



#MoveBeyondReason

ANNUAL REPORT 2019

FAR EAST FAME LINE DDB PUBLIC COMPANY LIMITED



DIVERGENCE

Connecting Creative Ideas
for Most Effective Business Solutions

พลังสร้างสรรค์หลากหลาย
เพื่อผลลัพธ์ทางธุรกิจที่มีประสิทธิภาพสูงสุด

To Ignite Divergence,
We **#MoveBeyondReason**



3

Reasons to #MoveBeyondReason

**We don't think
as much as
we think we think.**

แท้จริงแล้ว คนเราไม่ได้คิดมาก
อย่างที่คิด เราตัดสินใจด้วยอารมณ์
มากกว่าใช้หลักการ

**The “long”
& “short” work
better together.**

กลยุทธ์ที่ทำให้แบรนด์ประสบความสำเร็จและเติบโตได้ดีต้องมีทั้ง
กลยุทธ์ระยะสั้นและระยะยาว

Growth requires scale.

แบรนด์จะเติบโตได้ ต้องเข้าหากลุ่ม
ใหม่ๆ หรือเปลี่ยนใจจากคู่แข่ง

How We #MoveBeyondReason....

We grow business
by creating *feeling.*

เราทำให้แบรนด์เติบโต
ด้วยการสร้างอารมณ์
และความชื่นชอบในแบรนด์



We create immediate
response, through *fame.*

เราสรรสร้างกระแสอารมณ์ร่วม
เพื่อผลลัพธ์ที่รวดเร็ว



We build emotion
at scale via *fluency.*

เราสร้างความคุ้นเคยกับแบรนด์
ด้วยความถี่ เพื่อผลลัพธ์และ
ความสำเร็จในวันนี้และวันหน้า



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More information for investors, published in the company's Annual Registration Statement (Form 56-1) listed in www.sec.or.th or the Company's website www.fareastfamelineddb.com



REPORT FROM THE BOARD OF DIRECTORS

REPORT FROM THE BOARD OF DIRECTORS

2019 was another challenging year for advertising industry, as the industry faced rapid and unrelenting change induced largely by digital transformation. This year the Company and its subsidiaries gain revenues of 713.56 million baht from services and commissions, an increase of 11.24 million baht or 1.60% from 2018. Net profits were 98.06 million baht, a decrease of 5.62 million baht, or 5.42% from 2018.

The intense competition in advertising industry including the chance of media behavior of consumers affecting the advertising business. The variety of methods of media planning and communication strategy are needed in order to reach and gain consumers. The management and staff will devote ourselves to develop work that meet the marketing needs. We continue to strive to develop new branding and creativity solutions enabled by digital technology and big data to deliver maximum business results for customers. We will never cease to learn, create, develop, apply and improve. We are fully committed to giving our all efforts in order to bring Far East Fame Line DDB PLC. to the forefront of the industry and keep the Company growing from year to year.

The Board of Directors of Far East Fame Line DDB PLC. would like to express profound gratitude to all our shareholders, clients, suppliers, employees, executives, business partners and stakeholders who stood by us during a year of many changes. We will focus on proactive work and adherence to the principle of good corporate governance, which we firmly believe creates a strong foundation for continued growth and sustainable success.

REPORT OF THE AUDIT COMMITTEE

Dear Shareholders of Far East Fame Line DDB Public Company Limited,

The Audit Committee of Far East Fame Line DDB Public Company Limited was appointed by the Company's Board of Directors Meeting No.240 (5/2019) on June 25, 2019, consists of four independent and non-executive members: Mr. Khachornsakdi Vanaratseath as Chairman of the Audit Committee, Mr. Amorn Asvanunt, Mr. Vichit Tantianunanont and Mrs. Chattong Tippayakalin as the member to the Audit Committee, and Miss Rachadawan Ritthirong is the Committee's secretary. Their term ends in one year.

In 2019, the Audit Committee had a total of 4 meetings.

| | | | |
|----|-------------------|----------------|-----------------------|
| 1. | Mr. Khachornsakdi | Vanaratseath | attended 4/4 meetings |
| 2. | Mr. Amorn | Asavanunt | attended 4/4 meetings |
| 3. | Mr. Vichit | Tantianunanont | attended 4/4 meetings |
| 4. | Mrs. Chattong | Tippayakalin | attended 4/4 meetings |

In carrying out its tasks and duties throughout 2019, the Audit Committee held a total of 4 meetings, including meetings with auditors, the management, Accounting Managers and Internal Audit Department. During these meetings, they discussed issues that could significantly affect the company's financial statements, as well as collected suggestions from the auditors and followed up on the progress of Internal Audit. The following summary outlines what have been done during these meetings according to the Charter of the Audit Committee.

1. Review the important information of quarterly and yearly financial reports as of 2019. The committee was in the meeting with management, accounting department, internal and external auditors to review the important financial report, including issues related to critical accounting policies, changes in the past year and potential impact in the future, abnormal transactions, observation and opinion of auditors on financial report, financial statement and the performance of the company and its subsidiaries in order to ensure that such Information are accurate, complete and reliable. The preparation of financial statements is in accordance with generally accepted accounting standards. The disclosure of financial statements is adequate and did not find any items that may have a substantial impact on the financial statements.

2. Review the connected transaction. The Audit Committee has reviewed the connected transaction in comply with the laws and regulations of the SET and the SEC on disclosure of information and other acts of listed companies concerning the potential conflict of interest. The Committee is of the opinion that the transaction was conducted under normal commercial terms. There is no reasonable conflict of interests, no unusual transaction and there is adequate disclosure of information.

3. Appoint the auditors of the Company for the year 2020. The Audit Committee has considered the appointment of auditors considering from the independence, ability, experience, performance and the remuneration of the auditor and presented to the Board of Directors to consider before proposing to the shareholders' meeting for approval.

The Audit Committee has considered the appointment of auditors of the Company for the year 2020 with the opinion that Dr. Virach Aphimeteetamrong, Certified Public Accountant No.1378 and/or Mr. Chaiyakorn Aunpitipongsa, Certified Public Accountant No. 3196 and/or Mr. Apiruk Ati-anuwat, Certified Public Accountant No. 5202 and/or Miss Kornkaew Darpaew, Certified Public Accountant No. 8463 and/or Dr. Preecha Suan, Certified Public Accountant No. 6718 (Signed on the Company's Financial Statement since 2017 of Dr. Virach & Associates Office Co.,Ltd. are qualified to be the auditors of the Company. By the reasons that they are independent and fully qualified in compliance with rules and regulations of the Company's Article of Association and the Federation of Accounting Professions, as well as the Securities and Exchange Commission and the Stock Exchange of Thailand. Moreover, the Audit Committee had considered and compared workloads and audit

fee of other listed company in the same level and found that the audit fee is reasonable. In addition, the aforementioned auditors have no relationship or any interest with company / subsidiaries / executive / major shareholder or any related person.

4. Review the internal control system. The Audit Committee has reviewed the Company's internal control system and its affiliates for the year 2019 and has found that it is adequate and appropriate to run the business. There are no significant issues that could affect the Company's operations.

5. Supervise internal audit control. The Audit Committee has considered the approval of the audit plan of the Internal Auditor for the year 2019 and has given the recommendations of the internal audit to achieve the plan which includes a check fraud and corruption according to the company's policy against fraud and corruption.

6. Review the implementation of the law. The Audit Committee has reviewed and supervised the Company and its affiliates' operation to comply with the law and regulation of Securities and Exchange Commission of Thailand and related law to the Company's business.

7. Review and update the Audit Committee Charter. In consideration of the Charter and offer more scope of duty to review and manage risk in line with its current duties.

8. Report the issue that was in doubt. The Committee is responsible for reporting to the Board of Directors when they found or suspect the item that which may have a significant impact on the financial position and the Company's operations. The Committee did not find any indication of such issue in 2019.

9. Review the risk management. The Committee received the report on activities or circumstances that may affect the Company's operation from the Risk Management & Anti-Corruption Committee. They often have the follow-up, risk assessment of the situation and measurement for risk reduction regularly in order to have adequate and efficient risk management, according to company policy.

Overall in 2019, the Audit Committee has performed its duties with diligence, independence and without restriction in the line of duty. The Committee gets information and cooperation from all parties involved to perform its duties efficiently under the Charter of the Audit Committee appointed by the Board of Directors.

On behalf of the Audit Committee



(Mr. Khachornsakdi Vanaratseath)
Chairman of the Audit Committee

REPORT OF THE RISK MANAGEMENT AND ANTI-CORRUPTION COMMITTEE

Dear Shareholders of Far East Fame Line DDB Public Company Limited,

In the year 2019, the Board of Directors realizes the importance of risk management that may affect to business. Therefore, the board has appointed the Risk Management and Anti-Corruption Committee, which consisted of Mr. Vichit Tantaianunanont as Chairman of the Risk Management and Anti-Corruption Committee, Mr. Wichar Ladallitsakool, Mrs. Chailada Tantivejakul, Miss Waraporn Kulsawatpakdee, Mrs. Malee Leelasiriwong, Mr. Anupol Pawapoonpol and Mrs. Kadekaew Ittikul, as the Committees. Miss Sujittra Mekanit as a secretary to the Risk Management and Anti-Corruption Committee, with a one-year term.

In 2019, The Risk Management and Anti-Corruption Committee held 4 meetings as below :

| | | |
|---------------|----------------|-----------------------------|
| Mr. Vichit | Tantianunanont | meeting attending 4/4 times |
| Mr. Wichar | Ladallisakool | meeting attending 4/4 times |
| Mrs. Chailada | Tantivejakul | meeting attending 4/4 times |
| Mrs. Malee | Leelasiriwong | meeting attending 3/4 times |
| Miss Waraporn | Kulsawatpakdee | meeting attending 4/4 times |
| Mr. Anupol | Puwapoonpol | meeting attending 3/4 times |
| Mrs. Kadekaew | Ittikul | meeting attending 3/4 times |

Performance of The Risk Management & Anti-Corruption Committee in 2019

2019 Risk Management Plan


The Risk Management and Anti-Corruption Committee held the meetings and assessed the risks that may affect business both internal and external factors of every departments, and Including classified the level of risk and impact and communicate to employees at all levels for effective risk management.

Risk assessment

The company has a comprehensive risk assessment on operational system and including the consideration of business risk assessment and assessing risks according to the Anti-Corruption Program which is due to apply for a renewal of the Anti-Corruption Program in 2019 as well.

In the year 2019, The overall picture of the advertising business still has many risk factors that affect the business. The risk of losing customers or finding new customers, due to the high competition in marketing strategy, the reduction of agency fees and online media buying by the customers themselves.

From the above factors, it will definitely affect to business performance and the company's revenue. However, the Risk Management Committee and Anti-Corruption Committee had commitment to solve and take action in accordance with the company policy with the sufficient, appropriate and effective risk management measures in order to achieve the company's goals.



(Mr. Vichit Tantaianunanont)
Chairman of the Risk Management
and Anti-Corruption Committee

REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE

Dear Shareholders of Far East Fame Line DDB Public Company Limited,

Far East Fame Line DDB Public Company Limited has appointed the Nomination and Remuneration Committee, comprising the following three directors :

| <u>Name</u> | <u>Position</u> |
|-------------------------------|---|
| 1. Mr.Boonchai Chokwatana | Chairman of Nomination and Remuneration Committee |
| 2. Mr. Wichar Ldallitsakool | Nomination and Remuneration Committee |
| 3. Mrs. Chailada Tantivejakul | Nomination and Remuneration Committee |

Duties of the Nomination and Remuneration Committee are assigned by the Board of Directors and outlined in their charter.

Nomination: The Committee is charged with nominating directors to serve on the board by considering knowledge, expertise, experience, leadership, vision morality, and ethics including other qualifications, as well as no characteristics prohibited by law as forbidden by laws regulation and the Articles of Association of the Company to ensure a transparent nomination process. In addition, the nominated persons have been through analyze process of their skills, experiences, knowledge, and specific expertise which is reviewed annually for the qualified nominating directors with the appropriate capabilities whom will be replacing the existing directors which have reached their term and propose to the Company Board of Directors to consent before being submitted to the General Meeting of Shareholders for approval.

Remuneration: The Committee is tasked with revising the criteria and types of compensation for directors and sub-committee through peer comparison with companies operating in the comparable industry and proposed to the Company Directors for approval before presenting to the General Meeting of shareholders for approval with an aim of fostering transparency and fairness.

In 2019, The Company encourages minority shareholders to participate in nominating candidates to be appointed as the Company Directors prior to the General Meeting of shareholders of the year 2019, there was not shareholder nominated any candidates to be considered as the Company Directors. The Nomination and Remuneration Committee held a total of one meeting which all 3 committees attended the meeting, a summary of which is as follows:

Nomination: Nomination of the Company Directors to replace the Company Directors who retired by rotation, the Nomination and Remuneration Committee excluding the vested interests director. Resolution of qualifications for candidates that has been nominated as Company Directors whom will be replacing the existing directors which have reached their term for approval prior to proposing to the General Meeting of shareholders by considering the Company Directors who retired by rotation of 5 persons who has qualification and expertise meet to the Company requirement to become the Company Directors for another term.

Remuneration: The Committee reviewed the criteria and types of remuneration, as well as remuneration limit and allocation, for directors' role of the Company Board of Directors, the Audit Committee, the Nomination and Remuneration Committee, and the Risk Management and Anti-Corruption Committee, to propose to the Company Directors to consent before presenting to the General Meeting of Shareholders for approval. The remunerations of each the director are disclosed in the Annual Report and Form 56-1.

Additionally, the Charter of the Nomination and Remuneration Committee is also reviewed annually to comply with the related practice guidelines, while the Nomination and Remuneration Committee has performed its duties. There is performance evaluation of the Nomination and Remuneration Committee annually, for more efficiency of the Committee performance and it is disclosed in the Annual Report and Form 56-1



(Mr. Boonchai Chokwatana)

Chairman of the Nomination and Remuneration Committee

SUMMARY OF FINANCIAL INFORMATION

CONSOLIDATED FINANCIAL STATEMENTS

(Unit : Thousand Baht)

| | <u>2019</u> | <u>2018</u> | <u>2017</u> |
|---|-------------|-------------|-------------|
| Revenue from service & commission | 713,559 | 702,318 | 742,201 |
| Total Revenue | 770,059 | 772,663 | 835,718 |
| Gross Income | 237,144 | 237,241 | 222,323 |
| Net Profit before Interest & Income Tax | 117,461 | 125,751 | 155,157 |
| Net Profit | 98,056 | 103,680 | 126,784 |
| Total Assets | 1,720,879 | 1,664,710 | 1,680,365 |
| Total Liabilities | 423,859 | 416,211 | 483,903 |
| Shareholders' Equity | 1,297,019 | 1,248,499 | 1,196,462 |

FINANCIAL RATIO

LIQUIDITY RATIO

| | | | |
|----------------------------------|------|------|------|
| Current Ratio (times) | 1.79 | 1.85 | 1.84 |
| Quick Ratio (times) | 1.77 | 1.83 | 1.81 |
| Cash Ratio (times) | 0.78 | 0.81 | 1.01 |
| Customer Turnover Ratio (times) | 3.51 | 4.29 | 4.62 |
| Average Collection Period (Days) | 104 | 85 | 79 |
| Payable Turnover Ratio (times) | 3.68 | 3.94 | 3.55 |
| Average Payment Period (Days) | 99 | 93 | 102 |

PROFITABILITY RATIO

| | | | |
|---|--------|--------|--------|
| Gross Income (%) | 33.23 | 33.78 | 29.95 |
| Return on Revenue from service & commission = EAT/REV (%) | 13.74 | 14.76 | 17.08 |
| Return on Total Assets = EAT/TA (%) | 5.79 | 6.20 | 7.55 |
| Return on Shareholders' Equity = EAT/EQUITY (%) | 7.70 | 8.48 | 10.60 |
| Earnings Per Share (Baht) | 12.27 | 13.35 | 16.19 |
| Cash Dividend Per Share (Baht) | 10.00* | 10.00 | 10.00 |
| Book Value Per Share (Baht) | 166.04 | 165.09 | 159.53 |

*The Board of Directors' Meeting passed the resolution to propose to the Ordinary Meeting of Shareholders in April 2020



**BUSINESS
GROUP**

POLICY AND BUSINESS OVERVIEW

Far East Fame Line DDB Public Company Limited and its subsidiaries and associates conduct one stop communication business, which is a mutual complementary operations, as outlined below:

Vision, Objectives, Goals and Strategy of the Group of Company

The company strives to be a major consultant and service provider in integrated marketing communication both online and offline. Its services focusing on supporting customers to achieve business success through the effective communication plan and creative work. The Company firmly believes that the success of the customers lies in the strong foundation for continued growth and sustainable success of the Company.

One Stop Communication consultant service

The Company specializes in integrated communications. It aims to build on the success of its clients with creativity, covering the analysis based on fundamental study of key factors that could affect the brand, aided by the use of global DDB licensed tools, known as **Brand Conviction Springboard**. Brand Conviction Springboard is one of the Company's proprietary tools that has been developed to create a strong brand with sustainable growth and suitable for the era of rapid technological change. **Hyperbranding**, the strategy to strengthen the brand of the product, to cope with the rapid change of technology. **Brand Switching Matrix**, the strategy to increase the market share by switching the competitive customer into our customer. The Company provides services in creating the advertising materials and media planning strategy both traditional and digital media, including coordinating with other subsidiaries and associates to create public relations plan and events. Moreover, the Company also provides market and consumer with quantitative and qualitative research and observation by the professional research team through **Insights Springboard**. Another new company's tool is the research through **1st Cloud Platform**, which is more effective and lower the budget.

Production Advertising-related services

The Company provides the services in creating and producing advertising films and radio spots, creating layouts and producing print ads, direct mails, brochures, digital media, outdoor media etc., according to the communication plan as well as coordinate with production supplies. It includes coordinating with other subsidiaries and associates to create public relations plan and events for customers.

Advertising agent/broker

Acting as agent or broker, the Company deal with media owners such as television, radio, newspaper, cinema, digital media and magazine for media placements. A commission-based payment, in the form of agency fee, is earned in the process.

The Far East Fame Line DDB Group

Far East Fame Line DDB Public Company Limited

These days Far East Fame Line DDB Public Company Limited has become much more than just an advertising agency. It has become a major totally integrated marketing communication consultant for both local and global brand. Its services focusing on supporting customers to achieve business success through the effective communication plan and creative work. These operations include product, market and consumer analysis, strategic planning to define the concept of communication, advertisement production, effective planning

and purchasing of media. This will also involved working and coordinating with subsidiary for other communication event as well as evaluating the total marketing communication plan. The Company clearly determined it positioning as **“Connecting Creative Ideas for Most Effective Business Solutions (DIVERGENCE)”**.

Springboard Plus Company Limited

Springboard Plus Co., Ltd. is established as a subsidiary of Far East Fame Line DDB Plc. with registered capital 6,511,000 baht, with 99.99% investment rate by Far East Fame Line DDB. It's provides service in creating and producing public relations and advertising materials with quality and professional service under it positioning of “Complete the whole project” to respond to customers who need differentiated solutions in the changing and highly competitive situation nowadays and in the future.

In addition, the Company has set up a Data & Innovation division to provide data storage services, data analysis, data presenting in a BI format, including applying data in various marketing activities under the vision of "Actionable Data Solutions". To be in line with the digital age that Personalize Marketing is very important and necessary.

Business Goals

1. The Company focuses on the connected creative ideas and diliver divergence for most effective business solutions. One of our tools is "Move Beyond Reason" concept, which is thinking outside of the box and beyond normal. To bring ®

FAME : We create immediate response, through *fame*.

FEELING : We grow business by creating *feeling*.

FLUENCY : We build emotion at scale via *fluency*.

2. The Company focuses on providing effective consulting and integrated marketing communications service, covering branding, strategic planning, communications, advertising, public relations, customer relationship management and data management.

3. The Company has a policy of acquiring new customers constantly focusing on the strategy of “Brand Switching Matrix”. The study and management of these new clients makes our employees more expertise in a wider variety of goods and services.

4. The Company is committed to acquire excellent talent and consistently develop its existing employees as we believe that good personnel can create quality work that led to the company's growth.

5. The Company realizes the importance of adapting to the rapid changing situation of the advertising and communications industry. Therefore, the company focuses on developing the organization and it's employee's capacity to cope with such changes in order to continue growth and outstanding performance.

Relationship with major shareholders.

The Company's core business operation has no significant relationship or connection with other business operations of the Company's major shareholders. Only some major shareholders use the services of the Company such as producing of advertising materials, planning of advertising and public relations strategies and media planning.

Major Change and Development in 2019

10-14 June 2019 The 2nd period of offering and purchasing newly issued ordinary shares under the Employee Stock Option Program (FE-ESOP).

25 June 2019 The Board of Directors has appointed three Directors as members of Nomination and Remuneration Committee to provide assistance to the Good Corporate Governance of the Company. To select and screen qualified individuals to be appointed as the Company's Director and determine the criteria of compensation paid to the Directors in order to ensure that it is fair and transparent. Members of Nomination and Remuneration Committee are as follows:

- | | | | |
|----|---------------|---------------|---|
| 1. | Mr.Boonchai | Chokwatana | Chairman of Nomination and Remuneration Committee |
| 2. | Mr. Wichar | Ldallitsakool | Nomination and Remuneration Committee |
| 3. | Mrs. Chailada | Tantivejakul | Nomination and Remuneration Committee |

28 June 2019 The Company registered the paid-up capital with the Ministry of Commerce, from the existing paid-up capital of Baht 77,499,500 to Baht 78,700,000, by issuing 120,050 ordinary shares with a par value of Baht 10 each. The total paid-up capital and registered capital of the Company amount to Baht 78,700,000.

5 July 2019 The Stock Exchange of Thailand accepted the newly issued ordinary shares of the Company to be the registered security.

NATURE OF BUSINESS

Shareholding & Revenue Structure of The Company / Subsidiary and Associated Companies

(Unit: Thousand Baht)

| Product / Service | Operation by | % of Share holding | 2019 | | 2018 | | 2017 | |
|--|------------------------------------|--------------------|----------------|---------------|----------------|---------------|----------------|---------------|
| | | | Revenue | % | Revenue | % | Revenue | % |
| <u>Advertising Agency</u> | Far East Fame Line DDB Plc. | | | | | | | |
| Revenue from Service & Commission | | | 569,630 | 92.40 | 572,648 | 90.34 | 264,177 | 58.00 |
| Dividend Income | | | 22,638 | 3.67 | 26,211 | 4.13 | 134,896 | 29.62 |
| Other Income | | | 24,226 | 3.93 | 35,056 | 5.53 | 56,378 | 12.38 |
| Total Revenue | | | 616,494 | 100.00 | 633,915 | 100.00 | 455,451 | 100.00 |
| <u>Advertising Agency</u> | Fame Line Co., Ltd.* | 99.99 | | | | | | |
| Revenue from Service & Commission | | | - | - | - | - | 311,086 | 92.01 |
| Other Income | | | - | - | - | - | 27,014 | 7.99 |
| Total Revenue | | | - | - | - | - | 338,100 | 100.00 |
| <u>Advertising Agency</u> | Springboard Plus Co., Ltd. | 99.99 | | | | | | |
| Revenue from Service & Commission | | | 29,709 | 99.79 | 25,521 | 99.99 | 27,492 | 99.99 |
| Other Income | | | 64 | 0.21 | 2 | 0.01 | 4 | 0.01 |
| Total Revenue | | | 29,773 | 100.00 | 25,523 | 100.00 | 27,496 | 100.00 |
| <u>Public Relations</u> | Integrated Communication Co., Ltd. | 40.00 | | | | | | |
| Revenue from Service & Commission | | | 134,553 | 99.43 | 122,395 | 99.62 | 157,550 | 99.24 |
| Other Income | | | 771 | 0.57 | 466 | 0.38 | 1,210 | 0.76 |
| Total Revenue | | | 135,324 | 100.00 | 122,861 | 100.00 | 158,760 | 100.00 |
| <u>Media Buying, Selling & Planning</u> | Media Intelligence Co., Ltd. | 30.00 | | | | | | |
| Revenue from Service & Commission | | | 97,513 | 32.32 | 113,334 | 37.80 | 105,851 | 34.99 |
| Discount Received | | | 199,633 | 66.18 | 181,896 | 60.66 | 189,227 | 62.54 |
| Other Income | | | 4,530 | 1.50 | 4,626 | 1.54 | 7,475 | 2.47 |
| Total Revenue | | | 301,676 | 100.00 | 299,856 | 100.00 | 302,553 | 100.00 |
| <u>Advertising Agency</u> | Diginakorn Co., Ltd. | 45.00 | | | | | | |
| Revenue from Service & Commission | | | - | - | 25,976 | 99.93 | 28,954 | 99.97 |
| Other Income | | | 5 | 100.00 | 17 | 0.07 | 9 | 0.03 |
| Total Revenue | | | 5 | 100.00 | 25,993 | 100.00 | 28,963 | 100.00 |

*January 3, 2018: Fame Line Company Limited transferred the entire business to the Company.

*September 2, 2019: Diginakorn Company Limited registered the company' liquidation.

THE CLIENTS AND THE PRODUCTS

Bangchak Corporation PCL.
Bank For Agriculture And
Agricultural Cooperatives
Berli Jucker Plc.
Better Way (Thailand) Co., Ltd.
DHA Siam Walla Ltd.
Dorco Co., Ltd.
Electricity Generating Authority Of
Thailand
I.C.C. International Plc.
Johnson & Johnson Consumer
Kewpie (Thailand) Co., Ltd.
Lifestar Co.,Ltd.
Lion Corporation (Thailand) Ltd.
NS Bluescope (Thailand) Ltd.
Pacific Healthcare (Thailand) Ltd.
Pacific Sugar Corporation Co., Ltd.
Pfizer (Thailand) Ltd.
Poh Teck Tung Foundation
President Bakery Plc.
Saha Pathanapibul Plc.
Srinanaporn Marketing Co., Ltd.
Suree Interfoods Co., Ltd.
Taveephol Product Co., Ltd.
Thai Fishsauce Factory
Thai-Hachiban Co., Ltd.
The Cpac Roof Tiles Co., Ltd.
The Red Bull Beverage Co., Ltd.
The Securities And Exchange
Commission Thailand
The Siam Fibre-Cement Co., Ltd.
Unilever (Thai) Trading Co., Ltd.

Apparel & Personal Accessories

- Arrow Apparel Products
- Wacoal Lingerie

Construction Materials & Consumer Durables

- Bluescopezacs Metal Sheet
- SCG Roof (Cpac)
- SCG Ceiling & Walls

Cosmetic and Personal Care

- Mistine

Food & Beverages

- Bissin Wafer
- BSC Cornsoy
- DG Goat Milk
- Farmhouse Bread & Bakery
- G2 Energy Drink
- Jele Beautie Carrageenan
- Kato
- Kewpie
- Magic Farm
- Mai Mineral Water
- Mama Instant Noodle
- Mitraphol Sugar
- Praohom
- Puriku
- Ready Energy Drink
- Richesse Yogurt
- Rivon Soilgurt
- Som Plus
- Squid Brand
- Starr Infiniti Cosme' Drink
- Sunsnack
- Wall's

Food Outlets & Restaurants

- Hachiban Ramen

Household Products Personal Care

- 108 Shop Detergent
- BSC Cosmetology
- Carefree
- De Paris
- Dentor Toothbrush
- Dorco
- Enfant
- Essence
- Falles Shampoo
- Fresh & Soft
- Goodage
- Hi-Class
- Hi-Herb Toothpaste
- Honei V By BSC

- I-Knew Anti-Stretch Mark Cream
- Kirei Kirei
- Kodomo Products
- Lion Indochina
- Lipon F Dishwashing Liquid
- Maxmo
- Pao Detergent
- Pro Detergent
- Pro Dishwashing Liquid
- Q'lean Anti Dandruff Shampoo
- Salz Oral Care
- Sheene' Cosmetics
- Shokubutsu Shower Cream
- Systema Oral Care
- Zact Toothpaste
- Zilk

Stationery

- Master Art

Others

- Bangchak Diesel
- Centrum
- Electricity Generating
- Friday Catalogue
- FWD
- Happy Age
- Line ICC
- Line LION Family
- Lion Shop Online
- Poh Teck Tung Foundation
- S.O.M.Cmax
- SEC
- Tor Kor Sor

THE RISK FACTORS

The company realizes the importance of risk management in operating the business under the changes of internal and external factors that affect the company's operations. The company has the systematic surveillance and consistent measurement of risk reduction. The risk factors that may cause a significant impact on achieving the Company's business goal are as follows:

1. The risk from economic circumstance

In the past year, overall economy of the country continues to slowdown and makes overall consumption decline which affects the Clients' sales. Therefore, the Clients delay advertising or new product launch or cut advertising budget inevitably as they consider advertising budget as cost or capital that has a direct effect on running business. As a result, there is a need for the company to keep finding more and more new Clients all the time in order to compensate the decreasing revenue.

However, the Company remains building trust among current clients by proposing marketing plans and strategies as well as creating advertisement to support sales performance for the best achievement of the Clients.

2. The risk from losing big Clients

Each year, the Company has many big Clients who spend large amount of advertising budget. If these Clients change their policy or choose other advertising agencies, there will be an effect on the revenue and profits of the Company inevitably. The Company then significantly emphasizes on the importance of losing big Clients. Thus, the management team has a policy to build good relationships and satisfaction with the Clients by arranging conference and workshop with them. The team also presents new information for them to understand global market situation and to plan advertising strategy as well as to use future media which increasingly tends to change to online or digital media.

In addition, the Company presents excellent works done in the past to the Clients to impress and ensure them that the Company determines to offer them the highest quality and effectiveness.

3. Risks from the competition in the advertising industry

Advertising companies face challenge of the reduction of commission and service fees to clients from other agencies. Therefore, it is necessary to reduce the service fees to retain clients, which has a significant impact on the company's revenue.

From the above cause, the company are in rush to find more new clients and creates business strategies to help its clients to achieve their targets Which gives customers confidence in the company and increases the use of advertising budgets which will increase the company's revenue.

GENERAL INFORMATION AND IMPORTANT INFORMATION

Company Information

| | |
|---|---|
| Company Name | Far East Fame Line DDB Public Company Limited Former Name: Far East DDB Public Company Limited |
| Registered No. | 0107537001528 |
| Head Office | 465/1-467 Si Ayutthaya Rd., Ratchathewi District, Bangkok 10400 |
| Tel. / Fax. Number | (66)-2354-3333 Fax. (66)-2644-9551 |
| Website : | www.fareastfamineddb.com |
| Nature of Business | Advertising Agency |
| Registered Capital and Paid-Up Capital | as at December 31, 2019 |
| - Registered Capital: | Baht 78,700,000 (7,870,000 ordinary shares at par value Baht 10) |
| - Paid-Up Capital: | Baht 78,700,000 (7,870,000 ordinary shares at par value Baht 10) |

Juristic Persons that The Company Holding Shares of 10% Upwards

1. Springboard Plus Co., Ltd.

465/1-467 Si Ayutthaya Road, Ratchathewi District, Bangkok 10400

Tel. 0-2354-3577 Fax. 0-2354-3578

Nature of Business Advertising Agency

Authorized Capital Baht 6,511,000 (651,100 ordinary shares at par value Baht 10)

Shares Held 99.99%

2. Integrated Communication Co., Ltd.

465/1-467 Si Ayutthaya Road, Ratchathewi District, Bangkok 10400

Tel. 0-2354-3588 Fax. 0-2354-3589-90

Nature of Business Public Relations and Marketing Events

Authorized Capital Baht 5,000,000 (500,000 ordinary shares at par value Baht 10)

Shares Held 40%

3. Media Intelligence Co., Ltd.

208 Wireless Road, Patumwan District, Bangkok 10330

Tel. 0-2651-5377 Fax. 0-2651-5370

Nature of Business Media buying, selling and planning

Authorized Capital Baht 20,000,000 (2,000,000 ordinary shares at par value Baht 10)

Shares Held 30.00%

Other Referees

Company Registrar

Thailand Securities Depository Co., Ltd.
The Stock Exchange of Thailand Building,
93 Rachadapisek Road,
Din Daeng, Bangkok 10110
Tel. 0-2009-9000 Fax. 0-2009-9991

Auditors

1. Dr. Virach Aphimeteetamrong, Certified Public Accountant No. 1378, never authorized signature in the Company's Financial Statements and/or
2. Mr. Chaiyakorn Aunpitipongsa, Certified Public Accountant No. 3196, never authorized signature in the Company's Financial Statements and/or
3. Mr. Apiruk Ati-anuwat, Certified Public Accountant No. 5202, never authorized signature in the Company's Financial Statements and/or
4. Dr. Preecha Suan, Certified Public Accountant No. 6718, authorized signature in the Company's Financial Statements since 2017.

Dr. Virach & Associates Office Co., Ltd.
7th Floor, Maneeya Center Building,
518/3 Ploenchit Road, Lumpini,
Pathumwan, Bangkok 10330
Tel. 0-2252-2860 Fax. 0-2253-8730

Other information

-None-

Cross Shareholding Structure

(as of December 31, 2019)

| FE Holding Shares in Other Firms | | | Other Firms holding Shares in FE |
|----------------------------------|--|------------------------------|----------------------------------|
| No. | Names | Proportion of Shareholding % | Proportion of Shareholding % |
| 1. | Holding of shares exceeding 50% A) Other firms hold shares in the Company exceeding 50%, the Company must not cross shareholding in other firms. B) The Company holds shares in other firms exceeding 50%, the other firms must not cross shareholding in the Company. C) The Company holds shares exceeding 50% between two or more other firms, any other firms must not cross shareholding each other. 1. Springboard Plus Co., Ltd. | 99.99 | - |
| 2. | Holding of shares exceeding 25%, but not exceeding 50% A) Other firms hold shares in the Company exceeding 25% but not exceeding 50% of shares, the Company must not cross shareholding in other firms exceeding 10%. B) The Company holds shares in other firms exceeding 25% but not exceeding 50% of shares, the other firms must not cross shareholding in the Company exceeding 10%. 1. Integrated Communication Co., Ltd. | 40.00 | - |
| | 2. Media Intelligence Co., Ltd. | 30.00 | - |
| 3. | Holding of shares not exceeding 25% A) Other firms hold shares in the Company not exceeding 25%, the Company must not cross shareholding in other firms exceeding 25%. B) The Company holds shares in other firms exceeding not exceeding 25%, the other firms must not cross shareholding in other firms exceeding 25%. 1. Saha Pathana Interholding Plc. 2. Saha Pathanapibul Plc. 3. I.C.C. International Plc. | 0.24 0.34 0.29 | 13.62 11.91 10.29 |

Remark : The Company has the cross shareholding structure; however the cross shareholding not conflict with the principles as prescribed in the Notification of the Capital Market Supervisory Board Tor For 28/2551 Re: The Request for Approval and the Approval of Initial Public Offering Article 14.

SHAREHOLDERS

Structure of Shareholders and Management

Registered Capital and Paid-Up Capital

The Company had total registered capital of Baht 78,700,000 and paid-up capital of Baht 78,700,000 (7,870,000 ordinary shares with par value of Baht 10 per share).

