19,662,838	12,182,038	2,233,883	34,078,759
Lease termination	(3,548,615)	-	-	(3,548,615)
Transferred to assets for rent, net (Note 21)	-	(11,010,665)	-	(11,010,665)
Depreciation (Note 33)	(3,487,297)	(1,171,373)	(196,374)	(4,855,044)
Net book amount at 31 December 2020	12,626,926	-	2,037,509	14,664,435

	Separate financial statements	
	Office building	Total
	Baht	Baht
Opening net book amount - as previously reported	-	-
Effect from changes in accounting policy (Note 6)	11,730,843	11,730,843
Opening net book amount - as restated	11,730,843	11,730,843
Lease termination	(3,548,615)	(3,548,615)
Depreciation (Note 33)	(843,563)	(843,563)
Net book amount at 31 December 2020	7,338,665	7,338,665

## 22 Right-of-use assets, net (Cont'd)

The expense relating to leases that not included in the measurement of lease liabilities and right-of-use and cash outflows for leases is as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Expense relating to short-term leases	299,546	-	-	-

## 23 Intangible assets, net

	Consolidated financial statements		
	Software	Copyright	Total
	Baht	Baht	Baht
<b>At 1 January 2019</b>			
Cost	12,375,806	350,825	12,726,631
<u>Less</u> Accumulated amortisation	(9,074,542)	-	(9,074,542)
Net book amount	3,301,264	350,825	3,652,089
<b>For the year ended 31 December 2019</b>			
Opening net book amount	3,301,264	350,825	3,652,089
Additions	1,522,519	-	1,522,519
Write-off, net	(1)	-	(1)
Transferred to non-current assets classified as held for sale (Note 16)	(226,559)	-	(226,559)
Amortisation	(1,865,861)	-	(1,865,861)
Closing net book amount	2,731,362	350,825	3,082,187
<b>At 31 December 2019</b>			
Cost	8,400,999	350,825	8,751,824
<u>Less</u> Accumulated amortisation	(5,669,637)	-	(5,669,637)
Net book amount	2,731,362	350,825	3,082,187
<b>For the year ended 31 December 2020</b>			
Opening net book amount	2,731,362	350,825	3,082,187
Additions	12,980	-	12,980
Amortisation (Note 33)	(795,176)	-	(75,176)
Closing net book amount	1,949,166	350,825	2,299,991
<b>At 31 December 2020</b>			
Cost	8,413,979	350,825	8,764,804
<u>Less</u> Accumulated amortisation	(6,464,813)	-	(6,464,813)
Net book amount	1,949,166	350,825	2,299,991

Amortisation of Baht 795,176 are included in administrative expenses (2019: Amortisation of Baht 1,093,585 and Baht 772,276 are included in cost of providing services and administrative expenses, respectively) in the consolidated financial statements.

## 23 Intangible assets, net (Cont'd)

	Separate financial statements		
	Software	Copyright	Total
	Baht	Baht	Baht
<b>At 1 January 2019</b>			
Cost	2,575,500	45,500	2,621,000
<u>Less Accumulated amortisation</u>	<u>(2,302,676)</u>	<u>-</u>	<u>(2,302,676)</u>
Net book amount	272,824	45,500	318,324
<b>For the year ended 31 December 2019</b>			
Opening net book amount	272,824	45,500	318,324
Amortisation (Note 33)	(105,868)	-	(105,868)
Closing net book amount	166,956	45,500	212,456
<b>At 31 December 2019</b>			
Cost	2,575,500	45,500	2,621,000
<u>Less Accumulated amortisation</u>	<u>(2,408,544)</u>	<u>-</u>	<u>(2,408,544)</u>
Net book amount	166,956	45,500	212,456
<b>For the year ended 31 December 2020</b>			
Opening net book amount	166,956	45,500	212,456
Amortisation (Note 33)	(79,174)	-	(79,174)
Closing net book amount	87,782	45,500	133,282
<b>At 31 December 2020</b>			
Cost	2,575,500	45,000	2,621,000
<u>Less Accumulated amortisation</u>	<u>(2,487,718)</u>	<u>-</u>	<u>(2,487,718)</u>
Net book amount	87,782	45,000	133,282

Amortisation of Baht 79,174 (2019: Baht 105,868) is included in administrative expenses in the separate financial statements.

## 24 Deferred income taxes

Deferred income taxes are calculated in full on temporary differences, using the liability method and using a principal tax rate of 20% (2019: 20%). The deferred taxation related to the temporary differences between the carrying amounts and the tax bases of assets and liabilities of the Group are summarised below:

## 24 Deferred income taxes (Cont'd)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
<b>Deferred tax assets:</b>				
Deferred tax asset to be recovered within 12 months	8,075,037	6,918,661	482,101	516,536
Deferred tax asset to be recovered more than 12 months	27,667,897	6,301,209	924,854	3,342,980
	35,742,934	13,219,870	1,406,955	3,859,516
<b>Deferred tax liabilities:</b>				
Deferred tax liabilities to be settled more than 12 months	(1,750,076)	(1,455,560)	-	-
	(1,750,076)	(1,455,560)	-	-
Deferred income tax, net	33,992,858	11,764,310	1,406,955	3,859,516

The movements in deferred tax assets and liabilities during the year are as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
At 1 January	11,764,310	1,285,929	3,859,516	3,730,595
Retrospective adjustments from changes in accounting policy (Note 6)	238,598	-	(30,150)	-
Charged/(credited) to profit or loss (Note 34)	22,689,473	10,257,879	(2,225,087)	433,591
Charged/(credited) to other comprehensive income	(699,523)	220,502	(197,324)	(304,670)
At 31 December	33,992,858	11,764,310	1,406,955	3,859,516

Deferred income tax assets and liabilities are offset when the income taxes related to the same fiscal authority.

Deferred tax assets and deferred tax liabilities in the consolidated financial positions are presented at net amount of assets and liabilities incurred in each subsidiary.

## 24 Deferred income taxes (Cont'd)

The movements in deferred tax assets and liabilities during the year are as follows: (Cont'd)

	Consolidated financial statements				
	1 January 2020	Adjustment	Charged/ (credited) to profit or loss	Charged/ (credited) to other comprehensive income	31 December 2020
	Baht	Baht	Baht	Baht	Baht
<b>Deferred tax assets</b>					
Allowance for doubtful account	6,373,821	238,598	1,426,618	-	8,075,037
Employee benefit obligations	6,301,209	-	(2,701,495)	(699,523)	2,900,191
Provision for employee compensation	544,840	-	(544,840)	-	-
Tax losses	-	-	24,734,678	-	24,734,678
Lease Liabilities	-	-	33,028	-	33,028
	13,219,870	238,598	22,983,989	(699,523)	35,742,934
<b>Deferred tax liabilities</b>					
Right-of-use assets	(1,455,560)	-	-	-	(1,455,560)
	(1,455,560)	-	-	-	(1,455,560)
Deferred income taxes, net	11,764,310	238,598	22,689,473	(699,523)	33,992,858

	Consolidated financial statements			
	1 January 2019	Charged/ (credited) to profit or loss	Charged/ (credited) to other comprehensive income	31 December 2019
	Baht	Baht	Baht	Baht
<b>Deferred tax assets</b>				
Allowance for doubtful account	6,593,102	(219,281)	-	6,373,821
Employee benefit obligations	5,074,279	1,006,428	220,502	6,301,209
Provision for employee compensation	-	544,840	-	544,840
	11,667,381	1,331,987	220,502	13,219,870
<b>Deferred tax liabilities</b>				
Leased assets under finance lease	(958,808)	(496,752)	-	(1,455,560)
Depreciation	(9,422,644)	9,422,644	-	-
	(10,381,452)	8,925,892	-	(1,455,560)
Deferred income taxes, net	1,285,929	10,257,879	220,502	11,764,310

## 24 Deferred income taxes (Cont'd)

The movements in deferred tax assets and liabilities during the year are as follows: (Cont'd)

	Separate financial statements				
	1 January 2020	Adjustment	Charged/ (credited) to profit or loss	Charged/ (credited) to other comprehensive income	31 December 2020
	Baht	Baht	Baht	Baht	Baht
<b>Deferred tax assets</b>					
Allowance for doubtful account	516,536	(30,150)	(4,285)	-	482,101
Employee benefit obligations	3,342,980	-	(2,253,830)	(197,324)	891,826
Lease Liabilities	-	-	33,028	-	33,028
	3,859,516	(30,150)	(2,225,087)	(197,324)	1,406,955
<b>Deferred tax liabilities</b>	-	-	-	-	-
<b>Deferred income taxes, net</b>	3,859,516	(30,150)	(2,225,087)	(197,324)	1,406,955

	Separate financial statements			
	1 January 2019	Charged/ (credited) to profit or loss	Charged/ (credited) to other comprehensive income	31 December 2019
	Baht	Baht	Baht	Baht
<b>Deferred tax assets</b>				
Allowance for doubtful account	526,033	(9,497)	-	516,536
Employee benefit obligations	3,204,562	443,088	(304,670)	3,342,980
	3,730,595	443,591	(304,670)	3,859,516
<b>Deferred tax liabilities</b>	-	-	-	-
<b>Deferred income taxes, net</b>	3,730,595	443,591	(304,670)	3,859,516

Deferred income tax assets are recognised for tax loss and carry forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable.

The Group did not recognise deferred income tax assets of Baht 156,869,139 and Baht 77,110,600 (2019: Baht 78,947,537 and Baht 51,814,800), respectively, in respect of losses amounting to Baht 784,345,695 and Baht 385,552,998 (2019: Baht 394,737,684 and Baht 259,074,000), respectively, that can be carried forward against future taxable income.

## 25 Trade and other payables

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Trade payable				
- Third parties	5,554,463	10,115,772	282,205	87,165
- Related parties (Note 37.3)	32,635	32,635	9,630	724,178
Advance received	3,801,362	360,879	-	-
Fixed assets payables	48,422	1,041,749	-	-
Deposit	1,493,059	1,381,648	-	-
Other payables - Third parties	2,373,335	4,016,424	48,728	2,043,178
Accrued expenses	7,733,096	24,143,765	439,919	4,272,165
	21,036,372	41,092,872	780,482	7,126,686

## 26 Other current liabilities

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Withholding tax payable	982,762	1,655,379	245,148	279,215
Value added tax payable	7,725,055	10,766,480	1,456,380	1,615,849
Deferred income from sales and leaseback	-	148,672	-	-
	8,707,817	12,570,531	1,701,528	1,895,064

## 27 Borrowings

		Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
	Note	Baht	Baht	Baht	Baht
<b>Current</b>					
Short-term borrowings from bank	(a)	35,000,000	40,000,000	35,000,000	20,000,000
Current portion of long-term borrowings					
- Bank borrowings	(b)	21,099,000	14,556,000	-	-
- Lease liabilities	(c)	3,393,356	3,257,939	322,585	-
Total current borrowings		59,492,356	57,813,939	35,322,585	20,000,000
<b>Non-current</b>					
Bank borrowings	(b)	166,020,932	98,050,932	-	-
Lease liabilities	(c)	11,516,876	1,180,863	7,975,339	-
Total non-current borrowings		177,537,808	99,231,795	7,975,339	-
<b>Total borrowings</b>		<b>237,030,164</b>	<b>157,045,734</b>	<b>43,297,924</b>	<b>20,000,000</b>



## 27 Borrowings (Cont'd)

### a) Short-term borrowings from bank

As at 31 December 2019, short-term borrowings from a financial institution amounting to Baht 35 million represent promissory notes and are unsecured. The short-term borrowings carry interest rate at Minimum Loan Rate minus one (MLR - 1) per and repayable within March 2021.

### b) Long-term bank borrowings, net

Movements in long-term borrowings from bank for the years ended 31 December 2020 and 2019 are analysed as follows:

	Consolidated financial statements	
	2020	2019
	Baht	Baht
Opening balance as at 1 January	112,606,932	101,140,000
Addition	82,110,000	34,890,000
Repayment	7,597,000	(23,423,068)
Closing balance as at 31 December	187,119,932	112,606,932
Current portion of long-term borrowings	21,099,000	14,556,000
Long-term borrowings payable between 1 to 5 years	131,856,000	67,824,000
Long-term borrowings payable later than 5 years	34,164,932	30,226,932
	187,119,932	112,606,932

As at 31 December 2020, long-term borrowings from bank amounting to Baht 187.12 million (2019: Baht 112.61 million) comprised of Gear Head Co., Ltd. amounting to Baht 77 million and The Studio Park (Thailand) Co., Ltd. amounting to Baht 110.12 million (2019: comprise of The Studio Park (Thailand) Co., Ltd. amounting to Baht 112.61 million).

Gear Head Co., Ltd. (a subsidiary) entered into long-term loan agreements with a local commercial bank amounting to Baht 80 million to improve liquidity and expand rental and service business. This long-term loan carried interest at Minimum Loan Rate (MLR) per annum as following :

- Loan facility amounting to Baht 50 million is repayable in monthly installments from March 2020 to February 2026, at the percentage specified in the loan agreement. The loans are guaranteed by the Company.
- Loan facility amounting to Baht 30 million is repayable in monthly installments from June 2020 to April 2026, at the percentage specified in the loan agreement. The loans are guaranteed by the Company.