Shareholders

As at the close of share register on March 29, 2019

| Type | Person | Share | % |
|----------------------------|------------|------------------|---------------|
| Juristic Persons | | | |
| Thai | 25 | 3,924,500 | 50.64 |
| Foreign | 2 | 821,800 | 10.60 |
| Private Individuals | | | |
| Thai | 381 | 2,997,650 | 38.68 |
| Foreign | 1 | 6,000 | 0.08 |
| Total | 409 | 7,749,950 | 100.00 |

10 Major Shareholders as at the close of share register on March 29, 2019

| Shareholders | No. of Shares | % |
|--|---------------|-------|
| 1. Saha Group | 2,776,150 | 35.82 |
| 2. Mr. Samrerng Manoonpol | 937,000 | 12.09 |
| 3. Gerlach & Co. – Comerica Bank US Client | 750,000 | 9.68 |
| 4. Chokwatana Co., Ltd. | 505,075 | 6.52 |
| 5. Mr. Boonchai Chokwatana | 368,000 | 4.75 |
| 6. Mrs. Chailada Tantivejakul | 332,404 | 4.29 |
| 7. Mr. Chailadol Chokwatana | 244,000 | 3.15 |
| 8. I.D.F. Co., Ltd. | 171,000 | 2.21 |
| 9. Mr. Verapat Poonsakudomsin | 128,500 | 1.66 |
| 10. Mrs. Sirina Pawarolarnwitthaya | 101,250 | 1.31 |

Note: Saha Group are as follows:

| Company | No. of Shares | % |
|-----------------------------------|---------------|-------|
| Saha Pathana Inter - Holding Plc. | 1,055,700 | 13.62 |
| Saha Pathanapibul Plc. | 922,650 | 11.91 |
| I.C.C. International Plc. | 797,800 | 10.29 |

DIVIDEND PAYMENT POLICY

Company's Dividend Payment Policy

The Company intended to allocate dividends to the shareholders at the rate of Baht 3 per share per year, subjecting mainly to the economic situation and the Company's results of operation. Nevertheless, during the past five years, the Company had paid dividend to shareholders fairly with the rate is suitable to each period economy situation and in accordance with the dividend payment policy as follows:

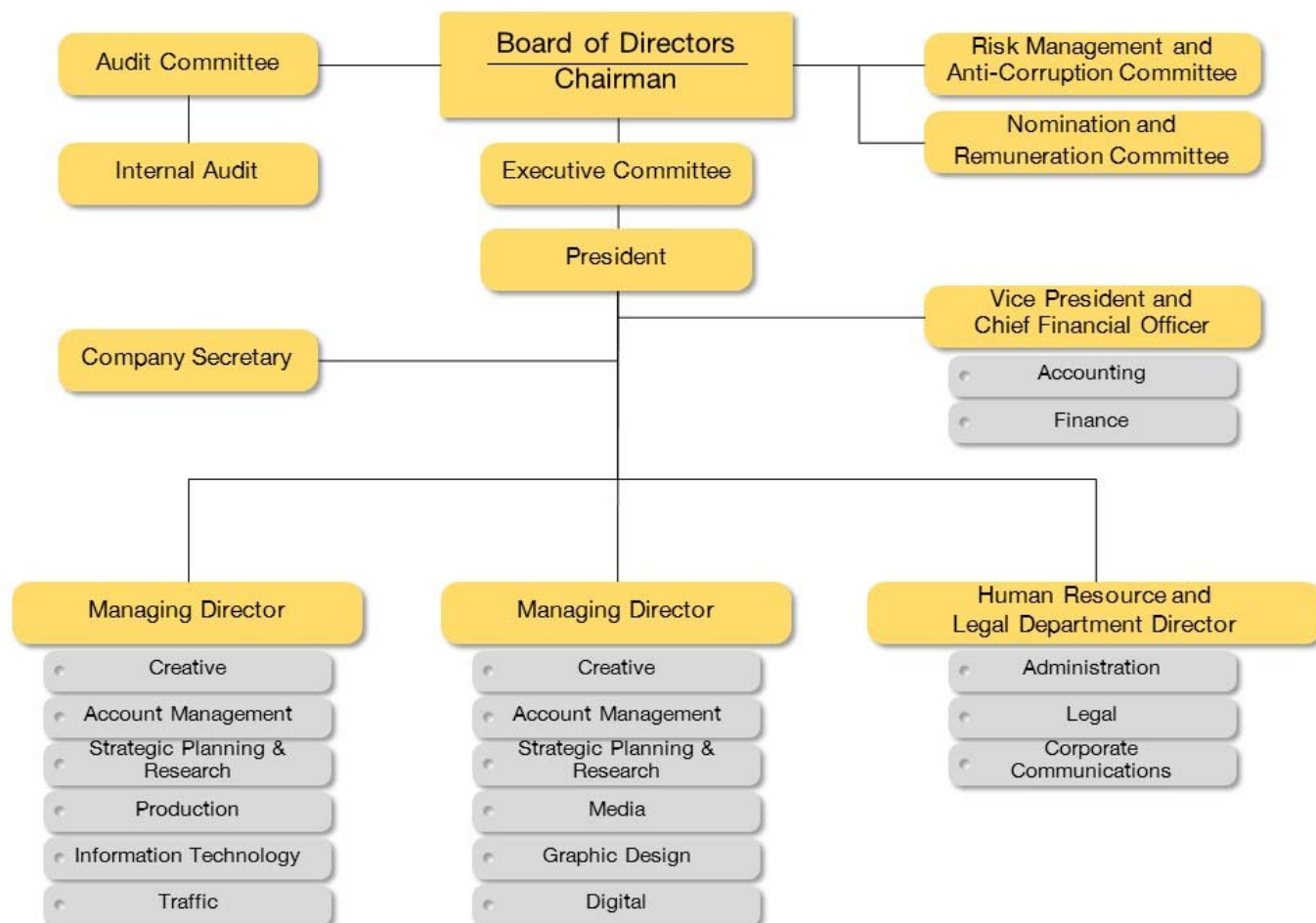
| Year | 2018 | 2017 | 2016 | 2015 | 2014 |
|---------------------------|---------------|---------------|---------------|---------------|---------------|
| Value of share (Baht) | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| Dividend per share (Baht) | 10.00 | 10.00 | 7.00 | 6.00 | 5.00 |
| Number of shares | 7,749,950 | 7,500,000 | 7,500,000 | 7,500,000 | 7,500,000 |
| Total amount (Baht) | 77,499,500.00 | 75,000,000.00 | 52,500,000.00 | 45,000,000.00 | 37,500,000.00 |
| Ratio (%) net profit | 88.25% | 39.92% | 67.16% | 67.10% | 80.64% |

Company subsidiaries' Dividend Payment Policy

The Company subsidiaries intended to allocate dividends at the rate of 50% of the profit after tax.

STRUCTURE OF MANAGEMENT

Management Structure of the Company as at December 31, 2019



Management Structure

The Company's management structure as of December 31, 2019 consists of the Company's Board of Directors, Audit Committee, Risk Management and Anti Corruption Committee, Nomination and Remuneration Committee and Executive Committee.

The Board of Directors

| Names | | Position | Appointed Year | Period of Company's Director (Years) |
|-------|--------------------------------|-----------------------|----------------|--------------------------------------|
| 1. | Mr. Boonchai Chokwatana | Chairman | 1970 | 49 Years |
| 2. | Mr. Wasin Teyateeti | Vice Chairman | 1974 | 45 Years |
| 3. | Mr. Wichar Ldallitsakool | President | 2013 | 6 Years |
| 4. | Mrs. Chailada Tantivejakul | Vice President | 2005 | 14 Years |
| 5. | Mrs. Malee Leelasiriwong | Director | 2000 | 19 Years |
| 6. | Miss Waraporn Kulsawatpakdee | Director | 2014 | 5 Years |
| 7. | Mrs. Kadekaew Ittikul | Managing Director | 2018 | 1 Year 5 Months |
| 8. | Mr. Anupol Puwapoonpol | Managing Director | 2018 | 1 Year 5 Months |
| 9. | Mr. Chailadol Chokwatana | Director | 2013 | 6 Years |
| 10. | Mr. Khachornsakdi Vanaratseath | Independent Director | 2002 | 17 Years |
| 11. | Mr. Amorn Asvanunt | Independent Director | 2002 | 17 Years |
| 12. | Mr. Vichit Tantianunanont | Independent Director | 2002 | 17 Years |
| 13. | Mrs. Chattong Tippayakalin | Independent Director | 2011 | 8 Years |
| 14. | Dr. Preeyachit Charoenwongse | Independent Director | 2018 | 1 Year 4 Months |
| | Miss Rachadawan Ritthirong | The Company Secretary | 2016 | |

Charter of the Company's Board of Directors

The Company's Board of Directors recognizes an on duty as directorship with responsibility, carefulness and integrity as fiduciary that operates such business commencing to good corporate governance's principles to achieve utmost benefit for the Company, shareholders and all parties concerned. The Company's business is complied with the policy, law, objective, regulations, the Company's Board of Directors' resolution and resolution of the Shareholders' Meeting. The Company's Board of Directors has duty and responsibility as follows:

Authority

1. To appoint, remove and delegate authority to the Company's Board of Directors' adviser, the committees and other parties for further practice.
2. To approve loans of the amount greater than the authority of the executive committee, to the companies with a business relation to the companies as shareholders, or to affiliated companies with a trading relation or other companies.
3. To approve guarantee of loans of the amount greater than the authority of the executive committee, to companies with a business relation with the companies as shareholders, or to affiliated companies with a trading relation or other companies.
4. To approve engagement in a legal act, that is not a financial transaction, of the amount greater than the authority of the executive committee.
5. To approve acceptance or cancellation of loans of the amount greater than the authority of the executive committee.

6. To approve investment, sale of investment capital in ordinary shares and/or any other securities of the amount greater than the authority of the executive committee.

7. To approve sourcing and investment in fixed assets of the amount greater than the authority of the executive committee.

8. To approve amendment, destruction and disposal of fixed assets and intangible assets which are no longer in use, damaged, lost, destroyed, deteriorated and out of date, which are out of the amount greater than the authority of the executive committee.

9. To approve amendment, change of price and destruction of raw materials and / or remaining inventories which are deteriorated or out of date, which are of the amount greater than the authority of the executive committee.

10. To approve compromise or settlement of dispute by arbitration, complaint, filing of lawsuits and / or any legal proceeding on behalf of the Company on matters which are not / or normal business course with an amount exceeding the authority of the executive committee.

11. To propose a capital increase or decrease of, change in stock value, amendment of the memorandum of association, articles of association, and / or objectives of the Company to the General Shareholders Meeting.

12. To invite the management, executives and employees of the Company involved in any particular issues to provide some explanations, to give comments, to participate in the meeting, or to provide any documents as necessary.

13. To seek advice and consultation by experts or advisers of the Company (if any), or to commission an external adviser or expert in any necessary cases under expenses of the Company.

14. To appoint and remove the Company Secretary.

15. All authority of the board of directors as mentioned above that is related to the grant and distribution of assets and connected transaction will act in accordance with the announcement of Capital Market Supervisory Board.

Scope, Authorities and Duties of the Company Directors

1. To establish directions, goals and business policies of the Company.

2. To approve plans and annual budgets, to supervise the performance of the management in order to ensure effectiveness and compliance with the laws and desired policies and plans.

3. To encourage the development of business supervision policy and written business code of ethics in order for Company directors, executives and employees to observe as guideline in the conduct of the Company's business.

4. To arrange for a sufficient internal control system in order to ensure that transactions are approved by authorized individuals, reviewed and recorded in accurate books of accounts, and to implement systems preventing inappropriate use of Company's assets.

5. Transactions with possible conflict of interests must be carefully reviewed, with a definite guideline to ensure the interests of the Company and the shareholders. Individuals with interests may not be involved in the decision-making process. They must observe the requirements on the proper procedure and disclosure of transactions with possible conflict of interests.

6. To approve the reviewed and/or audited financial statements by external auditor, which have been approved by the Audit Committee.

7. To be equally responsible to all shareholders, and to correctly and transparently disclose information to shareholders and investors.

8. To acknowledge business management reports from the Executive Committee.

9. To convene shareholders meetings by specified date, time, location and agenda as well as dividends (if any), and to provide shareholders with opinions of the Board of Directors on the matters proposed to the shareholders. During the twenty-one days prior to each shareholder meeting, the Company may refuse share transfer registration by transfer registration suspension. Alternatively, a record date (RD) may be determined no longer than two months prior to the day of any shareholders meeting, in order to determine the right to attend shareholders meeting and to receive dividends.

10. To prepare the report of “Responsibility of the Board of Directors towards Financial Reports” and disclose it in the annual report of the Company (Template 56-2) and the annual disclosure template (Template 56-1).

11. To follow up on documents to be submitted to relevant regulatory agencies, in order to ensure that the statements or the items are correct as per the data appearing in the books of accounts, the registration or other documents of the Company.

12. To approve the Board of Directors Charter and/or other committees Charters.

13. To engage in any other action, which is beyond the authority of the Executive Committee, or which the Board of Directors deems appropriate.

In the year 2019, the Board of Directors held 9 meetings; the attendance of each Board member on such meetings was as follows:

| Names | | Position | The Board of Directors' Meeting | Ordinary Meeting of Shareholders |
|-------|--------------------------------|---|---------------------------------|----------------------------------|
| 1. | Mr. Boonchai Chokwatana | Chairman | 9/9 | 1/1 |
| 2. | Mr. Wasin Teyateeti | Vice Chairman | 6/9 | 1/1 |
| 3. | Mr. Wichar Ldallitsakool | President | 9/9 | 1/1 |
| 4. | Mrs. Chailada Tantivejakul | Vice President | 9/9 | 1/1 |
| 5. | Mrs. Malee Leelasiriwong | Director | 9/9 | 1/1 |
| 6. | Miss Waraporn Kulsawatpakdee | Director | 9/9 | 1/1 |
| 7. | Mrs. Kadekaew Ittikul | Managing Director | 9/9 | 1/1 |
| 8. | Mr. Anupol Puwapoonpol | Managing Director | 9/9 | 1/1 |
| 9. | Mr. Chailadol Chokwatana | Director | 8/9 | 1/1 |
| 10. | Mr. Khachornsakdi Vanaratseath | Independent Director/ Audit Committee Chairman | 9/9 | 1/1 |
| 11. | Mr. Amorn Asvanunt | Independent Director/ Audit Committee | 8/9 | 1/1 |
| 12. | Mr. Vichit Tantanunant | Independent Director/ Audit Committee | 9/9 | 1/1 |
| 13. | Mrs. Chattong Tippayakalin | Independent Director/ Audit Committee | 9/9 | 1/1 |
| 14. | Dr. Preeyachit Charoenwongse | Independent Director | 9/9 | 1/1 |

Executives

Names and Number of Executives as at December 31, 2019

| Names | | Position |
|--------------------|----------------|---|
| 1. Mr. Boonchai | Chokwatana | Chairman |
| 2. Mr. Wichar | Ldallitsakool | President and Chairman of the Executive Committee |
| 3. Mrs. Chailada | Tantivejakul | Vice President / Vice Chairman of the Executive Committee and Chief Financial Officer |
| 4. Miss Waraporn | kulsawatpakdee | Vice Chairman of the Executive Committee |
| 5. Mr. Anupol | Puwapoonpol | Managing Director and Executive Director |
| 6. Mrs. Kadekaw | Ittikul | Managing Director and Executive Director |
| 7. Mrs. Malee | Leelasiriwong | Executive Director and Human Resource & Legal Director |
| 8. Mrs. Sunee | Chaijiraks | Executive Director and Executive Creative Director |
| 9. Mrs. Phunpit | Chaneiang | Executive Director and Executive Client Service Director |
| 10. Mr. Rachapong | Ngampisai | Executive Director and Executive Client Service Director |
| 11. Dr. Chaline | Hirano | Executive Director and Executive Strategic Planning Director |
| 12. Mrs. Pornwilai | Pinvanichkul | Accounting Manager |

Number of Shares held by Directors and Executives of the Company as at December 31, 2019

| Name | As at 31 Dec 2018 | Changes Between 2019 | As at 31 Dec 2019 | % |
|------------------------------------|----------------------|-------------------------|----------------------|------|
| 1. Mr. Boonchai Chokwatana | 368,000 | - | 368,000 | 4.68 |
| Spouse and underage children | 5,000 | - | 5,000 | 0.06 |
| 2. Mr. Wasin Teyateeti | 22,850 | - | 22,850 | 0.29 |
| Spouse and underage children | 2,250 | - | 2,250 | 0.03 |
| 3. Mr. Wichar Ldallitsakool | 14,200 | 4,800 | 19,000 | 0.24 |
| Spouse and underage children | 4,000 | - | 4,000 | 0.05 |
| 4. Mrs. Chailada Tantivejakul | 332,404 | - | 332,404 | 4.22 |
| 5. Mrs. Malee Leelasiriwong | 11,200 | 3,600 | 14,800 | 0.19 |
| Spouse and underage children | 2,100 | - | 2,100 | 0.03 |
| 6. Miss Waraporn Kulsawatpakdee | 10,500 | 6,000 | 16,500 | 0.21 |
| 7. Mrs. Kadekaw Ittikul | 12,300 | 3,700 | 16,000 | 0.20 |
| Spouse and underage children | 4,000 | - | 4,000 | 0.05 |
| 8. Mr. Anupol Puwapoonpol | 3,500 | - | 3,500 | 0.04 |
| 9. Mr. Chailadol Chokwatana | 244,000 | - | 244,000 | 3.10 |
| 10. Mr. Khachornsakdi Vanaratseath | - | - | - | - |
| 11. Mr. Amorn Asvanunt | - | - | - | - |
| 12. Mr. Vichit Tantanunant | - | - | - | - |
| 13. Mrs. Chattong Tippiyakalin | - | - | - | - |
| 14. Dr. Preeyachit Charoenwongse | - | - | - | - |
| 15. Mrs. Phunpit Chaneiang | 10,200 | 4,000 | 14,200 | 0.18 |
| 16. Mr. Rachapong Ngampisai | 10,000 | 8,000 | 18,000 | 0.23 |
| 17. Chaline Hirano, Ph.D. | 9,500 | 2,000 | 11,500 | 0.15 |
| 18. Mrs. Sunee Chaijiraks | 1,800 | 4,000 | 5,800 | 0.07 |
| 19. Mrs. Pornwilai Pinvanichkul | - | - | - | - |
| Spouse and underage children | 5,000 | - | 5,000 | 0.06 |

Number of Shares Held by Directors in the Springboard Plus Co., Ltd as at December 31, 2019

| Name | As at 31 Dec 2018 | Changes Between 2019 | As at 31 Dec 2019 | % |
|---------------------------|----------------------|-------------------------|----------------------|--------|
| 1. Mr. Wasin Teyateeti | 8 | - | 8 | 0.001 |
| 2. Mr. Anupol Puwapoonpol | 1 | - | 1 | 0.0002 |

Details of Directors and Management

| | | | | |
|---|--|---------------------------------|------------------------------------|----------|
| Name | Mr.Boonchai Chokwatana | | | 1 |
| Position | <ul style="list-style-type: none"> Chairman Nomination and Remuneration Chairman Authorized Director | | | |
| Age | 72 | | | |
| Education | <ul style="list-style-type: none"> The Honorary Doctorate Doctorate Degree in: <ul style="list-style-type: none"> Communication, Naresuan University Business Administration, Mahasarakham University Logistics Management, Suan Sunandha Rajabhat University Liberal Arts, Rajamangala University of Technology Pra Nakorn Bachelor of Arts in Political Science, Ramkhumhaeng University Bachelor of Business Administration, Wisconsin State University at Superior, U.S.A. Thai Institute of Directors Association <ul style="list-style-type: none"> Director Accreditation Program (DAP) 3/2003 from IOD Director Certification Program (DCP) 68/2005 from IOD | | | |
| % Share Holding | 4.74 | | | |
| Family Relationship Between Directors | Mrs. Chailada Tantivejakul and Mr. Chailadol Chokwatana's father | | | |
| Experience | Listed Companies | | | |
| | <u>Period</u> | <u>Position</u> | <u>Company</u> | |
| | 1972 - Present | Chairman of the Executive Board | Saha Pathanapibul Plc. | |
| | 2010 - Present | Chairman | Saha Pathanapibul Plc. | |
| | 2011 - Present | Director | Thai President Food Plc. | |
| | 2012 - Present | Director | Saha Pathana Inter-Holding Plc. | |
| | 2019 - Present | Independent Director | Muang Thai Insurance Plc. | |
| | Non Listed Companies | | | |
| | 14 Companies | | | |
| | Business Related to Company's Business | | | |
| | <u>Period</u> | <u>Position</u> | <u>Company</u> | |
| | 1996-Present | Chairman | Integrated Communication Co., Ltd. | |
| | 2010-Present | Director | Munk Production Co., Ltd. | |
| Positions in the company or any other organization in the previous year that have a significant impact on the time devoted | | | | - None - |

| | | | |
|--|--|---|---|
| Name | Mr. Wasin Teyateeti | | 2 |
| Position | <ul style="list-style-type: none"> Vice Chairman Authorized Director | | |
| Age | 71 | | |
| Education | <ul style="list-style-type: none"> Bachelor of Accountancy, Chulalongkorn University Thai Institute of Directors Association Director Accreditation Program (DAP) 3/2003 from IOD | | |
| % Share Holding | 0.32 | | |
| Family Relationship Between Directors | - | | |
| Experience | Listed Companies | | |
| | <u>Period</u> | <u>Position</u> | <u>Company</u> |
| | 1997 - Present | <ul style="list-style-type: none"> Independent Director/ Audit Committee | <ul style="list-style-type: none"> Saha Pathanapibul Plc. |
| | Non Listed Companies | | |
| | 4 Companies | | |
| | Business Related to Company's Business | | |
| | <u>Period</u> | <u>Position</u> | <u>Company</u> |
| | 1996 - Present | <ul style="list-style-type: none"> Director | <ul style="list-style-type: none"> SPA-Today-Far East (Thailand) Co., Ltd. |
| | 1996 - Present | <ul style="list-style-type: none"> Director | <ul style="list-style-type: none"> Myanmar SPA-Today-Far East Co., Ltd. |
| | 1999 - Present | <ul style="list-style-type: none"> Chairman | <ul style="list-style-type: none"> Media Intelligence Co., Ltd. |
| | 2003 - Present | <ul style="list-style-type: none"> Chairman | <ul style="list-style-type: none"> Springboard Plus Co., Ltd. |
| | 2015 - Present | <ul style="list-style-type: none"> Director | <ul style="list-style-type: none"> MIM (Thailand) Co., Ltd. |
| | 2012 - Present | <ul style="list-style-type: none"> Director | <ul style="list-style-type: none"> Media Insight Co., Ltd. |
| | Positions in the company or any other organization in the previous year that have a significant impact on the time devoted | | - None - |

| | | | |
|--|---|--|----------|
| Name | Mr. Wichar Ldallitsakool | | 3 |
| Position | <ul style="list-style-type: none"> President Chairman of the Executive Committee Risk Management and Anti-Corruption Committee Nomination and Remuneration Committee Authorized Director | | |
| Age | 65 | | |
| Education | <ul style="list-style-type: none"> Bachelor of Arts, Porchang Campus Rajamangala University of Technology Rattanakosin Mini MBA Executive Development Program the 30th, Thammasat University Thai Institute of Directors Association Director Accreditation Program (DAP) 106/2013 from IOD | | |
| % Share Holding | 0.29 | | |
| Family Relationship Between Directors | - | | |
| Experience | Listed Companies | | |
| | - None - | | |
| | Non Listed Companies | | |
| | - None - | | |
| | Business Related to Company's Business | | |
| | - None - | | |
| | Positions in the company or any other organization in the previous year that have a significant impact on the time devoted | | - None - |

| Name | Mrs. Chailada Tantivejakul | | | 4 | | | | | | | | | | | | | | | |
|--|--|-----------------------------|--|----------|--------|----------|---------|--------------|---------------------------------|--------------------------|--------------|------------|-----------------------------|--------|----------|---------|--------------|------------|------------------------|
| Position | <ul style="list-style-type: none">Vice PresidentVice Chairman of the Executive CommitteeRisk Management and Anti-Corruption CommitteeNomination and Remuneration CommitteeAuthorized DirectorChief Financial OfficerThe person taking the highest responsibility in Finance and Accounting (CFO) (Starting Date : 14 November 2017) | | | | | | | | | | | | | | | | | | |
| Age | 43 | | | | | | | | | | | | | | | | | | |
| Education | <ul style="list-style-type: none">Master's Degree in International Commerce and Policy, George Mason University, USA.Thai Institute of Directors Association<ul style="list-style-type: none">Director Accreditation Program (DAP) 55/2006 from IODRisk Management Program for Corporate Leaders (RCL) 8/2017The Course: To catch up with the new Financial Reporting Standards, that will be used in the year 2019 and 2020 (model 4/19), by Federation of Accounting Professions (The number of CPD Hour for Accountant = 6 Hours) | | | | | | | | | | | | | | | | | | |
| Training course on continuous knowledge development in accounting | | | | | | | | | | | | | | | | | | | |
| % Share Holding | 4.22 | | | | | | | | | | | | | | | | | | |
| Family Relationship Between Directors | Mr. Boonchai Chokwatana's daughter | | | | | | | | | | | | | | | | | | |
| Experience in the Company | 2011 – Present | Finance Director | | | | | | | | | | | | | | | | | |
| | 2013 – 2017 | Managing Director | | | | | | | | | | | | | | | | | |
| | 2018 – Present | Vice President | | | | | | | | | | | | | | | | | |
| Experience | <div>Listed Companies</div> <table><thead><tr><th>Period</th><th>Position</th><th>Company</th></tr></thead><tbody><tr><td>2011-Present</td><td>• Director / Executive Director</td><td>• Saha Pathanapibul Plc.</td></tr><tr><td>2019-Present</td><td>• Director</td><td>• I.C.C. International Plc.</td></tr></tbody></table> <div>Non Listed Companies</div> <div>8 Companies</div> <div>Business Related to Company's Business</div> <table><thead><tr><th>Period</th><th>Position</th><th>Company</th></tr></thead><tbody><tr><td>1990-Present</td><td>• Director</td><td>• Data First Co., Ltd.</td></tr></tbody></table> | | | | Period | Position | Company | 2011-Present | • Director / Executive Director | • Saha Pathanapibul Plc. | 2019-Present | • Director | • I.C.C. International Plc. | Period | Position | Company | 1990-Present | • Director | • Data First Co., Ltd. |
| Period | Position | Company | | | | | | | | | | | | | | | | | |
| 2011-Present | • Director / Executive Director | • Saha Pathanapibul Plc. | | | | | | | | | | | | | | | | | |
| 2019-Present | • Director | • I.C.C. International Plc. | | | | | | | | | | | | | | | | | |
| Period | Position | Company | | | | | | | | | | | | | | | | | |
| 1990-Present | • Director | • Data First Co., Ltd. | | | | | | | | | | | | | | | | | |
| The opinion of the audit committee: | The said experience is a work experience which is directly beneficial to the business operation and the said working period is in accordance with the announcement. | | | | | | | | | | | | | | | | | | |
| Positions in the company or any other organization in the previous year that have a significant impact on the time devoted | | | | - None - | | | | | | | | | | | | | | | |

| | | | |
|---|---|-----------------|--------------------------------------|
| Name | Mrs. Malee Leelasiriwong | | 5 |
| Position | <ul style="list-style-type: none"> • Director • Executive Director • Risk Management and Anti-Corruption Committee • Authorized Director • Human Resource and Legal Director | | |
| Age | 65 | | |
| Education | <ul style="list-style-type: none"> • Bachelor of Law, Chulalongkorn University • Thai Institute of Directors Association - Director Accreditation Program (DAP) 2/2003 from IOD | | |
| % Share Holding | 0.21 | | |
| Family Relationship Between Directors | - | | |
| Experience | Listed Companies | | |
| | - None - | | |
| | Non Listed Companies | | |
| | 1 Company | | |
| | Business Related to Company's Business | | |
| | <u>Period</u> | <u>Position</u> | <u>Company</u> |
| | 1990 - Present | • Director | • Data First Co., Ltd. |
| | 2003 - Present | • Director | • Springboard Plus Co., Ltd. |
| | 2003 - Present | • Director | • Integrated Communication Co., Ltd. |
| Positions in the company or any other organization in the previous year that have a significant impact on the time devoted | | | - None - |

| | | | |
|---|--|---|-------------------------------------|
| Name | Miss Waraporn Kulsawatpakdee | | 6 |
| Position | <ul style="list-style-type: none"> • Director • Vice Chairman of the Executive Committee • Risk Management and Anti-Corruption Committee • Authorized Director | | |
| Age | 61 | | |
| Education | <ul style="list-style-type: none"> • Master of Public and Private Management (M.P.P.M) The National Institute of Development Administration (NIDA) • Bachelor of Arts (Honour), Faculty of Communication Arts, Chulalongkorn University • The National Defence Course for the State, Private and Political Sectors Class 6, The National Defence College (2012) • Capital Market Academy Programs (CMA 22) The Stock Exchange of Thailand • Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives (PPR14), King Prajadhipok's Institute • Top Executive Program in Commerce and Trade (TEPCoT 5), The University of the Thai Chamber of Commerce • Thailand Insurance Leadership Program, Office of Insurance Commission (OIC) • Thai Institute of Directors Association - Director Certification Program (DCP) 154/2011 from IOD | | |
| % Share Holding | 0.21 | | |
| Family Relationship Between Directors | - | | |
| Experience | Listed Companies | | |
| | <u>Period</u> | <u>Position</u> | <u>Company</u> |
| | 2016 - Present | • Independent Director/ Risk Management Committee | • Thai Wacoal Plc. |
| | Non Listed Companies | | |
| | 1 Company | | |
| | Business Related to Company's Business | | |
| | <u>Period</u> | <u>Position</u> | <u>Company</u> |
| | 1994 - Present | • Chief Executive Officer and Managing Director | • Integrated Communication Co.,Ltd. |
| Positions in the company or any other organization in the previous year that have a significant impact on the time devoted | | | - None - |

| | | | |
|---|---|-----------------|------------------------|
| Name | Mrs.Kadekaew Ittikul | | 7 |
| Position | <ul style="list-style-type: none"> Managing Director Executive Director Risk Management and Anti-Corruption Committee Authorized Director | | |
| Age | 57 | | |
| Education | <ul style="list-style-type: none"> Master of Marketing and Media Communications, Webster University, USA Bachelor of Education, Silpakorn University Thai Institute of Directors Association - Director Accreditation Program (DAP) 153/2018 from IOD | | |
| % Share Holding | 0.25 | | |
| Family Relationship Between Directors | - | | |
| Experience | Listed Companies | | |
| | - None - | | |
| | Non Listed Companies | | |
| | - None - | | |
| | Business Related to Company's Business | | |
| | <u>Period</u> | <u>Position</u> | <u>Company</u> |
| | 2018-Present | • Director | • Data First Co., Ltd. |
| Positions in the company or any other organization in the previous year that have a significant impact on the time devoted | | | - None - |

| | | | |
|---|---|-----------------|------------------------------|
| Name | Mr. Anupol Puwapoonpol | | 8 |
| Position | <ul style="list-style-type: none"> Managing Director Executive Director Risk Management and Anti-Corruption Committee Authorized Director | | |
| Age | 59 | | |
| Education | <ul style="list-style-type: none"> Bachelor of Arts, Faculty of Communication Arts, Major in Advertising and Public Relations, Chulalongkorn University Thai Institute of Directors Association - Director Accreditation Program (DAP) 159/2019 from IOD | | |
| % Share Holding | 0.04 | | |
| Family Relationship Between Directors | - None - | | |
| Experience | Listed Companies | | |
| | - None - | | |
| | Non Listed Companies | | |
| | - None - | | |
| | Business Related to Company's Business | | |
| | <u>Period</u> | <u>Position</u> | <u>Company</u> |
| | 2015 - Present | • Director | • Springboard Plus Co., Ltd. |
| Positions in the company or any other organization in the previous year that have a significant impact on the time devoted | | | - None - |

| | | | |
|---|--|-----------------|-----------------------------|
| Name | Mr. Chailadol Chokwatana | | 9 |
| Position | <ul style="list-style-type: none"> • Director • Authorized Director | | |
| Age | 42 | | |
| Education | <ul style="list-style-type: none"> • Bachelor of Graphic Design, Marymount University, USA • Thai Institute of Directors Association <ul style="list-style-type: none"> - Director Accreditation Program (DAP) 106/2013 from IOD | | |
| % Share Holding | 3.10 | | |
| Family Relationship Between Directors | Mr. Boonchai Chokwatana's son | | |
| Experience | Listed Companies | | |
| | - None - | | |
| | Non Listed Companies | | |
| | - None - | | |
| | Business Related to Company's Business | | |
| | <u>Period</u> | <u>Position</u> | <u>Company</u> |
| | 2010-Present | • President | • Munk Production Co., Ltd. |
| Positions in the company or any other organization in the previous year that have a significant impact on the time devoted | | | - None - |

| | | | |
|---|---|---|-----------------------------------|
| Name | Mr. Khachornsakdi Vanaratseath | | 10 |
| Position | <ul style="list-style-type: none"> • Independent Director • Audit Committee Chairman | | |
| Age | 72 | | |
| Education | <ul style="list-style-type: none"> • Master's Degree in Accountancy, Western Illinois University, U.S.A. • Graduate Diploma in Auditing, Chulalongkorn University • B.Se. Accountancy, Chulalongkorn University • Thai Institute of Directors Association <ul style="list-style-type: none"> - Director Accreditation Program (DAP) 3/2003 from IOD | | |
| % Share Holding | - | | |
| Family Relationship Between Directors | - | | |
| Experience | Listed Companies | | |
| | <u>Period</u> | <u>Position</u> | <u>Company</u> |
| | 1996 - Present | • Independent Director/Audit Committee | • Saha Pathanapibul Plc. |
| | 1993 – 2017 | • Independent Director/Audit Committee Chairman | • S&J Internation Enterprise Plc. |
| | 2017 - Present | • Independent Director/Audit Committee Chairman | • People's Garment Plc. |
| | Non Listed Companies | | |
| | 1 Company | | |
| | Business Related to Company's Business | | |
| | - None - | | |
| Positions in the company or any other organization in the previous year that have a significant impact on the time devoted | | | - None - |

| | | | | |
|---|--|---|-------------------------------------|-----------|
| Name | Mr. Amorn Asvanunt | | | 11 |
| Position | <ul style="list-style-type: none"> Independent Director Audit Committee | | | |
| Age | 71 | | | |
| Education | <ul style="list-style-type: none"> Master's Degree of MBA, Bowling Green State University, Ohio, U.S.A. B.Se. Accountancy, Chulalongkorn University Thai Institute of Directors Association <ul style="list-style-type: none"> Director Accreditation Program (DAP) 4/2003 from IOD | | | |
| % Share Holding | - | | | |
| Family Relationship Between Directors | - | | | |
| Experience | Listed Companies | | | |
| | <u>Period</u> | <u>Position</u> | <u>Company</u> | |
| | 1999 - Present | • Independent Director/ Audit Committee | • I.C.C. International Plc. | |
| | 2006 - Present | • Chairman of Risk Management Committee | | |
| | 2002 - 2017 | • Independent Director/ Audit Committee Chairman | • People's Garment Plc. | |
| | 2003 - Present | • Independent Director/ Audit Committee | • Saha Cogen (Chonburi) Plc. | |
| | 2005 - Present | • Independent Director | • Krungthep Sophon Plc. | |
| | 2008 - Present | • Risk Management Committee | | |
| | 2015 - Present | • Chairman of the Nomination and Remuneration Committee | | |
| | 2015 - 2017 | • Independent Director | • MFC Asset Management Plc. | |
| | 2017 - Present | • Independent Director/ Audit Committee Chairman | • S&J International Enterprise Plc. | |
| Non Listed Companies | | | | |
| 1 Company | | | | |
| Business Related to Company's Business | | | | |
| - None - | | | | |
| Positions in the company or any other organization in the previous year that have a significant impact on the time devoted | | | | - None - |

| | | | | |
|---|---|------------------------|---|-----------|
| Name | Mr. Vichit Tantianunanont | | | 12 |
| Position | <ul style="list-style-type: none"> Independent Director Audit Committee Chairman of Risk Management and Anti-Corruption Committee | | | |
| Age | 73 | | | |
| Education | <ul style="list-style-type: none"> Assumption Commercial College, Bangkok Joint Venture Management Course, Insead University Thai Institute of Directors Association <ul style="list-style-type: none"> Director Accreditation Program (DAP) 3/2003 from IOD | | | |
| % Share Holding | - | | | |
| Family Relationship Between Directors | - | | | |
| Experience | Listed Companies | | | |
| | <u>Period</u> | <u>Position</u> | <u>Company</u> | |
| | 1997 - Present | • Director | • Sompo Japan Nipponkoa Insurance (Thailand) Plc. | |
| | 2015 - Present | • Audit Committee | | |
| | 2018 - Present | • Independent Director | • Saha Pathanapibul Plc. | |
| | Non Listed Companies | | | |
| | 1 Company | | | |
| | Business Related to Company's Business | | | |
| | - None - | | | |
| Positions in the company or any other organization in the previous year that have a significant impact on the time devoted | | | | - None - |

| | | | |
|---|--|--|---|
| Name | Mrs. Chattong Tippayakalin | | 13 |
| Position | <ul style="list-style-type: none"> Independent Director Audit Committee | | |
| Age | 67 | | |
| Education | <ul style="list-style-type: none"> Bachelor of Economics (Finance), University of the Thai Chamber of Commerce Master of Business Administration (Management), Kasetsart University National Defence College Thai Institute of Directors Association <ul style="list-style-type: none"> Director Accreditation Program (DAP) 99/2012 from IOD Advanced Audit Committee Program Class 23/2016 Boardroom Success through Financial&Investment (BFI) 4/2018 | | |
| % Share Holding | - | | |
| Family Relationship Between Directors | - | | |
| Experience | Listed Companies | | |
| | <u>Period</u> | <u>Position</u> | <u>Company</u> |
| | 2015 - Present | <ul style="list-style-type: none"> Director Audit Committee Risk Management Committee | <ul style="list-style-type: none"> SCI Electric Plc. |
| | Non Listed Companies | | |
| | - None - | | |
| | Business Related to Company's Business | | |
| | - None - | | |
| Positions in the company or any other organization in the previous year that have a significant impact on the time devoted | | | - None - |

| | | | |
|---|--|--|-----------|
| Name | Associate Professor Dr.Preeyachit Charoenwongse | | 14 |
| Position | <ul style="list-style-type: none"> Independent Director | | |
| Age | 72 | | |
| Education | <ul style="list-style-type: none"> Doctor of Medicine, Mahidol University Diploma of Family Medicine, the Medical Council of Thailand Thai Institute of Directors Association <ul style="list-style-type: none"> Director Accreditation Program (DAP) 153/2018 from IOD | | |
| % Share Holding | - | | |
| Family Relationship Between Directors | - | | |
| Experience | Listed Companies | | |
| | - None - | | |
| | Non Listed Companies | | |
| | - None - | | |
| | Business Related to Company's Business | | |
| Positions in the company or any other organization in the previous year that have a significant impact on the time devoted | | | - None - |

| | | | |
|--|--|--|----------|
| Name | Mrs. Phunpit Chaneiang | | 15 |
| Position | <div><div></div><div>Executive Director</div><div></div><div></div><div>Executive Client Service Director</div><div></div></div> | | |
| Age | 57 | | |
| Education | Bachelor of Journalism and Mass Communication, Thammasat University | | |
| % Share Holding | 0.18 | | |
| Family Relationship Between Directors | - | | |
| Experience | Listed Companies | | |
| | - None - | | |
| | Non Listed Companies | | |
| | - None - | | |
| | Business Related to Company's Business | | |
| | - None - | | |
| Positions in the company or any other organization in the previous year that have a significant impact on the time devoted | | | - None - |

| | | | |
|--|--|--|----------|
| Name | Mr. Rachapong Ngampisai | | 16 |
| Position | <ul style="list-style-type: none">Executive Director and SecretaryExecutive Client Service Director | | |
| Age | 56 | | |
| Education | Master Degree Communication Arts, Chulalongkorn University | | |
| % Share Holding | 0.23 | | |
| Family Relationship Between Directors | - | | |
| Experience | Listed Companies | | |
| | - None - | | |
| | Non Listed Companies | | |
| | - None - | | |
| | Business Related to Company's Business | | |
| - None - | | | |
| Positions in the company or any other organization in the previous year that have a significant impact on the time devoted | | | - None - |

| | | | |
|--|--|--|----------|
| Name | Dr. Chalinee Hirano | | 17 |
| Position | <ul style="list-style-type: none">Executive DirectorExecutive Strategic Planning DirectorExecutive Business Director | | |
| Age | 49 | | |
| Education | Doctor of Philosophy in Asian Studies (Political Communication), The Australian National University | | |
| % Share Holding | 0.15 | | |
| Family Relationship Between Directors | - | | |
| Experience | Listed Companies | | |
| | - None - | | |
| | Non Listed Companies | | |
| | - None - | | |
| | Business Related to Company's Business | | |
| | - None - | | |
| Positions in the company or any other organization in the previous year that have a significant impact on the time devoted | | | - None - |

| | | | |
|---|---|--|-----------|
| Name | Mrs. Sunee Chaijiraraks | | 18 |
| Position | <ul style="list-style-type: none"> Executive Director Executive Creative Director | | |
| Age | 58 | | |
| Education | Bachelor of Arts, Faculty of Communication Arts, Chulalongkorn University | | |
| % Share Holding | 0.07 | | |
| Family Relationship Between Directors | - | | |
| Experience | Listed Companies | | |
| | - None - | | |
| | Non Listed Companies | | |
| | - None - | | |
| | Business Related to Company's Business | | |
| | - None - | | |
| Positions in the company or any other organization in the previous year that have a significant impact on the time devoted | | | - None - |

| | | | |
|--|--|--------------------|----------|
| Name | Mrs. Pornwilai Pinvanichkul | | 19 |
| Position | <ul style="list-style-type: none">Accounting ManagerThe person supervising accounting (Starting Date : 2 September 1998) | | |
| Age | 59 | | |
| Education | <ul style="list-style-type: none">Master of Business Administration, Ramkhumhaeng University | | |
| Training course on continuous knowledge development in accounting | <ol style="list-style-type: none">"5 Steps New TFRS 15, the effect of accounting and Tax" by the Revenue Department (The number of CPD Hour for Accountant = 3.30 Hours)"Accounting for financial instruments" by Dharmniti Seminar and Training (The number of CPD Hour for Accountant = 6.30 Hours) | | |
| % Share Holding | 0.06 | | |
| Family Relationship Between Directors | - | | |
| Experience in the Company | 1979 – 1998 | Accounting Officer | |
| Experience | 1998 – Present | Accounting Manager | |
| | Listed Companies | | |
| | - None - | | |
| | Non Listed Companies | | |
| | - None - | | |
| | Business Related to Company's Business | | |
| | - None - | | |
| The opinion of the Audit Committee | The said qualifications and conditions of being an accountant, in accordance with the criteria prescribed in the Notification of the Department of Business Development, which was registered as an accountant on 12 September 2001. | | |
| Positions in the company or any other organization in the previous year that have a significant impact on the time devoted | | | - None - |

| | | | |
|---|---|--|-----------|
| Name | Miss Rachadawan Ritthirong | | 20 |
| Position | <ul style="list-style-type: none"> The Company's Secretary | | |
| Age | 59 | | |
| Education | <ul style="list-style-type: none"> Master's Degree of Business Administration, Thammasat University Bachelor of Arts (Honour), Faculty of Communication Arts, Chulalongkorn University Company Secretary Program (CSP) 74/2016 | | |
| % Share Holding | 0.07 | | |
| Family Relationship Between Directors | - | | |
| Experience | Listed Companies | | |
| | - None - | | |
| | Non Listed Companies | | |
| | - None - | | |
| | Business Related to Company's Business | | |
| | - None - | | |
| Positions in the company or any other organization in the previous year that have a significant impact on the time devoted | | | - None - |

Remuneration for the Board of Directors and Executives

The Nomination and Remuneration Committee evaluates the performance of the total Board of Directors each year, the Company operation as well as their duties, responsibilities, the remuneration budget approved by the General Meeting of Shareholders, the amount paid in the prior year. The committees also compare them with the same level at companies in the same group of business to propose to the Board of Directors meeting for consideration and propose to the General Meeting of Shareholders for approval.