## 27 Borrowings (Cont'd)

### b) Long-term bank borrowings, net

The Studio Park (Thailand) Co., Ltd. (a subsidiary) entered into long-term loan agreements with a local commercial bank amounting to Baht 537 million for The Studio Park project. This long-term loan carried interest at Minimum Loan Rate minus a stipulated margin (MLR - margin) per annum as following :

- Loan facility amounting to Baht 500 million is repayable in monthly installments from February 2018 to February 2027, at the percentage specified in the loan agreement. The loan is secured by the mortgage of the Company's land.
- Loan facility amounting to Baht 25 million is repayable in monthly installments from January 2019 to June 2027, at the percentage specified in the loan agreement. The loan is secured by the mortgage of the Company's land.
- Loan facility amounting to Baht 12 million is repayable in monthly installments from January 2019 to June 2027, at the percentage specified in the loan agreement. The loan is secured by the mortgage of the Company's land

The loan agreement contains covenants imposed on the Group as specified in the agreement, related to such matters as maintenance of certain debt to equity and maintenance of shareholder status.

### Borrowing facilities

The Group have the undrawn committed borrowing facilities:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Floating interest rate due over 1 year	15,000,000	2,110,000	15,000,000	-

The carrying amounts and fair values of certain long-term borrowings are as follows:

	Consolidated financial statements			
	Carrying amounts		Fair values	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Long-term borrowings from bank	187,119,932	112,606,932	187,119,932	112,606,932

The fair value of current borrowings equal their carrying amount, as the impact of discounting is not significant.

Fair value of non-current borrowings are based on discounted cash flows using a discount rate based upon the borrowing rate of 4.25% to 6.00% per annum (2019: 5.75% to 6.25% per annum) and are within level 2 of the fair value hierarchy.

## 27 Borrowings (Cont'd)

### c) Lease liabilities, net

Maturity of lease liabilities are as follow:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
<b>Minimum lease liabilities payments</b>				
Not later than one year	4,094,379	3,421,851	720,000	-
Later than 1 year but not later than 5 years	6,658,976	1,286,935	2,994,000	-
Later than 5 years	7,956,000	-	7,956,000	-
	18,709,355	4,708,786	11,670,000	-
Less Future finance charges on leases	(3,799,123)	(269,984)	(3,372,076)	-
Present value of lease liabilities	14,910,232	4,438,802	8,297,924	-
<b>Representing lease liabilities:</b>				
- current	3,393,356	3,257,939	322,585	-
- non-current	11,516,876	1,180,863	7,975,339	-
	14,910,232	4,438,802	8,297,924	-
<b>Present value of lease liabilities:</b>				
Not later than one year	3,393,356	3,257,939	322,585	-
Later than 1 year but not later than 5 years	5,116,937	1,180,863	1,575,400	-
Later than 5 years	6,399,939	-	6,399,939	-
	14,910,232	4,438,802	8,297,924	-

The movements of lease liabilities for the year can be analysed as follows:

	Consolidated financial statements	Separate financial statements
	Baht	Baht
Opening net book value - as previously reported	4,438,802	-
Retrospective adjustments from changes in accounting policy (Note 6)	20,411,500	12,479,505
Opening net book value - as restated	24,850,302	12,479,505
Repayment	(7,386,484)	(1,088,421)
Amortised deferred interest (Note 32)	1,025,357	485,783
Terminate contract	(3,578,943)	(3,578,943)
Closing net book value	14,910,232	8,297,924

## 27 Borrowings (Cont'd)

### d) Interest rate

The effective interest rates at the statement of financial position date were as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Short-term borrowings from bank	MLR - 1	MLR	MLR - 1	MLR
Long-term borrowings from bank	MLR and MLR - 0.5	MLR - 0.5	-	-
Lease liabilities	4.88%, 5.88% 6.00%, 6.25% and 7.02%	6.00%, 6.25% and 7.02%	4.88%	-

## 28 Employee benefit obligations

### Retirement benefits

The plans are retirement plans. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement.

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Statement of financial position:				
Retirement benefits	15,340,577	35,280,819	4,459,128	16,714,900
Profit or loss charge included in operating profit for:				
Retirement benefits	(9,812,974)	8,992,481	(6,589,152)	2,384,240
Remeasurement for:				
Retirement benefits	3,568,868	(1,798,994)	986,620	1,523,351

## 28 Employee benefit obligations (Cont'd)

### Retirement benefits (Cont'd)

The movements in the defined benefit obligation for the years are as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
At 1 January	35,280,819	26,459,737	16,714,900	16,022,811
Current service cost	2,545,396	2,939,482	863,646	861,371
Past service cost	(12,998,906)	5,440,342	(7,602,630)	2,155,900
Interest expense	640,536	612,657	259,442	261,613
Transfer to subsidiary	-	-	(109,610)	(894,644)
	25,467,845	35,452,218	10,125,748	18,407,051
Remeasurements:				
Loss from change in demographic assumptions	-	1,142,156	-	402,304
(Gain) Loss from change in financial assumptions	(1,323,446)	2,898,216	(629,282)	1,098,147
Experience (gain)	(2,245,422)	(2,241,378)	(357,338)	(3,023,802)
	(3,568,868)	1,798,994	(986,620)	(1,523,351)
Benefit payment	(6,558,400)	(1,970,393)	(4,680,000)	(168,800)
At 31 December	15,340,577	35,280,819	4,459,128	16,714,900

On 5 April 2019, an amendment bill to the Labour Protection Law was published in the Government Gazette. The amended law will become effective 30 days after its publication. The main amendment is that the compensation for employees who have retired and have more than or equal to 20 years of service has changed from 300 day's pay to 400 day's pay. The effects of the amendment were recognised as past service cost during the year.

## 28 Employee benefit obligations (Cont'd)

### Retirement benefits (Cont'd)

The significant actuarial assumptions used were as follows:

	Consolidated and Separate financial statements	
	2020	2019
	%	%
Discount rate	1.49	1.61
Inflation rate	2.00	2.50
Salary growth rate		
- Aged below 30 years	5.00	-
- 30 - 40 years	4.00	-
- 40 - 55 years	3.50	-
- Above 55 year	3.00	-
- Aged below 40 years	-	5.00
- 40 - 55 years	-	4.00
- Above 55 year	-	3.00
Turnover rate		
- Aged below 30 year	30.00	30.00
- 30 - 40 years	14.00	14.00
- 40 - 55 years	8.00	8.00
- Above 55 years	-	-

## 28 Employee benefit obligations (Cont'd)

### Retirement benefits (Cont'd)

Sensitivity analysis for each significant assumption used is as follows:

	Consolidated financial statements					
	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
	2020	2019	2020	2019	2020	2019
Discount rate	1%	1%	Decrease by 9.88%	Decrease by 8.83%	Increase by 11.13%	Increase by 10.13%
Salary growth rate	1%	1%	Increase by 11.11%	Increase by 9.93%	Decrease by 9.81%	Decrease by 8.84%
Turnover rate	20%	20%	Decrease by 9.90%	Decrease by 9.87%	Increase by 12.07%	Increase by 11.97%
Mortality change rate	1%	1%	Increase by 0.41%	Increase by 0.35%	Decrease by 0.45%	Decrease by 0.39%

	Separate financial statements					
	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
	2020	2019	2020	2019	2020	2019
Discount rate	1%	1%	Decrease by 8.80%	Decrease by 8.05%	Increase by 9.72%	Increase by 9.07%
Salary growth rate	1%	1%	Increase by 9.60%	Increase by 8.89%	Decrease by 8.72%	Decrease by 8.06%
Turnover rate	20%	20%	Decrease by 7.41%	Decrease by 8.32%	Increase by 8.39%	Increase by 9.66%
Mortality change rate	1%	1%	Increase by 0.31%	Increase by 0.30%	Decrease by 0.34%	Decrease by 0.33%

## 28 Employee benefit obligations (Cont'd)

### Retirement benefits (Cont'd)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method has been applied as when calculating the retirement benefits recognised in the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

Through its defined benefit retirement benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

Changes in bond yields : Decrease in Government bond yields will increase plan liabilities.

The weighted average duration of the defined benefit obligation is 13.6 years (2019: 12.1 years).

Expected maturity analysis of undiscounted retirement benefits are as follows:

	Consolidated financial statements				
	Less than a year	Between 1 - 2 years	Between 2 - 5 years	Over 5 years	Total
	Baht	Baht	Baht	Baht	Baht
At 2020					
Retirement benefits	-	938,935	1,758,065	41,398,879	44,095,879
Total	-	938,935	1,758,065	41,398,879	44,095,879

	Consolidated financial statements				
	Less than a year	Between 1 - 2 years	Between 2 - 5 years	Over 5 years	Total
	Baht	Baht	Baht	Baht	Baht
At 2019					
Retirement benefits	7,875,875	265,231	6,312,118	64,037,940	78,491,164
Total	7,875,875	265,231	6,312,118	64,037,940	78,491,164



## 28 Employee benefit obligations (Cont'd)

### Retirement benefits (Cont'd)

Expected maturity analysis of undiscounted retirement benefits are as follows: (Cont'd)

	Separate financial statements				
	Less than a year	Between 1 - 2 years	Between 2 - 5 years	Over 5 years	Total
	Baht	Baht	Baht	Baht	Baht
At 2020					
Retirement benefits	-	-	-	9,995,277	9,995,277
Total	-	-	-	9,995,277	9,995,277

	Separate financial statements				
	Less than a year	Between 1 - 2 years	Between 2 - 5 years	Over 5 years	Total
	Baht	Baht	Baht	Baht	Baht
At 2019					
Retirement benefits	5,136,866	265,231	2,381,542	21,034,741	28,818,380
Total	5,136,866	265,231	2,381,542	21,034,741	28,818,380

## 29 Share capital and premium on share capital

	Authorised number of shares	Issued and fully paid-up			
		Number of shares	Ordinary shares	Share premium	Total
	Shares	Shares	Baht	Baht	Baht
At 1 January 2019	781,629,851	781,628,733	781,628,733	906,214,683	1,687,843,416
Shares issuance	-	-	-	-	-
At 31 December 2019	781,629,851	781,628,733	781,628,733	906,214,683	1,687,843,416
Shares issuance	-	-	-	-	-
At 31 December 2020	781,629,851	781,628,733	781,628,733	906,214,683	1,687,843,416

As at 31 December 2020, the total number of authorised ordinary shares is 781,629,851 shares (2019: 781,629,851 shares) with a par value of Baht 1 each (2019: Baht 1 each). The number of issued and fully paid-up ordinary share is 781,628,733 shares (2019: 781,628,733 shares).

### 30 Legal reserve

	Consolidated and Separate financial statements	
	2020	2019
	Baht	Baht
At 1 January	10,658,657	10,658,657
Appropriate during the year	-	-
At 31 December	10,658,657	10,658,657

Under the Public Companies Act., B.E. 2535, the Company is required to set aside as statutory reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. This reserve is not available for dividend distribution.

### 31 Other incomes (Other expenses)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Interest income from loans to subsidiaries (Note 37.1)	-	-	29,862,805	32,138,726
Interest income	68,912	113,517	47,131	64,950
Management fee income to subsidiaries (Note 37.1)	-	-	29,087,064	30,228,012
Gain (Loss) from disposal and write-off of assets	2,560,299	(1,355,646)	408,015	(20,611)
Net (loss) gain on exchange rate	(76,060)	40,017	-	-
Loss from impairment of investments in subsidiaries (Note 17)	-	-	(9,456,468)	(7,473,303)
Loss from impairment of investment in joint venture (Note 18)	-	(1,059,291)	-	(1,884,755)
Loss from insurance compensation for assets for rent	-	(117,871)	-	-
Revenue from receive the capital return and retained earnings from a subsidiary	-	-	703,718	-
Others	2,300,119	665,438	1,588,042	17,373
	4,853,270	(1,713,836)	52,240,307	53,070,392

### 32 Finance costs

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Interest:				
Borrowing from a third party	25,644	-	25,644	-
Borrowing from a subsidiary (Note 37.2)	-	-	-	506,416
Bank borrowings	9,518,998	6,620,775	700,274	924,577
Lease liabilities (Note 27) (2019: Finance lease liabilities)	1,025,357	347,203	485,783	-
	10,569,999	6,967,978	1,211,701	1,430,993

### 33 Expenses by nature

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Depreciation - building and equipment (Note 20)	39,540,343	39,098,575	4,101,333	5,282,318
Depreciation - assets for rent (Note 21)	54,761,483	56,860,083	-	-
Depreciation - right-of-use assets (Note 22)	4,855,044	-	843,563	-
Amortisation - intangible assets (Note 23)	795,176	772,276	79,174	105,868
Staff costs	213,265,951	234,180,866	41,367,846	29,601,349
Employee benefit expense (Note 28)	(9,812,975)	8,797,489	(6,589,152)	2,384,240
Director and executive remuneration	16,660,417	30,674,920	15,373,750	14,439,000
Outsourcing service fee	5,322,121	6,759,829	2,831,452	3,566,748
Operating leases	21,170,080	25,662,483	16,007,502	16,308,843

### 34 Income tax

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Current tax				
Current tax on profits for the year	-	49,647	-	-
Adjustment in respect of prior year	-	2,346,097	-	-
<b>Total current tax</b>	-	2,395,744	-	-
Deferred income tax (Note 24)	(22,689,473)	(10,257,879)	2,225,087	(433,591)
<b>Income tax expense (income)</b>	<b>(22,689,473)</b>	<b>7,862,135</b>	<b>2,225,087</b>	<b>(433,591)</b>

**34 Income tax (Cont'd)**

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Income tax expense (income) attributable to:				
(Profit) loss from continuing operations	(22,689,473)	(7,983,380)	2,225,087	(433,591)
Loss (profit) from discontinued operations	-	121,245	-	-
	(22,689,473)	(7,862,135)	2,225,087	(433,591)

Tax on the Group's profit before tax differs from the theoretical amount that would arise using the tax rate of 20% (2019: 20%) as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Profit (loss) before income tax				
- From continuing operations	(192,541,730)	(37,681,238)	(44,664,349)	6,441,297
- From discontinued operations (Note 16.1)	-	(8,896,893)	-	-
Total	(192,541,730)	(46,578,131)	(44,664,349)	6,441,297
Tax calculated at a tax rate of 20%				
(2019: 20%)	(38,508,346)	(9,315,626)	(8,932,870)	1,288,259
The effect of:				
Joint ventures' results net of tax	-	285,501	-	-
Revenue not subject to tax	-	(9,422,644)	-	-
Expenses not deductible for tax purposes	738,821	3,020,601	8,907,919	1,915,002
Expenses that can be double deductible	(43,868)	(1,773,524)	(7,095)	(39,903)
Utilisation of previously unrecognised tax losses	-	(3,596,949)	-	(3,596,949)
Tax losses for which no deferred income tax asset was recognised	15,123,920	10,594,409	2,257,133	-
Adjustment in respect of prior year	-	2,346,097	-	-
Income tax	(22,689,473)	(7,862,135)	2,225,087	(433,591)

### 35 Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the profit (loss) attributable to shareholders by the weighted average number of paid-up ordinary shares in issue during the year.