Remuneration for the Company Directors

The 25th Annual General Meeting of Shareholders, held on 25 April 2019, has approved the total annual remuneration amount for the Board of Directors not to exceed 7 Million Baht. This is not inclusive of remuneration or welfare to which the directors are entitled as a staff or as an employee of the Company. The details of remuneration payment are as follows:

1. Directors
 - Meeting allowance (paid to attending directors only)

| | |
|----------|-----------------------|
| Chairman | 8,000 Baht/attendance |
| Director | 8,000 Baht/attendance |
 - Annual remuneration is paid to all directors. The Nomination and Remuneration Committee consider and propose to the Board of Directors for approval.
2. Audit Committee
 - Meeting allowance (paid to attending directors only)

| | |
|-----------------|------------------------|
| Chairman | 15,000 Baht/attendance |
| Audit Committee | 15,000 Baht/attendance |
3. Risk Management and Anti-Corruption Committee
 - Meeting allowance (paid to attending directors only)

| | |
|----------|-----------------------|
| Chairman | 4,000 Baht/attendance |
| Director | 4,000 Baht/attendance |
4. Nomination and Remuneration Committee
 - Meeting allowance (paid to attending directors only)

| | |
|----------|-----------------------|
| Chairman | 4,000 Baht/attendance |
| Director | 4,000 Baht/attendance |

Other benefits -None-.

However, the rates are to be used from time of approval by the General Meeting of Shareholders until further changes. The remuneration must not exceed the budget approved by the General Meeting of Shareholders.

The grand total of 6,220,000 Baht was therefore paid in 2019.

Monetary Remuneration

Remuneration for the Directors in 2019 :

| | | |
|---|-------------|----------------------------|
| Directors compensation | Baht | 4,900,000.00 |
| Directors meeting allowance | Baht | 968,000.00 |
| Audit Committee meeting allowance | Baht | 240,000.00 |
| Risk Management and Anti-Corruption Committee meeting allowance | Baht | 100,000.00 |
| Nomination and Remuneration Committee meeting allowance | Baht | <u>12,000.00</u> |
| Total | Baht | <u>6,220,000.00</u> |

| Names | | Directors compensation (Baht) | Directors meeting allowance (Baht) | Audit Committee meeting allowance (Baht) | Risk Management and Anti-Corruption Committee meeting allowance (Baht) | Nomination and Remuneration Committee meeting allowance (Baht) |
|--------------|--------------------------------|-------------------------------|------------------------------------|--|--|--|
| 1. | Mr. Boonchai Chokwatana | 450,000.00 | 72,000.00 | | | 4,000.00 |
| 2. | Mr. Wasin Teyateeti | 300,000.00 | 48,000.00 | | | |
| 3. | Mr. Wichar Ldallitsakool | 450,000.00 | 72,000.00 | | 16,000.00 | 4,000.00 |
| 4. | Mrs. Chailada Tantivejakul | 380,000.00 | 72,000.00 | | 16,000.00 | 4,000.00 |
| 5. | Mrs. Malee Leelasiriwong | 380,000.00 | 72,000.00 | | 12,000.00 | |
| 6. | Miss Waraporn Kulsawatpakdee | 380,000.00 | 72,000.00 | | 16,000.00 | |
| 7. | Mrs. Kadekaew Ittikul | 380,000.00 | 72,000.00 | | 12,000.00 | |
| 8. | Mr. Anupol Puwapoonpol | 380,000.00 | 72,000.00 | | 12,000.00 | |
| 9. | Mr. Chailadol Chokwatana | 300,000.00 | 64,000.00 | | | |
| 10. | Mr. Khachornsakdi Vanaratseath | 300,000.00 | 72,000.00 | 60,000.00 | | |
| 11. | Mr. Amorn Asvanunt | 300,000.00 | 64,000.00 | 60,000.00 | | |
| 12. | Mr. Vichit Tantanunant | 300,000.00 | 72,000.00 | 60,000.00 | 16,000.00 | |
| 13. | Mrs. Chattong Tippayakalin | 300,000.00 | 72,000.00 | 60,000.00 | | |
| 14. | Dr. Preeyachit Charoenwongse | 300,000.00 | 72,000.00 | | | |
| Total | | 4,900,000.00 | 968,000.00 | 240,000.00 | 100,000.00 | 12,000.00 |

Other Remuneration of the Board of Director

- None-

Remuneration of Executives Board and Executives

For other management, the Executives will consider according to Company criteria policy and based on the Company performance and their individual performance. In 2019, the remuneration for the Executive Board and first four executives under the President, and all the Executives equivalent to the fourth level, a total of 12 persons, comprising of salaries, meeting attendance fees, bonus and retirement benefit. The total remuneration of 47,400,949 Baht.

Other Remuneration of Executives Board and Executives

The Company has established and registered its provident fund, as part of The Provident Fund of Saha Patthanapibul Public Company Limited. As of 31 December 2019, there were 11 Executives Board and Executives who are members of this fund were paid 2-5% of their wages. In 2019, the Company has paid 1,750,709 Baht as the contribution to the fund for all executives.

Employees

As of December 31, 2019, the number of employees are 173 persons with staff in key departments are as follows:

| | | |
|--|----|---------|
| - Creative Department | 38 | persons |
| - Account Management Department | 27 | persons |
| - Production Department | 8 | persons |
| - Strategic Planning & Research Department | 12 | persons |
| - Digital Department | 29 | persons |
| - Media Department | 3 | persons |

Remuneration of Employees

For the year 2019 the Company has paid to employees (excluding employees who serve as directors and executives) as 137,953,748 Baht compensation as salary, bonus and allowances.

Other Remuneration of Employees

The Company has established and registered its provident fund, as part of the Provident Fund of Saha Patthanapibul Public Company Limited. As of December 31, 2019, there were 151 employees who are members of this fund were paid 2-5% of their wages. In 2019, the Company has paid 3,949,662 Baht as the contribution to the fund for employees.

The Employee Stock Option Program for Directors, Executives and Employees of the Company (FE-ESOP)

The Company has issued and offered the newly issued ordinary shares to directors, executives and employees of the Company under the Employee Stock Option Program (FE-ESOP), in the amount of 370,000 shares which is equivalent to 4.93 percent of the total number of shares with voting rights of the Company. The offering price per share is 99.00 Baht. Based on the Notification of Office of the Capital Market Supervisory Board, this issuance and offering of newly issued ordinary shares is considered under a normal case. The offering of shares is less than 5 percent of the total number of shares with voting rights of the Company. FE-ESOP shall be considered as the case of offering the newly issued shares at discount, in which the offering price lower than the market price more than 10 percent. It is not a clustered allocation, in which the number of shares offered to each directors, executives and employees not more than 5 percent of the total number of shares offered in this program. The details are as follows:

| | |
|--|---|
| Offering period | - August 1, 2018 to July 31, 2019. |
| Type | - Registered transferable ordinary shares. |
| Total number of ordinary shares to be offered | - 370,000 ordinary shares of Baht 10 par value. |
| Offering price per share | - Baht 99 per share. |
| Fair value price of ordinary share at the grant date | - The market price of share at the grant date, the price from references from The Stock Exchange of Thailand (SET). |
| Silent period | - 2 years or more from the date of ownership of the newly issued ordinary shares. |

In 2018, stock options exercised 249,950 shares being issued, in the total share amount of 370,000 shares, the exercise price of the stock option at a price of Baht 99 per share, the market prices at the grant date Baht 189 per share.

In 2019, the remaining stock options of 120,050 shares were exercise, the exercise price of the stock option at a price of Baht 99 per share, the market prices at the grant date Baht 200 per share.

Labor Disputes in 2019 :

-None-

CORPORATE GOVERNANCE

The Board of Directors implements a good corporate governance system which ensures transparency, honesty, accountability, competitiveness, fairness to all relevant parties, with consideration to all stakeholders as well as added value for shareholders. To this end, we observe the good corporate governance principle as promoted by both the Stock Exchange of Thailand and by the sufficiency economy philosophy, which teaches us to feel happy with what we have, to be reasonable, and to be careful. Our operation plans are developed and executed with expertise and great caution. The most importantly, all executives and employees are encouraged to be honest, dedicated, patient, careful and willing to share. These measures have positioned us very well to accommodate any economic, political, cultural and social change, and to achieve balanced and sustainable results.

The Board of Directors requested the Good Corporate Governance Principles, the Business Code of Conduct, and the Code of Conduct for Directors, Executives and Employees, as well as the Anti-Corruption Policy and related regulations, to be made in writing. To comply with the issuance of the Corporate Governance Code (CG Code) for listed companies 2017 by the Securities and Exchange Commission, In 2018 the Board of Directors assessed the Company's operations against the CG Code to ascertain whether the Company had already adopted all the provisions of the CG Code or had suitable plans in place. In 2019, the Good Corporate Governance Principles of the Company had been made and approved by the Board of Directors. The document comprises the following:

- The Corporate Governance Policy
- The Eight Principles of Good Corporate Governance
 1. The Board of Directors shall understand the role and responsibilities it has as a governing body of The Company to bring about benefits to The Company in the long run.
 2. The Board of Directors shall establish company objectives and targets in a way that ensures sustainability.
 3. The efficiency of the Board of Directors shall be bolstered.
 4. The Board of Directors shall be responsible for the appointment and development of senior management positions, as well as for The Company's people management.
 5. The Board of Directors shall encourage the incorporation of innovations and promote responsible business practices.
 6. The Board of Directors shall afford The Company appropriate risk management and internal control.
 7. The Board of Directors shall maintain The Company's financial credibility and its information disclosure's reliability.
 8. The Board of Directors shall encourage good communication with shareholders and their participation in company affairs.
- The Business Ethics
- The Code of Conduct for Directors, Executives and Employees

The Good Corporate Governance Principles document is available on the Company's website (www.fareastfamineddb.com) under Corporate Governance Topic, serving as a guideline in the Company's operations

Corporate Governance Policy

The Board of Directors believes that good, transparent, and auditable management system, balance of power, sufficiently and appropriately internal control system, respect and shareholder and stakeholder equality are the major factors that contribute to the corporate immune system as well as sustainable and balance growth.

Therefore, the Board of Directors set the following corporate governance policies that are the practical guidelines for all directors, managers, and employees. The Company has distributed guideline to Directors, Executives and employees and posted on the Company's website www.fareastfamineddb.com to acknowledge and perform the business operations in the same way. Details are as follows:

1. All directors, managers, and employees dedicate to comply with the corporate governance policies, corporate morals, and managerial ethics.
2. All directors, managers, and employees must responsibly, carefully, and honestly perform their duties according to laws, the company's regulations, and relevant announcements.
3. The Company's management structure must clearly specify the authorities, duties, and responsibilities of directors and managers
4. The internal control and risk management systems must be suitable for the Company. The accounting and financial systems must be reliable.
5. Important information must be sufficiently, reliably, and promptly disclosed as long as the information does not affect the legal benefits for the Company.
6. The ownership rights of the shareholders must be aware of and respectable. The shareholder equity must be sustained.
7. Corporate activities must be conduct with responsibilities for the shareholders, stakeholders, communities, and environment.
8. Corporate excellence must be a goal that can be achieved with customer satisfaction by listening to the customers and revising ourselves in order to maximize the management and creativity potentials.
9. Morals, ethics, conscious, and fairness are fostered. The employee capabilities are regularly improved.
10. Fraud, corruption, and intelligent property infringement must be prevented. Laws and human rights must be followed.
11. Conflicts of interests must be carefully and reasonably handled by considering the Company's interests.

Compliance with Good Corporate Governance Principles

In 2019, the Board of Directors required the 8 Principles of Good Corporate Governance be adapted to the Company's business conduct, covering the following 5 aspects :

1. Rights of the Shareholders

1.1 The Board of Directors is aware of and respects the ownership rights of the shareholders. The rights of the shareholders must not be violated or deprived. The Board of Directors fairly protects the interests of the shareholders as well as support and encourage all groups of the shareholders including local and foreign ones, major and minor ones, and institutional ones to use their rights including the fundamental rights, the right to sufficiently and promptly access information, and the right to attend shareholder meetings in order to set directions and make decisions regarding significant effects on the Company.

1.2 The Board of Directors provides opportunities for the shareholders to posting meeting agendas and their questions before meetings on the Company's website.

1.3 The Board of Directors states the details including description and rationale, date, time, location, and agenda of each meeting in each notice calling for the meeting for the shareholders' convenience.

1.4 The Board of Directors entitles the shareholders to annually approve the pays or the directors by setting payment criteria.

1.5 The Board of Directors encourages the uses of technologies in the shareholder meetings in order to correctly and quickly obtains a resolution for each issue. The Board of Directors encourages entitle the shareholders to elect a director by voting and appointing an independent person to count the votes.

1.6 The Board of Directors posts the resolution and voting results of each shareholder meeting on the day after the meeting on the Company's website.

1.7 The Board of Directors posts the information about each shareholder meeting on the Company's website. The information includes the voting procedure; the names of the directors, subcommittees, managers who attended and did not attend the meeting; voting results; and questions and answers without agendas that were not include in the notice calling for the meeting.

In addition to the basic rights, the Board of Directors takes into account the statutory rights of shareholders and engages; ensures that their rights are not violated or subjugated; and, facilitates the exercise of their rights as follows:

1) Right to be informed : All shareholders have an equal right to be informed. Therefore, information is made available to shareholders in English and in Thai via the Stock Exchange of Thailand and our website at www.fareastfamineddb.com This is to ensure that the shareholders are well informed of matters such as operational results, related transactions, significant sales and purchases of assets, names of ten major shareholders as of registration book closing date for the purpose of an annual general meeting, shareholders meeting minuted within 14 days after the meeting, and other information necessary for their decision making.

2) Right to attend shareholders meetings : The Company arranges for the annual general meeting of shareholders every year within four months from the last day of an accounting year of the Company. This meeting takes place on a date and time and at a location which allow ease of attendance by the shareholders.

In the year 2019, the Company has had the 25th, annual general meeting of shareholders on April 25th, 2019 at the Conference Room of Far East Fame Line DDB Plc., 465/1-467 Si Ayutthaya Road, Ratchathewi, Bangkok 10400. This venue is used every year to save the shareholders from confusion. A

map is enclosed with the meeting notice with agendas. Additionally, an annual general shareholders meeting notice with agendas in Thai and English was published via the information system of the Stock Exchange of Thailand and the Company's website at www.fareastfamineddb.com on March 25th, 2019 in order to inform the shareholders 31 days in advance.

- Before the meeting day**
1. The Company gives shareholders the opportunity to be involved in the meetings. Minor shareholders can submit matters for inclusion as meeting agendas and/or nominate individuals for the Company director election.

For the 2019 annual general meeting of shareholders, the Company has allowed shareholders to submit matters for inclusion as meeting agendas and/or nominate individuals for election as the Company's Director from December 1st, 2018 to December 30th, 2018. This was announced in Thai and English via the information system of the Stock Exchange of Thailand and on the Company's website at www.fareastfamineddb.com. Nevertheless, no shareholders has come forward with any submission or nomination.

2. The Company publishes the meeting notice and supporting documents on the Company's website at www.fareastfamineddb.com prior to the actual delivery of such information in printed form in Thai and English to the shareholders. This was carried out on March 25th, 2019 or more than 30 days before the meeting date in order to allow Thai and foreign shareholders to access information more quickly and conveniently, as well as to have more time to review pertinent information.
3. The Company delivers meeting notice with agendas, facts, rationales and opinions of Board of Directors on each agenda on April 9th, 2019 to allow shareholders time to review the matters. This was delivered together with supporting documents which include the annual report, financial statements, the profiles of company director candidates, definition of independent directors, profile of Audit Committee members proposed by the Company as proxies, map to the meeting venue, description of documents and identification evidence to be produced by the shareholders for admittance into the meeting, the section of Company Regulation which concerns shareholders meetings; and, the "B" proxy form, announcements was published in a newspaper seven days prior to the meeting for three consecutive days from April 17th, 2019.

Foreign shareholders were delivered on English translation together with the Thai version of meeting notice and supporting documents. Further, it was possible for shareholders to download either "A", "B" or "C" proxy form of their choice. They have all been prepared

in accordance with the relevant announcement of the Ministry of Commerce.

On the meeting day

1. The Board of Directors appreciates the significance of shareholders meetings and their responsibility to the shareholders. It is the duty of directors to attend the meetings and offer shareholders the opportunity to ask questions pertaining to the Company.

For the 25th, annual general meeting of shareholders on April 25th, 2019, 14 directors or 100% were present at the meeting. The Chairman of the Board of Directors and the chairmen of subcommittees, executive directors, accounting manager and the Finance Manager were present. The meeting was also attended by the Company's auditors who served as witnesses to the vote counting. The names of directors, executives and auditors present at the shareholders meeting were recorded in the meeting minutes which is subsequently published on the Company's website at www.fareastfamineddb.com

2. The Company practices and equal treatment of all shareholders. Upon the meeting commencement, the Company secretary announces the number and the ratio of attending shareholders. The Vice Chairman acts as the Chairman of the meeting declares commencement of the meeting, introduces company directors, members of the subcommittees, executives and auditors then asks the Company secretary to explain all rules including those concerning voting and the counting of the votes of the shareholders on each agenda in accordance with the Company Regulation. Attending shareholders are given the chance to inquire, opine and make suggestions on all agendas. Questions are answered clearly and precisely. For votes, against votes and abstentions are accounted for using the barcode system. A meeting minute is clearly, correctly and thoroughly produced.
3. At the 25th annual ordinary meeting of shareholders on April 25th, 2019, a barcode system was used for the purpose of registration and voting to facilitate all attending shareholders. The barcode vote counting on each agenda was witnessed by the auditors of Dr. Virach & Associates Office Co., Ltd. to guarantee transparency. Additionally, it was possible for all shareholders and proxies to see the voting results (for votes, against votes and abstentions) on the screen at the same time. The shareholders received the ballot paper and voting card at registration, by dividing into the case as follows:

Any agenda, except, the election directors agenda. Shareholders who are disapprove or abstain should raise the ballot paper, the officer would count the votes including distribute the voting card. Please fill specify an opinion with

the signature in the voting card and the officer would collect the voting card promptly.

The election of directors agenda. Please specify opinion to election director individually with signature. In case of shareholders who are disapprove or abstain vote in the election of director, the shareholders/ proxies have to raise the ballot paper, the company officers will count the votes. The officers collect voting card from all shareholders/ proxies at the end of this agenda.

Shareholders' votes on each agenda of the 2019 meeting can be viewed from the 25th annual ordinary meeting of shareholders as published on the Company's website.

4. The Company conducts the meeting in the order of the agendas, without any switching of the agendas or inclusion of additional agendas other than those specified in the meeting notice. Significant information is not changed without prior notice to the shareholders.
5. The Company records a video of the shareholders meeting throughout the duration of it. Shareholders can ask to see it with the Company secretary. The video is published on the Company's website as well.
6. Important agendas at shareholders meetings.
 - a) **Dividend payment.** The Company proposes details pertaining to profit allocation and dividend payment rate together with rationales and supporting information in accordance with the dividend payment policy of the Company. Comparisons are made between the paying dividend and the policy, and, between the paying dividend of the current year and the paid dividend of the previous year. The dates of dividend entitlement and book-closing date.
 - b) **Directorial election:** The Company gives shareholders the rights to vote on the election of individuals company directors; and, to nominate individuals for the Company director election. Nominated candidates for independent director position must possess the qualifications as required by the Company and the announcement of the Equity Market Committee. Shareholders are provided preliminary information on the candidates, the number of companies for which they serve as company director, position held in other listed companies or competitive/connected businesses, and, criteria and procedure for the selection, type of director.

In the case where a current company director is nominated, the information on his/her meeting attendance

in the previous year and the number of terms/years he/she has held a directorial position are included as well.

c) Directors' Remuneration: The Nomination and Remuneration Committee considered and proposed to the Board of Directors to consent before presenting to the shareholders meeting for their approval on an annual basis. This is determined by the Nomination and Remuneration Committee and based on operational outcome, performance, remuneration limit approved by the shareholders meeting, remuneration paid in the previous year, the benchmark of other companies in the same sector, and the duties and the responsibility of the Company directors. Policy and criteria for the determination of remuneration for each position of company director is presented. A summary is provided on approved remuneration limit, the actual amount paid, the form of payment and the exact amount paid to individual company directors and members of the Audit Committee, Risk Management and Anti-Corruption Committee and Nomination and Remuneration Committee. This can be viewed from the annual registration statement (56-1 form) and the annual report (56-2), under the "Directors Remuneration" section.

d) Appointment of auditors and determination of auditor's fee: The Company proposes the appointment of auditors and an audit office, independence, together with their operational outcome and the number of years they have been in service or the reason for the changing of auditors. Audit fee of the current year is compared with the previous year. The same is true for other service fees incurred from the use of services provided by the audit office with which the auditors are associated. Comparison is made with the amount of work and the audit fee of other listed companies of the same size as well. Auditors and the audit office are screened by the Audit Committee.

After the meeting day

The Company produces detailed minutes for the general meeting of shareholders in Thai and English with clear, complete and factual information for each agenda. The names of company directors, members of the subcommittee, executive directors, top management from the accounting and finance department and, auditors who are present at the meeting are listed. Procedures for voting and vote counting, as well as the number of agree votes, against votes, abstentions and voided ballot (if any) are recorded. The same is true for inquiries and the responses to them. Such a meeting minute is reviewed by the Legal Department and the Chairman of the Board of Directors before execution of signature in the capacity as the chairman of the meeting. The minute is subsequently delivered to the Stock

Exchange of Thailand and the Office of Securities and Exchange Commission, as well as published on the Company's website at www.fareastfamineddb.com in Thai and English within fourteen days from the day of the shareholders meeting. This gives shareholders the opportunity to review information without having to wait until the next meeting. A copy is submitted to the Business Development Department and the Ministry of Commerce within the statutorily specified timeframe as well.

2. Equitable Treatment for the Shareholders

2.1 The Board of Directors fairly and equally treats each shareholder. The shareholders who hold the same type of shares have the same right to vote (i.e. one share for one vote).

2.2 The Board of Directors encourages the shareholders who cannot attend each meeting to authorize a person(s) to attend and vote in the meeting by providing a proxy(s) stating that the shareholders can set the direction of the voting and by nominating at least one independent committee.

2.3 The Board of Directors provides opportunities for the minor shareholders to nominate directors in the annual general meetings of the shareholders.

2.4 The Board of Directors posts the notices calling for shareholder meetings in Thai and English on the Company's website for at least 30 days before the meetings.

2.5 The Board of Directors encourages all shareholders to use their rights as the shareholders by providing the notices calling for shareholder meetings and supporting documents in English for the foreign shareholders in advance.

2.6 The Board of Directors set internal information policies and measures in order to prevent illegal exploitation of the information. The committees, managers, and employees are prohibited to access the internal information and trade the Company's properties one month before the Company's financial disclosure.

2.7 The Board of Directors assigns the committees and managers to report about their gains and losses as well as assigns the responsible person to carefully handle conflicts of interests according to the criteria of the Securities and Exchange Commission.

The Company places great importance on treating shareholders with equality and fairness, and this for treatment can be detailed as follows:

Shareholders meetings

1. Votes are determined by the number of shares held by the shareholder. One share represents one vote.

2. For the shareholders meetings, minor shareholder can submit matters for inclusion as meeting agendas and/or nominate individuals for election as the Company's director prior to the meeting from December 1, 2018 to December 30, 2018 in accordance with the established criteria, channels and timeframe. This is announced in Thai and English via the channels of the Stock Exchange of Thailand and on the Company's website. There was not any shareholders propose agenda and nominate candidates, to be elected as directors.

3. For the 25th annual Ordinary meeting of shareholders on April 25th, 2019 the Company has delivered a notice with supporting documents on April 9th, 2019 or 16 days prior to the meeting. It included agendas, the annual report, financial statements, the "B" proxy form, steps of the proxy process, profile of company director candidates and a map to the meeting venue. This is the same set of information

published on the Company's website more than 30 days prior to the meeting in order to allow shareholders sufficient time to review the information.

Foreign shareholders were delivered on English translation together with the Thai version of the meeting notice and supporting documents.

4. The Company encourages all shareholders to be involved in the review and the voting on important matters of the Company in accordance with the meeting agendas. Shareholders who are not able to participate in the meeting on their own may assign another person or a member of the Audit Committee who is an independent director to attend the meeting on their behalf. Names, addresses and interests of all four members of the Audit Committee are declared in the meeting notice. Shareholders can view the information on the four members of the Audit Committee in the annual report, enclosed with the meeting notice, as well.

Shareholders who are not able to participate in the meeting on their own may use the "B" proxy form, enclosed with the meeting notice. This allows shareholders to be involved in the voting. Documents and identification evidence required for the proxy process are described. The proxy process is not associated with any inconveniencing criteria. Alternatively, shareholders can download the proxy form, prepared in accordance with the relevant announcement of the Business Development Department, the Ministry of Commerce, from the Company's website at www.fareastfamineddb.com. The three versions available are "A", "B" and "C" proxy forms. (The latter is used only by foreign investors who have appointed a custodian in Thailand as a depository and manager of their shares.)

The 25th Ordinary Meeting of Shareholders for the year 2019 was held on April 25th, 2019.

| | Shareholders | Shares | % |
|---|------------------|-------------------------|---------------------|
| Total number of shareholders as per the registration | 409 | 7,749,950 | 100.00 |
| <i>Attending Shareholders</i> | <i>74</i> | <i>5,998,350</i> | <i>77.40</i> |
| <i>Shareholders attending the meeting</i> | <i>52</i> | <i>1,120,955</i> | <i>14.46</i> |
| <i>In person Proxy attendance</i> | <i>22</i> | <i>4,877,395</i> | <i>62.93</i> |
| - Audit committee members | - | - | - |
| - Other individuals | 22 | 4,877,395 | 62.93 |

5. The Company provides duty stamps to the shareholder at no cost for the affixation on the proxy form.

6. The Company fully facilitates shareholders in their exercise of right to participate in shareholders meetings and to vote. Shareholders can register for the meeting at least two hours in advance. Shareholders joining the meeting after it has begun are given the right to vote on agendas which have yet to be reviewed. They are accounted as a part of the quorum from the agenda on which they have voted.

Sufficient personnel and technology are provided to facilitate meeting registration and voting on each agenda. A barcode system is used for convenience, timeliness and transparency.

Insider Information usage Control

Measures relating to the use of insider information are covered in the Company's code of business ethics. Insider information usage control is a responsibility of directors, executives and staff towards the Company and Shareholders. They must be individuals of integrity, accountability and moral consciousness. Under no circumstance should they exploit their authority for the benefit of themselves and/or others. All relevant employees must protect the interests and the assets of the Company. They must not use information or assets of the Company for the benefit of themselves and or others. All relevant employees must protect the interests and the assets of the Company. They must not use information or assets of the Company for the benefit of themselves and/or others nor should they engage in any action which assists

any individual in business that completes with the Company. Copies of these measures have been distributed to all directors, executives and staff for their observance. They are also available on the Company's website www.fareastfamineddb.com As a guideline for them to conduct themselves as they function in their capacity.

The most serious disciplinary punishment established in the Company regulation is the termination of employment. All directors, executives and staff are aware of this and act accordingly.

Supervision of the Company's security trading transaction and report of stake holding

We have in place a measure for the monitoring of our security trading transactions. Our code of ethics has prescribed a prohibition for directors, executives and staff in possession of insider information from selling or purchasing company share within one month before disclosing the financial statements to the public. Every quarter, the Company secretary sends a letter reminding this to directors, executives and relevant individuals. Additionally, directors and executives, as well as, their spouses and under-aged children are required to report their shareholding. Any transaction must be reported to the Securities and Exchange Commission, with a copy sent to the Company secretary for subsequent notification of the Board of Directors at the next meeting. One mandatory agenda to be present at all Board of Directors meetings involves the holding of company shares by directors and executives. A shareholding report form is enclosed with the invitation to the meeting. Directors and executives are well aware that it is their duty to comply.

In the year 2019 directors and executives have complied strictly with the policy. There has been no incidence of trading during the prohibited period.

Further, we have a measure for the monitoring the vested of interest of directors and executives who are required to report to the Chairman of the Board of Directors and the Chairman of the Board of Directors and the Chairman of the Audit Committee, the vested of interest of themselves and individuals related to them using the provided form any change must be reported as well within one month.

All directors and executives have complied strictly with the criteria in 2019.

Conflict of Interests

Conflicts of interests are handled cautiously and rationally, with the greatest benefit to the Company as the key concern. Determination of prices is in compliance with normal fair trade conditions, just like doing business with an outsider. Measures have been implemented to ensure transparency and compliance with the criteria of the Stock Exchange of Thailand. This is a part of good corporate governance and an ethical responsibility towards the Company and the shareholders. To ensure that all parties are equally well informed, disclosures are made of connected transactions in accordance with the Stock Exchange of Thailand Commission announcement on disclosure of information and action of listed companies pertaining to related transactions. Directors with potential interests in the matter being reviewed are required to leave the room and refrain from voting. This is to allow directors without interests to freely voice their opinions and cast their vote. The Company's Secretary would announce the name of directors who are required to leave the room for the agenda at hand. The names and relationship with connected person, the determination of prices under the transaction and the directors with differing opinion from that of the Board of Directors (if any) are reported to the Stock Exchange of Thailand within the specified timeframe. The information is posted on our website as well for the purpose of transparency and also recorded in the minutes for subsequent reviews.

3. Roles of the Stakeholders

3.1 The Board of Directors is aware of and respects the rights of the shareholders by considering their legal rights and agreements they made with the Company in order to ensure that the mentioned rights are protected and treated fairly and equally. Thus, the Board of Directors set the policies

that are the practical guidelines for treating the shareholders, communities, and environment in order to sustainably develop the Company, prevent corruption and intellectual property infringement, and respect human rights.

3.2 The Board of Directors encourages the shareholders to prepare reports that stating their social responsibilities as parts of the annual reports.

3.3 The Board of Directors provides channels and sets procedures for all shareholders to report and submit their complaints about issues that may damage the Company including the accuracy of financial reports or unfair practices. It can communicate through the Company's Secretary to the direct line no. 0-2354-3333 or by email address rachadawan@fareastfamineddb.com The Company's Secretary is responsible for the information and documents, submitting the specific issue to the relevant person and report to the Board of Directors. In this respect the where about or the complaint will be protected and preserved the right to protect the confidentiality of the best.

3.4 The Board of Directors set policies or practical guidelines for protecting the employees or persons who report about issues that may damage the Board of Directors including unfair practices.

4. Disclosure and Transparency

4.1 The Board of Directors controls information disclosure in order to accurately, transparently, promptly, and legally discloses information including reports in accounting periods, situation reports that affect the rights and interests of the shareholders, and other information according to the principles of good corporate governance of the Stock Exchange of Thailand as long as the disclosure does not affect the legal interests of the Company. The information are disclosed through the company's website, the Stock Exchange of Thailand's communication channels in Thai and English, and other channels that provide equal access to the information.

4.2 The Board of Directors assigns an organization(s) or person(s) responsible for investor relations in order to communicate with third parties equally and fairly.

The Company recognizes the importance of accurate financial information disclosure on time in compliance with the standard accounting principles, including non-financial information, to be disclosed with transparency and in completion under law and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand, and other government units concerned. The Company also constantly monitors and updates such regulations for investors' confidence on the Company's business conduct while adds on benefits to the shareholders. Interested persons may access such information on various channels such as the annual report, the annual registration statements (Form 56-1), the website of the Stock Exchange of Thailand www.set.or.th, and the Company's website www.fareastfamineddb.com Any shareholders or investors shall query any concerned issues at the Company's investor relations by calling our Company Secretary, Miss Rachadawan Ritthirong, at tel. 0-2354-3333, fax 0-2644-9550, or email address: rachadawan@fareastfamineddb.com.

The Company has a policy for any transaction which may fall under conflicts of interest which the audit committee shall participle and recommend on such related transaction. The director who has conflicts of interest on such transaction does not participate or vote on that agenda in order to let other directors fairly vote and make a decision by considering the best benefits of the shareholders. The Company summarizes and discloses the resolution on such transaction by specifying its value, contract, reason, and other information concerned accurately, completely and on time according to the criteria of the Stock Exchange of Thailand, with a full report on the annual report and Form 56-1.

The Company constantly follows up, examines, and balances power for ultimate transparency with an internal control system covering management, operation, and finance audited by the Company's auditor. The auditor shall audit the Company's operation according to the conditions required by the Board

of Directors in order to prevent problems, suggest practical improvements, find out the causes, and recommend solutions endorsed by the auditing team, including disclose sufficient information for good corporate governance by reporting directly to the audit committee.

The Company discloses its Financial Statement and other information to the public via various channels as complied by the law strictly, completely and timely. Furthermore, the Company also discloses information to express of its' transparency in operating business as follows:

1. Disclosure of each Committee's duty such as numbers of the meeting.
2. Disclosure of share holding's structure and ratio of the Directors and Executives.
3. Disclosure of remuneration's type, description and paid amount in individual.
4. Disclosure of corporate governance, business and employee's ethics.

5. Provide the channels that stakeholders are able to inform a clue or provide information of the significant issue about the accuracy for financial report, internal control deficiency, or illegal and unethical practice. It can communicate through the Company's Secretary to the direct line no. 0-2354-3549 or by email address rachadawan@fareastfamineddb.com. The Company's Secretary is responsible for the information and documents, submitting the specific issue to the relevant person and report to the Board of Directors. In this respect the whereabouts or the complaint will be protected and preserved the right to protect the confidentiality of the best.

5. Responsibilities of the Board of Directors

5.1 The Board of Directors defines the structure of the committees including any gender of persons who have various knowledge, capabilities, and experiences as well as the qualities required by laws. The Board of Directors must have at least one member or independent committee who is not a director and has experiences in the Company's business according to the announcements of the Securities and Exchange Commission.

5.2 The Board of Directors gives the definition of the independent committee according to the criteria of the Securities and Exchange Commission and other criteria.

5.3 The Board of Directors appoints sub-directors who screen issues before submitting the issues to the Board of Directors.

5.4 The Board of Directors provides charters for the committees stating their service terms and scope of duties and authorities in order to clearly define the duties and responsibilities of the committees, subcommittees, and managers.

5.5 The Board of Directors sets policies requiring that the committees and managers who the committees of other companies must report their statuses to the Board of Directors.

5.6 The Board of Directors appoints the secretary of the board who performs legal and assigned duties. The secretary should have legal or accounting knowledge and received trainings about secretary's duties. The secretary should regularly receive trainings and improve his/her knowledge.

5.7 The Board of Directors sets policies about corporate governance as well as business ethics and morals that are followed by the committees, managers, and employees.

5.8 The Board of Directors sets the Company's visions and missions that are followed by the committees, managers, and employees.

5.9 The Board of Directors sets policies that support and promote regularly developing the managers' and employees' knowledge.

5.10 The Board of Directors annually prepares meeting schedules. Meeting agenda relates to the fair interests of all shareholders and stakeholders. All committees are free to express their opinions. However, the committees who are stakeholders have no right to vote in a meeting(s) that they may gain or lose their interests.

5.11 The Board of Directors assigns the committees to attend every committee meeting, except that they have necessity to not attend the meeting.

5.12 The Board of Directors has policies that encourage the top managers to attend committee meetings.

5.13 The Board of Directors has policies that provide opportunities for the committees who are not the managers to conduct their private meetings as necessary without managers. Nevertheless, they should result the meeting results to the President.

5.14 The Board of Directors has policies that encourage all committees to access and receive necessary information from the President, Company Secretary, and other authorized persons within the scope defined by the policies. In case of necessity, the committees may consult with external consultants or professionals. In that case, the relevant expenses are responsible by the Company.

5.15 The Board of Directors has measures for carefully and reasonably dealing with conflicts of interests according to the criteria of the Securities and Exchange Commission and the Stock Exchange of Thailand.

5.16 The Board of Directors prohibits the committees and managers to trade the company's properties one month before the financial disclosure.

5.17 The Board of Directors assigns the committees and managers including their spouses and children who have not become their legal ages to report their ownership of the Company's properties and exchange of the properties to the Securities and Exchange Commission and to submit the copies of relevant documents to the secretary of the board who will then report the committees in committee meetings.

5.18 The Board of Directors assigns the committees and managers to report about their gains and losses as well as relevant persons according to relevant criteria.

5.19 The Board of Directors establishes an internal audit unit that reports audit results to the Audit Committees.

5.20 The Board of Directors specifies that the performance of the committees must be annually evaluated.

5.21 The Board of Directors reports about the responsibilities of the committees for financial reports in the annual reports.

5.22 The Board of Directors controls payments for the committees in order to appropriately pay them according to their duties and responsibilities as compared to other companies in the same industry.

5.23 The Board of Directors sets succession policies for promoting employees to higher positions.

5.24 The Board of Directors conducts first orientations for new committees.

5.25 The Board of Directors has to acquire internal control system and risk management system.

5.26 The Board of Directors assigns the committees to monitor and evaluate the Company's business activities.

The Business Ethics

1. Responsibilities for the Stakeholders

1.1 Shareholders

The Board of Directors responsibly, carefully, and honestly performs their duties in order to continually and sustainably provide returns to the shareholders according to the following policies and guidelines.

- 1) Respect the ownership rights of the shareholders as well as equally and fairly treat the shareholders.
- 2) Perform their duties according to the principles of good corporate governance in order to build shareholder trust that can lead to sustainable growth.
- 3) Continually develop the Company's business and provide appropriate returns for the shareholders.
- 4) Provide important information that affects or may affect the rights and benefits of the shareholders including information in accounting periods and situation information according to laws and relevant announcements without limiting the right of the shareholders to access the Company's information.
- 5) Provide reports about the responsibilities of the committees for financial reports in the annual reports.
- 6) Provide opportunities for the minor shareholders to propose meeting agendas and/or nominate committees in the annual general meetings of shareholders.
- 7) Provide opportunities for the shareholders to submit their questions before the shareholder meetings.
- 8) Post the notices in Thai and English calling for meetings on the Company's website at least 30 days before the shareholder meetings in order to notify and give time to the shareholders to find information.
- 9) Conduct the shareholder meetings on dates, in time, at locations, and with methods that facilitate the attendants and provide opportunities for the shareholders who cannot attend the meetings to authorize other persons to attend and vote.
- 10) Carefully and reasonably deal with conflicts of interests and disclose complete information.
- 11) Protect the Company's interests and properties as their own interests and properties and prevent illegally direct or indirect exploitation of the interests and properties.

1.2 Customers

The Board of Directors realizes that customer satisfaction and trust are the keys to the sustainable success of the company according to the following policies and guidelines.

- 1) Have production processes and services that are safe for the consumers and environmentally friendly.

- 2) Seriously conduct business activities, improve services, and develop new materials or advertising media in order to continually respond customer demands while providing accurate information necessary for decision making.
- 3) Honestly and fairly conduct business activities without violating customer rights. Confidentially keep and do not illegally use customers' trade secrets for their own benefits.
- 4) Do not directly or indirectly ask for, receive, or agree to receive any illegal property or other benefits from the customers.
- 5) Comply with trade agreements. Otherwise, notify the customers in advance in order to jointly find solutions and prevent possible damages.
- 6) Provide a communication channel(s) for customers to submit their complaints to the Company. Fairly consider and treat the complaints.

1.3 Partners

The Board of Directors neutrally treats the Company's partners and is aware of the mutual benefits according to the following policies and guidelines.

- 1) Utilize the value chain system in order to select partners that legally conduct their businesses according to safety, health, and environment standards by fairly, neutrally, and respectfully treating the partners.
- 2) Confidentially keep the partners' trade secrets. Do not illegally use the trade secrets for their own benefits or other persons' benefits.
- 3) Build good relationships with the partners, share knowledge, and jointly develop and improve the qualities of the products and services in order to grow together.
- 4) Comply with the trade agreements and provide accurate information for the partners. Otherwise, consult with the partners in advance in order to find solutions and prevent possible damages.
- 5) Do not ask for, receive, or agree to receive any properties or other benefits that are not stated in the trade agreements.

1.4 Competitors

The Board of Directors legally conducts business activities according to the following policies and guidelines.

- 1) Fairly compete with the competitors according to the business ethics and competition laws in the countries that the Company conducts its business activities.
- 2) Do not discredit the competitors.

1.5 Creditors

The Board of Directors systematically and disciplinarily conducts business activities in order to build creditor trust according to the following policies and guidelines.

- 1) Equally and fairly treat all creditors.
- 2) Strictly comply with the agreements made and conditions agreed with the creditors.
- 3) Manage activities in order to build creditor trust in the company's financial status and competence.

- 4) Accurately and promptly disclose the company's financial status.
- 5) In case that the board of director cannot comply with any agreement made with the creditors, the board of director has to inform the creditors in advance in order to find solutions and prevent possible damages.

1.6 Employees

The Board of Directors considers that the employees are valuable resources and factors to the Company's success as the board of director set the following policies and guidelines.

- 1) Respect the employees' human rights and fundamental rights to work. Do not disclose or transfer their information or secrets to a third party(ies).
- 2) Treat the employees according to laws and regulations regarding to the Company's business.
- 3) Promote employment equality. Resist racism and discrimination in terms of gender, religion, age, disability, and any other statuses that are not directly related to their jobs.
- 4) Support and promote trainings and knowledge sharing in order to improve all employees' knowledge, skills, and job securities as well as provide job advancement opportunities according to their capabilities.
- 5) Encourage the employees to involve in setting the Company's directions.
- 6) Fairly pay the employees according to their knowledge, skills, responsibilities, and performances.
- 7) Provide appropriate welfares and privileges for the employees such as free medical treatment.
- 8) Provide a communication channel(s) for the employees to submit their complaints about their jobs. The complaints must be considered and used to find solutions in order to provide benefits for all parties and build good relationships among the parties.
- 9) Provide necessary facilities for the employees to do their duties. Create hygienic working environments in order to improve their life qualities.
- 10) Encourage all employees to participate in social responsibility activities.

1.7 Communities and Societies

The Board of Directors considers the duties and responsibilities for the country, communities, societies, and local cultures and customs in order to maintain good societies according to the following policies and guidelines.

- 1) Do not conduct business activities that negatively affect societies. Do not violate the rights of the people in communities and societies.
- 2) Foster responsibilities of all employees for communities and societies.
- 3) Promote cultural preservations.
- 4) Cooperate with organizations in order to develop communities.
- 5) Support activities that provide public benefits.
- 6) Build good relationships between the company and societies by legally, transparently, and fairly conduct activities

1.8 Environment

The Board of Directors considers the responsibilities for environment as the following policies and guidelines are set.

- 1) Conduct business activities according to laws, regulation, and policies regarding environment by considering possible effects on the nature and environment and regularly evaluating its performance.
- 2) Foster corporate cultures and responsibilities of all employees for efficiently and sustainably managing environment and resources.
- 3) Support activities that provide knowledge for and train all employees about environment.
- 4) Promote environmental management systems that include efficient uses of resources and measures for sustainably treating, restoring, compensating, monitoring, and preventing effects on natural resources and environments.
- 5) Utilize the value chain system to choose partners who conducting business activities that are environmentally friendly.
- 6) Promote the development and dissemination of environmentally friendly technologies.

1.9 Public Sector

The Board of Directors conforms to the public regulations as the following policies and guidelines are set.

1. Study laws relevant to their duties. Do not conduct any illegal activity.
2. Make correct transactions with government officers or organizations.
3. Build a good relationship between the Company and public sector as appropriate.
4. Comply with laws and cultures relating to business operations in each country or community.

2. Conflicts of Interests

The Board of Directors has policies about conflicts of interests as the following guidelines are set.

1. Carefully, fairly, and reasonably deal with conflict of interests or relevant issues by following transparent processes and valuing the Company's interests. The committees who have gains and losses in the issues cannot vote and they have to disclose complete information according to the criteria of the Securities and Exchange Commission and the Stock Exchange of Thailand.

2. Legally protect the Company's interests. Do not take any action that conflicts with the Company's interests and provide benefits or privileges for any person.

3. Assign the committees and managers to report their gains and losses and that of responsible persons according to relevant criteria.

4. Do not allow committees, managers, and employees who can access internal information to trade the Company's properties one month before the financial disclosure.

5. Assign the committees and managers including their spouses and children who have not become their legal ages to report their ownership of the Company's properties and exchange of the properties to the Board of Directors in board meetings.

6. Do not disclose or transfer the Company information or secrets that the Board of Directors know to a third party(ies) or unauthorized person(s).

7. Authorized the employees to disclose the information according to their duties and responsibilities. Set the confidentiality levels of the information if it is possible to do so.

3. Reception Receiving or Giving Gifts

The Company has a policy of not accepting or giving gifts including reception that may influence the decision making. Unless the giving or receiving of gifts and a reception that is in fairly traditional and to maintain a good relationship with the business partners. According to the guidelines as follows:

1. employees can give / receive a gift and a reception to / from any person in the following conditions :

- 1) To comply with the Business Ethics , regulations and announcements of the company including laws
- 2) Give or receive to the public on behalf of the Company, not on behalf of the Board of Directors, management and employees.
- 3) Appropriate time such as gifts during festivals or traditional gifts

2. Employees can receive the traditional gift which is estimated at less than 3,000 baht. In case that the gift worth more than 3,000 baht, they has to be report to a supervisor, respectively. In addition, the gift must be delivered to the Human Resources Department to be awarded to employees or donate to charity, as appropriate.

4. Anti-fraud and Corruption

The Board of Directors of Far East Fame Line DDB Public company Limited has approved the resolution to sign a Declaration of Intent with The Private Sector Collective Action Coalition Against Corruption (CAC) on January 30, 2014. After that, the Company has been certified as a member of CAC on October 14, 2016.

In order to be in compliance with the Company's Corporate Governance as well as to adhere to the commitment and social responsibility, the Company follows the policy relevant to laws countering corruption by prohibiting the Company directors, executives and employees from accepting or supporting every type of corruption both direct and indirect manner, which is written for exercising it as follows.

1. The Company will not be a party to pay bribes. In case of charitable contributions, political contributions, receptions as well as offering gifts in a business manner, this must be transparent, explainable and audited.

2. Supporting enhancement of awareness and value for anti-corruption among the company directors, executives and employees to perform duties in accordance with relevant laws, notifications and regulations by preparing such manual for guidelines.

3. The Company directors, executives and employees must not act as an intermediary in offering, demanding and accepting gifts or benefits from government sectors or private sector, which induces to violate the laws. Moreover, it is illegal to use positions and/or duties and company's data to seek benefits for oneself for others.

4. Setting the system to report financial status transparently and accurately, providing an efficient and effective internal control system, and controlling check-and-balance system to be appropriate in order to prevent conducting or taking part in any fraud and corruption.

5. Monitoring and reviewing the anti-corruption policy, guidelines and regulations consistently for operation in order to adjust with business changes, laws and regulations.

6. Opening channel for reporting any suspected activity and ensuring that such reporters receive protection.

This anti-corruption policy has been revised and approved by the Board of Directors' Meeting No.239 (4/2019) on May 14, 2019 and effective on May 14, 2019.

More information of the Anti-Corruption Policy and the Best Practice of Anti-Corruption are publicized on the Company's website : www.fareastfamineddb.com.

In 2019, the Company submitted a Self-Evaluation Tool to The Private Sector Collective Action Coalition Against Corruption (CAC) in order to enter into the renewal of certification. On November 4, 2019 the Committee of CAC approved the renewal of certification to the Company. The certification is valid for 3 years from the date of approval.

In 2019, the Company publicize and organized training about the policy and best practice of anti-corruption to the management and employees at all levels continuously. The anti-corruption policy also participated in the human resource management such as the recruitment, training, evaluation, remuneration and promotion. The Company has set the guideline in which employees will have the chance to discuss with their line supervisor in order to operate the business in a corruption free environment.

The Company has constantly developed and increased its network through supporting the group of companies to file to be certified as a member of the Thailand's Private Sector Collective Action Coalition Against Corruption. Furthermore, the Company has communicated, publicize, as well as continuously expanding the anti-corruption alliance to its business partners, customers and other business associates.

In 2019 the Company has no corruption cases as well as business misconduct.

5. Anti-infringement for Intellectual Properties

The Board of Directors has policies that prevent intellectual property infringement according to the following guidelines.

1. Conduct business activities that comply with laws, regulations, and agreements about intellectual property rights.

2. Protect the Company's intellectual properties. Do not use or give the mentioned intellectual properties to a third party(ies) without the Company's permission(s).

3. Respect others' intellectual property rights. Do not violate their intellectual property rights or use their intellectual properties for self-benefits, except that the persons get paid or permit to do so.

4. The work piece(s) created by the employee(s) or from his/her duty(ies) is considered as the company's intellectual property. After he/she is disemployed, he/she has to return the mentioned intellectual property to the Company regardless of the format of the intellectual property.

6. Human Rights Protection

The Board of Directors respects human rights according to the following policies and guidelines.

1. Do not take or support any action that violates human rights.

2. Educate the employees about the principle of human rights that can be applied to their jobs.

3. Do not limit their freedom or thoughts regarding gender, race, religion, politics or any other issue. Prevent expression of an opinion(s) that may lead to a conflict(s).

4. Provide a communication channel(s) for the employee(s) or person(s) who believes that his/her right(s) is violated or receive unfair treatment to submit his/her complaint(s) to the Company. The complaint(s) should be fairly considered and resolved.

7. Safety and Occupational Health

The Board of Directors values safety and occupational health according to the following guidelines.

1. Conduct business activities that comply with laws, regulations, and policies regarding safety, occupational health, and working environment by considering the employees', partners', and stakeholders' lives and assets as well as regularly checking and evaluating safety practices.

2. Promote workplace safety by setting safety regulations, practices, and standards relevant to existing risks. Improve working environment and process. Provide safety equipment for the employees.

3. Prepare for emergency situations by regularly conducting and improving emergency response practices in order to prevent or reduce risks for lives and the assets of the Company, employees, partners, and responsible persons.

4. Develop safety cultures in the organization that can improve workplace safety.

The Code of Conduct for Directors, Executives and Employees

1. Responsibilities

The Board of Directors realizes the importance of good corporate governance that has been continually implemented and used as the practical guidelines for the committees, managers, and employees to ethically, honestly, and carefully take actions in order to maximize the Company's and all parties' benefits. Hence, the following ethical principles are set.

Committees and Managers

1. Responsibly, carefully, and honestly perform their duties according to laws, the Company's regulations, and relevant announcements.

2. Perform their duties with all of their abilities in order to maximize the Company's benefits. Attend all meetings, except in case of necessity.

3. Neutrally perform their jobs. The committees and managers who have gains and losses in a meeting cannot vote in that meeting.

4. Carefully and reasonably deal with conflicts of interests by emphasizing on the Company's benefits in order to transparently manage the issues.

5. Follow relevant criteria and report about trading the Company's properties by the committees and managers including their spouses and children who have not become their legal ages to the committees in meetings.

6. Do not trade the company's properties one month before the financial disclosure.

7. Report their and responsible person(s)' gains and losses according to relevant criteria.

8. Annually evaluate the committees' performances.

Employees

1. Regularly support and cooperate with the Company in conducting business activities. Perform their duties with all of their abilities in order to provide good results and develop the Company and employees.
2. Comply with laws, policies, working regulations, and relevant rules and announcements.
3. Treat visitors in a good manner. Provide excellent services for them. Protect the Company's image and reputation.
4. Confidentially keep the Company's trade secrets and internal information away from third parties.
5. Do not borrow money from the customer(s), their relative(s), or partner(s); except for borrowing money from a bank(s) or financial institution(s).
6. Follow the supervisors' legal orders.
7. Work in a team(s). Help and harmonize with each other. Respect each other's right(s) for the Company's and employees' benefits.
8. Kindly treat the colleague(s). Do not blame others without any fact. Do not claim other person(s)' workpiece(s) as it is yours.
9. Seriously and honestly perform their duties. Do not find a benefit(s) that is not for them or other person(s) while performing their duties.
10. Responsibly and honestly perform their duties. Do not be careless and cause any damage on their jobs or the Company's assets.
11. Behave as good citizens according to the constitution and relevant laws by appropriately using their political rights. Avoid being involved in any illegal activity or one that goes against peace and morals.

2. Protection of the Company's Assets

The Committees, managers, and employees have the duties and responsibilities for efficiently protecting the Company's assets and assets under the control of the Company according to the following guidelines.

1. Use the Company's assets for conducting the Company's business activities. Do not use the mentioned assets for their own or other person(s)' benefits.
2. Protect and prevent the wrongly uses of the Company's benefits and assets as their own benefits and assets. Prevent illegally direct or indirect explanation of the benefits and assets.
3. Acquire insurance for the assets in an amount(s) that is sufficient for compensating a possible damage(s) to the assets.
4. Do not use a computer(s) to delete, violate, spy on, and edit other person(s)' file(s) or do not create a false evidence that may lead to stealing information. Utilize an information security system(s) that meets international standards.
5. Carefully use an e-mail(s) and the internet service(s) provide by the Company to conduct the Company's business activities without damaging the Company's reputation.
6. Confidentially keep and do not allow any other person to use the personal username(s) and password(s) for accessing the company information.

7. Do not duplicate, modify, and take any action with the Company's intellectual property(ies) for self-benefits or any other person(s)' benefits without the permission(s) from the Company.

8. Report the supervisor(s) if there is a person(s) take any action that infringe or may infringe the Company's intellectual property(ies) as well as that lead or may lead to a conflict(s) of the intellectual property(ies).

9. Store all of the Company's important documents according to relevant laws and regulations. After the storage period(s), the responsible employee(s) has to destroy the important document(s) by using an appropriate method(s).

3. Whistle Blowing and Complaints

The Board of Directors provides opportunities for the employees and stakeholders to report suspected wrongdoing and submit their complaints regarding issues that may be illegal actions, corruption, misbehaviors of the employees in the Company, behaviors that may cause problems and damages to the Company, infringement of their rights, or unfair treatments through the channels and processes specified by the Company.

Whistleblowing Channels

(1) Direct verbal or in writing to:

- Human Resource Director Tel. 02354-333 ต่อ 115
- Internal Audit Manager Tel. 02354-333 ต่อ 671
- Company Secretary Tel. 02354-333 ต่อ 747
- Accounting Manager Tel. 02354-333 ต่อ 673

(2) Via the Email Address: anti-corruption@fareastfamineddb.com

(3) By Mail: PO Box 13, Ratchathewi Post Office, Bangkok 10401

(4) The Company Website: www.fareastfamineddb.com

(5) Feedback Box: at the Company's office, 465/1-467 Sri Ayudhaya Road, Ratchathewi, Bangkok 10400

The Company equally, transparently, and fairly considers and resolves all complaints according to the systematical and fair whistleblower protection measure. The information of the complainants is confidentially kept by the Company.

Whistle blower Protection

1. A complainant can choose to not disclose him/herself if he/she considers that the disclosure may cause risk(s) or damage(s) to him/her.

2. The Company confidentially keeps relevant information and considers the safety of complaints by setting the whistleblower protection measure for the complaints who are the employees and persons who support the investigation. Accordingly, they are protected from unfair treatments (e.g. interference, position switch, and layoff) reported by them.

4. Consideration of Complaints

The supervisors' duties and responsibilities are to provide suggestions for their subordinates in order to make them understand and follow the ethical principles. If the principles do not cover any case or there is any doubt, then the subordinates have to consult with their relevant supervisors. In case of conflict, the decisions of the President, Board of Directors, and committees are final.

Sub-Committees

The Company's Board of Directors has extensively emphasized good corporate governance, thus the Sub-committees are assigned to have individual duties and responsibilities which are comprised of the Audit Committee, the Risk Management & Anti-Corruption Committee, the Nomination and Remuneration Committee and the Executive Committee. Each committee has authority, duty and responsibility as stated on committee's charter as follows:

① The Audit Committee

The Board of Directors sets up the Audit Committee to support its corporate governance in aspects of process of financial report, internal control, audit process, and the adherence of related rules and regulations. The Audit Committee consists of four company directors, who are the Independent Directors.

| Name | Position | Term |
|-----------------------------------|-----------------------------|-----------------------|
| 1. Mr. Khachornsakdi Vanaratseath | Chairman of Audit Committee | June 2019 - June 2020 |
| 2. Mr. Amorn Asvanunt | Audit Committee Member | June 2019 - June 2020 |
| 3. Mr. Vichit Tantianunanont | Audit Committee Member | June 2019 - June 2020 |
| 4. Mrs. Chattong Tippayakalin | Audit Committee Member | June 2019 - June 2020 |

Secretary to the Audit Committee : Miss Rachadawan Ritthirong

Duties and Responsibilities of the Company Audit Committee

1. Review the Company's financial statements to ensure that they are accurate and adequate by reviewing the Company's major accounting policies, and supervising information disclosure in such manner complying with Thai Financial Reporting Standards.
2. Review the Company has suitable and efficient internal control system and review internal audit.
3. Review the Company's implementation of anti- corruption policy options.
4. Review operational independence of the internal audit including of appointment, transfer and dismissal of the chief of internal audit.
5. Grant approval and monitor the progress made in relation to the internal audit plan.
6. Review that the Company comply with laws concerning securities and stock exchange, the Stock Exchange's regulations, and other laws related to the Company's business.
7. Review, select, nominate and/or dismiss independent persons to serve as the company auditor, and propose related remuneration. Also take part in joint meeting with the company auditor, in the absence of the management for at least once a year.
8. Review connected transactions or transactions with possible conflict of interests, to ensure that they follow the laws, the regulations of The Stock Exchange of Thailand, and the notification of the Capital Market Supervisory Board and that they are justified and are of maximum benefits to the Company.

9. Prepare the Audit Committee reports to be disclosed in the Company's annual report; such reports must be signed by the Chairman of the Audit Committee and it must contain, at least, some significant information as described below:

- (a) opinions about the accuracy, correctness and reliability of financial statements and financial reports of the Company;
- (b) opinions about the sufficiency of internal control system of the Company;
- (c) opinions about the compliance with laws on securities and exchange, requirements of the Stock Exchange of Thailand and any other laws relating to the Company's business;
- (d) opinions about the appropriateness of external auditors;
- (e) opinions about transactions with potential conflict of interest;
- (f) number of meetings to be convened by the Audit Committee and meeting attendance of each Audit Committee member;
- (g) opinions or general findings obtained by performing its duties in accordance with the Audit Committee Charter;
- (h) opinions about other matters that should be notified to general shareholders and investors under the scope of duties and responsibilities assigned by the Board of Directors.

10. In performing the duties as the Audit Committee, if discovering or suspecting of either of the following transactions or acts, which may give significant effects to the financial status and operating results of the Company, the Audit Committee must report it to the Board of Directors for improvements within the reasonable period determined by the Audit Committee:

- (a) transaction with potential conflict of interest;
- (b) Significant fraud and corruption, irregularity or deficiency within the internal control system.
- (c) violation of laws on securities and exchange, requirements of the Stock Exchange of Thailand and any other laws relating to the Company's business. If the Board or management of the Company fails to make remedies within the established period, one of the Audit Committee members may report such transaction or act to the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand.

11. Support and monitor to ensure that the Company acquires the efficient risk management system.

12. Supervise to ensure that the company implements adequate management system in accordance with the good corporate governance practice.

13. Review, revise and amend the Audit Committee Charter for further submission to The Board of Directors for approval.

14. Implement self-appraisal review at least once a year.

15. To perform any other matters as assigned by the Company's Board of Directors with the Audit Committee's agreement under the Company Regulations and laws.

The period of service for Audit Committee Member is 1 year. An Audit Committee Member who retires from office due to the expiration of term of service may be re-elected. In case of vacancy in

the Audit Committee for reasons other than by the expiration of term of service. The Board of Directors shall elect a fully qualified person to be a substitute member and shall remain in office only for the term left for the member whom he or she replaces.

Experience and Participation in the Audit Committee meetings

In 2019, the Audit Committee held 4 meetings and the participation of each committee member is summarized below.

| Names | Qualifications | Experience in reviewing the company financial statements | Year of appointment | Attendance of 4 meetings |
|----------------------------------|-------------------|--|---------------------|--------------------------|
| 1. Mr.Khachornsakdi Vanaratseath | Accounting | 17 | 2002 | 4/4 |
| 2. Mr. Amorn Asvanunt | Accounting | 17 | 2002 | 4/4 |
| 3. Mr. Vichit Tantianunanont | Consumer Products | 17 | 2002 | 4/4 |
| 4. Mrs. Chattong Tipayakalin | Administration | 8 | 2011 | 4/4 |

2 The Risk Management and Anti-Corruption Committee

The Board of Directors sets up the Risk Management and Anti-Corruption Committee to support its corporate governance in aspect of management of risk of the Company to be more efficiently performed. The Risk Management Committee comprises 7 members as following names;

| Name | Position | Term |
|---------------------------------|----------|---------------------|
| 1. Mr. Vichit Tantianunanont | Chairman | June 2019-June 2020 |
| 2. Mr. Wichar Ldallitsakool | Member | June 2019-June 2020 |
| 3. Mrs. Chailada Tantivejakul | Member | June 2019-June 2020 |
| 4. Mrs. Malee Leelasiriwong | Member | June 2019-June 2020 |
| 5. Miss Waraporn Kulsawatpakdee | Member | June 2019-June 2020 |
| 6. Mr. Anupol Puwapoonpol | Member | June 2019-June 2020 |
| 7. Mrs. Kadekaew Ittikul | Member | June 2019-June 2020 |

Secretary to the Risk Management and Anti-Corruption Committee : Miss Sujittra Makanit

Duties and Responsibilities

Risk Management

1. Formulate the risk management policy and goals, plan and organize the risk management system of the Company to allow the system continuity and clarity for further managing any significant risks, and report such risks to the Board and communicate them to the Audit Committee.
2. Support and encourage the cooperation for risk management at all levels in the organization.
3. Ensure that the Company's risks are controlled appropriately and efficiently by placing emphasis on the risk warning system and any other abnormal transactions.
4. Collect, analyze the risk assessment in the areas that have impact on the company's business that may occur in each quarter.
5. Develop the risk management system in the organization to ensure that it is efficient and consistent;

6. Improve and amend the Risk Management and Anti-Corruption Committee Charter to be proposed for the Board's approval;
7. Perform other functions assigned by the Board.

Anti-Corruption

1. Formulate the Anti-Corruption Guidelines for compliance with corporate governance and monitor, assess the operation result and report to the Board of Directors and Audit Committee.
2. Promote and support the Board of Directors, Management and employees to follow the Guideline of corporate governance and anti-corruption policy.
3. Collect, analyze the risk assessment in the area of anti-corruption that have impact on the Company's business that may occur in each quarter.
4. Ensure that the Company has officially notified clues and complaints channel about corruption, with the protection and the confidentiality of the whistleblower including an independent investigation and suitable monitoring process.
5. Improve and amend the Charter of Risk Management Committee and Anti-Corruption Committee, the Anti-Corruption Policy and Manual of Operation for Anti-Corruption Policy in order to comply with changes in laws, business, environment and risks to be proposed for the Board's approval.
6. Perform other functions assigned by the Board.

Experience and Participation in the Risk Management and Anti-Corruption Committee meetings

In 2019, the Risk Management and Anti-Corruption Committee held 4 meetings and the participation of each committee member is summarized below.

| Names | | Position | Year of appointment | Attendance of 4 meetings |
|-------|------------------------------|----------|---------------------|--------------------------|
| 1. | Mr. Vichit Tantianunanont | Chairman | 2008 | 4/4 |
| 2. | Mr. Wichar Ldallitsakool | Member | 2008 | 4/4 |
| 3. | Mrs. Chailada Tantivejakul | Member | 2008 | 4/4 |
| 4. | Mrs. Malee Leelasiriwong | Member | 2008 | 3/4 |
| 5. | Miss Waraporn Kulsawatpakdee | Member | 2008 | 4/4 |
| 6. | Mr. Anupol Puwapoolpol | Member | 2016 | 3/4 |
| 7. | Mrs. Kadekaew Ittikul | Member | 2018 | 3/4 |

3 Nomination and Remuneration Committee

The Board of Directors has appointed three Directors as members of Nomination and Remuneration Committee to provide assistance to the Good Corporate Governance of the Board of Directors.

Nomination To select and screen qualified individuals to be installed in the directorial positions of the Company to ensure that the process is thoroughly transparent.

Remuneration To determine the criteria and format of compensation paid to the Directors in order to ensure that it is fair and transparent. Members of Nomination and Remuneration Committee are as below:

| Name | Position | Term |
|-------------------------------|---|-----------------------|
| 1. Mr. Boonchai Chokwatana | Chairman of Nomination and Remuneration Committee | June 2019 - June 2020 |
| 2. Mr. Wichar Ldallitsakool | Nomination and Remuneration Committee | June 2019 - June 2020 |
| 3. Mrs. Chailada Tantivejakul | Nomination and Remuneration Committee | June 2019 - June 2020 |

Secretary to Nomination and Remuneration Committee : Miss Rachadawan Ritthirong

Authority of Nomination and Remuneration Committee

1. To invite members of the management or relevant employees to provide explanations, opinions or documents as necessary.

2. To consult with specialists or Company consultants (if any) or hire third-party consultants or specialists if necessary at the expense of the Company

Duties and Responsibilities of Nomination and Remuneration Committee

Nomination

1. To identify and screen individuals who are qualified to serve as Company Directors
2. To review the background of selected individuals to ensure that they are qualified by their knowledge, competence, experience and expertise in accordance with Company regulations and relevant laws
3. To provide selection opinions or recommendations for the consideration of the Board of Directors
4. To nominate selected individuals to the Board of Directors for consideration
5. To revise the Nomination and Remuneration Committee Charter, when needed and propose it to the Board of Directors for their approval
6. To engage in any other action as assigned by the Board of Directors

Remuneration

1. To evaluate the performance of the Board of Directors each year
2. To determine the remuneration of Company Directors on the basis of the operational performance of the Company, the amount of remuneration approved at the previous shareholders meeting and the amount paid in the prior year; and, to propose the determined amount to the Board of Directors for their consideration and to the shareholders meeting for approval
3. To determine the remuneration for Company Directors on the basis of performance, as well as, duties and responsibilities, this must not excess of the amount approved by the shareholders; and to propose the determined amount to the Board of Directors for approval
4. To determine the remuneration for members of Sub-Committee (those who are not Company Directors) on the basis of performance as well as duties and responsibilities; and, to propose the determined amount to the Board of Directors for approval
5. To revise the Nomination and Remuneration Committee Charter and propose it to the Board of Directors for approval

6. To engage in any other action as assigned by the Board of Directors

Experience and Participation in the Nomination and Remuneration Committee meetings

In the year 2019, Nomination and Remuneration Committee was comprised of 3 individuals. A total of 1 meeting was held, representing 100% attendance rate. The Committee has made the Report of the Nomination and Remuneration Committee to inform its annual performance at the board meeting. This report has also been disclosed in Form 56-1 and Form 56-2.

| Name | Position | Year of appointment | Attendance of meeting |
|-------------------------------|----------|---------------------|-----------------------|
| 1. Mr. Boonchai Chokwatana | Chairman | 2019 | 1/1 |
| 2. Mr. Wichar Ldallitsakool | Member | 2019 | 1/1 |
| 4. Mrs. Chailada Tantivejakul | Member | 2019 | 1/1 |

4 The Executive Committee

The Board of Directors sets up the Executive Committee to manage the business of the Company in accordance with the policy, objectives and relevant regulations. The Executive Committee comprises 10 members as following names;

- | | | |
|------------------|----------------|--|
| 1. Mr. Wichar | Ldallitsakool | Chairman of the Executive Committee |
| 2. Mrs. Chailada | Tantivejakul | Vice Chairman of the Executive Committee |
| 3. Miss Waraporn | Kulsawatpakdee | Vice Chairman of the Executive Committee |
| 4. Mrs. Malee | Leelasiriwong | Executive Director |
| 5. Mr. Anupol | Puwapoonpol | Executive Director |
| 6. Mrs. Kadekaew | Ittikul | Executive Director |
| 7. Mrs. Phunpit | Chaneiang | Executive Director |
| 8. Mr. Rachapong | Ngampisai | Executive Director |
| 9. Dr. Chalinee | Hirano | Executive Director |
| 10. Mrs. Sunee | Chaijiraks | Executive Director |

Authority

1. To appoint, remove, transfer, evaluate and determine remuneration and welfare of employees of different levels.
2. To appoint and remove any other working committee to carry out actions necessary for the management of the Company.
3. To issue regulations and announcements on performance of duties, to assign authority to members of the Executive Committee and/or employees serving managerial posts, in order to execute authorization on Company's assets.
4. To approve loans to companies with a business relation with the Company as shareholders, or to companies with a trading relation, or to companies of other nature, provided that the amount does not exceed the limited amount 10 million.
5. To approve guarantee of loans for companies with a business relation with the Company as shareholders, or to companies with a trading relation or to companies of other nature, provided that the amount does not exceed the limited amount 10 million.
6. To approve investment or legal engagement, provided that the amount does not exceed the limited amount 10 million.

7. To approve modification, destruction and depreciation of fixed assets and intangible assets which are no longer in use, damaged, lost, destroyed, depreciated and outdated, provided that the aggregate amount as per book value does not exceed the limited amount 10 million.

8. To approve modification, change of price and destruction of raw materials and/or remaining inventory which are depreciated or outdated and causing devalue in book of accounts, provided that the amount does not exceed the limited amount 10 million.

9. To approve compromise or settlement of dispute by arbitration, complaint, filing of lawsuits and/or any legal proceeding on behalf of the Company on matters whether in normal business matters does not exceed the limited amount 2 million or not, of which the amount does not exceed the limited amount 10 million.

10. To authorize executives of the Company or other individuals to act on their behalf.

11. To invite members of the management or relevant employees to provide explanations, opinions or documents as necessary.

12. To consult with Company's specialists or consultants (if any), or hire third party as consultants or specialists if necessary, at the expense of the Company.

13. To stipulate any other regulations as deemed appropriate.

Duties and Responsibilities

1. To propose goals, policies, operational plans and annual budgets to the Board of Directors.

2. To manage the business of the Company in accordance with desired directions, goals and business policies of the Company.

3. To enhance the competitiveness of the Company and encourage continuous innovation.

4. To ensure that the operation of the Company is consistent with the laws, Company's objectives and regulations, shareholders meeting resolutions, Board of Directors resolutions and relevant regulations.

5. Members of the Executive Committee may delegate responsibilities among themselves, provided that the Board of Directors meeting is kept informed of the progress of the matter each member oversees.

6. To arrange for financial statements to be prepared in order to be reviewed and/or audited by external auditor prior to proposing to the Audit Committee and the Board of Directors, respectively.

7. To review matters to be proposed to the board of Directors for approval.

8. To revise the Executive Committee Charter and propose it to the Board of Directors for approval.

9. To engage in any other action as assigned by the Board of Directors.

① Chairman

The Board of Directors elects one of its members as Chairman, based on his or her qualifications. At present, Mr. Boonchai Chokwatana is the Chairman of the Company.