The basic earnings (loss) per share are as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Profit (loss) attributable to ordinary shareholders of the Company				
From continuing operations (Baht)	(169,852,257)	(29,374,551)	(44,664,349)	6,874,888
From discontinued operations (Baht)	-	(9,018,138)	-	-
	(169,852,257)	(38,392,689)	(44,664,349)	6,874,888
Weighted average number of shares (Shares)	781,628,733	781,628,733	781,628,733	781,628,733
Basic earnings (loss) per share (Baht)				
From continuing operations	(0.22)	(0.04)	(0.06)	0.01
From discontinued operations	-	(0.01)	-	-

There are no potential dilutive ordinary shares in issue during 2020 and 2019.

### 36 Commitments and contingencies

#### 36.1 Letter of guarantee

As at 31 December 2020, there are letters of guarantee issued by a commercial bank in respect of television air time contracts, performance, and electricity usage, on behalf of the Company and subsidiaries totalling Baht 1.52 million (2019: Baht 2.91 million).

#### 36.2 Capital commitments

Commitment as at the statement of financial position date related to capital expenditure but not recognised in the financial statements is as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Property, plant and equipment	296,451	3,517,502	-	-

### 36 Commitments and contingencies (Cont'd)

#### 36.3 Operating leases - where the Group is the lessee

As at 31 December 2020, the Group has commitment obligations in respect of long-term lease of land and building contracts. The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Not later than 1 year	-	4,648,842	-	1,614,737
Later than 1 year but not later than 5 years	-	5,829,895	-	2,953,684
Later than 5 years	-	8,820,000	-	8,820,000
	-	19,298,737	-	13,388,421

#### 36.4 Guarantees

- the Company has provided guarantees for long-term bank borrowing in Gear Head Co., Ltd. for a total of Baht 90 million (31 December 2019: Baht 90 million).
- The Studio Park (Thailand) Co., Ltd. pledged its land as a security for long-term bank borrowing of Baht 537 million (2019: Baht 537 million).

### 37 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The Company is controlled by The BBTV Productions Co., Ltd. (incorporated in Thailand), which owns 87.60% of the Company's shares. The remaining 12.40% of the shares are widely held. The significant investments in subsidiaries and joint venture are set out in Note 17 and Note 18.

Transactions with the companies and parties under The BBTV Productions Co., Ltd. group are considered related parties transactions. In addition, companies and parties relating to directors and directors' family are also considered related parties.

**37 Related party transactions (Cont'd)**

Relationships with related parties were as follow:

Name of entities	Country of incorporation	Nature of relationships
The BBTV Productions Co., Ltd.	Thailand	Parent company
Gear Head Co., Ltd.	Thailand	Subsidiary
The Studio Park (Thailand) Co., Ltd.	Thailand	Subsidiary
TSP Production Services Co., Ltd.	Thailand	Subsidiary
Bangkok Broadcasting & TV. Co., Ltd.	Thailand	Related company and common director
HR Pro Security and Service Co., Ltd.	Thailand	Related company and common director
BBTV New Media Co., Ltd.	Thailand	Related company and common director
Media Studio Co., Ltd.	Thailand	Related company and common director
Media Scene Co., Ltd.	Thailand	Related company and common director
Grand Larn Luang Co., Ltd.	Thailand	Related company and common director

The following material transactions were carried out with related parties:

**37.1 Revenue from sales and services**

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Revenues from rental and service				
Related parties	2,745,939	1,785,080	-	-
Interest income				
Subsidiaries (Note 31)	-	-	29,862,805	32,138,726
Other income				
Subsidiaries (Note 31)	-	-	29,087,064	30,228,012

### 37 Related party transactions (Cont'd)

The following material transactions were carried out with related parties: (Cont'd)

#### 37.2 Purchases of goods and services

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Cost of services				
Subsidiaries	-	-	2,386,906	3,201,424
Related parties	13,903,000	12,116,033	13,896,000	12,053,250
	13,903,000	12,116,033	16,282,906	15,254,674
Operating expenses				
Subsidiaries	-	-	43,456	-
Related parties	3,742,951	5,322,015	1,305,333	1,516,263
	3,742,951	5,322,015	1,348,789	1,516,263
Building rental				
Director	-	908,566	-	-
Interest expenses				
Subsidiary (Note 32)	-	-	-	506,416

#### 37.3 Outstanding balances arising from sales/purchases of goods/services

As at 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Trade receivables				
(included in Note 13				
“Trade and other receivables, net”)				
Related parties	1,220,976	63,451	-	-
Other receivables				
(included in Note 13				
“Trade and other receivables, net”)				
Subsidiaries	-	-	-	4,313,879



### 37 Related party transactions (Cont'd)

The following material transactions were carried out with related parties: (Cont'd)

#### 37.3 Outstanding balances arising from sales/purchases of goods/services (Cont'd)

As at 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Trade payable (included in Note 25 "Trade and other payables")				
Subsidiaries	-	-	-	714,548
Related parties	32,635	32,635	9,630	9,630
	32,635	32,635	9,630	724,178
Accrued expense				
Related parties	229,049	355,595	54,478	110,693

#### 37.4 Short-term loans to subsidiaries, net

For the years ended 31 December	Separate financial statements	
	2020	2019
	Baht	Baht
Subsidiaries		
Beginning balance - previously reported	545,900,000	527,500,000
Retrospective adjustments from changes in accounting policy (Note 6)	(87,194,050)	-
Beginning balance - as restated	458,705,950	527,500,000
Loans granted during the year	71,000,000	86,900,000
Repayments received during the year	(48,400,000)	(68,500,000)
Recognised expected credit loss (2019: Allowance for doubtful accounts under TAS 101)	(31,100,000)	-
Ending balance	450,205,950	545,900,000

### 37 Related party transactions (Cont'd)

The following material transactions were carried out with related parties: (Cont'd)

#### 37.4 Short-term loans to subsidiaries, net (Cont'd)

The reconciliations of loss allowances for loans to subsidiaries measured at amortised cost for the year ended 31 December 2020 are as follows:

	Separate financial statements
	2020
	Baht
As at 31 December 2019, as per TAS 101	-
Amount restated through opening retained earnings	(87,194,050)
Opening loss allowance as at 1 January 2020	
- calculated under TFRS 9	(87,194,050)
Increase in loss allowance recognised in profit or loss during the year	(41,100,000)
Loans written off during the year as uncollectible	9,900,000
Ending balance as at 31 December 2020 - TFRS 9	(118,294,050)

Loans to subsidiaries represent promissory notes, carry interest at the rates from 5.25% to 6.00% per annum (2019: 5.75% and 6.00% per annum) and are due at call. Loans are unsecured. Allowance amounting to Baht 118,294,050 has been required in 2020 for the loans made to subsidiaries.

Loans are current portion. The fair value is equal to the book value since the effect of the discount rate is insignificant

#### 37.5 Short-term borrowing from a subsidiary

For the years ended 31 December	Separate financial statements	
	2020	2019
	Baht	Baht
Subsidiary		
Beginning balance	6,000,000	7,000,000
Borrowings received during the period	-	2,300,000
Borrowings repaid during the period	(6,000,000)	(3,300,000)
Ending balance	-	6,000,000

Borrowing from a subsidiary represents promissory notes, carry interest at the rate of 6.00% per annum (2019: 5.75% and 6.00% per annum) and are due at call. Borrowing is unsecured.

### 37 Related party transactions (Cont'd)

The following material transactions were carried out with related parties: (Cont'd)

#### 37.6 Directors and executive remuneration

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Salaries and other short-term employee benefits	16,660,417	30,674,920	15,373,750	14,439,000
Post-employee benefits	514,280	2,820,247	514,280	1,711,336
	17,174,697	33,495,167	15,888,030	16,150,336

## Part 4

Verification of Information for  
Annual Registration Statement/ Annual Report  
(Form 56-1 One Report)

## Verification of information

The Company has carefully reviewed all information in this financial statement and would like to verify that the information provided is complete, containing no false statement, not misleading and not lacking material facts. Moreover, the Company hereby certify that:

- (1) The financial statement and financial information reported in the Annual Report is accurate and complete, covering all major issues relating to the financial position, operating results and the cash flows of the Company and the subsidiaries.
- (2) The Company has created a decent financial disclosure system to ensure that the key information of the Company and the subsidiaries is accurately and completely disclosed. In addition, the Company has ensured that the operation guideline in such system has been followed.
- (3) The Company has established the decent internal control system, ensuring that the operation guideline for the system has been strictly followed. The Company has informed the auditor and the audit directors of the information concerning the assessment of internal control system as of February 22, 2021. Such information covers any discovered defects and major changes to the internal control system as well as any malpractice that may have an impact on the completion of the financial reports of the Company and the subsidiaries.


So as to prove that all documents are the same as the documents verified by the Company, the Company hereby authorize Mr.Nanat Sonsa-ad to sign his name in all pages of this document for verification. Any documents with the absent signature of Mr.Nanat Sonsa-ad shall be deemed as unverified information, not the information or documents as above verified by the Company.

Name	Position	Signature
1. Mr. Sansrit Yenbamrung	Chairman of the BOD	.....-Sansrit Yenbamrung-.....
2. Mr. Chayanont Ulit	CEO	.....-Chayanont Ulit-.....
Authorized person :- Mr. Nanat Sonsa-ad	Director of the Legal and Secretariat Department	.....-Nanat Sonsa-ad-.....

## Attachment 1

# Details of Directors, Management, Persons with Controlling Power, Head of Accounting and Finance, and Company's Secretary

1. Details of directors, management (as defined by the market) and persons with controlling power, the head of accountancy and finance and the head of accounting and the Company's Secretary as of March 9, 2021.

	<p><b>1. Mr. Sansrit Yenbamrung</b></p> <ul style="list-style-type: none"> <li>- Chairman of the Board *</li> <li>- Chairman of the Executive Committee</li> <li>- Chairman of Nomination and Remuneration Committee</li> </ul> <p><b>Age (years) 62</b></p>
-----------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

(\* Director who are authorized to sign in binding the Company)

### Education

- Master of Business Administration in International Trade Sul Ross State University, Alpine Texas, U.S.A.

### Percentage of Shareholding

- None -

### Relationship with the other Executive

- None -

Work Experience in the last 5 years		
Period	Position	Name of Companies / Organizations
Apr 2018-Present	- Chairman of the Board of Director	Matching Maximize Solution PCL.
May 2018-Present	- Chairman of the Executive Committee	
	- Chairman of Nomination and Remuneration Committee	
Apr 2014-Mar 2018	- Director	
Apr 2014-Apr 2018	- Member of Executive Committee	
Other Listed Companies		
Dec 2004-Dec 2018	- First Executive Vice President	Bank of Ayudhya PCL.
Sep 2002-Nov 2004	- Executive Vice President	
Other Companies / Organizations		
Jan 2020-Present	- Director	Gear Head Co., Ltd.
May 2019-Present	- Director	BBTV Equity Co., Ltd.
Apr 2019-Present	- Director	Great Fortune Equity Co., Ltd.
Apr 2019-Present	- Director	Sunrise Equity Co., Ltd.
Apr 2019-Present	- Director	Khao Kheow Country Club Co., Ltd.
Apr 2018-Present	- Director	Bangkok Broadcasting & TV Co., Ltd.
Apr 2018-Present	- Chairman of the board	Media Studio Co., Ltd.
Apr 2014-Mar 2019	- Director	
Oct 2010-Present	- Chairman of the board	Grand Larn Luang Co., Ltd.
	- Chief Executive Officer	
Sep 2002-Dec 2018	- Director	Krungsri Ayudhya AMC Co., Ltd.
	- Chairman of the Executive Committee	



## 2. Mr. Chayanont Ulit

- Director \*
- Chief Executive Officer
- Executive Director

**Age (years) 51**

(\* Director who are authorized to sign in binding the Company)

### Education

- Bachelor of Architecture, Chulalongkorn University.