The authority and responsibilities of the chairman are as follows:

1. As head of the Board of Directors, the chairman oversees and monitors the performance of the Board of Directors, ensuring the efficiency of the board.
2. The chairman also presides over shareholder meetings to ensure their compliance with company regulations on shareholder meetings. The chairman leads each meeting according to the agenda that appear in the meeting notice, unless a meeting resolution is passed with at least two-thirds of the votes of shareholders in attendance to change the order of the meeting agenda.
3. The chairman of the board calls for board meetings or assigns a proxy to do so on his behalf. The chairman also establishes meeting agenda, assuring that important issues are included.
4. The chairman casts the deciding vote at board meetings in the event of a tie.
5. The chairman ensures that every director has a role to play in promoting an organizational culture of ethics and good governance.
6. The chairman affords sufficient time for management to present issues and for directors to thoroughly discuss major issues. The chairman also encourages directors to exercise discretion and express their opinion freely.
7. The chairman fosters good relations between executive and non-executive directors, as well as between the Board of Directors and management.
8. The chairman may also carry out other tasks that are assigned to him by the Board of Directors

② President

The Board of Directors shall appoint the President, base on his or her qualifications and experiences. At present, Mr. Wichar Ladallitsakool is the President of the Company, with authority and responsibilities as follows:

Authority and Responsibilities of the President

1. To manage the business of the company in accordance with the policies, the laws, the objectives, the company regulations, the shareholders meeting resolutions, the Board of Directors resolutions, the Executive Board resolutions and relevant regulations.
2. To authorize any necessary and appropriate action to accomplish the deeds under Clause 1, and, in the case of any significant matter, the President needs to report to and/or notify the Board of Directors and/or the Executive Board of the matter.
3. To manage, appoint, remove, transfer, reward, issue disciplinary measures against, or issue compensation and welfare for employees, provided that such actions not interfere with the authority of the Executive Board.
4. To prescribe regulations for the operation of the company, which are not contradictory to any policy, regulation, requirement, order or resolution of the Board of Directors and/or the Executive Board.

5. To approve compromise or settlement of dispute by arbitration, complaint, filing of lawsuits and/or any legal proceeding on behalf of the Company on matters which are not normal business course and/or in such case of a normal business course in the event of an urgent matter.

6. The authority of the President regarding the acquisition or distribution of assets and connected transactions shall fall in line with announcements of the Capital Market Supervisory Board.

7. To authorize and/or assign another individual or other individuals to perform certain tasks on behalf of the President

8. The above authority of the President cannot be exercised in the case where the President is a stakeholder or has a conflict of interests in any manner with the company.

9. In the case that there is any doubt or uncertainty regarding the exercise of the above authority, the matter is to be presented to the Board of Directors for their consideration.

10. To engage in any other action as assigned by the Board of Directors and/or the Executive Board.

3 Company Secretary

The Board of Directors has appointed Miss Rachadawan Ritthirong, the qualified and experienced person, as the Company Secretary to ensure efficient compliance with the good corporate governance principle.

The scope of duties and responsibilities of the Company's secretary are as follows:

1. preparing and keeping the following documents:
 - a) a register of directors;
 - b) a notice calling director meeting, a minute of meeting of the Board of Directors and an annual report of the Company;
 - c) a notice calling shareholder meeting and a minute of shareholders' meeting;
2. keeping a report on interest filed by a director or an executive;
3. performing any other acts as specified in the notification of the Capital Market Supervisory Board
4. To encourage the corporate governance to comply with the standards of good corporate governance by providing advice to the Board of Directors and Executives in the matters, such as law, rules, and regulation and article of association. Furthermore, this includes making note of any significant changes to the Board of Directors.
5. To supervise the activities of the Board of Directors who act as a liaison between the Directors and Management Team, coordinate to ensure the adherence to relevant laws, regulations, perform any actions necessary to ensure proper compliance, monitor the Board of Directors' compliance with the resolutions of the Board of Directors and include monitoring compliance with the resolutions of the shareholder's meeting.
6. To organize Board of Directors meeting as well as the General Meeting of Shareholders according to relevant law, the Company's rules and other best practices.
7. To ensure that disclosures of all necessary information are made as per relevant rules and regulations set forth by the Securities and Exchange Commission and the Stock Exchange of Thailand.
8. Performing any other assignment as assigned by the Board of Directors.

① Independent Directors

The Nomination and Remuneration Committee shall be responsible for the nomination and screen individuals who are qualified by law as well as various other restrictions set forth by the Company. Furthermore, such individuals must not be lacking in the trustworthiness necessary to perform the duties consistent with a publicly-traded company. Such restrictions have been set forth by the Securities and Exchange Commission and cover the areas of knowledge, abilities, experience, required expertise, and moral vision necessary. Individuals must conduct themselves in a fair manner and be able to express their opinions freely. When selecting independent directors, the individuals under consideration must meet criteria as defined by the Company's Independent Directors before having their names submitted to the Company's Board of Directors. Consideration will also be made by shareholder vote.

"Independent Director" means the individual fully qualified and able to act as an independent party outside the influence of management or large shareholders. The Company's definition of "Independent Director" follows an announcement made by the Securities and Exchange Commission as follows:

The qualifications of independent directors

The qualifications of independent directors are as per the following requirements of the Equity Market Committee.

1. The person must hold no more than one percent of all shares of the Company with which he or she holds the voting right, as well as, its parent company, its subsidiary, its joint venture or a juristic person with a possible conflict of interests. The shares held by individuals related to the Independent Director must also be included.

2. The person must not be or have been a director with involvement in the management of the Company; an employee, a staff member or a consultant with a regular salary; or, an individual with the authority to control the Company, its parent company, its subsidiary, its joint venture, a subsidiary of the same level or a juristic person with a possible conflict of interests. There is, however, an exception if the person has not been involved in such circumstances for at least two years prior to the day on which he/she is appointed as an independent director.

3. The person must not be an individual with blood or legal relation—as a father, a mother, a spouse, a sibling or the spouse of a child—to an executive, a major shareholder, an individual with the controlling authority, or an individual who will be nominated as an executive, or an individual with the controlling authority of both the Company or its subsidiaries.

4. The person must not have or have had a business relation with the Company, its parent company, its subsidiary, its joint venture, a subsidiary of the same level or a juristic person with a possible conflict of interests in such a manner which may interfere with the free exercise of one's discretion. Also, the person must not be or have been a major shareholder, a director who is not an independent director or an executive of an entity with business relation with the Company, its parent company, its subsidiary, its joint venture, a subsidiary of the same level or a juristic person with a possible conflict of interests. There is, however, an exception if the person has not been involved in such circumstances for at least two years prior to the day on which he/she is appointed as an independent director.

The business relations under the above paragraph is inclusive of conventional trading transactions to conduct the business; lease or renting of property; transactions involving assets or service; provision or acceptance of financial assistance in the form of granting or acceptance of loans or guarantee; and the use of assets as collateral for loans including other similar acts which result in the petitioning party

being obligated to repay the other party for the amount from three percent of the net corporeal assets of the petitioning party or from Twenty Million Baht, whichever is lower. The calculation of such debt obligation is on the basis of calculation of related transaction value, as per the Stock Exchange of Thailand Committee Announcement on the Disclosure of Information and Allowed Practices of Listed Companies Concerning Related Transactions. The determination of debt obligation is inclusive of debt obligation arising during one year prior to the date of business relations with the same individuals.

5. The person must not be or have been an auditor of the Company, its parent company, its subsidiary, its joint venture, a subsidiary of the same level or a juristic person with a possible conflict of interests. Also, the person must not be a major shareholder, a director who is not an independent director, an executive or a managing partner of the audit office to which an auditor of the Company, the parent company, a subsidiary, a joint venture, a subsidiary of the same level or a juristic person with a possible conflict of interests belongs. There is, however, an exception if the person has not been involved in such circumstances for at least two years prior to the day on which he/she is appointed as an independent director.

6. The person must not be or have been a professional legal consultant or a financial consultant receiving greater than two million baht of fee per year from the Company, its parent company, its subsidiary, its joint venture, a subsidiary of the same level or a juristic person with a possible conflict of interests. However, in the case where the professional in question is a juristic person, the person must not be a major shareholder, a director who is not an independent director, an executive or a managing partner of that professional entity. There is, however, an exception if the person has not been involved in such circumstances for at least two years prior to the day on which he/she is appointed as an independent director.

7. The person must not be a director appointed to represent a company director, a major shareholder or a shareholder who is related to a major shareholder of the Company.

8. The person must not engaged in a business which is of the same nature as, or in competition with, that of the Company or the subsidiaries. Not a significant partner of a partnership or a director with involvement in the administration, nor an employee, a staff member a consultant with a regular salary, nor a shareholder with more than one percent of all shares with voting rights of another company which is engaged in a business of the same nature as, or in competition with, that of the Company or subsidiaries.

9. The person must not have any other characteristics which render him or her incapable of freely opining on the operation of the Company. In the case where the Equity Market Committee announces a change of qualifications of independent directors, the requirements of the Company independent directors will also change accordingly.

Following the appointment as an independent director under Paragraphs 1 to 9, the independent director may be assigned by the Board of Directors to make decisions on the business of the Company, its parent company, its subsidiary, its joint venture, a subsidiary of the same level or a juristic person with a possible conflict of interests in the manner of a collective decision.

Criteria on Recruitment and Selection of an Independent Director

The Board of Directors shall consider a recruitment of an independent director in compliance with the regulations and conditions of the Securities and Exchange Commission and the Stock Exchange of Thailand in order to propose to the shareholders in the shareholders' meeting for their approval. In 2019, the company has 5 independent directors as follows.

| Names | | Qualifications |
|---------------------|----------------|-------------------|
| 1. Mr.Khachornsakdi | Vanaratseath | Accounting |
| 2. Mr. Amorn | Asvanunt | Accounting |
| 3. Mr. Vichit | Tantianunanont | Consumer Products |
| 4. Mrs. Chattong | Tippayakalin | Administration |
| 5. Dr. Preeyachit | Charoenwongse | Administration |

In addition, supposing the Capital Market Supervisory Board has announced changes in the qualifications of independent directors Independent Director of the Company must have the qualifications as announced in all respects. Throughout the previous financial year, the independent directors had no business relationship or professional service provider or a person who has been appointed as an independent director has or has had no a business relationship or not providing.

2 **Directors**

The Company's Board of Directors comprised of members who have knowledge, competency that play an important role in definite the Company's policy. It cooperates with senior Executives to set short and long term plan of business operation, financial policy, risk management, overview of organization inclusive of corporate governance, audit and evaluate the performance of the Company as well as the practice of the Company's Board of Directors along with the set principles independently. The Company's Board of Directors is from the election following the resolution of the General Shareholder's Meeting along with the rules, legal and the Company's Principle of Association that is appropriate to the Company's business

The Structure of the Board

The Board of Directors is comprised of 14 directors:

- Executives Directors 7 persons
- Non-Executive Directors 2 persons
- Independent Directors 5 persons

The Nomination and Remuneration Committee shall screen the qualified individuals for nomination to the Board of Directors as a director to fill vacant posts for a subsequent proposal to the shareholders meeting, with the exception of the case where the post became vacant due to a reason other than completion of the term. The Committee must perform its duties in accordance with company regulations. In the case where the post is that of an Independent Director, the nominated individual must possess all qualifications required by The Office of the Securities and Exchange Commission.

It is also important to note that minor shareholders also have the right to nominate individuals to be elected as directors, at the shareholders annual general meeting in accordance with the prescribed criteria which can be viewed on the company website at www.fareastfamineddb.com

Composition and Election According to the Articles of Association, Chapter 3 'Board of Directors', Clause 18 and Charters, the shareholders meeting determines the number of desired directors, but it shall not be fewer than five. The individuals to be appointed as directors must not have prohibited characteristics as specified by the law or company regulations, or must not be described as inappropriate or untrustworthy to manage a business the shares of which are held by the public, as per regulations specified by the Securities and Exchange Commission. At least half of all directors must reside in the Kingdom of Thailand. The number of independent directors and Audit Committee must be in accordance with the announcement of the Capital Market Supervisory Board.

Authority of the Director

Group A. Mr.Boonchai Chokwatana, Mr.Wasin Teyateeti, Mr.Wichar Ldallitsakool,
Mrs.Chailada Tantivejakul, Mrs.Malee Leelasiriwong.

Group B. Mr.Chailadol Chokwatana, Miss Waraporn Kulsawatpakdee, Mrs.Kadekaew Ittikul,
Mr.Anupol Puwapoonpol

any two of Group A. can sign with the Company's seal or one of Group A. sign with other one of Group B. with the Company's seal.

The Board of Directors may designate the names of the directors who have the power to affix their signatures together with the seal of the Company to be binding on the Company.

Directorial Election Procedure

According to the Article of Association Chapter 3, 'The Board of Directors' No.20, the shareholders meeting is to elect directors in accordance with the following criteria and procedure :

1. A shareholder shall have one vote for one share.
2. Each shareholder must exercise all of the votes he or she has under 1, to elect one or several persons to be a director or directors and must not allot his or her votes to any person in any number.
3. The persons having the highest number of votes to the lower number of votes in order shall be elected as the directors equal to the number of directors to be elected by the Shareholders' Meeting in such election. In case where the number of votes for the candidates in descending order are equal which would otherwise cause the number of directors to be elected by the Shareholders' Meeting to be exceeded in such election, the Chairman shall have a casting vote.

Directorial Term of Service

A) Term Completion Retirement In accordance with Articles of Association Chapter 3 'The Board of Directors' No. 21 and the Company Charter, one-third of the directors have to retire from the post at each annual general meeting. In the case where the number of directors cannot be divided by three, the number of directors to retire is to be closest to one-third. During the first two years after the company's registration, a lottery draw needs to be cast among company directors to identify the one-third directors who have to retire at each annual general meeting. After the first two years, the lottery draw is no longer needed as the longest-serving directors are asked to retire. Directors who retire from the post may be re-elected.

B) Non-Term Completion Retirement

1) In accordance with Articles of Association Chapter 3 'The Board of Directors' No. 22 and Charter, directors are to be retired from the post (in a case other than completion of term) under the following circumstances:

- 1.1 Death
- 1.2 Resignation
- 1.3 Lack of required qualifications or having a prohibited character as specified by the law or company regulations
- 1.4 Being described as inappropriate or untrustworthy to manage a business the shares of which are held by the public, as per regulations specified by the Securities and Exchange Commission
- 1.5 Removal from office at the resolution of the shareholders meeting
- 1.6 Removal by court order

Once a post of director becomes vacant due to a reason other than completion of term, and that the remaining term is longer than two months, the Board of Directors is to select a qualified individual who is free of any prohibited characteristics as a replacement at the next Board of Directors meeting. The replacement member is to serve for only the remaining term of the director whom he/she replaces.

2) According to Articles of Association Chapter 3 'The Board of Directors' No. 25 the shareholders meeting may pass a resolution removing any director prematurely with at least three-fourths of the votes of present and eligible shareholders who have in total the number of shares of at least half of the shares held by present and eligible shareholders.

The Company has not fixed the maximum amount of director term as we believe that the ability to manage business and the expertise of each director are not dependent upon their age. Directors can remain in office for as long as they are committed to their duties as company directors and trusted by the Board of Directors and the shareholders. Ultimately, it is the authority of shareholders to elect individuals as directors to establish policies and act on their behalf.

Directors' Ratio on behalf of Shareholders' Representative

- None.

3 The selection of the management

The selection process for the persons to further serve in management positions for the company begins with the selection of the persons having good qualifications and sound morality and ethics to join the Company. The Company then trains and develops these people to be well-prepared to meet the challenges as future management members, through its consistent evaluation process of employees' potentials and capabilities. Those employees are selected and trained by the company would be assigned to work in the positions having higher authority and responsibility scope. As general practice, the Company regularly carries out training programs seeking to upgrade employees' potentials to a higher level, so as to be well-prepared to take up further significant positions when they become vacant.

+ The selection of the Chief Executive Officer

With the regard of selection methods for the Company's Chief Executive Officer, the Nomination and Remuneration Committee shall consider and select from the current management or others, with qualified knowledge and abilities, who understand the Company's business very well, and has leadership with the experience as a leader of the organization, as well as be able to manage to achieve the objectives and targets set by the Board of Directors, and also not be prohibited by laws. Accordingly, such person is then proposed to the Board of Directors for consideration of appointment.

The Company Structure and Responsibilities of the Board of Directors and Executives

1. The structure of the Board of Directors

The Board of Directors consists of individuals who have the knowledge and capability proven expertise from various fields and qualified according to law. At least one director is non-executive director who has experience in the Company's business undertaking and independent directors as announced by the Securities and Exchange Commission. All directors are committed to the duties entrusted by the Board of Directors and shareholders. They are free to voice opinions and approve matters for the best interest of the Company.

Balance of authority: Presently, the Board of Directors comprises of 14 directors:

- 2 Non-Executive Directors
- 4 Audit Committee / Independent Directors
- 1 Independent Director
- 7 Executive Directors

The Company has five independent directors which are complied with the criteria of the Securities and Exchange Commission that determine independent director must be a minimum one-third of the Board of Directors.

Roles, duties and responsibilities of the Board of Directors

The Board of Directors must be comprised does not exceed the number of five individuals. The required qualifications for each director are as follows:

1. An individual of juristic age
2. Must not be bankrupt, incompetent or quasi-incompetent
3. Must never be imprisoned by a final verdict in connection with a fraudulent act
4. Must never be handed punishment or removed from an organization or a government office, in connection with a fraudulent act

2. Designation of Vision, Mission, Policies and Core Value

The Board of Directors has prescribed a vision, policies and core value so that the executives officer and employees would strive towards the same goal, operated by the mission, goal, strategies, operational plans and the annual budget as necessary, taking into account the good corporate governance principles, in order to add value to the business and the shareholders.

Vision **Connecting Creative Ideas for Most Effective Business Solutions (DIVERGENCE)**

Mission The company strives to be a major consultant and service provider in integrated marketing communications. Its services focusing on supporting customers to achieve business success through the effective communication plan and creative work. The Company firmly believes that the success of the customers lies in the strong foundation for continued growth and sustainable success of the Company.

Goals To be the leader agency, as a major consultant and service provider in integrated marketing communications.

Business Strategies

1. The Company focuses on the connected creative ideas and diliver divergence for most effective business solutions. One of our tools is 3Fs : Fame, Feeling, Fluency.

| | |
|---------|------------------------|
| FAME | I am well aware of it. |
| FEELING | I feel good about it. |
| FLUENCY | I know lots about it. |

2. The Company focuses on providing effective consulting and integrated marketing communications service, covering branding, strategic planning, communications, advertising, public relations, marketing events, customer relationship management and data management.

3. The Company has a policy of acquiring new customers constantly. The recommendation from existing customers, introducing the Company to new customers, presenting new creative idea and

strategic plan to compete with other agencies. Furthermore, the implementation of digital strategy to promote the Company and the variety of services to the target group.

4. The Company is committed to acquire excellent talent and consistently develop its existing employees, as we believe that good personnel can create quality work that led to the company's growth.

5. The Company realizes the importance of adapting to the rapid changing situation of the advertising and communications industry. Therefore, the company focuses on developing the organization and its employee's capacity to cope with such changes in order to continue growth and outstanding performance.

The Board of Directors has required to report progress and the performance of the Management on a monthly basis at the Board of Directors meeting. In the case where any director has a transaction involving the company stock, a copy of the shareholding report filed to the Office of Securities and Exchange Commission must be submitted to the Company's Secretary for subsequent notification of the Board of Directors at the following meeting.

3. Designation of Corporate Governance Policy

The Board of Directors thereby prescribed corporate governance policy, business ethics and codes of conduct for Company Directors, Executive Officers and employees to ensure a harmonized approach, and as a practice guideline for the Company Directors, Executive Officers and all employees, and disclose in Company's website www.fareastfamineddb.com

4. Combination or separation of positions

The Chairman of the Board of Directors and Chairman of the Executive Board are not the same person. Furthermore, charter of all committees has been assigned authority and responsibility of the directors is clearly. As well as, the Company's independent directors at the number of not less than one-third of the Board of Directors, are qualified member and they are free to verify the balance of authority.

5. Directorial term

Directors serve the term specified under the company regulation. They may be re-elected upon the completion of a term.

The Company has not established requirements relating to the maximum age, the maximum number of companies for which the directors serve and has not fixed the maximum amount of director term. This is because we believe that the ability to manage business and the expertise of each director are not dependent upon their age or the number of companies for which they serve.

6. Number of companies for which the directors serve

Names of directors, their background, experience, shareholding and service as directorial position for other companies of each director are reported in the annual report and Appendix1 of the 56-1 Form. Currently, there is one director who hold more than 5 listed companies. They have consistently dedicated their time achieving results for the company.

7. Sub-Committee

The Board of Directors has appointed Sub-Committee to help assure shareholders of transparency and good corporate governance. Sub-Committee reports directly to the Board of Directors, Sub-Committee of the Company include the Executive Committee, the Audit Committee, the Risk Management & Anti- Corruption Committee and the Nomination and Remuneration Committee. Their authority and responsibilities are independent of each other, for the purpose of corporate governance.

The Nomination and Remuneration Committee selects and screens directors from qualified, visionary and ethical individuals of different profession and proposes to the Board of Directors for approval. Duties and responsibilities of all committees are clearly defined by the Board of Directors. The Chairman of the Executive Board in the capacity of the head of the management, is appointed by the Board of Directors to oversee the conduct of business and the operation of the company in order to achieve the goals set and in accordance with the policies established by the Board of Directors.

8. The Board of Directors Meetings

The Board of Directors places great significance on its meetings, and meeting attendance is regarded as a principal duty for each director, so that the company's important matters can be decided upon. The Company usually pre-determines the dates and times of its monthly meeting throughout the year. The Company's Secretary sends out invitations to the meeting along with the agendas, the minutes of the previous meeting and relevant documents to the directors for their review ahead of the meeting, not less than five days prior to the meeting date. Directors are welcomed to propose additional agendas and give their opinions openly. Meeting minutes are prepared by the Company's Secretary, certified by the Board of Directors and kept for later review by the Board of Directors and relevant parties.

The Chairman of the Board of Directors acts as the chairman of the meeting. Directors and executives are allowed to give their opinions freely.

The Company set the policy for the quorum of the meeting that the resolution of the Board of Directors must be passed by the number of directors of not less than two-third (2/3) of the total directors.

At the end of each meeting, the Company's Secretary is responsible for preparing the meeting minutes in writing, and having them endorsed by the Chairman of Board of Directors. The minutes are presented to the assembly for certification as the first agenda of the following meeting. Directors can give opinions and request amendments as necessary.

Certified meeting minutes are systematically kept at the office of the company in electronic form, together with documents supporting each agenda for ease of reference.

9. The performance self-assessment of the Board of Directors

The Board of Directors has assigned each company director to self-assess his or her own performance, as well as, the performance of the Board of Directors as a whole. Their valued opinions will be used to improve the performance of the Board of Directors.

Metrics in determining the performances based on the specified percentage scorings as below:

| Metrics | Scores |
|----------------|---------------|
| Excellent | More than 90% |
| Good | More than 70% |
| Neutral | More than 50% |
| Unsatisfactory | 50% and below |

The Board of Directors performance appraisal separated into 3 categories:

1. Performance, roles and responsibilities of the Board of Directors
2. Independence of the Board of Directors
3. Relationship with the management and stakeholders

In 2019, the overall performance of The Board of Directors is "Good" with an average score of 85.68%.

10. Annual Performance appraisal of the Subcommittee

The Board of Directors sets the performance appraisal of the subcommittee by having the individual members evaluating the subcommittee in which the member reports.

In 2019 the performance appraisal are summarized as follows:

| Sub-Committee | Results | Scores |
|---|-----------------------------|-----------|
| Audit Committee | Average Percentage of 95.85 | Excellent |
| Nomination and Remuneration Committee | Average Percentage of 89.76 | Good |
| Risk Management & Anti Corruption Committee | Average Percentage of 94.76 | Excellent |

11. Remuneration of company directors and executives

Remuneration of company directors

The amount of remuneration is determined by the Nomination and Remuneration Committee and agreed by the Board of Directors in accordance with the procedure established and proposed to shareholder meetings for their approval. This is based upon the performance of the Company, the amount approved and the actual amount paid in the previous year. Remuneration is paid in the form of meeting allowance per attendance of each director and annual remuneration to all directors. Directors who are members of a sub-committee are also compensated for their duty as a member of subcommittee in the form of meeting allowance per attendance. The 25th annual shareholders general meeting on April 25, 2019 has approved a total amount of 7 Million Baht in remuneration for directors per year. The actual amount paid was 6,220,000 Baht. Remuneration for each director is detailed in the annual report and the 56-1 Form.

Remuneration of company executives

The Company executives are remunerated according to company policy and based on the Company performance and their individual performance.

12. Development programs for company directors and executives

The Company places great importance on helpful seminars and training programs that will help directors and executives to perform better in their positions. Selected company personnel attended the Director Accreditation Program (DAP) and the Director Certification Program (DCP) by the Thai Institute of Directors (IOD), as well as other mini courses which contribute to their performance of directorial duties. We will continue to enroll our directors in future IOD courses.

Directors and executives have given importance to the training or attend seminars to increase the knowledge of continuous operation. In 2019, directors and executives attended the seminars and training as follows

Attendance of training and seminar of the Directors and Executives in 2019

| Name of Directors / Executives | Course / Seminar |
|--|---|
| 1. Mr. Wichar Ldallitsakool | • "Team Building" by Khun Bunpot Chaimukda |
| 2. Mrs. Chailada Tantivejakul (Chief Financial Officer) | • The Course: To catch up with the new Financial Reporting Standards, that will be used in the year 2019 and 2020 (model 4/19) by Federation of Accounting Professions (The number of CPD Hour for Accountant = 6 Hours) |
| 3. Mrs. Malee Leelasiriwong | • "Team Building" by Khun Nakorn Wuttikanakorn • "Important Issues, Labor Protection Act 2019" by Mr. Pongrat Kru-klin |

| Name of Directors / Executives | | Course / Seminar |
|--|----------------|--|
| 4. Ms. Waraporn | Kulsawatpakdee | • "Team Building" by Khun Nakorn Wuttikanakorn |
| 5. Mrs. Kadekaew | Ittikul | • "Team Building" by Khun Bunpot Chaimukda • "Professional Certified Life Coach" by Thailand Coaching Academy (TCA) • DAAT Day 2019 by K2 Exhibit Co., Ltd. |
| 6. Mr. Anupol | Puwapoonpol | • "Directors Accreditation Program (DAP 159/2019)" by Thai Institute of Directors • "Professional Certified Life Coach" by Thailand Coaching Academy (TCA) • "Team Building" by Khun Nakorn Wuttikanakorn |
| 7. Mrs. Punpit | Chaneiang | • "Team Building" by Khun Bunpot Chaimukda |
| 8. Mr. Rachapong | Ngampisai | • "Team Building" by Khun Bunpot Chaimukda |
| 9. Dr. Chalineee | Hirano | • "Team Building" by Khun Bunpot Chaimukda |
| 10. Mrs. Sunee | Chajirarakas | • "Team Building" by Khun Nakorn Wuttikanakorn |
| 11. Mrs. Pornwilai (Accounting Manager) | Pinvanichkul | • "Update TFRS 15-16, the effect of accounting and Calculation of net income" by the Revenue Department (The number of CPD Hour for Accountant = 3.30 Hours) • "Accounting for financial instruments" by Dharmniti Seminar and Training (The number of CPD Hour for Accountant = 6.30 Hours) • "Transfer Pricing" by Khun Somsak Anantawat |
| 12. Miss Rachadawan | Ritthirong | • CGR Workshop 2019 "Enhancing Good Corporate Governance based on CGR Score card" by IOD • Smart Disclosure Program (SDP) by SET • "Totoring for 100 points" by Thai Investors Association |

Personnel Policy

The Company will be achieved through strategic administration, particularly the personnel-related strategy, in order to cope with both the current and future situations,

Moreover, the Company encourage employees to enhance their knowledge, abilities and skills to further obtain expertise, along with developing their attitudes and traits that can drive the Company forward in a sustainable manner. The Company has engaged in activities regarding personnel development as follows;

1. Human Resource Management

- **Organizational restructuring**, the Company underwent organizational restructuring to increase operational efficiency, which responded to the nature of both existing and future operations of the business. Management competencies were improved to become more flexible in accordance with the Company's business plan.

- **Succession plans**, in order to ensure uninterrupted operation and enhanced efficient, we have established a policy for the succession of employees, management team and important position in different roles with structured levels of positions and a clear direction of personal development.

Knowledgeable and competent personnel are identified to meet replacement needs continuously. In case of the Company adjusted position as they arise, resigned, retired or death. There are screened on the following qualifications.

- The candidate must be a competent individual within the organization. The person must have the sufficient qualifications according to Company's rule and have the vision, knowledge, skill and experience to match with the Company's culture.
- In the case of having multiple people to choose for an important position, the recruitment must consider them base of readiness of taking the role and their work performance.
- Interpersonal relationships, leadership and competencies, about the knowledge, skill, personality and preferable attitude of that personal position.
- Enhancement of knowledge by participation in courses that are related to their duties.
- The candidate must be an individual of high moral and ethical standards in corporate governance.

- **Performance evaluation**, The Company has employee's performance evaluation annually on employees in manager level, operational level and specialists. The performance evaluation provides the Company with benefit of Human Resources Development to match employee's potential compensation management, promotion and relocation.

- **Welfare regulations**, the Company evaluated and improved operating regulations, while also ensuring clarity and practicality. In addition, regulations for employee's retirement were amended to be more appropriate and to truly benefit those who have worked with the Company for a long time. The Company has provided the investment policy in the provident fund exactly as appropriate for the employees in terms of age, ability to take risks. and the investment goals individually.

- **Orientation**, is of great importance as it helps create a first impression for new employees, as well as those rotating to perform new functions. The objective of this process is to introduce general knowledge about the Company such as history, policies, organizational structure, rules and regulations, welfare, and benefits. In addition to operational guidance, these employees will be informed of our good corporate governance consist of: corporate governance policy, business ethics, Code of Conduct, and anti-corruption policy, which are of paramount importance to the Company. This will enable employees to learn and familiar environment and workplace. As the results, employees confident in performing their task while understanding corporate culture that will benefit their performance at a later stage.

2. Employee Development Policy

The employees are encouraged to develop their career paths according to their knowledge capability and relentless seeking of new knowledge while being ready to confront a wide range of tasks in support of the Company's growth. The Company focuses on creating personnel development activities as follows;

- **Personnel review and selection**, we believe in the significance of the personnel selection process as it can be likened to the first step in any business endeavor. Therefore, we have established efficient, fair, transparent and auditable criteria for the review of competent people who have a positive attitude and whose qualifications correspond with the nature of our operations, and those who enjoy the Company's organizational culture.

The recruitment process begins with inside employees by considering their knowledge and key ability so the company has opportunity to circulate the position, if there is no inside employee to match the position then the recruitment process shall begin to look for outside people.

Additionally, the Company always runs the criminal records check on new recruits in cooperation with the Criminal Records Division, Royal Thai Police to promote anti-corruption.

- **Training and Development**, the Company aims to equip employees with the knowledge and expertise that can be used in their operations. Results gained from the training demand survey are integrated with the company personnel training and development strategic plan to achieve an effective training and development plan. All employees are supported to attend trainings and seminars continuously.

Additionally, the Company provided human resources development in form of knowledge sharing by dividing in group and presented in the interested articles, case study or seminar to share for created understanding and able to use their knowledge adapt to guideline beneficence. There are also human resources development in form of knowledge management by collecting knowledge in the Company which is scattered in the persons or documents to develop into system for all employees have access to knowledge via intranet and also good model for own development. In 2019, the Company provided the knowledge development for employees as follows ;

Knowledge Development for Employees

Online media has become a major medium used as a marketing tool and will play a greater role in the 4.0 marketing era in which the digital world is easily accessible for people at all levels. Therefore, it is essential that the company must update new digital platforms and use various digital medias for effective communication plan that can reach the target group with the suitable budget.

With this reason, the company has continuously focused on providing knowledge in digital media and strengthen creativity to employees to increase its potential on digital and creative competency.

The followings are the digital and creative training courses for the employees through the year 2019.

- **"Self Service Analytics with tableau by Ms. Anthea"** by Quandatics Company Limited
- **"DAAT Day 2019"** by K2 Exhibit Co., Ltd.
- **"Data Science for Business"** by I.C.C. International PCL
- **"The Art & Science of Content Marketing"** by Dots Consultancy Ltd.
- **"AI & Creativity"** by Khun Anan Teeraburanapong
- **"Digging Creative Effectiveness Winners"** by Khun Jongjitr Smith
- **"Creative Signature Stories"** by Khun Jongjitr Smith
- **"Fast Food Trends 2019"** by Khun Jongjitr Smith

In addition, the company also gives importance to enhance the potential of employees at the Management, Middle Management and all levels to build strong relationships and good attitudes which will enable everyone to work together to drive success and strength for the organization. Theses programs are as follow:

- **"Team Building"** by Khun Bunpot Chaimukda
- **"Team Building"** by Khun Nakorn Wuttikanakorn
- **"Professional Certified Life Coach"** by Thailand Coaching Academy (TCA)
- **"Landmark Forum" Curriculum** by Landmark Worldwide
- **"Leading My Life"** by Thailand Coaching Academy (TCA)
- **"THE MASTER curriculum"** by Institute of Strategic and Appreciative Business (iSAB)

The company also provides specialized training for staffs to increase their knowledge and expertise such as the specific trainings on law, accounting and finance management and labor law.

- **"Guidelines for driving cosmetic advertising in the 4.0 era"** by Thai Cosmetic Manufacturers
- **"Directors Accreditation Program (DAP 159/2019)"** by Thai Institute of Directors
- **"Update TFRS 15-16, the effect of accounting and Calculation of net income"** by the Revenue Department
- **"New Labor Protection Act seminar on Special allowances for living expenses of pensioners "**
- **"Important Issues, Labor Protection Act 2019"** by Mr. Pongrat Kru-klin
- **"Accounting for financial instruments"** by Mr Wiraka Santapan
- **"Transfer Pricing"** by Khun Somsak Anantawat

Moreover, the company realizes the importance of transparency in its operations by arranging new employee orientation to inform the rules and regulations of the company, also the Anti-Corruption Measures Guideline by Human Resources department.

Overseeing the operations of its subsidiaries and associates

The Company has a policy of investment in subsidiaries and associates. By focusing on the business synergy, tracking the performance of their respective companies and regularly reporting to the Board. The Executive will consider the main business of those companies in order to send a skilled and expertise person to represent the Company as an co-investor.

The Company will ensure that the subsidiary company has practice and disclose important information. According to various rules In the same manner as the company practices such as connected transactions acquisition or disposition of assets or other important transactions including having to supervise the collection of data and accounting of subsidiaries for the company can check and compiled to prepare the consolidated financial statements in a timely manner.

Insider information usage control

The Company has performed in accordance with good corporate governance in Article: Control of Internal Data Usage, which determines in writing of the Code of Ethics, "Conflict of Interests and Code of Conduct for the Company Directors, Executives, and Employees. These require that directors, executives, and employees perform their duties with great honesty, responsibility, discipline and in good conscience towards themselves and others. They must not use their position to gain benefits for themselves and/or others in an inappropriate way or use company information or assets in such a way that benefits themselves and/or others. Further, they must not engage in any act which constitutes the encouragement of any individual to engage in a business which is competitive with that of the Company, including regulations on the purchase and sales of Company's securities. The Company Directors, Executives, and Employees responsible for the internal data of the Company are prohibited to buy/sell the Company's securities in a period of one month prior to public disclosure. Every quarter, the Company Secretary has delivered the notification letter to the Company Directors, Executives, and other related persons for a prohibited period of purchase/sales of shares until another 24 hours passed since the information disclosed publicly.

In addition, the Board of Directors and Executives, including spouses and minor children are obliged to report on their holding shares to The Securities and Exchange Commission and the Board of Directors at the next meeting. The Company also sets guidelines for the Board of Directors and Executives to report the transactions that may be related to the interest of the Board of Directors, Executives, and related persons at the first positioning date and after any change of information are made. The Company Secretary

will submit the copies of change of interest report to the Chairman of the Board and Chairman of the Audit Committee within seven days from the date of report receipt.

The Policies on Good Corporate Governance, Eight Principles of Good Corporate Governance, Code of Ethics, and Code of Conduct for the Executives and the Employees are handed out to Company Directors, Executives, and Employees, including a disclosure on the Company's website (www.fareastfamineddb.com) to be used as their operational guidelines and principles.

Compliance with Principles of Good Corporate Governance Code 2017

The Board of Directors has considered adopting the Good Corporate Governance Principles for listed companies in 2017 by the Office of Securities and Exchange Commission to be used and accessed the Company. This is to ensure that there are process in place as well as a development plan suitable to the business. In 2019, the Board of Directors has established the Good Corporate Governance Code of the Company to comply with good business practices for listed companies in 2017 by the Securities and Exchange Commission and approved by the Board of Directors to replace the current version and review CG Code at least once a year.

The result in complying with the Good Corporate Governance Code for listed companies are as follows:

1. Good Corporate Governance's assessment for 2019: the Company was rated "Good" by the Thai Institute of Directors Association (IOD).
2. The Annual General Shareholders' Meeting (AGM) assessment for 2019: the Company has scored 100 points as "Excellent" for the 5th consecutive years.