### Percentage of Shareholding

- None -

### Relationship with the other Executive

- None -

Work Experience in the last 5 years		
Period	Position	Name of Companies / Organizations
Aug 2020-Present	- Executive Director	Matching Maximize Solution PCL.
Aug 2020-Present	- Chief Executive Officer	
Aug 2020-Present	- Director	
Other Companies / Organizations		
Aug 2020-Present	- Director	Gear Head Co., Ltd.
	- Chief Executive Officer	
Aug 2020-Present	- Director	The Studio Park (Thailand) Co., Ltd.
Nov 2020-Present	- Liquidator	TSP Production Service Co., Ltd.
Sep 2020-Present	- Chairman of the Board of Director	Transformation Film Co., Ltd.
	- Director	





### 3. Mr. Neil Wayne Thompson

- Director \*
- Deputy Chief Executive Officer
- Executive Director

**Age (years) 63**

(\* Director who are authorized to sign in binding the Company)

### Education

- Certificate, Technician, Telecom Central New Zealand
- Certificate, Director Accreditation Program (2021) : IOD

### Percentage of Shareholding

- None -

### Relationship with the other Executive

- None -

Work Experience in the last 5 years		
Period	Position	Name of Companies / Organizations
Dec 2020-Present	- Executive Director	Matching Maximize Solution PCL.
Jan 2021-Present	- Deputy Chief Executive Officer	
Dec 2020-Present	- Director	
Other Companies / Organizations		
Mar 1998-Present	- Deputy Managing Director	Tero Entertainment PCL.
Dec 2014-Present	- Chairman of Executive Director	Live Nation Tero Entertainment Co., Ltd.
	- Director	
Jul 2002-Present	- Managing Director	Tero Radio Co., Ltd.
	- Director	



#### 4. Mr. Poomchai Wacharapong

- Director \*
- Executive Director

**Age (years) 62**

(\* Director who are authorized to sign in binding the Company)

#### Education

- Master (Economics) North Texas State University, U.S.A.
- Certificate, Senior Executive Program (SEP), Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Certificate, Director Certification Program (2008) : IOD
- Certificate, Roles of the Chairman Program (2008) : IOD

#### Percentage of Shareholding

0.0001 %

#### Relationship with the other Executive

- None -

Work Experience in the last 5 years		
Period	Position	Name of Companies / Organizations
May 2018-Present	- Executive Director	Matching Maximize Solution PCL.
Jan 2014-Present	- Director	
Jan 2014-Dec 2019	- Chief Executive Officer	
Jan 2014-May 2018	- Chairman of the Executive Committee	
Other Companies/ Organizations		
Nov 2018-Nov 2020	- Director	TSP Production Service Co., Ltd.
May 2018-Present	- Director	Media Studio Co., Ltd.
Mar 2015-Present	- Director	Baansuay Group Co., Ltd. (Suratthani)
Jul 2014-Mar 2020	- Director	Time Lapse Co., Ltd.
Nov 2018-Jan 2020	- Chairman of the Board of Director	Transformation Film Co., Ltd.
Jul 2014-Jan 2020	- Director	
Feb 2014-Present	- Director	The Studio Park (Thailand) Co., Ltd.
Feb 2014-Present	- Director	Gear Head Co., Ltd.
Nov 2017-Dec 2019	- Chief Executive Officer	
Feb 2014-Jan 2018	- Director	Book Maker Co., Ltd.
Feb 2014-Dec 2016	- Director	Matching Studio Plus Co., Ltd.
Feb 2014-Dec 2016	- Director	Matching Entertainment Co., Ltd.
Jun 2016-Present	- Advisor	HR Pro Security and Services Co., Ltd.
Aug 2013-Present	- Director	TV Digital HR Co., Ltd.
Oct 2010-Present	- Director	Grand Lam Luang Co., Ltd.

**5. Yaowalak Poolthong, PhD.**

- Director \*
- Executive Director

**Age (years) 60**

(\* Director who are authorized to sign in binding the Company)

**Education**

- PhD in Marketing, Thammasat University (International Program)
- Master of International Business Administration, The University of Sydney, Australia
- Master of International Business Administration - Exchange Program, Waseda University, Japan
- Director Certification Program (DCP) - Thai Institute of Directors (IOD)
- Capital Market Academy (CMA)

**Percentage of Shareholding**

- None -

**Relationship with the other Executive**

- None -

Work Experience in the last 5 years		
Period	Position	Name of Companies / Organizations
Apr 2018-Present	- Director	Matching Maximize Solution PCL.
Jul 2018-Present	- Executive Director	
Other Companies / Organizations		
Apr 2019-Dec 2020	- Managing Director	Bangkok Broadcasting & TV Co., Ltd.
Apr 2019-Present	- Director	
Jan 2021-Present	- Adviser	Media Now Co., Ltd.
May 2017-Present	- Director	
Apr 2017-Present	- Director	Media Scene Co., Ltd.
May 2015-Present	- Chief Executive Officer	
Apr 2014-Present	- Director	Media Studio Co., Ltd.
Jan 2014-Present	- Director	HR Pro Security and Services Co., Ltd.



#### 6. Mr. Komkrit Sirirat

- Director
- Executive Director

**Age (years) 59**

#### Education

- Master of Computer Engineering at Florida Institute of Technology, Florida, U.S.A.
- Bachelor of Electrical Engineering at Florida Institute of Technology, Florida, U.S.A.
- Completed the Thammasat University Leadership Program, Class 16<sup>th</sup>
- Certificate, Director Accreditation Program (2021) : IOD

#### Percentage of Shareholding

- None -

#### Relationship with the other Executive

- None -

Work Experience in the last 5 years		
Period	Position	Name of Companies / Organizations
Dec 2020-Present	<ul style="list-style-type: none"> <li>- Executive Director</li> <li>- Director</li> </ul>	Matching Maximize Solution PCL.
<b>Other Companies / Organizations</b>		
Jan 2007-Present	- Deputy Managing Director	Tero Entertainment PLC.
Jan 2013-Present	- Director	Committee at Major Care Foundation
Jan 2007-Present	- Deputy Managing Director	Thai Ticket Major Co., Ltd.



### 7. Mr. Akarat Na Ranong

- Independent Director
- Chairman of the Audit Committee
- Corporate Governance Committee

**Age (years) 67**

### Education

- Master's Degree ,Business Administration (Management), Marshall University, USA.
- Ethical Leadership Program (ELP 17/2019) (2562) :IOD
- Certificate, Role of the Chairman Program (2017) : IOD
- Certificate, Director Certification Program (2013) : IOD
- Certificate, Role of the Compensation Committee (2007) : IOD
- Certificate, Director Accreditation Program (2007) : IOD
- Certificate, Audit Committee Program (2004) : IOD
- Certificate, Leader Program, Capital Market Academy (Class 6) (2008)

### Percentage of Shareholding

- None -

### Relationship with the other Executive

- None -

Work Experience in the last 5 years		
Period	Position	Name of Companies / Organizations
Sep 2019-Present May 2010-Present	<ul style="list-style-type: none"> <li>- Corporate Governance Committee</li> <li>- Independent Director</li> <li>- Chairman of the Audit Committee</li> </ul>	Matching Maximize Solution PCL.
<b>Other Listed Companies</b>		
Nov 2017-Present	<ul style="list-style-type: none"> <li>- Independent Director</li> <li>- Chairman of Audit Committee</li> <li>- Nomination Compensation and Corporate Governance Committee</li> </ul>	Symphony Communication PCL.
Jul 2017-Present	<ul style="list-style-type: none"> <li>- Audit Committee</li> <li>- Risk Management Committee</li> <li>- Investment Committee</li> </ul>	Krungthai AXA Life Insurance PCL.
Jun 2013-Apr 2018	<ul style="list-style-type: none"> <li>- Chairman</li> </ul>	Food Capitals PCL.

Work Experience in the last 5 years		
Period	Position	Name of Companies / Organizations
<b>Other Listed Companies (con.)</b>		
2011-Present	- Independent Director - Audit Committee - Chairman of Nomination and Remuneration Committee	FINANSA PCL.
2001- Jul 2017	- Independent Director - Chairman of Audit Committee - Nomination and Remuneration Committee - Corporate Governance Committee	Krungthai Card PCL.
<b>Other Companies/ Organizations</b>		
May 2018- Mar 2020	- Director - Executive Director	Wind Energy Holding Co., Ltd.
2014-Present	- Independent Director - Chairman of the Board of Director - Chairman of Audit Committee	KPN Academy Co., Ltd.
2011-Present	- Independent Director - Audit Committee	FINANSA Securities Limited

**8. Mr. Chatrapee Tantixalerm**

- Independent Director
- Audit Committee
- Nomination and Remuneration Committee
- Chairman of the Corporate Governance Committee

**Age (years) 58****Education**

- MBA Finance , Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Certificate, Corporate Governance for Capital Market Intermediaries (2/2015) : IOD
- Certificate, Director Accreditation Program (48/2005) : IOD

**Percentage of Shareholding**

- None -

**Relationship with the other Executive**

- None -

Work Experience in the last 5 years		
Period	Position	Name of Companies / Organizations
Sep 2017-Present	<ul style="list-style-type: none"> <li>- Independent Director</li> <li>- Audit Committee</li> <li>- Nomination and Remuneration Committee</li> </ul>	Matching Maximize Solution PCL.
<b>Other Listed Companies</b>		
Dec 2015-Present	<ul style="list-style-type: none"> <li>- Director</li> <li>- Chairman of Audit Committee</li> </ul>	SISB PCL
Sep 2009-Present	<ul style="list-style-type: none"> <li>- Independent Director</li> <li>- Chairman of Audit Committee</li> </ul>	TSFC Securities PCL.
<b>Other Companies/ Organizations</b>		
Jun 2020- Present	<ul style="list-style-type: none"> <li>- Director</li> </ul>	Association of Investment Management Companies
Jan 2020- Present	<ul style="list-style-type: none"> <li>- Appeal Committee</li> </ul>	The Stock Exchange of Thailand
Aug 2018-Present	<ul style="list-style-type: none"> <li>- Independent Director and Audit Committee</li> </ul>	Beryl 8 plus Co., Ltd.
Jul 2015-Present	<ul style="list-style-type: none"> <li>- Chairman of the Board and Independent Director</li> </ul>	Univentures Reit Management Co., Ltd.
Aug 2015-Present	<ul style="list-style-type: none"> <li>- Director and Chief Executive Officer</li> </ul>	Talis Asset Management Co., Ltd.



#### 9. Mr. Kamol Ratanachai

- Independent Director
- Audit Committee
- Nomination and Remuneration Committee
- Corporate Governance Committee

**Age (years) 55**

#### Education

- Master of Business Administration (MBA), Bangkok University
- Certified Internal Auditor (CIA), The Institute of Internal Auditor U.S.A.
- CAC SME IA Certification : Thailand's Private Sector Collective Action Coalition Against Corruption (CAC)
- Ethical Leadership Program (ELP) (2019) : IOD
- Corporate Governance for Executives (CGE) (2019) : IOD
- Certificate, How to Develop a Risk Management Plan (HRP) (2018) : IOD
- Certificate, Risk Management Program for Corporate Leaders (2017) : IOD
- Certificate, Director Certification Program (2016) : IOD
- Certificate, Anti-Corruption : The Practical Guide (2015) : IOD
- Certificate, How to Measure the Success of Corporate Strategy (2013) : IOD
- Certificate, Successful Formulation & Execution of Strategy (2012) : IOD
- Certificate, Audit Committee Program (2009) : IOD
- Certificate, Director Accreditation Program (2008) : IOD

#### Percentage of Shareholding

- None -

#### Relationship with the other Executive

- None -

Work Experience in the last 5 years		
Period	Position	Name of Companies / Organizations
Sep 2019-Present	- Corporate Governance Committee	Matching Maximize Solution PCL.
Jan 2013-Present	- Nomination and Remuneration Committee	
Nov 2010-Present	- Independent Director - Audit Committee	



Work Experience in the last 5 years		
Period	Position	Name of Companies / Organizations
<b>Other Listed Companies</b>		
May 2014-Present	- Independent Director - Audit Committee	Eastern Power Group PCL.
2011-Present	- Independent Director	Sriracha Construction PCL.
2011-Apr 2014	- Independent Director - Audit Committee	Eastern Printing PCL.
<b>Other Companies/ Organizations</b>		
May 2018-Present	- Chairman of Audit Committee	Superrich Currency Exchange (1965) Co., Ltd.
Jun 2015-Dec 2018	- Head of Internal Audit	KPN Academy Co., Ltd.
Jul 2014- Mar 2020	- Independent Director	Time Lapse Co., Ltd.
Jul 2012-Present	- Independent Director	Gear Head Co., Ltd.
Jul 2012-Present	- Independent Director	The Studio Park (Thailand) Co., Ltd.
Jul 2012-Jan 2018	- Independent Director	Book Maker Co., Ltd.
Jul 2012-Dec 2016	- Independent Director	Matching Studio Plus Co., Ltd.
Jul 2012-Dec 2016	- Independent Director	Matching Entertainment Co., Ltd.
Jul 2012-Sep 2014	- Independent Director	Matching Movie Town Co., Ltd.
Jul 2012-Jan 2014	- Independent Director	Goody Film BKK Co., Ltd.

**10. Mr. Chatchai Thaowongsa**

- Senior Vice President

**Age (years) 52**

**Education**

• Bachelor of Business Administration RamkhamHaeng University

**Percentage of Shareholding**

- None -

**Relationship with the other Executive**

- None -

Work Experience in the last 5 years		
Period	Position	Name of Companies / Organizations
June 2015-Present	- Senior Vice President of Marketing Dep.	Matching Maximize Solution PCL.
Nov 2003-May 2015	- Manager of Marketing Dep.	

**11. Mrs. Ladawan Khumsap**

- Senior Vice President

**Age (years) 54**

**Education**

• Master of Accounting Thammasat University

**Percentage of Shareholding**

0.0128%

**Relationship with the other Executive**

- None -

Work Experience in the last 5 years		
Period	Position	Name of Companies / Organizations
Sep 2020-Present	- Chief Finance Officer	Matching Maximize Solution PCL.
2013-Present	- Senior Vice President	
Nov 2020-Present	- Liquidator	TSP Production Service Co., Ltd.
Sep 2020-Present	- Director	The Studio Park (Thailand) Co., Ltd.
Sep 2020-Present	- Deputy Managing Director	Gear Head Co., Ltd.

**12. Mr. Chanintorn Ulit**

- Senior Vice President

**Age (years) 46**

**Education**

- Bachelor of Film and Video Rangsit University

**Percentage of Shareholding**

- None -

**Relationship with the other Executive**

- None -

Work Experience in the last 5 years		
Period	Position	Name of Companies / Organizations
Sep 2020-Present	- Senior Vice President	Matching Maximize Solution PCL.
Jun 2020-Present	- Director	Gear Head Co., Ltd.
Jun 2020-Present	- Deputy Managing Director	

**13. Mr. Adtachai Kittiwattananukroh**

- Vice President (The head accountant)

**Age (years) 47**

**Education**

- Master of Business Administration Ramkhamhaeng University

**Percentage of Shareholding**

- None -

**Relationship with the other Executive**

- None -

Work Experience in the last 5 years		
Period	Position	Name of Companies / Organizations
Sep 2020-Present	- Vice President	Matching Maximize Solution PCL.
Nov 2007-Present	- Vice President Accounting and Budgeting Dep.	

**14. Mr. Nanat Sonsa-ad**

- Vice President
- Company Secretary

**Age (years) 38**

**Education**

- Master of Laws Bangkok University
- Bachelor of Laws Thammasat University
- Certificate, Company Secretary Program (CSP) (2020) : IOD

**Percentage of Shareholding**

- None -

**Relationship with the other Executive**

- None -

Work Experience in the last 5 years		
Period	Position	Name of Companies / Organizations
Sep 2020-Present	- Vice President	Matching Maximize Solution PCL.
Feb 2020-Present	- Company Secretary	
May 2013-Present	- Vice President Legal Dep.	Gear Head Co., Ltd.
Sep 2020-Present	- Assistant Managing Director	

## Attachment 2

### Details of directors of the subsidiaries

- Details of position holding in the directors in the Company and subsidiaries as of March 4, 2021

Names of the Company / Names of directors	The Company	Subsidiaries		
	MATCH	The Studio Park (Thailand)	Gear Head Co., Ltd.	TSP Production Service
Mr. Sansrit Yenbamrung	X , IV, V		I	
Mr. Chayanont Ulit	I , IV	I	I	VII
Mr. Poomchai Wacharapong	I , IV	I	I	
Mr. Neil Wayne Thompson	I , IV		I	
Mr. Komkrit Sirirat	I , IV			
Yaowalak Poolthong, PhD.	I , IV		I	
Mr. Akarat Na Ranong	II , III , VI			
Mr. Chatrapee Tantixalerm	II , III , V , VI			
Mr. Kamol Ratanachai	II , III , V , VI	II	II	
Mrs. Ladawan Khumsap		I		VII
Mr. Chanintorn Ulit			I	

Note X = Chairman of Board of Directors I = Director II = Independent Director  
 III = Audit Committee IV = Executive Director V = Nomination and Remuneration Committee  
 VI = Corporate Governance Committee VII = Liquidator

★ TSP Production Service Company Limited registered the business dissolution with Ministry of Commerce on November 16, 2020 (under the process of liquidation).

## Attach 3

### Details of Head of Internal Audit and Compliance

Profile Head of Internal Audit

Name/Company/Positon	Educational Background	Experience/Training
Ms. Wanida Kanjanasantisak CPIAT NO. 527	<p>Bachelor of Business Administration (Accounting) Ramkhamhaeng University</p> <p>Master of Business Administration (General Management) Ramkhamhaeng University</p> <p><u>Certificate / Training</u></p> <ol style="list-style-type: none"> <li>1. Certified Professional Internal Auditor of Thailand (CPIAT) No.527</li> <li>2. Internal Auditor CAC SME-IOD</li> <li>3. Chief Financial Officer Certification Program Class 8/2008 Federation of Accounting Professions</li> <li>4. Modern Management Program (MMP) Class 11/2011, Chulalongkorn Business School</li> <li>5. Anti-Corruption Program : The Practical Guide(ACPG) Class17/2015 IOD</li> <li>6. Fraud Audit Program : Class 2019 The Institute of Internal Auditors of Thailand</li> <li>7. Financial Audit Program : Class 2019, The Institute of Internal Auditors of Thailand</li> <li>8. Control Self - Assessment : Facilitation Skills Program : Class 2020, The Institute of Internal Auditors of Thailand</li> </ol>	<p><b>Internal Audit : 14 Year</b></p> <p>Review and evaluate the internal control system to identify business risks and plan the audit of the real estate. Construction, Transportation service, Printing and Packaging business, Manufacturing Industry, Car Rent Service</p> <p><b>Accounting : 19 Year</b></p> <ol style="list-style-type: none"> <li>1. Tax Planning of Manufacturing Construction, Real Estate and Service Business</li> <li>2. Improvement and Design Cost System and Accounting System and Job Order, Procurement System and Inventory System</li> <li>3. Analyze and Compare Standard Cost and Actual Cost</li> <li>4. Analyze Work Plan and Estimate Cash-in flow and Cash-out flow and Prepare Budget</li> <li>5. Experience in auditing Accounting Information and Financial Information</li> </ol>

JR Business Advisory Company Limited

Address 288/123 Soi Buddhachua 36 Bangmod Thungkhru, Bangkok Post Code 10140

Tel. and Fax 02-815-7862, Mobile 086-792-7112

## Attachment 4

### Assets used for business operation and details and asset appraisal prices

#### 1. Core fixed assets

##### 1.1 land, plant and equipment - net

As of December 31, 2020, the Company recorded land, plant and equipment with the net amount of 1,213.68 million as the following details:

Type of assets	Ownership Right	Net value (Million Baht)	Obligation
1. Land	Own	500.41	Partially mortgaged
2. Buildings/studio and adjustment	Own	686.34	None
3. Accessories, office supplies and vehicles	Own	24.99	None
4. Ongoing projects during construction	Own	1.94	None
Total		1,213.68	

##### 1.2 Leasable assets-net

As of December 31, 2020, the Company reported the leasable assets with the net amount of 227.12 million as the following details:

Type of assets	Ownership Right	Net value (Million Baht)	Obligation
1. Shooting equipment	Own	178.37	None
2. Vehicles	Own	48.73	None
3. Ongoing projects	Own	0.02	None
Total		227.12	

The leasable assets consist of shooting equipment of Gear Head for short-term rental services or one-time rental services without any long-term contract obligations.

#### 2. Right-of-use assets under leases

As of December 31, 2020, the Company reported right-of-use assets under leases at the net amount of 14.66 million as the following details:

Type of assets	Ownership Right	Net value (Million Baht)	Obligation
1. Office buildings	Own	12.62	None
2. Vehicles	Own	2.04	None
Total		14.66	

### 3. Intangible assets-net

As of December 31, 2020, the Company recorded intangible assets, i.e., program computers and the copyright fee, with the net amount of 2.30 million as the following details:

Type of assets	Ownership Right	Net value (Million Baht)	Obligation
Program computers and the copyright fee	Own	2.30	None

### 4. Contracts relating to business operation

#### 4.1 Long-term land leases

As of December 31, 2020, the Company had engaged in leases for the office building used for business operation as the following details.

<b>Contract parties</b>	Landlord : The Crown Property Bureau Tenant : Matching Maximize Solution Public Company Limited
<b>Objective</b>	Lease land and Varichves Palace Building to serve as reception area
<b>Leased Venue</b>	Sukhothai Road, Dusit Sub-district, Dusit District, Bangkok
<b>Contract Period</b>	30 years, from March 15, 2005 to March 15, 2035
<b>Conditions</b>	1) During the contract period, in case the state sector wishes to expropriate the land for state purposes, the tenant is required to return the property within one month from the date the tenant is informed. In this case, the landlord will pay fair compensation for expenses related to the renovation or decoration of the property. 2) Upon the end of the lease in any cases, the tenant is required to move out of the property and return the property to the landlord within one month, starting from the day of the end of the lease.
<b>Area</b>	1 Rai and 282.37 Square Wa
<b>Contract parties</b>	Landlord : Khun Samrouy Chuenkar Tenant : Matching Maximize Solution Public Company Limited
<b>Objective</b>	Lease land and buildings on the deed title No. 37027-37028 to serve as the studio for film shooting and other activities
<b>Leased Venue</b>	Soi Petkasen 112, Nongkanplu Sub-district, Nong Kam, Bangkok
<b>Contract Period</b>	1) 8 years from February 1, 2012 to January 31, 2020, with the extension until January 31, 2021 2) On August 1, 2020, the Company terminated the lease contract and completed the return of the property on August 26, 2020.



Conditions	Upon the end of the lease in any case, the tenant is required to move out of the property and return the property to the landlord within 30 days, starting from the day of the end of the lease.
Area	3 Rail and 28 Square Wa



#### 4.2 Airtime leases

Contract parties	Lessor: Bangkok Broadcasting & TV Co., Ltd. Lessee : Matching Maximize Solution Public Company Limited
Objective	Lease airtime for broadcast of the Company's TV content on 7HD channels and all network channels
Details	<p>Content : Plod Nee Broadcast : Taped Broadcast time: Every Sunday at 16.30 - 17.00 hrs (Starting from January 6 to January 13, 2019)</p> <p>Content : Plod Nee Mahachon Broadcast : Taped Broadcast time: Every Sunday at around 16.30 - 17.00 hrs (Starting on January 20 - February 24, 2019)</p> <p>Every Saturday at around 16.00 - 16.30 hrs (Starting from March 2 to June 29, 2019)</p> <p>Content : Plod Nee Plick Chee Vit Broadcast : Taped Broadcast Time: Every Monday to Tuesday at around 17.15 - 18.00 hrs. (Starting from July 1 to September 30, 2019) (Starting from October 1 to December 2019) (Starting from January 6 to March 31, 2020) (Starting from January 4 to March 30, 2021)</p>
Contract Period	3 months, extendable every quarter provided that the contract is not terminated

### Trademarks and copyrights

As of December 31, 2020, the Company had held seven trade and service marks as follows:

#### Trademarks/service marks

No	Trademarks / service marks	Names of products and services	Types
1		Kob Dek Sarng Ban Program	TV Content production service
2		Plod Nee program	TV Content production service
3		Im Mee Pee Mun	TV Content and ratio program e
4		GEARHEAD	Vehicle rent
5		GEARHEAD	Rental services for cameras, video cameras, sound recorders, audio-visual materials, audio materials and radio and television receivers
6		HANDY GEAR	Rental services for vehicles, cameras, video cameras, video recorders, audio materials and radio and television receivers
7		THE STUDIO PARK	Rental services for studios for film shooting, video recording, cameras, video cameras, video recorders, and voice recorders
8		FOOT GEAR	Rental cameras, video cameras, video recorders, audio materials and radio and television receivers

Details about asset appraisal

- None -

## Attachment 5

# Complete Corporate Governance Policy and Complete Code of Ethical Business

### Corporate Governance Policy

The Company's Board of Directors realizes and strongly believes that the good corporate governance principle will be a main factor to add values and enhance its competitiveness. The Company has studied and began to implement a new set of corporate government policies or Corporate Governance Code (CG Code) as a framework for our corporate governance practice in order enhance our corporate governance standard to meet the expectations of the business sector, investors, the capital market and the overall society. Hence, the Company reviews and always updates our existing corporate governance principle to complete a guideline for good corporate governance guidance or the new Corporate Governance Code, which covers eight principle aspects. The Company follows the following guidelines:

1. Board of Directors, management, and employees shall follow the good corporate governance principle with clear understanding.
2. Board of Directors, management, and employees shall adhere fairness and treat stakeholders with equality and perform duties with faithfully, honesty and transparency and their full potential to bring benefits to the Company; their performance shall be able be examined so as to create sustainable corporate value.