Compliance with Good Corporate Governance Code in other matters

Directors' Orientation and Handbook

Newly appointed directors are introduced at the Board of Directors meeting. They are given the business policy, the director's manual and the annual report for the purpose of reference. The director's manual has been revised and distributed to all directors and executives for their use. It contains information on the followings:

1. The Company's regulations, the Public Limited Company Act, Securities and Exchange Act and Good Principles of Good Corporate Governance on topics concerning the performance of directors and executives such as the Board of Directors meeting, the Board of Directors duties and responsibilities, validity of the Board of Directors actions, and, directorial elections.
2. Charters of each subcommittee.
3. Good Principles of Good Corporate Governance Policies. The principles of Corporate Governance are dividend into 8 categories, Business Ethics section and Code of Conduct for company directors, executives and employees.
4. Policy and Best Practice for Anti-Corruptions

Good Corporate Governance Code (Sections in which the Company have not materialize)

The Company will implement where appropriates.

| Sections not materialized | Reasons |
|---|---|
| 1. The Company has a cross-shareholding structure or hierarchy structure | The cross-shareholding structure has been applied with the Company before listing on The Stock Exchange of Thailand. There are no contradiction to Section 14 according to the notification of the Capital Market Supervisory Board Thor Jor 28/2008 regarding the approval of newly issued shares. |
| 2. The Board of Directors of the Company does not determine the proportion of directorships in the Company according to the investment portion, number of companies that the Directors is a member , term directorship and the number of meetings able to attend. | The Board of Directors of the Company does not determine the proportion of directorships in the Company according to the investment portion due to the nature of business and the individual experience of the Board of Directors does not reflect the term or number of directorship positions held. As long as the Directors have the vision and passion to lead the companies as trusted by the Board of Directors and shareholders. In 2018 only one director serves as a director at more than five listed companies. Nonetheless, the Company is confident that his directorships elsewhere will not affect his role at the Company. The director in question has time and again demonstrated his commitment by regularly attending all board meetings and contributing to the betterment of the Company. |
| 3. The Chairman of the Board of Directors sets the remuneration whom is not an independent position or does not consist of an independent position | Even though the Chairman of the Board of Directors and the Remuneration committee are not independent, all the members are directors with knowledge, capabilities and expertise in their roles, together with doing business in an honest, responsible and votes in areas where they hold shares. |
| 4. The Board of Directors's policy has specified the limit of the number of years on the tenure of independent directors not exceeding 9 years. | The Board of Directors's policy does not limit the number of years on the tenure of independent directors since the company's independent directors continue to perform their duties with independence and without private interests that may conflict with the interests of the company, as well as make decisions by taking into account the best interests of the company. They are also independent from the management and major shareholders of the company. |
| 5. The Chairman of the Board of Directors is not independent | Even though the Chairman of the Board of Directors is not an independent their knowledge, experience and ability in the business will help business in an operates as well as operating in an independent manner. This opens an opportunity to all the Board of Directors to have a freedom of expression to share ideas and opinion that would be beneficial to the Company. |
| 6. The Board of Directors have yet to evaluate the individual performances | With the overall evaluation of the Board of Directors, this still reflects the total business operations in which the individual members are capable in taking the results into development |

CORPORATE SOCIAL RESPONSIBILITY

In 2019, the company continues to focus on its social responsibilities by implementing the School Project activities in support of needy schools in underdeveloped rural areas. This project is now in its 13th year.

The 13th School Project activity in support of needy schools in underdeveloped rural areas under the concept, 'Learn ENG with Real' Episode 2

2019 was the 13th consecutive year where the company and its clients has organised CSR activities under the 'School Project' banner in order to support needy schools in underdeveloped rural areas. This year, under the 'Learn ENG with Real' Episode 2, the company supports Ban Pang Samakki School in Saraburi province to build an English Center with the intention to increase the opportunity to learn English to the poor school as English is so in demand and has the major role in the modern world.

The company also cooperated with Lion (Thailand) Co., Ltd. to support "Beautiful teeth, bright smile by ourselves" project by donating toothbrushes and toothpaste by encouraging tooth brushing after lunch for the whole school to create awareness and encourage the student to know how to maintain cleanliness within the mouth and teeth. The company also composed the English songs about brushing teeth for the school to use in such activity.

On behalf of all our clients, the company's employees delivered this wonderful occasion to Ban Pang Samakki School in Saraburi province on 4 December 2019. Employees participated in joyful activities with the students, donated learning materials, stationery, consumer products and scholarship, while also preparing lunch, as a special gift to the children in the hope of encouraging them to have fun in the New Year. It was a happy occasion that provided equal joy to both the giver and the recipient.

INTERNAL CONTROL AND RISK MANAGEMENT

Internal Control

Far East Fame line DDB Public Company Limited recognizes the importance of having a good internal control system in order to achieve the objectives of the internal control of operations sufficiently and efficiently. The company respects law-abiding Including rules relating to business operations which will help support the accurate and transparent operation and achieve the company's objectives.

In the Board of Directors' meeting No. 246(2/2020) held on 25 February 2020, the Board of Directors assessed the internal control system of the company for the year 2019 by referring to the evaluation form of the Office of the Securities and Exchange Commission (SEC) and the results of the assessment of the adequacy of internal control by the audit committee. The Board of Directors agree that the company has sufficient and appropriate internal control system and the company has adopted the management methodology of COSO as a tool for managing internal control. The Tools consists of 1) The Internal Control and Environment 2) Risk Assessment 3) Control Activities 4) Information System and Data Communications and 5) Monitoring and Evaluation System. which can summarize the internal control components as follows:

1. The Internal Control and Environment

The Company has set corporate good governance policy, employee code of conduct, business ethics and moral principles with transparency and accountability. The Company has set the structure of management specifying the clear authority and responsibility of each duty. The company determines the authority, duty and responsibility between the Board of Directors, Independent Directors, Management, Executives and employees appropriately, under the supervision of the Board of Director.

2. Risk Assessment

The Board of Directors has established a risk management and anti-corruption committee to monitor the risk management system and defined its role in the Charter of the risk management and anti-corruption Committee. The committee has at least four meetings per year to consider the important issues regarding the risks and the management of those risks and report to the Audit Committee in order to consider issues that may have a significant impact on the operation.

3. Control Activities

The Company has the authority to determine the scope of the operation of Directors, management and employees, including strategic policy, company's goal and advanced technology system that help support the company's operation goals. The company regularly reviews the performance to comply with the rules and regulation. It also has the internal audit department to review, track and follow up the issues or weakness detected by the operation in order to get the appropriate consideration and solution from the management on time to ensure that the operation has adequate internal control systems.

4. The Information System and Data Communications

The company provides secure and reliable information systems for processing data for the Board of Directors, Management, employees. Advanced technology and equipment was acquired to keep pace with the market and the competitors.

The company has the meeting of board of directors, executives and employees to report important information to the Board of Director on a regular basis. The company has the meeting between executives and employees to communicate the policy and company's goal to ensure effective internal communications that support organizational objectives.

Communication channel for the third party. The company provide various channel of communication to the third party to send complaints or suggestions to the company such as the company's website, email and PO Box 13, Ratchathewi Bangkok 10401

5. Monitoring and Evaluation System

The company has good evaluating and monitoring system to ensure that the implementation will meet the target set. The company has the meeting between executives and employees to adjust the appropriate operations and regularly report to the Board of Directors.

The Company evaluates the performance of the employees at all levels and also so the internal audit unit which is an independent unit, to perform its duties on reporting the audit results, following up issues and reporting to the Audit Committee Meeting on a quarterly basis.

For the Risk Management, the Board is acknowledged the important risks that may affect the operation during the Risk Management Meeting in order to find an appropriate risk management solution and set guidelines for resolving that risk and mitigating the risk to the acceptable level and closely monitoring.

Risk Management

According to the company policy that announced its intention to fight fraud and anti-corruption, the Board of Directors has established the Risk Management and Anti-Corruption Committee to perform the roles and responsibilities under the Charter to support and push for the cooperation in risk management at all levels in the company and set up measures to manage risk on time once it happen.

The Company has risk assessment of the operation by the Internal Audit department and asses the risk of fraud and corruption in all operating departments to assess the risks and potential impacts and find measures to avoid, eliminate, transfer or accept the risk that may occurs with appropriate procedure.

By overview of the internal control and risk management of the company in 2018, with the joint meeting between the Board of Directors, auditors, executives and internal audit department in every quarter, the auditor has assessed the performance of the company's accounting and internal controls and meet the key issues in the audit review. The auditors have checked, reviewed and reported those issues to the Audit. Therefore, it is considered that the company's internal controls are adequate and appropriate.

INTER-COMPANY TRANSACTIONS

The approval of the related transactions, the policy of the Company is set in accordance with the announcement of the Capital Market Regulatory Board and the Stock Exchange of Thailand. The Company will propose the related transactions to be consented by the Audit Committee before being considered by the Board of Directors. If the said related transactions require to be disclosed in accordance with the rules of the Stock Exchange of Thailand, the Company will comply with such rules and propose to the Company's Board of Directors for consideration. Any director with vested interest shall leave the meeting room and abstain from voting on such matter. The consideration of the related transactions, shall consider the reasonability and the necessity of the transaction for the benefit of the Company. After the meeting, the transactions will be disclosed to the Stock Exchange of Thailand in both Thai and English languages and shall be published in the Company's website.

Additionally, the Board of Directors has approved the principles that allow the management to engage in ordinary business transactions or support ordinary businesses that have general trade agreements in the same manner that reasonable person would treat his partners in the same situation. Such manner must be performed without the influence of the status as directors of the Company, the management or involved individuals. The principles must be approved on an annual basis while any related transaction must be summarized and report to the Board of Directors. The summary has been disclosed in 56-1 and 56-2 forms.

In 2019, inter-company transactions of the Company were mostly advertising related trade account receivables, service incomes, consultancy fee incomes, rental and parking fee incomes, and service fees among the company, subsidiaries and associated companies. These transactions are considered part of the normal and fair course of business that the Company does with other parties in the industry. Service rates are in accordance with normal practice and are not set up in order to transfer the Company's benefits to related parties. As described in the notes to financial statements No.23.

The Transactions Related to Assets or Services, Renting of Immovable Property and Consultancy Fee Income.

The Board of Directors' Meeting No.1/2019 at January 24, 2019 approved the transaction at the amount of 2,083,000 Baht, as follows:

| Companies | Relationship | Rental and Parking Fee Income (Baht) | Consultancy Fee Income (Baht) |
|--|--------------|--------------------------------------|-------------------------------|
| 1. Springboard Plus Co., Ltd. (Subsidiary) | Co-Directors | 130,000.00 | |
| 2. Integrated Communication Co., Ltd. (Associated Company) | Co-Directors | 1,450,000.00 | 180,000.00 |
| 3. Pinnacle Travel Co., Ltd. | Co-Directors | 70,000.00 | |
| 4. Chailadadol Co., Ltd. | Co-Directors | 40,000.00 | |
| 5. Image First Co., Ltd. | Co-Directors | 173,000.00 | |
| 6. Diginakorn Co., Ltd. | Co-Directors | 40,000.00 | |
| Total | | 1,903,000.00 | 180,000.00 |

Note:

- Rental Income of immovable assets and parking fee : Baht 1,903,000.00. The Company has signed the rental contract and parking fee with related 6 companies. Rental contract is 1 year term. The setting price is upon market rental price in the same area which will depend on the location, investment cost and the use of assets.

- Consultancy Fee Income: Baht 180,000.00. The Company is the consultant on human resources and computer for 1 related company. The consultant fee is calculated from cost plus the reasonable profit which depend on the difficulty and scope of service.

The related person : Co-Directors

Opinions of the Board of Directors : The Board of Directors approved the Company to enter into the above mentioned connected transactions relating to assets or services and regarding rental or lease of immovable property not exceeding 3 years. Due to the reasonable price and good conditions of the said connected transaction. Furthermore, such transactions should contribute the Company's further benefit.

Opinions by the Audit Committee and/or Director significantly different from those by the Board of Directors : -None-

Policy and tendency of executing inter-company transactions in the future

Most of the Company's business operation, such transactions are normal commercial business undertakings under general trade agreements. In the case that transaction is the connected transaction, the Company proceeded in accordance with the rules and regulations of the Capital Market Regulatory Board and the Stock Exchange of Thailand.

Related Transactions during the past 3 years

Shareholders and / or investors can view historical data to compare 3 years of information from the Annual Report 2018 and Annual Report 2017 on the Company's website, the topic of Investor Relations.



FINANCIAL STATUS

ANALYSIS AND DESCRIPTION OF THE MANAGEMENT

Description and Analysis of Financial Position and Result of Operation

Overview

The operating results of Far East Fam line DDB Public Company Limited and its subsidiaries in the consolidated financial statements for the year 2019 are as follows:

(Unit : Million Baht)

| Performance Overview | For the year ended 31, December | | | |
|--|---------------------------------|--------|---------------------|---------|
| | 2019 | 2018 | Increase/(Decrease) | |
| | | | Amount | (%) |
| Revenue from the rendering of service, commissions | 713.56 | 702.32 | 11.24 | 1.60 |
| Costs of rendering of service and commissions | 476.42 | 465.08 | 11.34 | 2.44 |
| Gross Profit | 237.14 | 237.24 | (0.10) | (0.04) |
| Others Income | 56.50 | 70.34 | (13.84) | (19.68) |
| Selling administrative expenses | 176.18 | 181.83 | (5.65) | (3.11) |
| Profit Before Tax | 117.46 | 125.75 | (8.29) | (6.59) |
| Corporate Income Tax | 19.41 | 22.07 | (2.66) | (12.05) |
| Profit After Tax | 98.05 | 103.68 | (5.63) | (5.43) |

Result of Operation

In 2019, Far East Fame Line DDB Public Company Limited and its subsidiaries had total gross income from the rendering of service and commission amount of THB 237.14 million, a decrease from year 2018 amount of THB 0.10 million or 0.04 per cent, and had a net profit for the year amount of THB 98.05 million, a decrease from 2018 amount of THB 5.63 million or 5.43 per cent, because of decreasing net profit came from others income a decrease amount of THB 13.84 million or decrease 19.68 per cent, there for the main result from gain on sale of investment in available-for-sale a decrease of THB 14.04 million and the share of profits from investments in associates a decrease amount of THB 3.39 million to compare with previous year.

Profitability ratios can be compared as follow :

| Item | Year 2019 | Year 2018 | Year 2017 |
|---|-----------|-----------|-----------|
| Gross income (%) | 33.23 | 33.78 | 29.95 |
| Return of Revenue from service & commission = EAT/REV (%) | 13.74 | 14.76 | 17.08 |
| Return on Shareholders' Equity = EAT/EQUITY (%) | 7.70 | 8.48 | 10.60 |

Due to the economic slowdown in 2019, which has an impact on the domestic business sector, the company continues to operate with caution because many clients have reduced their advertising budgets. The company, therefore, still pays attention to cost management policy and significant reduction of service and administrative expenses in order that they will not affect the company's operations.

Total Revenue

For the year 2019, Total Revenue included revenue from the rendering of service and commissions, divided income, Private Fund Returns Recovery Income, Gain on sales of investments in available-for-sale securities, Other income and share of profits from investments in associates.

The Company and its subsidiaries had total income amount of THB 770.06 million, a decrease from previous year amount of THB 2.60 million or 0.34 per cent. Details are as follow:

Revenue from rendering of service and commission

In 2019, The Company and its subsidiaries earned revenue from the rendering of service and commissions of THB 713.56 million, an increase from previous year of THB 11.24 million or 1.60 per cent.

Overall, the main income of the Company and its subsidiaries increased slightly caused by the economic slowdown and the clients have to carefully use the advertising budgets, while some have to reduce advertising budgets.

Other Incomes

Other income of the Company and its subsidiaries in 2019 consists of dividend income and private fund return recovery income an increase amount of THB 4.07 million or 31.04 per cent. Gain of sale of investment in available-for-sale securities a decrease amount of THB 14.04 million or 100 per cent. The share profit from investments in associates amount of THB 28.10 million, a decrease of THB 3.39 million or 10.76 per cent.

Total Operating Expenses

Total expenses consisted of cost of service and commissions and selling and administrative expenses. In 2019, the Company and its subsidiaries reported total expenses of THB 652.60 million, an increase of THB 5.69 million or 0.88 per cent. Details are as follow:

Cost of service and commissions

The Company and its subsidiaries had cost of rendering of service and commissions amount of THB 476.42 million, an increase from previous year amount of THB 11.34 million or 2.44 per cent, relating to increasing revenue. The Company still maintained a significant cost management policy.

Selling and administrative expenses

For the Consolidated Financial Statement of the Company and its subsidiaries had selling and administrative expenses amount of THB 176.18 million, compared with previous year, a decrease of THB 5.65 million or 3.11 per cent.

The decreasing of expenses resulted from decreasing of employee stock option's price from prior year of Baht 10.37 million or 46.10 per cent, which was recorded as share-based payment expenses, in addition, provision for employee benefit increased by Baht 11.60 million or 100 per cent.

Total Net Profit

The Company and its subsidiaries had total profit for year 2019 amount of THB 98.06 million, a decrease from year 2018 amount of THB 5.62 million or 5.42 per cent. As divided to

- Net profit attributed to owners of the parent in 2019 was THB 95.83 million, a decrease from previous year amount of THB 5.16 million or 5.11 per cent.
- Net profit attributed to non-controlling interests in 2019 was THB 2.23 million, a decrease from previous year of THB 0.46 million or 17.18 per cent.

Financial Position

Assets

At year-end 2019, the Company and its subsidiaries had total assets amount of THB 1,720.88 million, an increase from previous year amount of THB 56.17 million or 3.37 per cent, current assets a decrease amount of THB 10.48 million or 1.62 per cent. Cash and cash equivalents and temporary investment had total amount of THB 277.53 million, a decrease from 2019, amount of THB 5.33 million or 1.88 per cent and total current assets amount of THB 21.79 million, an increase from previous year amount of THB 2.21 million or 11.28 per cent.

| Efficiency Ratio | Year 2019 | Year 2018 | Year 2017 |
|----------------------------|-----------|-----------|-----------|
| Return on Total Assets (%) | 5.79 | 6.20 | 7.55 |

Return on Total Assets Ratio of the Company and its subsidiaries in 2019, a decrease from year 2018 from 5.79 per cent to 6.20 per cent, as a result of decreasing of company's performance. However, the Company still has ability to manage assets effectively to achieve the highest performance and ability to increase profitability.

Cash and Cash equivalents

The Company and its subsidiaries had cash and cash equivalents at the end of 2019 of THB 177.40 million, an increase in amount of THB 113.03 million or 175.59 per cent from previous year.

The Increasing of cash and cash equivalents at the end of year 2019 due to the Company prepared cash for fund investment in early next year, resulting of having more cash remaining in the account than last year.

The Company still has sufficient liquidity circulation in the business, the liquidity ratios as follows:

| Liquidity Ratio | Year 2019 | Year 2018 | Year 2017 |
|-----------------------|-----------|-----------|-----------|
| Current Ratio (times) | 1.79 | 1.85 | 1.84 |
| Quick Ratio (times) | 1.77 | 1.83 | 1.81 |
| Cash Ratio (times) | 0.78 | 0.81 | 1.01 |

At year-ended 2019, current ratio is 1.79 times. The Company still have liquidity of working capital ratio is higher than current liabilities at a high level. It would not affect to the business.

Quick ratio increased 0.06 times from previous year. Cash ratio is 0.78, a slightly decrease of 0.03 from previous year. However, the company still has a high level of liquidity and has flexibility in management and operation.

Accounts receivable trade and others

In 2019, the Company and its subsidiaries had accounts receivable trade amount of THB 329.90 million, a decrease from 2018 amount of THB 6.60 million or 1.96 per cent. Other accounts receivable has consisted accrued income, prepaid expenses and others I amount of THB 2.08 million, a decrease from previous year amount of THB 2.06 million or 49.73 per cent.

| Liquidity Ratio | Year 2019 | Year 2018 | Year 2017 |
|----------------------------------|-----------|-----------|-----------|
| Customer Turnover Ratio (times) | 3.51 | 4.29 | 4.62 |
| Average Collection Period (Days) | 104 | 85 | 79 |

The average ratio of debt collection period in 2019 was 104 days. The Company has taken into account the liquidity in business operations and increases caution in managing credit for efficiency. At present, the company still has sufficient liquidity in business operations.

Liabilities

At year-ended 2019, the Company and its subsidiaries had total liabilities amount of THB 423.86 million, an increase from 2018 amount of THB 7.65 million or 1.84 per cent, and had consisted accounts payable trade had amount of THB 264.36 million, an increase from 2018 amount of THB 6.04 million or 2.34 per cent. Other account payable which including accrued expenses, Directors' remuneration, bonus payable and other items, total amount of THB 60.28 million, an increase amount of THB 1.76 million or 3.01 per cent. Corporate income tax payable amount of THB 6.90 million, a decrease from previous year 1.15 million or 14.28 per cent.

| Liquidity Ratio | Year 2019 | Year 2018 | Year 2017 |
|--------------------------------|-----------|-----------|-----------|
| Payable Turnover Ratio (times) | 3.68 | 3.94 | 3.55 |
| Average Payment Period (Days) | 99 | 93 | 102 |

The Company assigns credit term to pay creditors about 75 days. From the table above, liquidity ratio of debt repayment has an average payment period about 99 days, due to 2 times payment date a month. If some accounts payable do not get paid on time of the schedule of appointment. Thus, the payment period was postponed to the next month, as it is clearly defined by the company's policy.

Non-current liabilities

In 2019, the Company and its subsidiaries had total non-current liabilities amount of THB 66.89 million, an increase 1.39 million or 2.13 per cent. The increasing was a provision for long term of employee benefit, an increase amount of THB 2.35 million or 4.97 per cent.

Shareholders' Equity

The shareholders' Equity of the Company and its subsidiaries as of the end of 2019 amount of THB 1,297.20 million, an increase from year 2018, amount of THB 48.52 million or 3.89 per cent.

Cash Flow Statement Analysis

| Unit: Million Baht | For year-ended, December 31 | | Difference +/- |
|--|--------------------------------|-----------------|-------------------|
| | 2019 | 2018 | |
| Cash Flow from Operating Activities | 185.47 | (55.14) | 240.61 |
| Cash Flow from Investment Activities | (4.31) | (101.25) | 96.94 |
| Cash Flow from Financial Activities | (68.13) | (53.61) | (14.52) |
| Difference from change in investment type, Invest in a subsidiary as an associated company | - | (17.96) | 17.96 |
| Net Change in cash and cash equivalents | 113.03 | (227.96) | 340.99 |
| Cash and cash equivalents as of January 1 | 64.37 | 292.33 | (227.96) |
| Cash and Cash equivalents as of December 31 | 177.40 | 64.37 | 113.03 |

In 2019, the Company and its subsidiaries with an increase of cash flow amount of THB 113.03 million to compared with year 2018. The resulting in cash and cash equivalents as of December 31, 2019 equal to THB 177.40 million

Cash Flow from operating activities

The Company and its subsidiaries had net cash flow from operating activities amount of THB 185.47 million, an increase of THB 240.61 million, compared with the end of year 2018, the main result was due to:

1. Operating Profit before change in assets and liabilities increased amount of THB 11 million.
2. The increase in working capital changes was THB 207 million.

Cash Flow from investment activities

The Company and its subsidiaries had net cash flow from investment activities amount of THB 4.31 million, a decrease amount of THB 96.94 million, compared to the end of year 2018, due to:

1. Purchase of investments in available-for-sale securities amount of THB 41.92 million.
2. Deposit with fixed deposits in financial institutions a decrease amount of THB 26.75 million.
3. Purchase of buildings and equipment in amount of THB 19.39 million baht.

Cash Flow from financial activities

The Company and its subsidiaries had net cash flow from financial activities amount of THB 68.13 million, an increase of THB 14.52 million to compared with the end of year 2018. Mainly due to cash received from capital increase of THB 11.88 million.

Significant Liquidity and Appropriate Capital Structure

Suitability of Capital structure

| Items | Year 2019 | Year 2018 | Year 2017 |
|------------------------------|-----------|-----------|-----------|
| Debt to Equity Ratio (times) | 0.33 | 0.34 | 0.40 |

In 2019, the Company's Debt to Equity Ratio is 0.33, a slightly decrease from previous year. The Company has no debt on the loans, showing that the Company's financial structure is stable and has the opportunity to expand the business. The company is certainly capable to expand the investments.

Key Liquidity

At the end of year 2019, the Company its subsidiaries had amount of THB 637.74 million, higher than current liabilities amount of THB 280.77 million. The Company has no debt on the loan, showing that the Company has sufficient liquidity and ability to repay.

Factors that affect the future operation

Due to the sluggish global economy, which affect domestic economy. The declining public spending and purchasing power had caused operators to be cautious in using advertising budgets, which inevitably has an impact on the company operation. In addition, the Company still has risks that impacts to the operation as follow:

loss of major client

With the high competitive in current situation of the advertising business, the Company has the risk of loss of major clients which will have significant impact on revenue. Therefore, the Company have to maintain the existing clients.

The company need to make confidence, create high quality of work and maintain good relationships with clients in order to help the clients to receive the effectiveness of advertising and achieve marketing success.

Risk from intense political unrest, disasters, serious accidents or natural disasters

Disasters, terrorism, sabotage and political unrest are unpredictable. However, the outrage of these incidents were inevitable affect the company's revenue.

Audit Fee for the year 2019

1. Audit Fee

The Company, subsidiaries and associated companies paid audit fee to Dr. Virach & Associates Office Co., Ltd, the Company's Auditor for the year 2019 as follows:

| | | |
|---|------|--------------|
| Far East Fame Line DDB Plc. | Baht | 1,260,000.00 |
| Springboard Plus Co., Ltd. (Subsidiary) | Baht | 120,000.00 |
| Diginakorn Co., Ltd. (Associated Company) | Baht | 75,000.00 |
| Integrated Communication Co., Ltd. (Associated Company) | Baht | 255,000.00 |
| Media Intelligence Co., Ltd. (Associated Company) | Baht | 550,000.00 |

2. Non - Audit Fee

- None .

REPORT ON THE BOARD OF DIRECTORS' RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Board of Directors duly recognized their obligations and responsibilities in their status as the directors of SET listed company, with regard to the compilation of financial statements for Far East Fame Line DDB Public Company Limited. The financial statements were prepared in accordance with Thai Financial Reporting Standards, based on the adoption of appropriate accounting policies on a consistent basis, accompanied by careful consideration and justifiable accounting estimates. Furthermore, adequate significant information was disclosed per the notes to the financial statements, together with necessary clarification and analysis regarding the financial positions and performances by the Company, so as to contribute to the interests of the shareholders and general investors. Moreover, the financial statements were duly audited and verified by independent certified public accountants.

At the same time, the Board of Directors had exercised efforts to promote good governance practice, and to establish risk management system and internal control system in an efficient and effective manner. These practices were intended to ensure that the recording of accounting information was carried out in an accurate, complete, and sufficient manner, in order to safeguard the assets of the Company, while also safeguarding against any significant fraud or abuse.

In the regard, the Company's Audit Committee whose members comprising independent directors had duly carried out audit work on the quality of the financial statements and the efficiency of internal control system. The opinions of the Audit Committee were displayed per the Audit Committee's report contained in the annual report publication, as well as the annual registration statement (form 56-1).

Accordingly, the Board of Directors concluded that the good corporate governance practice, the risk management system, as well as the internal control system already in place, were well adequate and sufficient reasonably providing sufficient confidence to all the concerned parties that, the financial statements of the Company ending December 31, 2019, were prepared and presented in substantial context, in an accurate and reliable manner in accordance with Thai Financial Reporting Standards.



(Mr. Boonchai Chokwatana)
Chairman



(Mrs. Chailada Tantivejakul)
Vice President
and Chief Financial Officer

As of 25 February, 2020

FAR EAST FAME LINE DDB PUBLIC COMPANY LIMITED

**CONSOLIDATED AND SEPARATE
FINANCIAL STATEMENTS
DECEMBER 31, 2019**

AUDITOR'S REPORT

To **The Shareholders of Far East Fame Line DDB Public Company Limited**

Opinion

I have audited the consolidated financial statements of Far East Fame Line DDB Public Company Limited and its subsidiaries, which comprise the consolidated statements of financial position as at December 31, 2019, the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Far East Fame Line DDB Public Company Limited for the same period.

In my opinions, the financial statements referred to above present fairly, in all material respects, the financial position of Far East Fame Line DDB Public Company Limited and its subsidiaries and of Far East Fame Line DDB Public Company Limited as at December 31, 2019, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

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

Transactions with related parties

The Group companies have transactions with several related parties, which were disclosed in Note 23 to the financial statements. The Group companies have to determine how to gather information to be disclosed in the notes to the financial statements are complete and accurate. The pricing policy is based on the trading price of normal business.

My audit procedures included evaluating and testing of control and effectiveness of the internal control system and collect information about transactions with related parties. I randomly checked

transactions with related parties by inspection report transactions with related parties. I have audited the types of relationships with related parties, the documentation for the accounting recorded of income and expenses from related parties, the Company's accounting policy in setting trading price and comparative analysis of unusual items.

The results of a audited are satisfactory, and in my opinions, I did not find unusual items that material misstatement.

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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



(Dr.Preecha Suan)

Certified Public Accountant Registration No. 6718

February 25, 2020

FAR EAST FAME LINE DDB PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2019

| | | BAHT | | | |
|--|------------|-------------------------|-------------------------|-----------------------------------|-------------------------|
| | | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
| | Notes | 2019 | 2018 | 2019 | 2018 |
| ASSETS | | | | | |
| Current Assets | | | | | |
| Cash and cash equivalents | 4.2 and 5 | 177,396,040.13 | 64,369,681.50 | 164,788,096.22 | 54,545,962.33 |
| Short-term investments | | | | | |
| Fixed deposit at bank | | 28,595,130.10 | 55,341,968.89 | 12,557,890.25 | 47,341,968.89 |
| Investments in Open-end Fund | 4.3 and 6 | 71,539,850.51 | 163,150,548.79 | 55,962,895.06 | 151,842,030.03 |
| Total short-term investments | | 100,134,980.61 | 218,492,517.68 | 68,520,785.31 | 199,183,998.92 |
| Current portion of other long-term investments | 4.6 and 11 | 1,000,000.00 | - | - | - |
| Trade accounts receivable | 4.4 and 7 | 329,899,630.84 | 336,504,174.98 | 299,996,350.61 | 305,264,700.70 |
| Other receivables | | | | | |
| Accrued income | | 262,387.46 | 94,235.53 | 222,431.19 | 61,839.95 |
| Prepaid expenses | | 1,483,272.05 | 3,677,460.42 | 1,215,469.69 | 3,606,833.96 |
| Others | | 338,995.65 | 374,815.51 | 348,219.51 | 395,580.13 |
| Total other receivables | | 2,084,655.16 | 4,146,511.46 | 1,786,120.39 | 4,064,254.04 |
| Advertising-in-progress | 4.5 | 5,430,836.67 | 5,123,931.46 | 4,036,896.86 | 4,409,050.84 |
| Other current assets | | 21,794,578.51 | 19,585,401.65 | 16,435,722.06 | 15,343,422.55 |
| Total Current Assets | | 637,740,721.92 | 648,222,218.73 | 555,563,971.45 | 582,811,389.38 |
| Non-Current Assets | | | | | |
| Fixed deposit with obligations | | 13,000,000.00 | 8,000,000.00 | 10,000,000.00 | 5,000,000.00 |
| Investments in available-for-sale securities | 4.6 and 8 | 649,532,934.67 | 609,108,951.20 | 639,330,269.45 | 599,298,599.95 |
| Investments in associates | 4.6 and 9 | 171,922,338.88 | 162,370,675.09 | 6,001,470.00 | 8,701,470.00 |
| Investments in subsidiaries | 4.6 and 10 | - | - | 1,400,000.00 | 1,400,000.00 |
| Other long-term investments | 4.6 and 11 | 34,733,701.61 | 32,326,940.00 | 34,059,710.00 | 31,326,940.00 |
| Property, plant and equipment | 4.7 and 12 | 211,382,985.84 | 199,571,539.38 | 208,409,245.82 | 197,982,104.03 |
| Refundable withholding tax | | 2,070,934.95 | 4,368,626.04 | - | - |
| Other non-current assets | | 495,060.64 | 741,038.14 | 141,827.00 | 141,827.00 |
| Total Non-Current Assets | | 1,083,137,956.59 | 1,016,487,769.85 | 899,342,522.27 | 843,850,940.98 |
| TOTAL ASSETS | | 1,720,878,678.51 | 1,664,709,988.58 | 1,454,906,493.72 | 1,426,662,330.36 |

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

FAR EAST FAME LINE DDB PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2019

| | | BAHT | | | |
|---|-------------|----------------|----------------|-----------------------------------|----------------|
| | | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
| Notes | | 2019 | 2018 | 2019 | 2018 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | | | |
| Current Liabilities | | | | | |
| Trade accounts payable | | 264,364,611.21 | 258,323,473.32 | 222,493,412.93 | 227,728,606.81 |
| Other payable | | | | | |
| Accrued expenses | | 3,863,310.20 | 3,623,713.51 | 3,460,379.19 | 3,231,101.32 |
| Accrued directors' remuneration and bonus | | 54,307,360.00 | 53,968,198.00 | 47,057,231.00 | 49,588,698.00 |
| Others | | 2,110,450.20 | 925,840.25 | 1,619,615.52 | 762,293.85 |
| Total other accounts payable | | 60,281,120.40 | 58,517,751.76 | 52,137,225.71 | 53,582,093.17 |
| Accrued corporate income taxes | | 6,896,020.82 | 8,045,227.56 | 6,896,020.82 | 8,045,227.56 |
| Other current liabilities | | 25,430,799.21 | 25,832,221.16 | 21,924,641.06 | 22,767,109.80 |
| Total Current Liabilities | | 356,972,551.64 | 350,718,673.80 | 303,451,300.52 | 312,123,037.34 |
| Non-Current Liabilities | | | | | |
| Provision for long-term employee benefits | 4.9 and 13 | 49,612,651.00 | 47,262,096.34 | 46,200,136.00 | 40,203,851.34 |
| Deferred tax liabilities | 4.10 and 20 | 16,406,061.93 | 17,346,642.51 | 17,004,619.89 | 18,772,210.68 |
| Other non-current liabilities | | 868,000.00 | 884,000.00 | 967,000.00 | 983,000.00 |
| Total Non-Current Liabilities | | 66,886,712.93 | 65,492,738.85 | 64,171,755.89 | 59,959,062.02 |
| TOTAL LIABILITIES | | 423,859,264.57 | 416,211,412.65 | 367,623,056.41 | 372,082,099.36 |

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

FAR EAST FAME LINE DDB PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2019

| | | BAHT | | | |
|--|-------------|------------------|------------------|-----------------------------------|------------------|
| | | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
| Notes | | 2019 | 2018 | 2019 | 2018 |
| LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED) | | | | | |
| Shareholders' Equity | | | | | |
| Share capital | 14 and 15 | | | | |
| Authorized share capital | | | | | |
| 7,870,000 common stocks of Baht 10 par value | | 78,700,000.00 | 78,700,000.00 | 78,700,000.00 | 78,700,000.00 |
| Issued and paid-up share capital | | | | | |
| 7,870,000 common stocks at Baht 10 each | | 78,700,000.00 | | 78,700,000.00 | |
| 7,749,950 common stocks at Baht 10 each | | | 77,499,500.00 | | 77,499,500.00 |
| Premium on common stocks | 15 | 127,930,000.00 | 117,245,550.00 | 127,930,000.00 | 117,245,550.00 |
| Capital reserve for share-based payment transactions | 4.11 and 15 | 34,620,550.00 | 22,495,500.00 | 34,620,550.00 | 22,495,500.00 |
| Surplus from change in shareholding in subsidiaries and associates | | 204,146.25 | 19,948.15 | - | - |
| Retained earnings | | | | | |
| Appropriated | | | | | |
| Legal reserve | 16 | 8,500,000.00 | 8,500,000.00 | 8,500,000.00 | 8,500,000.00 |
| Unappropriated | | 891,177,485.10 | 866,823,277.99 | 705,320,820.80 | 695,118,390.09 |
| Other components of the shareholders' equity | | 132,065,776.76 | 133,467,161.10 | 132,212,066.51 | 133,721,290.91 |
| Total Shareholders' Equity of Parent Company | | 1,273,197,958.11 | 1,226,050,937.24 | 1,087,283,437.31 | 1,054,580,231.00 |
| Non-controlling interests | | 23,821,455.83 | 22,447,638.69 | - | - |
| Total Shareholders' Equity | | 1,297,019,413.94 | 1,248,498,575.93 | 1,087,283,437.31 | 1,054,580,231.00 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | | 1,720,878,678.51 | 1,664,709,988.58 | 1,454,906,493.72 | 1,426,662,330.36 |

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

FAR EAST FAME LINE DDB PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF INCOME
FOR THE YEAR ENDED DECEMBER 31, 2019

| | Notes | BAHT | | | |
|--|-------------|----------------|----------------|-----------------------------------|----------------|
| | | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
| | | 2019 | 2018 | 2019 | 2018 |
| Revenue from rendering of services and commissions | | 713,559,360.61 | 702,318,425.92 | 569,629,836.99 | 572,647,748.37 |
| Cost of services and commissions | | 476,415,854.35 | 465,077,728.29 | 361,921,833.56 | 362,065,769.94 |
| Gross profit | | 237,143,506.26 | 237,240,697.63 | 207,708,003.43 | 210,581,978.43 |
| Dividend income and return on investments in Private Fund | | 17,190,857.90 | 13,118,950.75 | 34,637,657.90 | 34,210,950.75 |
| Other incomes | | | | | |
| Gain on disposal of investments in available-for-sale securities | 4.6 and 8 | - | 14,037,952.49 | - | 14,037,952.49 |
| Others | | 11,207,081.25 | 11,697,879.15 | 12,226,787.14 | 13,017,986.36 |
| Total other incomes | | 11,207,081.25 | 25,735,831.64 | 12,226,787.14 | 27,055,938.85 |
| Profit before expenses | | 265,541,445.41 | 276,095,480.02 | 254,572,448.47 | 271,848,868.03 |
| Services and administrative expenses | | 152,458,894.36 | 159,328,208.07 | 130,576,464.92 | 140,754,712.59 |
| Provision for long-term employee benefits expenses according to the Labor Protection Act | 13 | 11,597,888.00 | - | 10,465,826.00 | - |
| Share-based payment expenses | 4.11 and 15 | 12,125,050.00 | 22,495,500.00 | 12,125,050.00 | 22,495,500.00 |
| Finance costs | | - | 10,815.18 | - | - |
| Share of profit from investments in associates | 4.6 and 9 | 28,101,815.90 | 31,489,740.62 | - | - |
| Profit before income tax expenses | | 117,461,428.95 | 125,750,697.39 | 101,405,107.55 | 108,598,655.44 |
| Income tax expenses | 4.12 and 20 | 19,405,080.69 | 22,070,612.02 | 18,249,270.71 | 20,784,546.98 |
| Profit for the years | | 98,056,348.26 | 103,680,085.37 | 83,155,836.84 | 87,814,108.46 |
| Profit attributable to | | | | | |
| Equity holders of the parent | | 95,827,219.59 | 100,988,642.91 | 83,155,836.84 | 87,814,108.46 |
| Non-controlling interests | | 2,229,128.67 | 2,691,442.46 | - | - |
| | | 98,056,348.26 | 103,680,085.37 | 83,155,836.84 | 87,814,108.46 |
| Earnings per share to equity holders of the parent | | | | | |
| Basic earnings per share | 4.13 and 21 | 12.27 | 13.35 | 10.65 | 11.61 |
| Weighted average number of common stocks outstanding (share) | | 7,811,455 | 7,562,488 | 7,811,455 | 7,562,488 |