The Company's good corporate governance principle referred as the operation guideline the Board of Directors, management and employees is discussed below

#### 1 Establish Clear Leadership Role and Responsibilities of the Board

The Company's directors shall possess skills, knowledge, abilities and extensive experience so that they can utilize their knowledge, skills, abilities and common senses to determine visions, missions, strategies, directions, policies, and objectives of the Company. The directors also monitor performance and ensure that objectives are achieved and perform duties in accordance with policies, regulations and various rules. They also manage risks, ensuring that the risks are at the acceptable level under the laws, objectives and shareholders' meeting resolutions. They shall perform duties with honesty and caution, taking account of the biggest benefits to the Company. They should also be responsible for shareholders and all stakeholders. They should also work effectively, efficiently, transparently, with their performance being able to be securitized. In addition to the operating performance, the directors should emphasize social issues as well as environmental and ethical issues. Morals and ethical should be promoted. The Company should strictly firmly to transparency, honesty, and fairness; it thus announced The Code of Ethical Business as standard operation guidelines for directors, management, and employees. This Code is clear enough to prevent wrongdoing or any actions that may damage images and the Code also reflects the Company's desire to have everyone strictly follow the laws and the Company's policies and value. The Company announces its Code of Ethical Business on the website [www.matchinggroup.com](http://www.matchinggroup.com) as a practical guideline for all employees to perform with efficiency.

## 2 Define Objective that Promote Sustainable Value Creation

The directors are responsible for determining, considering and approving key matters linked to the Company's operation, e.g., vision, missions, objectives, strategies and possible risks. The directors shall take into account of the value to the Company, clients, shareholders, stakeholders and the society as a whole.

### Business Philosophy

To achieve sustainable growth and properly increase values for the stakeholders while taking account of relevant environmental aspects and providing benefits to the society as a whole, the Company set the business philosophy with the aims to:

- 1) Enhance the competitiveness as a market leader in TV content production business;
- 2) Become an excellent organization with the working teams committed to creation of new things, based on the confidence among one another; the operational standard is set for the management and employees at all levels; details of which are as follows:
  - Focus on maximizing benefits for the Company in the long term in order to maximize value to shareholders;
  - Adhere fair treatment to both shareholders and stakeholders
  - Prevent conflicts of interest
  - Perform management with carefulness, caution, caution and responsibility
  - Ensure transparent operation that can be scrutinized
  - Ensure that the Company's internal control and internal audit systems are up to standard, reliable and efficient
  - Set the Code of ethical Business for directors and employees to follow

The Board of Directors oversees the Company's annual plan and strategies, ensuring that they accord the main goal of the Company, taking into account the potential, relevant factors, ongoing circumstances, opportunities and acceptable risks. This is evidenced by the Company's investment in filming equipment, of which the technology can change rapidly. As the Company are aware that clients tend to choose an operator who can provide new equipment. Hence, the Company has continued to invest in new equipment to meet client's demand; moreover, the Company has also continued to enhance the personnel's potential and skill to invent some special equipment with special technique in order to provide technical support for the clients. Furthermore, regular trainings are provided for personnel, so that they possess extensive expertise and skills in using equipment to facilitate our clients. The Company's business plans and strategies have been regularly reviewed to be prepared for potential changes. The Company has completed long-term business plans to ensure that we emphasize long-term business plan and strategies and that we can somewhat anticipate some possible events in future. To communicate the Company's vision, mission or major business goal to employees and external parties, the Company publishes vision, mission, business overview, and business goal in the Company's website.

### 3 Strengthen Board Effectiveness

The Company's Board of Directors consists of nine directors, who serve each service term of three years. One of them is a management member, while seven do not involve in the management. Out of the total directors, three of them are qualified as independent directors, according to the Securities Exchange Commission (SEC)'s requirement that a SET-listed company must have independent directors at the number equivalent to or more than one-third of the total directors. The Board of Directors acts as the representatives of the shareholders and oversees the Company's overall management. They shall lead and take part in determining the Company's targets, directions, policies, operation plans and budget. The Board of Directors should honestly make sure that the Company's business is operated in accordance with the laws, Company's objectives and related regulations as well as the resolutions of the shareholder meetings in order to maintain the benefits of the shareholders, with other stakeholders also being taken into account. In addition, the Board of Directors also monitors the management's operation performance to ensure that the established policy is achieved efficiently and effectively to maximize corporate value as well as lead to the highest stability for the shareholders. The Board of Directors arranges the internal control system and the risk management system and closely follows the operation of these units on a regular basis. Moreover, the Board of Directors also establishes the Executive Committee, who oversees the management's operation performance, ensuring that the management's operation is carried out in compliance with the set management policies. The scope of authority and duties of the Executive Committee is determined by the Board of Director and they are authorized to approve the investment worth not more than 20 million baht. Meanwhile, the Chief Executive Officer is authorized to approve the investment worth no more than 15 million baht. In addition, the Company's Board of Directors also appoints the Audit Committee to strengthen the Company's internal control system and ensure sufficient and appropriate good corporate governance practices. The Chairman of the Company's Board of Directors shall not be the same person as the Chief Executive Officer so that the responsibilities in regard to corporate governance and general management are separated. This will allow the Company to operate business with transparency and minimize the chances of conflicts of interest and also prevent absolute power of the Chief Executive Officer thanks to the power balance between the two positions, which can better maximize benefits for the Company and the shareholders.

- **Sub-Committees**

For more effective and transparent corporate governance, the Board of Directors sets up some sub-committees to assist in operation and corporate governance affairs as the following details:

- **Executive Committee**

Company's Board of Directors selects six qualified directors and management to be members of Executive Committee to manage and supervise the Company's operation as assigned by the Board of Directors.

- **Audit Committee**

The Board of Directors appoints three independent directors to be the members of the Audit Committee. At least one of the three independent directors must possess knowledge and experience in accounting and finance. The members of audit committee must be independent as stated in the rules and regulations concerning qualifications and scope of duties and responsibilities of the Audit Committee set by the Stock Exchange of Thailand (SET). The Audit Committee reports directly to the Board of Directors and their scope of duties and responsibilities, as stated in the charter of the Audit Committee, is reviewed and improved at least once annually.

- **Nomination and Remuneration Committee**

In 2013, the Board of Directors established the Nomination and Remuneration Committee, consisting of three non-management members and with most of them being independent directors. This Committee is responsible for setting policies, principles and guidelines for nomination and selection of the Company's directors, sub-committees and top executives. The Committee also determines the amounts of remuneration and other benefits for directors and sub-committee members as well as top executives. The Nomination and Remuneration Committee reports the performance and proposes opinions or suggestions to the Board of Directors.

- **Corporate Governance Committee**

The Board of Directors' meeting No. 8/2019 on September 25, 2019, resolved to establish the Corporate Governance Committee, consisting of three members and two of them are independent directors. In addition, the Board of Directors' meeting No. 8/2020 dated June 5, 2020, appointed one independent director to be the chairman of the Corporate Governance Committee to replace the resigned chairman. The Committee oversees and determines corporate governance operation and guidelines for the organization in order to promote the organization as an excellent organization in terms of efficient business operation, corporate governance and management, with the focus on maximizing benefits for shareholders and overall stakeholders as well as the employees of the Company and subsidiaries under the group.

#### **Board of Directors Meetings**

The Board of Directors meets monthly and some special meetings are arranged as necessary. The invitation letters clearly indicating the meeting date and agenda are sent to the members of Board of Directors at least seven days prior to the scheduled meetings to ensure that the directors have adequate time to consider the information ahead of their meeting attendance. Each meeting normally takes not less than two hours. In each meeting, the Chairman of the meeting allows each director to express his/her opinions freely. In 2019, there were 12 Board of Directors meetings, 13 Executive Committee meetings, 9 Corporate Governance Committee meetings, 5 Audit Committee meetings, 2 Nomination and Remuneration Committee meetings. In 2020, there were 17 Board of Directors' meetings, 14 Executive Committee meetings, 5 Corporate Governance Committee meetings, 6 Audit Committee meeting and 4 Nomination and Remuneration Committee meetings. The details of each director's attendance are shown in the following table:



*Notes*In 2019

<sup>/1</sup> Mr. Nuttawit Boonyawat resigned from the director and executive director positions, effective on November 2019. Mr. Wiroj Bunsirungruang was appointed to be the director, replacing Mr. Nuttawit Boonyawat, effective on December 23, 2019, serving the remaining term of Mr. Nuttawit Boonyawat.

<sup>/2</sup> Mr. Poomchai Wacharapong retired from the CEO position on December 31, 2019 but he remained the Company's director. Mr. Wiroj Bunsirungruang was appointed to fill in the CEO position, replacing Mr. Poomchai Wacharapong, effective on January 1, 2020.

In 2020

<sup>/3</sup> Mr. Pattanapong Nuphan resigned from the positions of director and executive director, effective on June 1, 2020. Mrs. Natnapang Jongsomjit was subsequently appointed to replace Mr. Pattanapong Nuphan, effective on June 5, 2020, serving the remaining term of Mr. Pattanapong Nuphan.

<sup>/4</sup> Mr. Wiroj Bunsirungruang resigned from the positions of director and executive director, effective on August 1, 2020, and Mr. Chayanont Ulit was appointed to be the director to replace Mr. Wiroj Bunsirungruang, effective on August 1, 2020, serving the remaining term of Mr. Wiroj Bunsirungruang.

<sup>/5</sup> Mrs. Natnapang Jongsomjit resigned from the director and executive director positions, effective on December 15, 2020 and Mr. Neil Wayne Thompson was appointed to fill in the vacant director position to replace Mrs. Natnapang Jongsomjit, effective on December 23, 2020, with his term equal the remaining term of Mrs. Natnapang Jongsomjit.

<sup>/6</sup> Mr. Somkiat Charoenpinyoying resigned from the director and executive director positions, effective on December 15, 2020. Mr. Komkrit Sirirat was appointed to be the director, replacing Mr. Somkiat Charoenpinyoying, effective on December 23, 2020, with his term equal the remaining term of Mr. Somkiat Charoenpinyoying.

The written minutes of the meetings, endorsed by the Board of Directors, are properly recorded and filed. They are always available for review and examination by the Board of Directors and related parties.

The Board of Directors holds responsibility for the Company and the subsidiaries' financial statement (already audited by the auditor) as well as all disclosed financial information. The Board of Directors realizes the importance of the accuracy and reliability of such financial reports and information. Hence, the Board of Directors has a policy to complete a report on the responsibility of the Board of Directors in regard to the financial reports and financial information disclosed in the Company's annual report. The financial statement is regularly prepared to conform to the generally accepted accounting standards. In preparing such financial reports, appropriate accounting policies are selected and consistently adapted, with cautious judgment and forecast. Moreover, the significant information shall be adequately disclosed in the notes to financial statement covering important matters under the code of best practices for directors of SET-listed companies announced by SET.

Moreover, the Audit Committee, appointed by the Board of Directors, is responsible for overseeing the quality of Company's financial reports, the internal control system and the internal audit system. Comments from the Audit Committee are reported in the 56-1 Form in all Board of Directors' meetings. All members of the Audit Committee and the management attend meetings in order to review the adequacy of the Company's internal audit system in various areas set by the Company's management. The minutes of every Board of Directors' meeting are recorded and contain proper details, e.g. questions and opinions of each director for each agenda and opposite opinion along with the rationales, so that the shareholders can examine the appropriateness of the directors in performing their duties. Meanwhile, the Board of Directors continuously and firmly focuses on applying the good corporate governance policies to the management and operation to promote a good image and reliability of the Company among investors and the public.



### Prevention of Conflict of Interests

Realizing possible conflicts of interests, the Board of Directors issues guidelines as a part of the Code of Ethical Business for all management and employees to avoid any personal conflicts of interests with the Company and shareholders when dealing with trade partners and other parties.

The Board of Directors determines any transactions that may lead to conflicts of interest or connected transactions during the meeting, as appropriate. The Board of Directors sets the policies, operation guideline and approval process, according to the SET. All connected persons relating to the connected transactions to be reviewed in the meetings are required to inform the Company of their relation with such transactions and they shall not be allowed to take part in making decision in approving such transactions. In approving such transactions, the Company conforms firmly to the price principles and conditions, similar to conditions for transactions done with external parties. In the case that the Audit Committee has no expertise in certain matters and thus some expertise in certain areas is needed, the Company shall seek independent opinions from external specialists, such as an auditor or other advisors. The opinion of the Audit Committee and/or other consultants shall be incorporated in decision making process of the Board of Directors and/or shareholders on a case by case basis. Such transactions are to be disclosed in the Company's annual report, 56-1 Form and financial statements.

### Remuneration for Directors and Management

The Nomination and Remuneration Committee was established in 2013 to determine the remuneration for the directors and management. In 2020, the Committee determined remuneration, taking into account the business size, the scopes of their responsibilities and the Company's business growth. The Committee proposes the amount of remuneration for management to the Board of Directors' approval and the remuneration of the Board of Directors and sub-committees must be approved by the shareholders' meeting (Note: The information in regard to the remuneration for the directors and management members is disclosed in the Management section).

### The Code of Ethical Business

The Company puts in place the Code of Ethical Business for all directors and employees to comply with in order to enhance the corporate value. A primary goal of the Code of Ethical Business is to ensure that the directors, management and employees treat the Company, stakeholders and society in professional, honest, transparent, equal and responsible manners. They have the freedom to do perform their duties and shall be independently responsible to the society. Moreover, the Company also assigns responsible persons to assess the performance and improve such Code of Ethical Business on a regular basis. Finally, the Company also has a policy to regularly and continuously educate and provide trainings for all staff and management to ensure their understanding and knowledge and release relevant information on a regular basis.

#### 4 Ensure Effective CEO and People Management

The Nomination and Remuneration Committee set the criteria and policy to nominate and appoint the Company's directors and top executives and propose the list for an approval of the Board of Directors and/or an Annual General Meeting of Shareholders. A person to be appointed as the company's director shall possess qualifications as specified by the Public Limited Company Act B.E. 2535, laws relating to securities and securities exchange market, notifications of the Stock Exchange Commission (SEC), notifications of the Capital Market Advisory Board and/or other regulations regarding other qualifications, such as work experience, knowledge, and etc. According to the Company's regulation, the Company's Board of Directors consists of at least five members and at least half of the total members shall reside in the Kingdom of Thailand. In addition, the Company's directors shall be elected by majority voting in the Annual General Meeting of Shareholders as the following details:

1. Each shareholder shall have one vote per share held by them.
2. Each shareholder shall cast all of his/her votes in (1) for one or more candidates but shall not divide his/her voting rights amongst the candidates.
3. The candidates elected to fill up the vacant positions in the Board of Directors shall be selected in order of the number of the votes received. In a case there is a tie amongst candidates, the chairman of the meeting shall cast the deciding vote.

The Board of Directors oversees the management operation and personnel development. The board ensures that human resource management is carried out in accordance with the Company's vision, goals and strategies. They make sure that trainings are provided for employees to educate them, enhance their knowledge, ability and skills as well as motivate them as appropriate. Finally, the Board of Directors also arranges the establishment of employee's provident fund for their pensions.

#### 5 Nurture Innovation and Responsible Business

The directors promote innovation so as to enhance corporate value in accordance with the dynamic economic and environmental conditions. The Company creates organizational culture, principles and conceptual methods, operational process, view about content designs, and services. The directors make sure that the business management and operation are conducted with responsibility to society and environment. The directors also see that the Company operates business with ethics, not infringing the rights of the stakeholders, in order that everyone in the organization can achieve major objectives and goals. The guideline is as follows.

##### 1. Responsibility to directors, management and employees

- 1.1 The Company has a policy to determine appropriate and fair remuneration for directors, management and employees.
- 1.2 The Company emphasizes safety, security and career paths of employees.
- 1.3 The Company has a policy to have directors, management and employees protected by laws.

##### 2. Responsibility to clients

The Company is committed to ensuring that the business operation is done in accordance with laws and relevant standards, taking into account health conditions, safety, and fairness. Client's information is kept confidential. After-sales service is provided throughout product and service life. Clients' satisfaction is monitored to develop the products and service. Sales conduct is carried out with responsibility, preventing misunderstanding and not taking advantages of clients' misunderstanding.

### 3. Responsibility to business partners

The Company wishes to provide goods and services under good standards and ethics. Suppliers are invited to offer the bids and the selection process is appropriately carried out. There are appropriate criteria for selection of business partners with proper contracts being signed. The Company also ensures that the conditions stated in the contracts are strictly followed in order to prevent corruption in the procurement process. The Company has a policy to keep clients' and partners' information confidential in the fair and independent business operation. No wrongdoing is conducted in the business operation between business partners and contract partners. There are no acts of bribery or provision of presents for other parties for business benefits. The Company upholds fair business practice under the decision principles based on comparison of conditions, prices and quality. In addition, services are provided with transparency, which can be securitized. Under any circumstances, the Company is strongly prohibited from requesting benefits from trade or contract partners and from offering or gaining improper business benefits. The Company is committed to sustenance of sustainable relation with partners and contract parties with clear objectives about values of goods and services, worthwhile services, technical quality and trust between each party. The Company makes payment to business partners and contact partners in accordance with the agreed payment terms and conditions.

### 4. Responsibility to communities, society, environment and the state sector

The Company has a policy to run business while taking into account the communities, society, environment, and the state sector. The Company also complies with the existing laws and regulations related to the communities, society and government. In case there are no certain laws on some particular matters, the Company treats communities, society, environment and the state sector with responsibility as follows:

- 4.1 Operate business under laws and the Company's regulations.
- 4.2 Operate business under laws and relevant state orders and regulations.
- 4.3 Take into account environmental aspects and decent tradition and culture.
- 4.4 Encourage directors, management and employees to act as good citizens who contribute to communities and society.
- 4.5 Respect virtuous national culture when doing business

### 5. Anti-corruption

On November 25, 2020, Matching Maximize Solution Public Company Limited signed in Thailand's Private Sector Collective Action Against Corruption. The coalition has objectives to create standards for transparent business and enhance business ethical standards. Accordingly, the Company announced an anti-corruption policy aimed at tightening internal control measures and preventing corruption practices, e.g., offering gifts, special service compensation, and other expenses to officials or any individuals that may involve conflict of interests; receiving gifts or assets from outsiders: if the values or gifts are high and it is believed that receiving of such gifts is not appropriate, such items shall be returned to senders. Regarding work transparency, all budget disbursement transactions must be done in accordance with the Company's regulation. Regarding a procedure to choose a supplier, the purchasing department has to follow bidding process. Moreover, the Company also arranges whistle blowing action and determine a guideline to protect whistle blowers under the relevant legal framework.

## 6 Strengthen Effective Risk Management and Internal Control

### Risk Management

The Company realizes the importance of risk management, which is a key mechanism and tool for management helping the Company reach its goals and targets. The risk management also helps minimize losses while enhancing the Company's competitiveness. Moreover, the risk management is a key element for good governance. Hence, the Company continues to develop its risk management system. In light of this, the Company appoints the Executive Committee to work on the policy level. Meanwhile, the Company also includes the risk management in the job description of all departments so that all employees realize and emphasize the importance of the risk management. All departments hold the responsibility to manage and control and maintain risks at acceptable levels. Finally, they regularly follow up and evaluate risks to be in line with changes in both internal and external circumstances.

### Internal Control and Internal Audit

Realizing the importance of the internal control system, the Company thus focuses greatly on sufficiency and appropriateness of the internal control system covering finance, management and operation. The Company also ensures that its internal control system complies with related laws and regulation and improves such system to meet the standard set by the Stock Exchange of Thailand and as well as the international standard called Internal Control Framework set by the Committee of Sponsoring Organizations of the Treadway Commission or COSO. The Company clearly specifies the duties, responsibilities, and power of the employees both in the operation level and the management level in a written form. Uses of the Company's assets are controlled to maximize benefits to the Company. In addition, the duties of employees in the operation, inspection and evaluation sectors are clearly separated in order that an appropriate balance of work is created. Moreover, the Company also arranges the financial report system for the responsible departments. Note that the members of Board of Directors express their opinions concerning the sufficiency of the internal control system in the Company's financial report under the "Internal Control" section to ensure the efficiency in completion of important documents and the internal control and to ensure that the internal control is improved regularly

In 2018, the Company set up the internal audit department, which was assigned to review the internal operation as well as assess the effectiveness and the sufficiency of the internal control system of the Company and the subsidiaries. The internal audit department's main objective is to ensure that core operation and the financial activities of the Company and the subsidiaries are effectively run and meet the management's objectives. In addition, the internal audit department also inspects whether all operation of the Company is in accordance with relevant laws and regulations. Hence, in order to enable the members of internal audit department to perform their duties independently, the Board of Directors requires that the internal audit department report directly to the Audit Committee. The internal audit department is also assigned to carry out inspection duties, in accordance with the Company's annual business plan approved by the Audit Committee. The department carries out annual internal audit operation, as approved by the Audit Committee, and also reports outcome as well as suggestions to the related the management and Audit Committee in a prompt manner and a regular basis.

## 7 Ensure Disclosure and Financial Integrity

The Board of Directors supports the personnel related to management and disclosure of financial information, such as the head of accounting and finance, the director of accounting and finance department, accountants, finance staff, the internal auditor, encouraging them to acquire knowledge, skills and experience appropriate for their responsibilities and ensuring that the Company has sufficient number of such personnel. The Board of Directors arranges the management to monitor and assess the Company's financial position as well as report operating results to the directors on a regular basis. Once any signs of financial liquidity problems or any signs linked the Company's ability to settle debts are found, the directors and management work together to find rational solutions in a prompt manner. The Board of Directors ensures the disclosure of information, e.g., financial reports, financial statement, annual reports, shareholder's structure and shareholders' meetings through the Company's website to ensure that the information is disclosed equally both internally and externally in a prompt manner and with the same understanding.

## 8 Ensure Engagement and Communication with Shareholders

Although the voting right of shareholders depends on the portion their stakeholding, this does not mean that the basic rights as stakeholders are different. The Company equally treats the stakeholders regardless of genders, ages, nationality, races, religions, belief, and political opinions. In the case that any stakeholders are unable to attend a meeting, they have the right to attend the meeting by proxy.

In every shareholder meeting, all shareholders have the rights and equality of receiving information, expressing opinions and asking questions, in accordance with the meeting agenda and the issues discussed in the meeting. The chairman of the meeting is responsible for allocating appropriate time to the shareholders to ask questions as well as encouraging them to express their opinions. Normally the shareholders are able to obtain the meeting details and agendas from the Company's website prior to the meeting date. To promote the rights of the shareholders, the Company posts an announcement encouraging the shareholders to nominate a person to take the role of a director and suggest additional meeting agendas for the Annual General Meetings (AGM) of shareholders. A clear operation guideline is established. The Company has a policy to hold an Annual General Meeting of Shareholders once a year within four months after the end of the previous fiscal year.

The meeting agendas are published on the Company's website within the day that the meeting agenda is approved by the Company's Board of Directors. All information to support meeting agendas are publicized to inform the shareholders 21 days in advance prior to the meeting date. The Chairman of the Board of Director, members of the Board of Directors, and the Audit Committee, attend the meeting. The directors treat all shareholders with fairness. In terms of the certificates of ownership, the Company assigns Thailand Securities Depository Co., Ltd. as the Company's registrar. In each meeting, the Company sends invitation letters that include the meeting agendas and details of each agenda, which clearly state whether each agenda is for acknowledgement, approval, or consideration. In addition, the details about directors' comments are also included. These details shall be sent to the shareholders no less than 14 days prior to the meeting or any other days as specified by the laws or related regulations. Moreover, the invitation letters and details about the meeting shall also be published in the newspapers for three consecutive days at least three days to inform the shareholders. In case some shareholders are not available to attend the meetings, the Company shall arrange the proxy documents attached to the invitation letters for the shareholders who may be unable to attend the meeting. Such shareholders may ask any person including an independent directors to act as their proxies. The proxies can act as the shareholders; they are free to vote for all or vote just partially as the shareholders' wishes.

The matters to be carried out at an AGM are as follows:

- 1) Consider the Board of Directors' report regarding the Company's performance for the previous fiscal year.
- 2) Consider approving the balance sheet and the statement of comprehensive income.
- 3) Consider approving profit allocation and dividend payment.
- 4) Consider appointing new directors to replace those who leave after their terms end; and determine directors' remuneration.
- 5) Consider appointing an authorized auditor and the audit fee.
- 6) Discuss other matters as deemed appropriate by the chairman of the meeting.

The AGM resolution shall be comprised of the following votes:

- 1) In a normal case, the majority of votes shall be deemed resolution. In case of an equality of votes, the chairman of the meeting shall have a casting vote.
- 2) In the following cases, no less than three-fourth of the total number of votes cast by the present shareholders shall be deemed resolution:
  - Sale or transfer of the Company's business, entirely or partially, to other parties
  - Purchase or receive the transfer of the business from other companies or private companies to the Company
  - Arrangement, amendment or termination of any contracts with respect to the granting of a lease of the Company's business, entirely or partially, the assignment to any other person(s) to manage the Company or the merge of the Company with any other parties in order to share profit and loss
  - Additional amendment of the memorandum of association or article of association
  - Capital increases or decreases
  - Debenture issuances
  - Company amalgamation
  - Company dissolution

In case of some urgent matters or extraordinary agenda which may have an impact on shareholders' benefits or have to conform to any rules or regulations that require shareholders' resolution, the Company may call for an extraordinary general meeting, which will be done on a case - by - case basis.

The Company arranges the operation guideline under relevant laws and in accordance with the Code of Ethical Business and emphasizes compliance with the good corporate governance principles, which relate the significance of the rights of all stakeholders as well as corporate social responsibility. The Company and subsidiaries' policies and operation guideline in regard to the CSR - in - process principles are as follows.

#### 1. Fair business operation

The Company emphasizes the importance of business operation that promotes free trade competition. The business is carried out with honesty and fairness under relevant laws and the Company's rules and regulations. The Company avoids any activities that may cause conflicts of interests.

##### Operation guideline

- In terms of purchases and recruitment, when choosing operators or contractors, the Company takes into account the equality and fairness. No special favor is given to any particular individuals or entities and the Company is open for fair competition.
- The Company's policy is strongly against any activities that involve in infringement of intellectual property or copyrights.

## 2. Anti-corruption

The Company has a policy against all forms of corruptions and establishes the Code of Ethical Business to highlight the intention against corruptions. In light of this, the Company joined the Collective Action Coalition.