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

FAR EAST FAME LINE DDB PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2019

| Note | BAHT | | | |
|--|----------------|-----------------|-----------------------------------|-----------------|
| | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
| | 2019 | 2018 | 2019 | 2018 |
| Profit for the years | 98,056,348.26 | 103,680,085.37 | 83,155,836.84 | 87,814,108.46 |
| Other comprehensive income (loss) : | | | | |
| Items that may be reclassified subsequently profit or loss : | | | | |
| Translation of financial statement differences | (17,700.41) | (193,442.21) | - | - |
| Loss from the remeasuring of investments in available-for-sale securities | (1,494,216.53) | (4,250,065.24) | (1,886,530.50) | (4,060,416.49) |
| Components of income tax | 298,843.31 | 850,013.04 | 377,306.10 | 812,083.29 |
| Loss from the remeasuring of investments in available-for-sale securities-net of tax | (1,195,373.22) | (3,400,052.20) | (1,509,224.40) | (3,248,333.20) |
| The reversal gain from the remeasuring of investments in available-for-sale on disposals | - | (16,279,953.17) | - | (16,279,953.17) |
| Components of income tax | - | 3,255,990.63 | - | 3,255,990.63 |
| The reversal gain from the remeasuring of investments in available-for-sale on disposals -net of tax | - | (13,023,962.54) | - | (13,023,962.54) |
| Total loss from the remeasuring of investments in available-for-sale -net of tax | (1,195,373.22) | (16,424,014.74) | (1,509,224.40) | (16,272,295.74) |
| Items that not reclassified subsequently to profit or loss : | | | | |
| Actuarial gain from employee benefit plan | 8,758,404.34 | - | 5,682,617.34 | - |
| Components of income tax | (1,751,680.87) | - | (1,136,523.47) | - |
| Actuarial gain from employee benefit plan-net of tax | 7,006,723.47 | - | 4,546,093.87 | - |
| Actuarial gain from employee benefit plan of associate-net of tax | 496,141.81 | 985,988.64 | - | - |
| Total other comprehensive income (loss) for the years | 6,289,791.65 | (15,631,468.31) | 3,036,869.47 | (16,272,295.74) |
| Total comprehensive income for the years | 104,346,139.91 | 88,048,617.06 | 86,192,706.31 | 71,541,812.72 |
| Total comprehensive income attributable to | | | | |
| Equity holders of the parent | 100,452,322.77 | 85,448,206.00 | 86,192,706.31 | 71,541,812.72 |
| Non-controlling interests | 3,893,817.14 | 2,600,411.06 | - | - |
| | 104,346,139.91 | 88,048,617.06 | 86,192,706.31 | 71,541,812.72 |

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

FAR EAST FAME LINE DDB PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2019
CONSOLIDATED

| | Notes | Shareholders' equity of the parent | | | | | | | | | | Total shareholders' equity |
|--|--------------|------------------------------------|--------------------------|--|--|-----------------|----------------|---|--|--|------------------------------------|----------------------------|
| | | Retained earnings | | | Other components of the shareholders' equity | | | | | | | |
| | | Issued and paid-up share capital | Premium on common stocks | Capital reserve for share-based payment transactions | Surplus (deficit) from changes in interest in subsidiary and associate | Appropriated | Unappropriated | Translation of financial statements differences | Investments in available-for-sale securities | Total other components of the shareholders' equity | Total equity holders of the parent | |
| | | | | | | Legal reserve | | | | | | |
| Year 2018 | | | | | | | | | | | | |
| Beginning balances, January 1, 2018 | | 75,000,000.00 | 95,000,000.00 | - | 91,689.57 | 7,500,000.00 | 844,796,215.05 | - | 149,832,437.59 | 149,832,437.59 | 1,172,220,342.21 | 1,196,462,047.21 |
| Capital increase ordinary shares | 14 and 15 | 2,499,500.00 | 22,245,550.00 | | | | | | | | 24,745,050.00 | 24,745,050.00 |
| Capital reserve for share-based payment transactions | 4, 11 and 15 | | | 22,495,500.00 | | | | | | | 22,495,500.00 | 22,495,500.00 |
| Comprehensive income (loss) for the year 2018 | | | | | | | | | | | | |
| Comprehensive income (loss) for the year | | | | | | | | | (16,332,983.34) | (16,526,425.55) | 84,462,217.36 | 87,062,628.42 |
| Adjustment of actuarial gain from employee benefit plan of associate | | | | | | | 100,988,642.91 | (193,442.21) | | | | 2,600,411.06 |
| | | | | | | | 985,988.64 | | | | 985,988.64 | 985,988.64 |
| Total comprehensive income (loss) for the year 2018 | | | | | | | 101,974,631.55 | (193,442.21) | (16,332,983.34) | (16,526,425.55) | 85,448,206.00 | 2,600,411.06 |
| Capital deficit from change in shareholding in associate | | | | | (67,137.00) | | | | | | (67,137.00) | (67,137.00) |
| Change in shareholding from business transfer | | | | | (4,604.42) | 1,000,000.00 | (4,947,568.61) | | 161,149.06 | 161,149.06 | (3,791,023.97) | 3,791,023.97 |
| Decrease in non-controlling interests from change in subsidiary to associate | | | | | | | | | | | | |
| Dividend payment | 17 | | | | | (75,000,000.00) | | | | | (75,000,000.00) | (4,825,501.34) |
| Subsidiary's dividend paid to non-controlling interests | | | | | | | | | | | | (4,825,501.34) |
| Ending balances, December 31, 2018 | | 77,499,500.00 | 117,245,550.00 | 22,495,500.00 | 19,948.15 | 8,500,000.00 | 866,823,277.99 | (193,442.21) | 133,660,603.31 | 133,467,161.10 | 1,226,050,937.24 | 1,248,498,575.93 |

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

FAR EAST FAME LINE DDB PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2019
CONSOLIDATED (CONTINUED)

BAHT

| | Notes | Shareholders' equity of the parent | | | | | | | | | |
|---|-------------|------------------------------------|--------------------------|--|--|----------------------------|-----------------|---|--|--|------------------------------------|
| | | Retained earnings | | | Other components of the shareholders' equity | | | | | | |
| | | Issued and paid-up share capital | Premium on common stocks | Capital reserve for share-based payment transactions | Surplus from changes in interest in subsidiary and associate | Appropriated Legal reserve | Unappropriated | Translation of financial statements differences | Investments in available-for-sale securities | Total other components of the shareholders' equity | Total equity holders of the parent |
| Year 2019 Beginning balances, January 1, 2019 Capital increase ordinary shares Capital reserve for share-based payment transactions Comprehensive income (loss) for the period 2019 :- Total comprehensive income (loss) for the period 2019 Adjustment of actuarial gain from employee benefit plan - net of tax Adjustment of actuarial gain from employee benefit plan of associate - net of tax Total comprehensive income (loss) for the year 2019 Sales of investment in associate without loss of control Dividend payment Subsidiary's dividend paid to non-controlling interests Ending balances, December 31, 2019 | | 77,499,500.00 | 117,245,550.00 | 22,495,500.00 | 19,948.15 | 8,500,000.00 | 866,823,277.99 | (193,442.21) | 133,660,603.31 | 133,467,161.10 | 1,226,050,937.24 |
| | 14 and 15 | 1,200,500.00 | 10,684,450.00 | | | | | | | | 11,884,950.00 |
| | 4,11 and 15 | | | 12,125,050.00 | | | | | | | 12,125,050.00 |
| | | | | | | | 95,827,219.59 | (17,700.41) | (1,383,683.93) | (1,401,384.34) | 94,425,835.25 |
| | | | | | | | 5,530,345.71 | | | | 5,530,345.71 |
| 17 | | | | | | | 496,141.81 | | | | 496,141.81 |
| | | | | | | | 101,853,707.11 | (17,700.41) | (1,383,683.93) | (1,401,384.34) | 100,452,322.77 |
| | | | | | 184,198.10 | | (77,499,500.00) | | | | 184,198.10 |
| | | | | | | | | | | | (77,499,500.00) |
| | | | | | | | | | | | (2,520,000.00) |
| | | 78,700,000.00 | 127,930,000.00 | 34,620,550.00 | 204,146.25 | 8,500,000.00 | 891,177,485.10 | (211,142.62) | 132,276,919.38 | 132,065,776.76 | 1,278,197,956.11 |
| | | | | | | | | | | | 23,821,455.83 |
| | | | | | | | | | | | 1,297,019,413.94 |

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

FAR EAST FAME LINE DDB PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2019
THE SEPARATE FINANCIAL STATEMENTS

| | | BAHT | | | | | | |
|---|-------------|----------------------------------|--------------------------|--|----------------------------|--|----------------------------|--|
| | Notes | Retained earnings | | | | Other components of the shareholders' equity | | |
| | | Issued and paid-up share capital | Premium on common stocks | Capital reserve for share-based payment transactions | Other comprehensive income | | Total shareholders' equity | |
| | | | | | Appropriated | Unappropriated | | |
| | | | | | | | | Investments in available-for-sale securities |
| | | Legal reserve | | | | | | |
| Year 2018 | | | | | | | | |
| Beginning balances, January 1, 2018 | | 75,000,000.00 | 95,000,000.00 | - | 7,500,000.00 | 567,263,355.40 | 149,993,586.65 | 894,756,942.05 |
| Increase in unappropriated retained earnings from business transfer | | | | | | 115,040,926.23 | | 115,040,926.23 |
| Change in legal reserve from business transfer | | | | | 1,000,000.00 | | | 1,000,000.00 |
| Capital increase ordinary shares | 14 and 15 | 2,499,500.00 | 22,245,550.00 | | | | | 24,745,050.00 |
| Capital reserve for share-based payment transactions | 4.11 and 15 | | | 22,495,500.00 | | | | 22,495,500.00 |
| Comprehensive income (loss) for the year 2018 | | | | | | 87,814,108.46 | (16,272,295.74) | 71,541,812.72 |
| Dividend payment | 17 | | | | | (75,000,000.00) | | (75,000,000.00) |
| Ending balances, December 31, 2018 | | 77,499,500.00 | 117,245,550.00 | 22,495,500.00 | 8,500,000.00 | 695,118,390.09 | 133,721,290.91 | 1,054,580,231.00 |
| Year 2019 | | | | | | | | |
| Beginning balances, January 1, 2019 | | 77,499,500.00 | 117,245,550.00 | 22,495,500.00 | 8,500,000.00 | 695,118,390.09 | 133,721,290.91 | 1,054,580,231.00 |
| Capital increase ordinary shares | 14 and 15 | 1,200,500.00 | 10,684,450.00 | | | | | 11,884,950.00 |
| Capital reserve for share-based payment transactions | 4.11 and 15 | | | 12,125,050.00 | | | | 12,125,050.00 |
| Comprehensive income (loss) for the year 2019 :- | | | | | | | | |
| Total comprehensive income (loss) for the year 2019 | | | | | | 83,155,836.84 | (1,509,224.40) | 81,646,612.44 |
| Adjustment of actuarial gain from employee benefit plan-net of tax | | | | | | 4,546,093.87 | | 4,546,093.87 |
| Total comprehensive income (loss) for the year 2019 | | | | | | 87,701,930.71 | (1,509,224.40) | 86,192,706.31 |
| Dividend payment | 17 | | | | | (77,499,500.00) | | (77,499,500.00) |
| Ending balances, December 31, 2019 | | 78,700,000.00 | 127,930,000.00 | 34,620,550.00 | 8,500,000.00 | 705,320,820.80 | 132,212,066.51 | 1,087,283,437.31 |

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

FAR EAST FAME LINE DDB PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (1/4)
FOR THE YEAR ENDED DECEMBER 31, 2019

| | BAHT | | | |
|--|-----------------|-----------------|-----------------------------------|-----------------|
| | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
| | 2019 | 2018 | 2019 | 2018 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Profit before income tax | 117,461,428.95 | 125,750,697.39 | 101,405,107.55 | 108,598,655.44 |
| Adjustment to reconcile profit before income tax to cash provided from (used in) operation : | | | | |
| Depreciation | 8,839,291.57 | 6,197,811.79 | 8,683,205.89 | 6,342,971.02 |
| Increase in allowance for doubtful accounts receivable | 108,605.00 | - | 108,605.00 | - |
| Gain on disposal of investments in available-for-sale securities | - | (14,037,952.49) | - | (14,037,952.49) |
| Gain on disposal of investments in other companies | - | (1,028,280.00) | - | (1,028,280.00) |
| Dividend income from investments in associates | - | - | (15,810,000.00) | (18,900,000.00) |
| Dividend income from investments in subsidiaries | - | - | (1,680,000.00) | (2,240,000.00) |
| Dividend income from investments in other companies | (5,190,857.90) | (5,118,950.75) | (5,147,657.90) | (5,070,950.75) |
| Return on investments in Private Fund | (12,000,000.00) | (8,000,000.00) | (12,000,000.00) | (8,000,000.00) |
| Interest income | (2,386,046.64) | (792,074.38) | (2,173,855.42) | (629,670.95) |
| Interest expenses | - | 10,815.18 | - | - |
| Write-off withholding income tax | 225,867.20 | 28,184.03 | - | 28,184.03 |
| (Gain) loss on disposal and unused equipment | 6,719.08 | (56,348.14) | 977.00 | (56,069.77) |
| Unrealized loss on exchange rates | 84.17 | - | 84.17 | - |
| Unrealized (gain) loss on investments in Open-end Fund | 782,296.72 | (1,052,542.87) | 879,303.81 | (975,357.73) |
| Long-term employee benefits expenses | 15,511,121.00 | 3,427,740.00 | 13,714,070.00 | 3,002,293.00 |
| Share-based payment expenses | 12,125,050.00 | 22,495,500.00 | 12,125,050.00 | 22,495,500.00 |
| (Reverse) loss on diminution of investments in other companies | (32,770.00) | 8,535.00 | (32,770.00) | 8,535.00 |
| Share of profit from investments in associates | (28,101,815.90) | (31,489,740.62) | - | - |
| Profit from operation before changes in operating assets and liabilities items | 107,348,973.25 | 96,343,394.14 | 100,072,120.10 | 89,537,856.80 |
| (INCREASE) DECREASE IN OPERATING ASSETS ITEMS | | | | |
| Investments in Open-end Fund | 90,828,401.56 | (56,720,671.49) | 94,999,831.16 | (74,700,293.94) |
| Trade accounts receivable | 6,495,854.97 | (8,181,302.53) | 5,159,660.92 | 16,241,385.99 |
| Other receivables | 2,230,008.23 | 2,085,813.52 | 2,438,724.89 | 1,045,179.98 |
| Advertising-in-progress | (306,905.21) | 1,132,287.96 | 372,153.98 | (508,710.39) |
| Other current assets | (1,550,041.03) | (15,068,035.76) | (1,092,299.51) | (12,297,670.41) |
| Other non-current assets | 245,977.50 | (195,899.50) | - | 182,500.00 |
| INCREASE (DECREASE) IN OPERATING LIABILITIES ITEMS | | | | |
| Trade accounts payable | 6,041,137.89 | (75,701,774.51) | (5,235,193.88) | (96,169,926.98) |
| Other payable | 492,198.96 | 3,598,072.90 | (2,225,202.46) | 4,834,781.31 |
| Other current liabilities | (401,421.95) | 18,803,192.33 | (842,468.74) | 16,882,071.08 |
| Provision for long-term employee benefits | (4,402,162.00) | (1,595,803.00) | (2,035,168.00) | (1,432,469.00) |
| Other non-current liabilities | (16,000.00) | 100,000.00 | (16,000.00) | (98,500.00) |
| Cash provided from (used in) operation | 207,006,022.17 | (35,400,725.94) | 191,596,158.46 | (56,483,795.56) |

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

FAR EAST FAME LINE DDB PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (2/4)
FOR THE YEAR ENDED DECEMBER 31, 2019

| | BAHT | | | |
|---|------------------------|-------------------------|-----------------------------------|-------------------------|
| | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
| | 2019 | 2018 | 2019 | 2018 |
| Interest expenses paid | - | (10,815.18) | - | - |
| Income tax expenses paid | (25,655,776.35) | (22,438,003.90) | (21,925,285.61) | (19,064,002.16) |
| Proceeds from income tax refund | 4,120,758.84 | 2,713,475.70 | - | 2,406,807.40 |
| NET CASH PROVIDED FROM (USED IN) OPERATING ACTIVITIES | 185,471,004.66 | (55,136,069.32) | 169,670,872.85 | (73,140,990.32) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| (Increase) decrease in fixed deposit at bank | 26,746,838.79 | (35,144,306.85) | 34,784,078.64 | (35,160,241.78) |
| Interest income | 2,217,894.71 | 768,955.66 | 2,013,264.18 | 627,751.05 |
| Increase in fixed deposit with obligations | (5,000,000.00) | - | (5,000,000.00) | - |
| Purchase of investments in available-for-sale securities | (41,918,200.00) | (110,000,000.00) | (41,918,200.00) | (100,000,000.00) |
| Purchase of other investments | - | (632,820.00) | - | (632,820.00) |
| Purchase of plant and equipment | (19,386,848.18) | (10,523,737.75) | (18,330,989.68) | (10,495,345.60) |
| Proceeds from sales of investments in other companies | - | 5,674,680.00 | - | 5,674,680.00 |
| Proceeds from disposal of equipment | 560.75 | 56,355.14 | - | 56,074.77 |
| Proceeds from capital decrease of investments in other companies | - | 139,400.00 | - | 139,400.00 |
| Proceeds from investments in convertible debentures | - | 30.00 | - | 30.00 |
| Proceeds from disposal of investments in available-for-sale securities | - | 16,358,116.32 | - | 16,358,116.32 |
| Dividend income from investments in associates | 15,838,800.00 | 18,932,000.00 | 15,810,000.00 | 18,900,000.00 |
| Dividend income from investments in subsidiaries | - | - | 1,680,000.00 | 2,240,000.00 |
| Dividend income from investments in other companies | 5,190,857.90 | 5,118,950.75 | 5,147,657.90 | 5,070,950.75 |
| Proceeds from return on investments in Private Fund | 12,000,000.00 | 8,000,000.00 | 12,000,000.00 | 8,000,000.00 |
| NET CASH PROVIDED FROM (USED IN) INVESTING ACTIVITIES | (4,310,096.03) | (101,252,376.73) | 6,185,811.04 | (89,221,404.49) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | |
| Subsidiary's dividend paid to non-controlling interests | (2,520,000.00) | (3,360,000.00) | - | - |
| Proceeds from exercise of share options | - | 24,745,050.00 | - | 24,745,050.00 |
| Dividend payments | (77,499,500.00) | (75,000,000.00) | (77,499,500.00) | (75,000,000.00) |
| Proceeds from increase in share capital | 11,884,950.00 | - | 11,884,950.00 | - |
| NET CASH USED IN FINANCING ACTIVITIES | (68,134,550.00) | (53,614,950.00) | (65,614,550.00) | (50,254,950.00) |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENT | 113,026,358.63 | (210,003,396.05) | 110,242,133.89 | (212,617,344.81) |
| CASH AND CASH EQUIVALENTS AS AT JANUARY 1, | 64,369,681.50 | 292,333,312.32 | 54,545,962.33 | 59,803,565.50 |
| <u>Add</u> Increase in cash and cash equivalents from business transferred (Supplementary statement 1) | - | - | - | 207,359,741.64 |
| <u>Less</u> Cash and cash equivalents transferred out from change in subsidiary to associate (Supplementary statement 2) | - | (17,960,234.77) | - | - |
| CASH AND CASH EQUIVALENTS AS AT DECEMBER 31, | 177,396,040.13 | 64,369,681.50 | 164,788,096.22 | 54,545,962.33 |

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

FAR EAST FAME LINE DDB PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (3/4)
FOR THE YEAR ENDED DECEMBER 31, 2019

BAHT

ADDITIONAL DISCLOSURE ITEMS TO CASH FLOWS STATEMENTS :

NON-CASH FLOWS ITEMS COMPRISE :

| | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
|--|----------------|-----------------|-----------------------------------|-----------------|
| | 2019 | 2018 | 2019 | 2018 |
| Transferred withholding tax over one year to non-current assets | (2,048,934.95) | - | - | - |
| Decrease investments in associate due to translation of financial statements differences on exchange rate | (17,700.41) | (193,442.21) | - | - |
| Loss from the remeasuring of investments in available-for-sale securities | (1,494,216.53) | (4,250,065.24) | (1,886,530.50) | (4,060,416.49) |
| Reversal on gain from the remeasuring of investments in available-for-sale securities | - | (16,279,953.17) | - | (16,279,953.17) |
| Transferred investments in subsidiary to investments in associate | - | 4,211,240.87 | - | 2,700,000.00 |
| Transferred other long-term investments to current portion | (1,000,000.00) | - | - | - |
| Transferred investments in associate to other long-term investments | (3,373,991.61) | - | (2,700,000.00) | - |
| Increase investments in associate from adjustment of actuarial estimates from employee benefit plan of associate | 496,141.81 | 985,988.64 | - | - |
| Increase investments in associate from the associate sales investments and profit without loss of control | 184,198.10 | - | - | - |
| Increase in equipment from asset payable | 1,271,169.68 | 674,156.85 | 780,335.00 | 674,156.85 |
| Converted investments in convertible debentures to investments in available-for-sale securities | - | 11,234,970.00 | - | 11,234,970.00 |
| Effect of adjustment of actuarial estimates from employee benefit plan :- | | | | |
| - Increase in deferred tax liabilities | 1,751,680.87 | - | 1,136,523.47 | - |
| - Decrease in provision for long-term employee benefits | (8,758,404.34) | - | (5,682,617.34) | - |
| - Increase in retained earnings | 5,530,345.71 | - | 4,546,093.87 | - |
| - Increase in non-controlling interests | 1,476,377.76 | - | - | - |

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

FAR EAST FAME LINE DDB PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (4/4)
FOR THE YEAR ENDED DECEMBER 31, 2019

SUPPLEMENTARY STATEMENT 1 (THE SEPARATE FINANCIAL STATEMENTS)

Amalgamation with subsidiary

As at January 3, 2018, the Company received business transferred from Fame Line Company Limited, a subsidiary of the Company as follows:

| | <u>BAHT</u> |
|--|-----------------------|
| Cash and cash equivalents | 207,359,741.64 |
| Trade accounts receivable | 152,640,589.80 |
| Other receivables | 1,034,378.58 |
| Advertising-in-progress | 3,570,653.71 |
| Other current assets | 1,742,614.73 |
| Investments in related company-Diginakhon Co., Ltd. | 300,000.00 |
| Plant, property improvement and equipment | 17,574,245.55 |
| Deferred tax assets | 2,929,843.53 |
| Other non-current assets | 198,809.00 |
| Trade accounts payable | (200,295,860.55) |
| Other accounts payable | (27,449,765.60) |
| Accrued corporate income taxes | (4,135,472.78) |
| Other current liabilities | (4,117,915.38) |
| Provision for long-term employee benefits | (16,344,926.00) |
| Legal reserve | (1,000,000.00) |
| Net assets as at business transferred date | 134,006,936.23 |
| Investments in subsidiary as at business transferred | (18,966,010.00) |
| Retained earnings received from business transferred | <u>115,040,926.23</u> |

SUPPLEMENTARY STATEMENT 2 (THE CONSOLIDATED FINANCIAL STATEMENTS)

Diginakorn Company Limited, formerly its subsidiary has a change of directors's structure, as a result, the Company has a loss in control, therefore transfers a change of investments in subsidiary to investments in associate, and transfer the net assets as at January 1, 2018 out of consolidated as follows:

| | <u>BAHT</u> |
|--|---------------------|
| Cash and cash equivalents | 17,960,234.77 |
| Trade accounts receivable | 5,519,148.07 |
| Other accounts receivables | 10,225.00 |
| Intangible assets | 19,049.50 |
| Refundable withholding tax | 84,956.49 |
| Other non-currents assets | 16,000.00 |
| Trade accounts payable | (14,153,312.00) |
| Other accounts payable | (277,095.00) |
| Other current liabilities | (142,464.62) |
| Non-controlling interests | (4,825,501.34) |
| Net assets in subsidiary transferred out to investments in associate | <u>4,211,240.87</u> |

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

FAR EAST FAME LINE DDB PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019

1. GENERAL INFORMATION

| | |
|----------------------|---|
| 1.1 Legal status | A juristic person established under Thai law and listed on the Stock Exchange of Thailand. |
| 1.2 Company location | 465/1-467 Sri Ayudhya Road, Kwaeng Thungphayathai, Khet Ratchathewi, Bangkok, Thailand. |
| 1.3 Type of business | (1) Advertising agent or broker, and in production and advertising related services. (2) Investing in its associates and subsidiaries which carry on business according to Notes 9 and 10 to the financial statements, respectively. |

On January 3, 2018, the Company has completed the business transfer of Fame Line Company Limited, a subsidiary of the Company which has shareholding 99.99%. The amalgamation resolution was approved by the Extraordinary Shareholders' Meeting No.1/2017 on December 29, 2017, in order to increase efficiency of the Company's operation and changed the name of the Company from Far East DDB Public Company Limited to Far East Fame Line DDB Public Company Limited on the same date. Fame Line Company Limited has registered a dissolution with Ministry of Commerce on January 12, 2018.

2. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

2.1 The consolidated and the separate financial statements are prepared in accordance with the Accounting Standards and Financial Reporting Standards issued by the Federation of Accounting Professions under the Accounting Profession Act, B.E. 2547 (2004), and the Accounting Act, B.E. 2543 (2000) and the Notification of the Office of the Securities and Exchange Commission, except the financial statements of MEDIA INTELLIGENCE (MYANMAR) LIMITED, a subsidiary of Media Intelligence Co., Ltd., an associate of the Company are prepared in accordance with the Accounting Standards of REPUBLIC OF THE UNION OF MYANMAR. In preparation of consolidated financial statements, they are adjusted to be under the same accounting policy as parent company.

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

2.3 These consolidated financial statements included the financial statements of Far East Fame Line DDB Public Company Limited and its subsidiaries and its equity in associates as follows:

SUBSIDIARIES

| COMPANY | % HOLDING | | ESTABLISHED IN |
|--|-----------|-------|-------------------|
| | 2019 | 2018 | |
| <u>SUBSIDIARIES DIRECTLY HELD BY THE COMPANY</u> | | | |
| SPRINGBOARD PLUS COMPANY LIMITED | 99.99 | 99.99 | THAILAND |
| INTEGRATED COMMUNICATION COMPANY LIMITED | 40.00 | 40.00 | THAILAND |
| <u>SUBSIDIARY HELD IN DIGINAKHON COMPANY LIMITED *</u> | | | |
| INTEGRATED COMMUNICATION COMPANY LIMITED | - | 4.00 | THAILAND |

The Company has included the financial statements of INTEGRATED COMMUNICATION COMPANY LIMITED to prepare the consolidated financial statements because of the Company has power and control over such company.

ASSOCIATES

| COMPANY | % HOLDING | | ESTABLISHED IN |
|--|-----------|-------|-------------------------------|
| | 2019 | 2018 | |
| <u>ASSOCIATES DIRECTLY HELD BY THE COMPANY</u> | | | |
| MEDIA INTELLIGENCE COMPANY LIMITED | 30.00 | 30.00 | THAILAND |
| DIGINAKHON COMPANY LIMITED * | - | 45.00 | THAILAND |
| <u>SUBSIDIARIES HELD BY MEDIA INTELLIGENCE COMPANY LIMITED</u> | | | |
| MEDIA INSIGHT COMPANY LIMITED | 99.99 | 99.99 | THAILAND |
| MIM (THAILAND) COMPANY LIMITED | 70.00 | 70.00 | THAILAND |
| I-DAC (BANGKOK) COMPANY LIMITED | 60.00 | 60.00 | THAILAND |
| MEDIA INTELLIGENCE (MYANMAR) LIMITED | 60.00 | 70.00 | REPUBLIC OF THE UNION MYANMAR |

* DIGINAKHON COMPANY LIMITED has registered dissolution on September 2, 2019.

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

3. THE FINANCIAL REPORTING STANDARDS AND FINANCIAL REPORTING INTERPRETATIONS

THAT BECAME EFFECTIVE IN THE CURRENT ACCOUNTING YEAR are as follows:

Thai Accounting Standards (TAS)

- | | |
|-------------------------|---|
| 1. TAS 1 (revised 2018) | Presentation of Financial Statements |
| 2. TAS 2 (revised 2018) | Inventories |
| 3. TAS 7 (revised 2018) | Statement of Cash Flows |
| 4. TAS 8 (revised 2018) | Accounting Policies, Changes in Accounting Estimates and Errors |

| | |
|---------------------------|--|
| 5. TAS 10 (revised 2018) | Events After the Reporting Period |
| 6. TAS 12 (revised 2018) | Income Taxes |
| 7. TAS 16 (revised 2018) | Property, Plant and Equipment |
| 8. TAS 17 (revised 2018) | Leases |
| 9. TAS 19 (revised 2018) | Employee Benefits |
| 10. TAS 20 (revised 2018) | Accounting for Government Grants and Disclosure of Government Assistance |
| 11. TAS 21 (revised 2018) | The Effects of Changes in Foreign Exchange Rates |
| 12. TAS 23 (revised 2018) | Borrowing Costs |
| 13. TAS 24 (revised 2018) | Related Party Disclosures |
| 14. TAS 26 (revised 2018) | Accounting and Reporting by Retirement Benefit Plans |
| 15. TAS 27 (revised 2018) | Separate Financial Statements |
| 16. TAS 28 (revised 2018) | Investments in Associates and Joint Ventures |
| 17. TAS 29 (revised 2018) | Financial Reporting in Hyperinflationary Economies |
| 18. TAS 33 (revised 2018) | Earnings Per Share |
| 19. TAS 34 (revised 2018) | Interim Financial Reporting |
| 20. TAS 36 (revised 2018) | Impairment of Assets |
| 21. TAS 37 (revised 2018) | Provisions, Contingent Liabilities and Contingent Assets |
| 22. TAS 38 (revised 2018) | Intangible Assets |
| 23. TAS 40 (revised 2018) | Investment Property |
| 24. TAS 41 (revised 2018) | Agriculture |

Thai Financial Reporting Standards (TFRS)

| | |
|----------------------------|--|
| 25. TFRS 1 | First-time Adoption of International Financial Reporting Standards |
| 26. TFRS 2 (revised 2018) | Share-based Payment |
| 27. TFRS 3 (revised 2018) | Business Combinations |
| 28. TFRS 4 (revised 2018) | Insurance Contracts |
| 29. TFRS 5 (revised 2018) | Non-current Assets Held for Sale and Discontinued Operations |
| 30. TFRS 6 (revised 2018) | Exploration for and Evaluation of Mineral Resources |
| 31. TFRS 8 (revised 2018) | Operating Segments |
| 32. TFRS 10 (revised 2018) | Consolidated Financial Statements |
| 33. TFRS 11 (revised 2018) | Joint Arrangements |
| 34. TFRS 12 (revised 2018) | Disclosure of Interests in Other Entities |
| 35. TFRS 13 (revised 2018) | Fair Value Measurement |
| 36. TFRS 15 | Revenue from Contracts with Customers |

Thai Accounting Standard Interpretations (TSIC)

| | |
|----------------------------|--|
| 37. TSIC 10 (revised 2018) | Government Assistance - No Specific Relation to Operating Activities |
| 38. TSIC 15 (revised 2018) | Operating Leases-Incentives |
| 39. TSIC 25 (revised 2018) | Income Taxes - Changes in the Tax Status of an Entity or Its Shareholders |
| 40. TSIC 27 (revised 2018) | Evaluating the Substance of Transactions Involving the Legal Form of a Lease |
| 41. TSIC 29 (revised 2018) | Service Concession Arrangements: Disclosure |
| 42. TSIC 32 (revised 2018) | Intangible Assets - Web Site Costs |

Thai Financial Reporting Standard Interpretations (TFRIC)

- | | |
|-----------------------------|--|
| 43. TFRIC 1 (revised 2018) | Changes in Existing Decommissioning, Restoration and Similar Liabilities |
| 44. TFRIC 4 (revised 2018) | Determining Whether an Arrangement Contains a Lease |
| 45. TFRIC 5 (revised 2018) | Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds |
| 46. TFRIC 7 (revised 2018) | Applying the Restatement Approach under TAS 29 (revised 2018) Financial Reporting in Hyperinflationary Economies |
| 47. TFRIC 10 (revised 2018) | Interim Financial Reporting and Impairment |
| 48. TFRIC 12 (revised 2018) | Service Concession Arrangements |
| 49. TFRIC 14 (revised 2018) | TAS 19 (revised 2018) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction |
| 50. TFRIC 17 (revised 2018) | Distributions of Non-cash Assets to Owners |
| 51. TFRIC 20 (revised 2018) | Stripping Costs in the Production Phase of a Surface Mine |
| 52. TFRIC 21 (revised 2018) | Levies |
| 53. TFRIC 22 | Foreign Currency Transactions and Advance Consideration |

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

The Federation of Accounting Professions has issued the new and revised financial reporting standards and financial reporting standards interpretations.

Effective for fiscal years beginning on or after January 1, 2020, financial reporting standards and financial reporting standards interpretations adopted at the first time on 7 revised standards.

Thai Accounting Standards (TAS)

- | | |
|-----------------------------|--|
| 1. TAS 1 | Presentation of Financial Statements |
| 2. TAS 2 | Inventories |
| 3. TAS 7 | Statement of Cash Flows |
| 4. TAS 8 | Accounting Policies, Changes in Accounting Estimates and Errors |
| 5. TAS 10 | Events After the Reporting Period |
| 6. TAS 12 | Income Taxes |
| 7. TAS 16 | Property, Plant and Equipment |
| 8. TAS 19 | Employee Benefits |
| 9. TAS 20 | Accounting for Government Grants and Disclosure of Government Assistance |
| 10. TAS 21 | The Effects of Changes in Foreign Exchange Rates |
| 11. TAS 23 | Borrowing Costs |
| 12. TAS 24 | Related Party Disclosures |
| 13. TAS 26 | Accounting and Reporting by Retirement Benefit Plans |
| 14. TAS 27 | Separate Financial Statements |
| 15. TAS 28 | Investments in Associates and Joint Ventures |
| 16. TAS 29 | Financial Reporting in Hyperinflationary Economies |
| 17. TAS 32(Adopted in 2020) | Financial Instruments: Presentation |
| 18. TAS 33 | Earnings Per Share |
| 19. TAS 34 | Interim Financial Reporting |
| 20. TAS 36 | Impairment of Assets |
| 21. TAS 37 | Provisions, Contingent Liabilities and Contingent Assets |
| 22. TAS 38 | Intangible Assets |
| 23. TAS 40 | Investment Property |
| 24. TAS 41 | Agriculture |

Thai Financial Reporting Standards (TFRS)

| | |
|-------------------------------|--|
| 25. TFRS 1 | First-time Adoption of International Financial Reporting Standards |
| 26. TFRS 2 | Share-based Payment |
| 27. TFRS 3 | Business Combinations |
| 28. TFRS 4 | Insurance Contracts |
| 29. TFRS 5 | Non-current Assets Held for Sale and Discontinued Operations |
| 30. TFRS 6 | Exploration for and Evaluation of Mineral Resources |
| 31. TFRS 7 (Adopted in 2020) | Financial Instruments: Disclosures |
| 32. TFRS 8 | Operating Segments |
| 33. TFRS 9 (Adopted in 2020) | Financial Instruments |
| 34. TFRS 10 | Consolidated Financial Statements |
| 35. TFRS 11 | Joint Arrangements |
| 36. TFRS 12 | Disclosure of Interests in Other Entities |
| 37. TFRS 13 | Fair Value Measurement |
| 38. TFRS 15 | Revenue from Contracts with Customers |
| 39. TFRS 16 (Adopted in 2020) | Leases |

Thai Accounting Standard Interpretations (TSIC)

| | |
|-------------|---|
| 40. TSIC 10 | Government Assistance - No Specific Relation to Operating Activities |
| 41. TSIC 25 | Income Taxes - Changes in the Tax Status of an Entity or Its Shareholders |
| 42. TSIC 29 | Service Concession Arrangements: Disclosure |
| 43. TSIC 32 | Intangible Assets - Web Site Costs |

Thai Financial Reporting Standard Interpretations (TFRIC)

| | |
|--------------------------------|--|
| 44. TFRIC 1 | Changes in Existing Decommissioning, Restoration and Similar Liabilities |
| 45. TFRIC 5 | Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds |
| 46. TFRIC 7 | Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies |
| 47. TFRIC 10 | Interim Financial Reporting and Impairment |
| 48. TFRIC 12 | Service Concession Arrangements |
| 49. TFRIC 14 | TAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction |
| 50. TFRIC 16 (Adopted in 2020) | Hedges of a Net Investment in a Foreign Operation |
| 51. TFRIC 17 | Distributions of Non-cash Assets to Owners |
| 52. TFRIC 19 (Adopted in 2020) | Extinguishing Financial Liabilities with Equity Instruments |
| 53. TFRIC 20 | Stripping Costs in the Production Phase of a Surface Mine |
| 54. TFRIC 21 | Levies |
| 55. TFRIC 22 | Foreign Currency Transactions and Advance Consideration |
| 56. TFRIC 23 (Adopted in 2020) | Uncertainty over Income Tax Treatments |

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Revenues and expenses recognition

The Company recognized revenues and expenses from the following bases :

| | |
|---|---|
| Revenue from rendering of services and commission | - Recognized when the services have been rendered. |
| Revenue and cost from rendering of services in production | - Recognized when the services are completed and control transferred. |
| Dividend income | - Recognized when the shareholder's right to receive is established. |
| Rental income | - Recognized over the lease period. |
| Other income | - Recognized on the accrual basis. |
| Interest income | - Recognized on the accrual basis based on effective interest rate. |
| Expenses | - Recognized on the accrual basis. |

4.2 Cash and cash equivalents

Cash and cash equivalents are cash on hand, fixed deposits at financial institutions due not more than 3 months from the date of acquisition with no obligation.