### Operation Guideline

- The Company completes written Code of Ethical Business and announce the anti-corruption policy, which is the policy helping to better enhance the internal control system and prevent corruption. The operation guideline is communicated and disclosed in a number of channels including the Company's website.
- The assessment of risks relating to potential corruption in the Company and performance of operation in compliance with the policy are conducted through the assessment of the internal control, based on the COSO principle.
- The internal audit examines the operation, based on the operation procedure step of risk management and the operation based on the set code of ethical conduct.
- The Company also arranges whistle blowing action and determine a guideline to protect whistle blowers under the relevant legal framework. All stakeholders shall whistle blow at the Telephone Number 02 669 4200-9 or email: [whistle@mmsbangkok.com](mailto:whistle@mmsbangkok.com). The Company also discloses the whistleblowing channels on the Company's website (See more details in the Corporate Governance Section 5: Nurture Innovation and Responsible Business).

## 3. Respect human rights

The Company focuses on the importance of human rights and follows human right principles, taking into account the equality, freedom, and equality of dignity and rights of individuals. The Company is strongly against discrimination of nationalities, races, religions, languages, ages, genders, marital status, sexual preferences and disability.

### Operation guideline

- Support and respect human right protection actions, e.g., not supporting any activities that force labor to work, being against child labor, and etc.
- The Company and the subsidiaries offer equal employment opportunities to general individuals, including disabled people.

## 4. Treat labor with fairness

Being well aware that manpower is a key factor that can enable the Company to enhance our potential and successfully reach our business growth targets, the Company treats employees with fairness, with the following policies:

### 1) Recruitment policies and operation guideline

- The Company is strongly against any practices of labor forcing, not collecting money nor keeping employees' identification documents unless required by law.
- The Company makes payment of wages and remuneration in the Thai baht currency at the rates not less than what specified by law and does not withhold employees' remuneration for any cases, except for the case specified by law.
- The Company sets the working hours at not exceeding the maximum hours specified by law and calculate overtime hours in accordance with relevant laws.
- The Company provides safe workplace for pregnant employees; in addition, the Company neither terminates their employment contracts nor reduces their benefits due to their pregnancy.

- The Company promotes the enhancement of employees' efficiency by arranging public trainings and in-house trainings for employees at all levels as well as organizing field trips for visit other organizations in the same industry in order to broaden vision as well as learn new technologies, which can be used to develop the organization.
- The Company provides safe and hygienic workplace as well as necessary and appropriate healthcare facilities.

## 2) Personnel policies and operation guideline

- Employees are the Company's most valuable resources and they are key success factors for the Company. The Company creates favorable values, culture and working environment and also treats employees with politeness, also with respects of their rights and freedom. The Company also tries to tighten relationship and bond among employees under the same Company's group.
- Employment, appointments, transfer, remuneration and benefits of employees are based on fairness and facets as well as the Company's actual operation performance.

## Code of Ethical Business

Maximize Solution Public Company and subsidiaries

### 1. Definitions

#### "Ethics"

Moral principles that govern a person's behaviors or the conducting of an activity, meaning behaviors toward others with fairness

#### "Code of Ethical Business"

Standards for good conducts determined for directors, management and employees to follow. The Code of Ethical Business must be clear enough to prevent wrongdoing or any actions that may lead to bad reputations and reflect organization's demand that everyone follows laws and regulations under policies and value of organizations. Moreover, the Code of Ethical Business must be reviewed and updated regularly to ensure that the operation guidelines for honest and professional operation are always up to standard.

### 2. Compliance with the Code of Ethical Business

2.1 "The Company" refers to Matching Maximize Solution Public Company Limited. The Company and the subsidiaries want directors and all employees to be responsible for understanding and following the set standards. The Company's Code of Ethical Business covers and emphasizes the following issues:

- 2.1.1 Persuasion, stimulation and motivation for directors and employees to work together to create value to the organization.
- 2.1.2 Expectation and benefits of directors and employees including stakeholders

"Stakeholders" refers to stakeholders, who are significant to organization's business cycles, including shareholders, directors, management, clients and trade partners, trade payables, competitors, communities, society, environment and the state sector.

- 2.1.3 Creation of confidence that legal rights of the stakeholders are protected
- 2.1.4 Treatment of stakeholders with honesty, transparency and fairness

2.2 Operational problems or some points to be improve should be informed to supervisors based on the chain of command.



### 3. Business Operation Guideline

- 3.1 The Company strictly conform to laws related to business and trade; while some actions are allowed by law, the Company will behave only in the most honest and righteous.
- 3.2 The Company believes that performing business with honesty and morals is the right and sustainable way for business operation.
- 3.3 The Company respects the national norms, tradition and culture.
- 3.4 The Company will manage operation with honesty, correctly complete accounting, clearly presenting the use of budget, saving the budget, assess investment in various projects with honestly, accurate, and transparency under principles.
- 3.5 The Company expects honesty from all levels of employees in terms of following the Company's policies, accounting principles, and other internal control operation. In case employees see any actions that violate the Company's policies and regulations that may cause corruption or damage the Company's reputation, they shall report to supervisors.
- 3.6 The Company will perform business, taking into account their duty and responsibility to the Nation, Religion, and the King as well as the country's laws and good morals.

### 4. Conflicts of Interest

- 4.1 The Company demands that all employees avoid conflicts of interest either their own interest or the Company's interest in contacting business partners and other parties.
- 4.2 An action that employees disclose the Company's confidential information to other parties during the time when they remained employed by the Company without a permission from the Company is regarded as an action relating to conflicts of interest.
- 4.3 Directors and employees are prohibited from using the Company's internal information for their personal benefits or benefits to externals, especially the information undisclosed to the public, according to the rules and regulations of the SET and related laws.
- 4.4 The action that the Company's directors or employees are directors or advisors to other companies or other business associations must not cause a conflict of interest or impede their direct duties and they must gain an approval from the Company.
- 4.5 Employees shall save the Company's assets with the maximum benefits and not for personal benefits.
- 4.6 In case directors or employees or their family members take part or hold shares in other companies, which may cause conflicts of interest, they must report to the Company in a written form.

### 5. Responsibility to shareholders

- 5.1 The Company shall try to expand growth so as to bring shareholders good returns for a long time; hence, the shareholders shall benefit from effective operation and good earnings performance.
- 5.2 The Company shall respects the shareholders' right to receive necessary information to assess the Company's management and the Company shall disclose the correct and actual information and report the financial position of the Company to shareholders regularly under international standards accepted by foreign capital markets, as stated by the SET.
- 5.3 The Company has a policy to book accounting items correctly and completely in accordance with accounting standards and related laws. The accounting must be examined by the internal auditor and external auditor and the Audit Committee.
- 5.4 The Company shall respect and maintain all legal rights of the shareholders and the shareholders shall be treated with honesty, transparency and fairness.

## 6. Relation with business partners and contract partners

- 6.1 The Company demands that provision of goods and service is under standard and ethics, based on the following guideline:
- 6.1.1 There are appropriate and fair competition among bidders with appropriate selection process.
  - 6.1.2 There are criteria to assess and select business and contracted partners.
  - 6.1.3 An appropriate form of contracts is created.
  - 6.1.4 There is a management and monitoring system to ensure that all parties completely follow the terms and conditions in the contracts so as to prevent corruption in all procurement process.
- 6.2 The Company wishes to provide good, quality and professional services with honestly and fairness.
- 6.3 The Company has a policy to keep business partners and contract partners' information confidential and operate business with fairness and independence. The Company shall not unlawfully operate business with business partners and contract partners, not bribing or provide objects for other people in a bid of seeking business benefits.
- 6.4 The Company operates business with fairness under decision criteria and comparisons on conditions, price and quality, including other services with transparency and ability to be scrutinized. Under any circumstances, the Company always prohibits requesting for business benefits from business partners or contract partners.
- 6.5 The Company is committed to develop and maintain sustain relation with business partners and contract parties with a clear objectives concerning the value of goods and services, the value for the money, the technical quality and trust among one another.
- 6.6 The Company has a policy to make payment to business partners and contract partners on time under the agreed terms of payment.
- 6.7 The Company wishes to operate business between business partners and contract partners accurately and they shall be protected by laws related to consumer protection.

## 7. Responsibility to directors, management and employees

- 7.1 The Company has a policy to determine fair and appropriate remuneration for directors, management and employees.
- The Company emphasizes employees' welfare, security and career advance.
- 7.2 The Company has a policy to have directors, management and employees protected by laws.

## 8. Relation with trade payables and creditors

The Company has a policy to follow terms and conditions in the contracts with trade payables and creditors with honestly and fairness.

## 9. Competitors

- 9.1 The Company has a policy to operate business with fairness, not alleging or damaging competitors.
- 9.2 The Company has a policy to operate business and compete with competitors under the set rules and trade competition laws.

## 10. Responsible for communities, society, environment and the state sector

- 10.1 The Company has a policy to run business while taking into account the communities, society, environment, and the state sector. The Company also complies with the existing laws and regulations related to the communities, society and the state sector. In case there are no certain laws on some particular matters, the Company treats communities, society, environment and the government with responsibility as follows:
- 10.1.1 Operate business under laws and the Company's regulations.
  - 10.1.2 Operate business under laws and relevant state orders and regulations.

10.1.3 Take into account environmental aspects and decent tradition and culture.

10.1.4 Encourage directors, management and employees to act as good citizens who contribute to communities and society and promote political activities.

10.1.5 Respect virtuous national culture when doing business.

## 11. Management of information and confidentiality

11.1 As an organization in the society with a duty to follow information within the same society, the Company has a policy to manage the Company's information effectively and disclose only necessary, accurate and appropriate information to the society under suitable occasions.

11.2 The Company has a clear and appropriate policy to keep confidential information under control by the responsible units; this also includes the control of the computer and software system.

## 12. International business operation

12.1 The Company has a policy to expand international business operation effectively, with an appropriate system relating to quality, prices, and services as well as emphasize correct copy rights, the intellectual property and the trademarks.

## 13. Gifts and business entertaining

13.1 The Company has a policy to operate business with transparency and morals. Therefore, directors, management and employees shall not destroy the Company's reputation by behaving improperly or doing any actions that may create controversy about honest and fairness issues.

13.1.1 The Company demands that directors, management and employees should avoid offering or receiving objects or any benefits from business partners and any parties relating to the Company's business operation except for some gifts offered during festive or traditional seasons under appropriate and desired value.

13.1.2 In case directors, management and employees receive cash gifts or any objects with high value, they shall report to their supervisors or those with the highest authority for their acknowledgement and returns to senders.

13.1.3 Directors, management and employees should avoid offering or receiving unusual business entertaining, in a nature that is beyond normal relation, from other parties who have businesses relating to the Company.

## 14. Safety and sanitary

14.1 The Company will attempt to prevent accidents, injuries and illnesses caused by profession with serious cooperation from all employees; in addition, the Company will limit risks relating to safety caused by business operation.

14.2 The Company arranges the designs of tools and equipment and complete the operation guidelines. The Company also provides trainings and controls operation, taking into account the safety of lives and property of the employees as well as the entire society where the Company is operating business.

14.3 The Company will cooperate with state agencies as well as other organizations in eliminating emergencies or accidents caused by business operation in a rapid, effective and cautious manner.

14.4 The Company will comply with related laws and regulations and will adapt reliable standards about safety management, in case there are now laws or regulations over some matters.

The complete charters of Board of Directors, and sub-committees of Company are now available at [www.matchinggroup.com](http://www.matchinggroup.com).

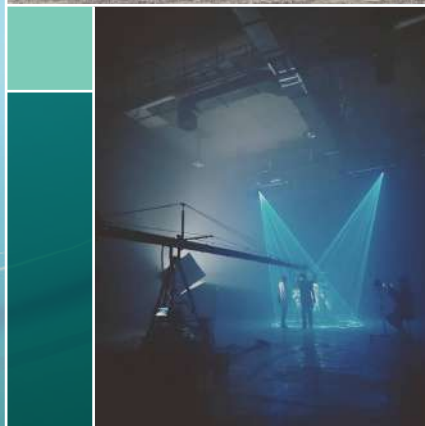
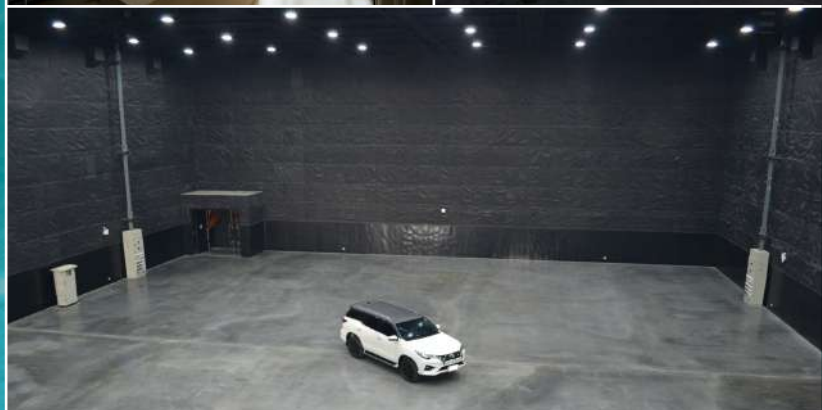
## Attachment 6

# Audit Committee Report

As shown in Item 8.2: Report of the performance of the Audit Committee



<http://www.matchinggroup.com>



Matching Maximize Solution Public Company Limited

305/12 Soi Sukhothai 6, Sukhothai Road,  
Dusit Sub-district, Dusit District, Bangkok 10300  
Tel. : 0-2669-4200-9  
Fax : 0-2243-4124, 0-2243-1494