4.3 Investments in Open-end Fund

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

4.4 Allowance for doubtful accounts

The Company provide allowance for doubtful accounts for the estimated losses that may be incurred from the uncollected accounts receivable based on past experience in debt collection.

4.5 Advertising-in-progress

Cost of work, which is not yet recognized as revenues, is recorded in advertising in progress which will be recognized to cost whenever the services are completed and control transferred.

4.6 Investments

Investments in available-for-sale securities are investments in listed securities stated at fair value with the objective for long-term investments. The Company recognized its revaluation in available-for-sale securities as separate item in other comprehensive income, under the caption "gain (loss) from the remeasuring of investments available-for-sale securities".

The Company calculated cost of the disposed securities during the years by the weighted average method.

Associates mean those companies in which the parent in the group companies has shareholding from 20% to 50% of the total voting rights or has significant influence over the associates, that is the parent in the group companies has power to participate in determining relating to the financial and operating policies of the enterprise but not up to the level of governing such policies. Investments in associates are stated by equity method for consolidation and cost method for the separate financial statements.

Subsidiaries mean those companies in which the parent in the group companies, directly or indirectly, has power more than one half of the total voting rights or power to govern the financial and operating policies of subsidiaries. Investments in subsidiaries in the separate financial statements are stated at cost after deduction of provision for diminution in investments.

Other long-term investments mean those companies in which the group companies have shareholding but have no power to govern or participate in setting up any policy. Other long-term investments are stated at cost after deduction of provision for diminution in investments.

4.7 Property, plant and equipment

Property, plant and equipment are stated at cost. Plant and equipment are stated at acquisition cost less accumulated depreciation.

Depreciation is calculated by the straight-line method based on the estimated useful life of the following assets:

| | Years |
|--|-------|
| Building and building improvement | 20 |
| Office furniture, fixtures and equipment | 5 |
| Vehicles | 5 |

Expenditures for additions, renewals or betterments which affected the significant increment in value of assets will be capitalized, considered as capital expenditures. Regarding repair and maintenance costs are recognized as expenses during the accounting periods when incurred.

4.8 Operating leases

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

4.9 Employee benefits

Short-term employee benefits

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

Long-term employee benefits

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

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

4.10 Deferred tax assets/liabilities

Deferred tax assets/liabilities are recognized for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes as at the

statements of financial position date. They will be realised in future period when the income is realised, or the expenses provided for are actually incurred and considered deductible for income tax purposes.

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

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

4.11 Share-based payment transactions

Granting right to equity securities purchase to employees or individuals is considered share-based payment transaction when it does not appear that the right to equity securities purchase has an objective other than a payment for goods or services provided to the Company. The Company will record the difference between fair value and purchase price of equity securities at the date on which the options are granted as expenses in statements of income, and recorded a capital reserve for share-based payment transactions presented in shareholders' equity.

4.12 Income tax expenses

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

4.13 Earnings per share

Basic earnings per share is calculated by dividing profit for the year with the number of common stocks held by outsiders by the weighted average method.

4.14 Foreign currency transactions

Foreign currency transactions incurred during the years are recorded in Baht at the rate ruling on the date of transactions. Outstanding foreign currency assets and liabilities on the statements of financial position date are converted to Baht at the rate of exchange in effect on that date.

Gains or losses on exchange rate fluctuation are credited or charged to operations during the years.

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

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

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

4.15 Significant accounting judgments and estimates

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

Estimates and assumptions are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the

circumstances. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions of significant accounting relate primarily to allowance for investment in Open-end Fund, provision for diminution in investments, allowance for doubtful accounts, depreciation of plant and equipment, deferred tax assets or liabilities and provision for long-term employee benefits. All other estimates mentioned above are further disclosed in the corresponding notes to the financial statements.

5. CASH AND CASH EQUIVALENTS

BAHT

| PARTICULARS | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
|---------------------------|----------------|---------------|-----------------------------------|---------------|
| | 2019 | 2018 | 2019 | 2018 |
| Cash | 60,523.41 | 101,156.80 | 54,446.64 | 93,138.39 |
| Cash at bank | 95,922,131.18 | 43,125,397.97 | 83,487,482.25 | 33,459,728.45 |
| Short term fixed deposit | 81,413,385.54 | 21,143,126.73 | 81,246,167.33 | 20,993,095.49 |
| Cash and cash equivalents | 177,396,040.13 | 64,369,681.50 | 164,788,096.22 | 54,545,962.33 |

6. INVESTMENTS IN OPEN-END FUND

BAHT

| PARTICULARS | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
|---|---------------|----------------|-----------------------------------|----------------|
| | 2019 | 2018 | 2019 | 2018 |
| Investments in Open-end Fund- Debt securities | 71,185,470.72 | 162,013,872.28 | 55,825,575.28 | 150,825,406.44 |
| Add Allowance for investment adjustment | 354,379.79 | 1,136,676.51 | 137,319.78 | 1,016,623.59 |
| Investments in Open-end Fund-Fair value | 71,539,850.51 | 163,150,548.79 | 55,962,895.06 | 151,842,030.03 |

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

BAHT

| PARTICULARS FOR THE YEARS ENDED DECEMBER 31, | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
|---|--------------|--------------|-----------------------------------|--------------|
| | 2019 | 2018 | 2019 | 2018 |
| Unrealized gain (loss) on investments in Open-end Fund | (782,296.72) | 1,052,542.87 | (879,303.81) | 975,357.73 |
| Realized gain on disposal of investments in Open-end Fund | 2,403,992.27 | 563,909.86 | 2,314,685.84 | 502,894.92 |
| Gains on investments in Open-end Fund | 1,621,695.55 | 1,616,452.73 | 1,435,382.03 | 1,478,252.65 |

7. TRADE ACCOUNTS RECEIVABLE

BAHT

| PARTICULARS | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
|--|-----------------------|-----------------------|-----------------------------------|-----------------------|
| | 2019 | 2018 | 2019 | 2018 |
| <u>Trade accounts receivable of related parties</u> | | | | |
| Trade accounts receivable | | | | |
| Current | 174,238,185.60 | 190,517,193.64 | 167,395,038.63 | 182,076,530.74 |
| Overdue within 3 months | 84,635,987.64 | 47,866,751.64 | 87,869,707.11 | 46,883,092.77 |
| Overdue between 3 to 6 months | - | 963,695.50 | - | 963,695.50 |
| Total | 258,874,173.24 | 239,347,640.78 | 255,264,745.74 | 229,923,319.01 |
| <u>Trade accounts receivable of other companies</u> | | | | |
| Trade accounts receivable | | | | |
| Current | 38,513,992.55 | 38,401,172.25 | 31,590,991.05 | 28,564,595.34 |
| Overdue within 3 months | 32,511,465.05 | 58,158,301.95 | 13,140,613.82 | 46,179,726.35 |
| Overdue between 3 to 6 months | - | 597,060.00 | - | 597,060.00 |
| Overdue more than 12 months | 9,919,097.50 | 9,810,492.50 | 9,919,097.50 | 9,810,492.50 |
| Total | 80,944,555.10 | 106,967,026.70 | 54,650,702.37 | 85,151,874.19 |
| <u>Less</u> Allowance for doubtful accounts | (9,919,097.50) | (9,810,492.50) | (9,919,097.50) | (9,810,492.50) |
| Trade accounts receivable others-net | 71,025,457.60 | 97,156,534.20 | 44,731,604.87 | 75,341,381.69 |
| Trade accounts receivable - net | 329,899,630.84 | 336,504,174.98 | 299,996,350.61 | 305,264,700.70 |

8. INVESTMENTS IN AVAILABLE-FOR-SALE SECURITIES

Investments in available-for-sale securities are listed securities on the stock exchange.

BAHT

| CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS | % Holding | | Investment Value | | Dividends/Return on investments in Private Fund for the years | |
|--|-----------|------|-----------------------|-----------------------|---|----------------------|
| | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| Related Companies | | | | | | |
| 1. Saha Pathana Inter-Holding Plc. | 0.24 | 0.24 | 12,896,366.17 | 12,896,366.17 | 971,418.00 | 1,040,805.00 |
| 2. I.C.C. International Plc. | 0.29 | 0.29 | 5,519,382.00 | 5,519,382.00 | 1,020,017.90 | 927,289.00 |
| 3. Saha Pathanapibul Plc. | 0.34 | 0.33 | 9,428,871.54 | 7,510,671.54 | 1,764,376.00 | 1,638,577.50 |
| 4. Boutique New City Plc. | 0.06 | 0.06 | 1,710,000.00 | 1,710,000.00 | 50,400.00 | 36,000.00 |
| Total Cost | | | 29,554,619.71 | 27,636,419.71 | 3,806,211.90 | 3,642,671.50 |
| Add Gain from the remeasuring of investments in available-for-sale | | | 162,377,344.04 | 167,216,679.04 | | |
| Investments in available-for-sale-related companies-fair value | | | 191,931,963.75 | 194,853,098.75 | | |
| Other Companies | | | | | | |
| 1. The Siam Cement Plc. | | | 386,397.20 | 386,397.20 | 49,500.00 | 31,500.00 |
| 2. Nation Multimedia Group Plc. | | | 4,072,387.00 | 4,072,387.00 | - | - |
| 3. Nation International Edutainment Plc. | | | 51,782.40 | 51,782.40 | - | - |
| Total Cost | | | 4,510,566.60 | 4,510,566.60 | 49,500.00 | 31,500.00 |
| Less Loss from the remeasuring of investments in available-for-sale | | | (2,647,415.50) | (1,715,854.36) | | |
| Investments in available-for-sale - other companies-fair value | | | 1,863,151.10 | 2,794,712.24 | | |
| Private Fund | | | | | | |
| 1. BBL Asset Management Co., Ltd. | | | 190,000,000.00 | 190,000,000.00 | 4,500,000.00 | 2,000,000.00 |
| 2. Kasikorn Asset Management Co., Ltd. | | | 250,000,000.00 | 210,000,000.00 | 7,500,000.00 | 6,000,000.00 |
| Total cost | | | 440,000,000.00 | 400,000,000.00 | 12,000,000.00 | 8,000,000.00 |
| Add Gain from the remeasuring of investments in available-for-sale | | | 5,535,154.60 | 1,650,788.96 | | |
| Investments in available-for-sale - Private fund-fair value | | | 445,535,154.60 | 401,650,788.96 | | |
| Total investments in available-for-sale – net (Separate financial statements) | | | 639,330,269.45 | 599,298,599.95 | 15,855,711.90 | 11,674,171.50 |
| Subsidiary invested in Private Fund | | | | | | |
| Kasikorn Asset Management Co., Ltd. | | | 10,000,000.00 | 10,000,000.00 | - | - |
| Add (Less) Gain (Loss) from the remeasuring of investments in available-for-sale | | | 202,665.22 | (189,648.75) | - | - |
| Total investments in available-for-sale of the subsidiary - net | | | 10,202,665.22 | 9,810,351.25 | - | - |
| Total investments in available-for-sale-net (Consolidated) | | | 649,532,934.67 | 609,108,951.20 | 15,855,711.90 | 11,674,171.50 |

BAHT

| RELATED COMPANIES | TYPE OF BUSINESS | RELATIONSHIP | ISSUED AND PAID - UP SHARE CAPITAL | |
|------------------------------------|---------------------|-------------------------------|---------------------------------------|----------------|
| | | | 2019 | 2018 |
| 1. Saha Pathana Inter-Holding Plc. | Commerce | Shareholders / co - directors | 571,890,666.00 | 567,971,154.00 |
| 2. I.C.C. International Plc. | Fashion | Shareholders / co - directors | 290,633,730.00 | 290,633,730.00 |
| 3. Saha Pathanapibul Plc. | Commerce | Shareholders / co - directors | 330,000,000.00 | 330,000,000.00 |
| 4. Boutique New City Plc. | Fashion | Co - shareholders | 120,000,000.00 | 120,000,000.00 |

In November 2018, the Company has sold investments in Saha Pathana Inter-Holding Public Company Limited to related person amount of shares 249,666 (cost value of Baht 9.29 per share) at price Baht 65.52 per share. The Company obtained proceed from disposal amount of Baht 16.36 million, recognized gain on disposal of investment in the statements of income amount of Baht 14.04 million in the consolidated financial statements and the separate financial statements.

In June 2018, investments in Saha Pathana Inter-Holding Public Company Limited has increased 249,666 shares, amount of Baht 11.23 million, from the conversion of convertible debentures.

9. INVESTMENTS IN ASSOCIATES

BAHT

| CONSOLIDATED | % Holding | | Equity Method | |
|-----------------------------------|-----------|-------|-----------------------|-----------------------|
| | 2019 | 2018 | 2019 | 2018 |
| Media Intelligence Co., Ltd. | 30.00 | 30.00 | 171,922,338.88 | 158,079,684.10 |
| Diginakhon Co., Ltd. * | - | 46.60 | - | 4,290,990.99 |
| Total | | | 171,922,338.88 | 162,370,675.09 |
| THE SEPARATE FINANCIAL STATEMENTS | % Holding | | Cost Method | |
| | 2019 | 2018 | 2019 | 2018 |
| Media Intelligence Co., Ltd. | 30.00 | 30.00 | 6,001,470.00 | 6,001,470.00 |
| Diginakhon Co., Ltd. * | - | 45.00 | - | 2,700,000.00 |
| Total | | | 6,001,470.00 | 8,701,470.00 |

BAHT

| ASSOCIATES | TYPE OF BUSINESS | ISSUED AND PAID - UP SHARE CAPITAL | | DIVIDENDS FOR THE YEARS | |
|------------------------------|------------------------------|------------------------------------|---------------|-------------------------|----------------------|
| | | 2019 | 2018 | 2019 | 2018 |
| Media Intelligence Co., Ltd. | Agency or broker advertising | 20,000,000.00 | 20,000,000.00 | 15,000,000.00 | 18,000,000.00 |
| Diginakhon Co., Ltd. * | Agency or broker advertising | - | 6,000,000.00 | 810,000.00 | 900,000.00 |
| Total | | | | 15,810,000.00 | 18,900,000.00 |

On September 2, 2019, DIGINAKHON COMPANY LIMITED, an associate has registered with the Ministry of Commerce for dissolution and reclassified to other long-term investment-related company.

In January 2018, the Company changed the type of investment in Diginakorn Company Limited from investments in subsidiary to investments in associated company. Due to changes in the management structure, causing the business to lose control in that company.

The share of profit (loss) from investments for using the equity method which are recorded in the consolidated statements of income for the years ended December 31, 2019 and 2018, as follows :

BAHT

| SHARE OF PROFIT (LOSS) FROM INVESTMENTS FOR USING THE EQUITY METHOD FOR THE YEARS ENDED DECEMBER 31, | CONSOLIDATED | |
|--|----------------------|----------------------|
| | 2019 | 2018 |
| Media Intelligence Company Limited | 28,180,015.28 | 30,477,990.50 |
| Diginakhon Company Limited* | (78,199.38) | 1,011,750.12 |
| Total | 28,101,815.90 | 31,489,740.62 |

* DIGINAKHON COMPANY LIMITED has registered dissolution on September 2, 2019.

Summarised financial information of associates

Financial information of the associates are summarized, as follow:

MILLION BAHT

| COMPANY'S NAME | Total assets | | Total liabilities | | Profit (Loss) for the years | |
|------------------------------------|--------------|----------|-------------------|--------|--------------------------------|--------|
| | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| Media Intelligence Company Limited | 1,320.40 | 1,229.78 | 721.43 | 677.05 | 93.93 | 101.59 |
| Diginakhon Company Limited* | - | 18.81 | - | 9.60 | (0.17) | 2.17 |

10. INVESTMENTS IN SUBSIDIARIES

BAHT

| SUBSIDIARIES | % Holding | | THE SEPARATE FINANCIAL STATEMENTS(Cost Method) | |
|--|-----------|---------|---|---------------------|
| | 2019 | 2018 | 2019 | 2018 |
| Springboard Plus Company Limited | 99.99 | 99.99 | * 3,385,631.00 | * 3,385,631.00 |
| Integrated Communication Company Limited | 40.00** | 40.00** | 1,400,000.00 | 1,400,000.00 |
| Total Cost | | | 4,785,631.00 | 4,785,631.00 |
| Less Allowance for impairment | | | * (3,385,631.00) | * (3,385,631.00) |
| Total Investments in Subsidiaries - net | | | 1,400,000.00 | 1,400,000.00 |

** The Company has power more than one half of the total voting rights or power to govern the financial and operating policies of subsidiary.

BAHT

| SUBSIDIARIES | TYPE OF BUSINESS | ISSUED AND PAID - UP SHARE CAPITAL | | DIVIDENDS FOR THE YEARS | |
|--|--------------------|---------------------------------------|--------------|----------------------------|---------------------|
| | | 2019 | 2018 | 2019 | 2018 |
| <u>SUBSIDIARIES DIRECTLY HELD BY THE COMPANY</u> | | | | | |
| Springboard Plus Company Limited | Advertising Agency | 6,511,000.00 | 6,511,000.00 | - | - |
| Integrated Communication Company Limited | Public Relation | 3,500,000.00 | 3,500,000.00 | 1,680,000.00 | 2,240,000.00 |
| <u>SUBSIDIARY HELD IN DIGINAKHON CO., LTD.</u> | | | | | |
| Integrated Communication Company Limited | Public Relation | 3,500,000.00 | 3,500,000.00 | - | - |
| Total | | | | 1,680,000.00 | 2,240,000.00 |

11. OTHER LONG-TERM INVESTMENTS

| CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS | | % Holding | | Investment Value (Consolidated) | | Investment Value (The Separate Financial Statements) | | Dividends/Return on investments in Private Fund for the years | |
|--|-------|-----------|-------|---------------------------------|--------------------|--|--------------------|---|--------------|
| | | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| Others Company | | | | | | | | | |
| 1. Thai Samsung Electronics Co., Ltd. | 0.08 | | 0.08 | 1,000,000.00 | 1,000,000.00 | 1,000,000.00 | 1,000,000.00 | 300,000.00 | 300,000.00 |
| 2. Raja Uchino Co., Ltd. | 1.50 | | 1.50 | 1,533,500.00 | 1,533,500.00 | 1,533,500.00 | 1,533,500.00 | 18,225.00 | 18,225.00 |
| 3. Treasure Hill Co., Ltd. | 1.00 | | 1.00 | * 2,000,000.00 | * 2,000,000.00 | * 2,000,000.00 | * 2,000,000.00 | - | - |
| 4. Advantage Footwear Co., Ltd. | 0.38 | | 0.38 | ** 1,387,500.00 | ** 1,387,500.00 | ** 1,387,500.00 | ** 1,387,500.00 | 13,875.00 | 32,606.25 |
| 5. Sahapat Properties Co., Ltd. | 2.50 | | 2.50 | 500,000.00 | 500,000.00 | 500,000.00 | 500,000.00 | 50,000.00 | 40,000.00 |
| 6. Eastern Rubber Co., Ltd. | 1.50 | | 1.50 | * 450,000.00 | * 450,000.00 | * 450,000.00 | * 450,000.00 | - | - |
| 7. Spec Thai Plc. | 4.64 | | 4.64 | * 9,280,000.00 | * 9,280,000.00 | * 9,280,000.00 | * 9,280,000.00 | - | - |
| 8. K. Commercial & Construction Co., Ltd. | 2.00 | | 2.00 | 1,000,000.00 | 1,000,000.00 | 1,000,000.00 | 1,000,000.00 | - | - |
| 9. Imperial Technology Management Services Plc. | 0.70 | | 0.70 | * 6,250,000.00 | * 6,250,000.00 | * 6,250,000.00 | * 6,250,000.00 | - | - |
| 10. Thai Flying Maintenance Co., Ltd. | 10.00 | | 10.00 | * 200,000.00 | * 200,000.00 | * 200,000.00 | * 200,000.00 | - | - |
| 11. First United Industry Co., Ltd. | 1.00 | | 1.00 | 400,000.00 | 400,000.00 | 400,000.00 | 400,000.00 | 120,000.00 | 120,000.00 |
| 12. Waseda Education (Thailand) Co., Ltd. | 4.91 | | 4.91 | 982,200.00 | 982,200.00 | 982,200.00 | 982,200.00 | - | - |
| 13. Thanara Co., Ltd. | 1.67 | | 1.67 | 1,500,000.00 | 1,500,000.00 | 1,500,000.00 | 1,500,000.00 | - | - |
| 14. Pinnacle Travel Co., Ltd. | 3.93 | | 3.93 | * 122,500.00 | * 122,500.00 | * 122,500.00 | * 122,500.00 | - | - |
| 15. Dairy Thai Co., Ltd. | 3.04 | | 3.04 | ** 5,850,000.00 | ** 5,850,000.00 | ** 5,850,000.00 | ** 5,850,000.00 | - | - |
| 16. Sun108 Co., Ltd. | 0.42 | | 0.63 | ** 3,164,080.00 | ** 3,164,080.00 | ** 3,164,080.00 | ** 3,164,080.00 | 189,846.00 | 885,948.00 |
| 17. United Utility Co., Ltd. | 5.71 | | 5.71 | 20,000,000.00 | 20,000,000.00 | 20,000,000.00 | 20,000,000.00 | 600,000.00 | - |
| Related Company | | | | | | | | | |
| 18. Diginakhon Company Limited (dissolution on September 2, 2019) | 45.00 | | - | 3,373,991.61 | - | 2,700,000.00 | - | - | - |
| Total cost | | | | 58,993,771.61 | 55,619,780.00 | 58,319,780.00 | 55,619,780.00 | 1,291,946.00 | 1,396,779.25 |
| Less: Allowance for loss on capital decrease | | | | ** (6,112,495.00) | ** (6,112,495.00) | ** (6,112,495.00) | ** (6,112,495.00) | | |
| Allowance for impairment of investments in other companies | | | | ** (18,147,575.00) | ** (18,180,345.00) | ** (18,147,575.00) | ** (18,180,345.00) | | |
| Total long-term investments in other companies and related companies - net | | | | 34,733,701.61 | 31,326,940.00 | 34,059,710.00 | 31,326,940.00 | | |
| GSB Lottery No.101 (3 years) (Due on September 26, 2020) | | | | 1,000,000.00 | 1,000,000.00 | - | - | | |
| Less: Due within 1 year | | | | (1,000,000.00) | - | - | - | | |
| Total GSB Lottery - net | | | | - | 1,000,000.00 | - | - | | |
| Total other long-term investments - net | | | | 34,733,701.61 | 32,326,940.00 | 34,059,710.00 | 31,326,940.00 | | |

BAHT

12. PROPERTY, PLANT AND EQUIPMENT

BAHT

| CONSOLIDATED | Land | Building and building improvement | Office furniture and fixtures equipment | Motor vehicles | Assets under installation | Total |
|---------------------------------|----------------|-----------------------------------|---|----------------|---------------------------|-----------------|
| Cost | | | | | | |
| January 1, 2018 | 159,185,182.50 | 107,734,767.89 | 88,115,881.89 | 34,331,767.06 | - | 389,367,599.34 |
| Purchases | - | 6,173,974.23 | 3,076,420.37 | - | 1,947,500.00 | 11,197,894.60 |
| Disposal/unused | - | - | (5,308.41) | (8,522.40) | - | (13,830.81) |
| December 31, 2018 | 159,185,182.50 | 113,908,742.12 | 91,186,993.85 | 34,323,244.66 | 1,947,500.00 | 400,551,663.13 |
| Purchases | - | 6,017,292.73 | 5,339,942.46 | - | 9,300,782.67 | 20,658,017.86 |
| Disposal/unused | - | (8,663,908.69) | (15,484,595.54) | (14,913.66) | - | (24,163,417.89) |
| Transfer | - | 4,935,622.43 | - | - | (4,935,622.43) | - |
| December 31, 2019 | 159,185,182.50 | 116,197,748.59 | 81,042,340.77 | 34,308,331.00 | 6,312,660.24 | 397,046,263.10 |
| Accumulated depreciation | | | | | | |
| January 1, 2018 | - | 83,440,538.83 | 82,047,759.23 | 29,307,837.71 | - | 194,796,135.77 |
| Depreciation for the year 2018 | - | 3,569,057.82 | 2,420,589.77 | 208,164.20 | - | 6,197,811.79 |
| Disposal/unused | - | - | (5,306.41) | (8,517.40) | - | (13,823.81) |
| December 31, 2018 | - | 87,009,596.65 | 84,463,042.59 | 29,507,484.51 | - | 200,980,123.75 |
| Depreciation for the year 2019 | - | 5,346,490.45 | 2,910,805.32 | 581,995.80 | - | 8,839,291.57 |
| Disposal/unused | - | (8,663,800.69) | (15,477,425.71) | (14,911.66) | - | (24,156,138.06) |
| December 31, 2019 | - | 83,692,286.41 | 71,896,422.20 | 30,074,568.65 | - | 185,663,277.26 |
| Net book value | | | | | | |
| December 31, 2018 | 159,185,182.50 | 26,899,145.47 | 6,723,951.26 | 4,815,760.15 | 1,947,500.00 | 199,571,539.38 |
| December 31, 2019 | 159,185,182.50 | 32,505,462.18 | 9,145,918.57 | 4,233,762.35 | 6,312,660.24 | 211,382,985.84 |

| THE SEPARATE FINANCIAL STATEMENTS | | Land | Building and building improvement | Office furniture and fixtures equipment | Motor vehicles | Assets under installation | Total |
|-----------------------------------|--|----------------|-----------------------------------|---|----------------|---------------------------|-----------------|
| Cost | | | | | | | |
| January 1, 2018 | | 159,185,182.50 | 83,779,702.17 | 66,200,588.72 | 19,273,016.06 | - | 328,438,489.45 |
| Purchases | | - | 6,173,974.23 | 3,048,028.22 | - | 1,947,500.00 | 11,169,502.45 |
| The business transferred | | - | 19,450,502.05 | 16,171,004.33 | 7,443,000.00 | - | 43,064,506.38 |
| Disposal/unused | | - | - | - | (8,522.40) | - | (8,522.40) |
| December 31, 2018 | | 159,185,182.50 | 109,404,178.45 | 85,419,621.27 | 26,707,493.66 | 1,947,500.00 | 382,663,975.88 |
| Purchases | | - | 4,736,044.39 | 5,074,497.62 | - | 9,300,782.67 | 19,111,324.68 |
| Unused | | - | (7,598,222.43) | (13,670,702.17) | (14,913.66) | - | (21,283,838.26) |
| Transfer | | - | 4,935,622.43 | - | - | (4,935,622.43) | - |
| December 31, 2019 | | 159,185,182.50 | 111,477,622.84 | 76,823,416.72 | 26,692,580.00 | 6,312,660.24 | 380,491,462.30 |
| Accumulated depreciation | | | | | | | |
| January 1, 2018 | | - | 70,790,886.55 | 64,003,687.19 | 18,062,583.66 | - | 152,857,157.40 |
| Depreciation for the year 2018 | | - | 3,554,939.95 | 2,209,027.20 | 579,003.87 | - | 6,342,971.02 |
| The business transferred | | - | 8,159,215.48 | 12,872,381.97 | 4,458,663.38 | - | 25,490,260.83 |
| Disposal/unused | | - | - | - | (8,517.40) | - | (8,517.40) |
| December 31, 2018 | | - | 82,505,041.98 | 79,085,096.36 | 23,091,733.51 | - | 184,681,871.85 |
| Depreciation for the year 2019 | | - | 5,346,490.45 | 2,754,719.64 | 581,995.80 | - | 8,683,205.89 |
| Unused | | - | (7,598,114.43) | (13,669,835.17) | (14,911.66) | - | (21,282,861.26) |
| December 31, 2019 | | - | 80,253,418.00 | 68,169,980.83 | 23,658,817.65 | - | 172,082,216.48 |
| Net book value | | | | | | | |
| December 31, 2018 | | 159,185,182.50 | 26,899,136.47 | 6,334,524.91 | 3,615,760.15 | 1,947,500.00 | 197,982,104.03 |
| December 31, 2019 | | 159,185,182.50 | 31,224,204.84 | 8,653,435.89 | 3,033,762.35 | 6,312,660.24 | 208,409,245.82 |

13. PROVISION FOR LONG-TERM EMPLOYEE BENEFITS

BAHT

| PARTICULARS | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
|--|----------------------|----------------------|-----------------------------------|----------------------|
| | 2019 | 2018 | 2019 | 2018 |
| Defined benefit obligation | | | | |
| Beginning balances | 47,262,096.34 | 29,085,233.34 | 40,203,851.34 | 22,289,101.34 |
| Add Increase employee benefits from business transferred | - | 16,344,926.00 | - | 16,344,926.00 |
| Actuarial gain from employee benefit plan | (8,758,404.34) | - | (5,682,617.34) | - |
| Add Current service cost | 2,609,847.00 | 2,364,057.00 | 2,090,004.00 | 2,073,981.00 |
| Past service cost | 11,597,888.00 | - | 10,465,826.00 | - |
| Interest cost | 1,303,386.00 | 1,063,683.00 | 1,158,240.00 | 928,312.00 |
| Less Benefit paid during the years | (4,402,162.00) | (1,595,803.00) | (2,035,168.00) | (1,432,469.00) |
| Ending balances | 49,612,651.00 | 47,262,096.34 | 46,200,136.00 | 40,203,851.34 |

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

PERCENTAGE PER ANNUM

| PARTICULARS | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
|--|--------------|-------------|-----------------------------------|-------|
| | 2019 | 2018 | 2019 | 2018 |
| Discount rate | 2.47 - 3.13 | 2.08 - 2.11 | 2.47 | 2.08 |
| Salary increase rate (depends on the age) | 4.24 | 6.43 | 4.24 | 6.43 |
| Staff turnover rate (depends on the age) : | | | | |
| 20 - 29 years old | 34.00 | 37.00 | 34.00 | 37.00 |
| 30 - 39 years old | 21.00 | 21.00 | 21.00 | 21.00 |
| 40 - 49 years old | 10.00 | 12.00 | 10.00 | 12.00 |
| 50 - 59 years old | 8.00 | 7.00 | 8.00 | 7.00 |

Sensitivity analysis on key assumption changes are as follows:

BAHT

| PARTICULARS | 2019 | |
|---|----------------|-----------------------------------|
| | CONSOLIDATED | THE SEPARATE FINANCIAL STATEMENTS |
| Discount rate -0.50% | 1,406,294.00 | 1,191,641.00 |
| Discount rate +0.50% | (1,336,103.00) | (1,133,310.00) |
| Expected rate of salary increase -0.50% | (1,534,986.00) | (1,310,960.00) |
| Expected rate of salary increase +0.50% | 1,602,832.00 | 1,367,316.00 |

The new Labor Protection Act, announced in the Government Gazette on April 5, 2019, has imposed additional compensation rates in the case of employers terminating employment. For employees who have worked for 20 years or more to have the right received compensation of not less than the final last 400 days, based on the final wage rate. This change is considered a post-employment benefits plan amendment and the Company and its subsidiaries have additional liabilities for long-term employee benefits in the statements of financial position. The Company and its subsidiaries have recorded the effect of the change by recognising past service costs as expenses immediately in the consolidated statements of income amount of Baht 11.60 million (separate financial statements amount of Baht 10.47 million).

14. SHARE CAPITAL AND EMPLOYEE STOCK OPTIONS

On August 15, 2018, the Company has registered the increase of registered capital with the Department of Business Development, Ministry of Commerce, follow the resolutions of the Extraordinary Meeting of Shareholders No.1/2018, approval of the capital increase of the Company, in the amount of Baht 3.70 million from the existing registered capital of Baht 75 million to Baht 78.70 million by issuing 370,000 ordinary shares of Baht 10 par value, which will be allocated for reserving to accommodate the issuance and offering of the newly issued ordinary shares to directors, executives and employees of the Company under the FE-ESOP scheme.

In 2018, stock options exercised 249,950 shares being issued, in the totalling share amount of 370,000 shares, the exercise price of the stock option at a price of Baht 99 per share, the market prices at the grant date Baht 189 per share. On October 1, 2018, the Company has registered the paid-up share capital with the Ministry of Commerce amount Baht 2,499,500 (249,950 ordinary shares of Baht 10 par value) from The Employee Stock Option Program (FE-ESOP) in the first period.

In 2019, the remaining stock options of 120,050 shares were exercise, the exercise price of the stock option at a price of Baht 99 per share, the market prices at the grant date Baht 200 per share. On June 28, 2019, the Company has registered the paid-up share capital with the Ministry of Commerce amount Baht 1,200,500 (120,050 ordinary shares of Baht 10 par value) from The Employee Stock Option Program (FE-ESOP) in the second period.

15. THE DIRECTORS, EXECUTIVES AND EMPLOYEES OF THE COMPANY UNDER THE STOCK OPTIONS PROGRAM (FE-ESOP)

In the resolutions of the Company's Extraordinary Shareholders' Meeting No.1/2018 held on August 1, 2018, shareholders approved to The Employee Stock Option Program (FE-ESOP), as follows:

| | |
|--|---|
| Term of scheme | - 1 year starting from the date that the Shareholders' Meeting approved the FE-ESOP. |
| Offering period | - August 1, 2018 to July 31, 2019. |
| Type | - Registered transferable ordinary shares. |
| Total number of ordinary shares to be offered | - 370,000 ordinary shares of Baht 10 par value. |
| Offering price per share | - Baht 99 per share. |
| Fair value price of ordinary share at the grant date | - The market price of share at the grant date, the price from references from The Stock Exchange of Thailand (SET). |
| Silent period | - Directors, Executives and Employees of the Company under FE-ESOP allocating of newly issued ordinary shares will be able to sell shares when holding shares 2 years or more from the date of ownership of the newly issued ordinary shares. |

During the June 10, 2019 to June 14, 2019, the Company has reserved the remaining stock options of 120,050 shares the newly issued ordinary shares to Directors, Executives and Employees of the Company under FE-ESOP offering the exercise price of the stock option at a price of Baht 99 per share, the market prices at the grant date Baht 200 per share, details of exercising right and remaining balance are as follows:

| | <u>Amount of Shares</u> |
|---|-------------------------|
| Issued | 370,000 |
| Exercised in 2018 | (249,950) |
| Exercised in 2019 | (120,050) |
| Remaining balance as at December 31, 2019 | <u>-</u> |

In June 2019, the Company has registered the increase of shares capital from the right to purchase 120,050 shares issued to employees to the amount of 120,050 ordinary shares, at a par value of 10 Baht per share, amount of Baht 1,200,500 with the Ministry of Commerce and recorded premium on common stocks shares at Baht 89 per share, amount of Baht 10,684,450, the residual from the market price the Company, has recorded share-based payment expenses in the consolidated and separate financial statements in the amount of Baht 12,125,050 (120,050 stock option at Baht 101).

In October 2018, the Company has registered the increase of shares capital from the right to purchase 249,950 shares issued to employees to the amount of 249,950 ordinary shares, at a par value of 10 Baht per share, amount of Baht 2,499,500 with the Ministry of Commerce and recorded premium on common stocks shares at Baht 89 per share, amount of Baht 22,245,550, the residual from the market price the Company, has recorded share-based payment expenses in the consolidated and separate financial statements in the amount of Baht 22,495,500 (249,950 stock option at Baht 90).

16. LEGAL RESERVE

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

17. DIVIDEND PAYMENT AND DIRECTORS' REMUNERATION

On April 25, 2019, the resolutions of the Company's Ordinary General Shareholders' Meeting No. 25 for the year 2019, approved to pay dividends from the past result of the Company's operations, amount 7,749,950 shares at Baht 10 per share the amount of Baht 77.50 million. The dividend payment was made on May 23, 2019 and approved a resolution to pay directors' remuneration at the maximum of Baht 7 million per year.

On April 26, 2018, the resolutions of the Company's Ordinary General Shareholders' Meeting No. 24 for the year 2018, approved to pay dividends from the past result of the Company's operations, amount 7,500,000 shares at Baht 10 per share the amount of Baht 75 million. The dividend payment was made on May 23, 2018 and approved a resolution to pay directors' remuneration at the maximum of Baht 6 million per year.

18. EXPENSES BY NATURE

BAHT

| PARTICULARS | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
|--|-----------------------|-----------------------|-----------------------------------|-----------------------|
| | 2019 | 2018 | 2019 | 2018 |
| Services and commissions expenses | 313,462,826.45 | 344,400,519.80 | 243,621,674.56 | 259,441,056.94 |
| Director and management benefit expenses | 61,436,954.00 | 62,775,668.00 | 55,384,254.00 | 57,486,950.00 |
| Employee benefit expenses | 236,911,500.90 | 205,893,512.38 | 179,139,099.45 | 178,232,201.16 |
| Depreciation | 8,839,291.57 | 6,197,811.79 | 8,683,205.89 | 6,342,971.02 |
| Other expenses | 31,947,113.79 | 27,644,739.57 | 28,260,940.58 | 23,812,803.41 |
| Total | 652,597,686.71 | 646,912,251.54 | 515,089,174.48 | 525,315,982.53 |

19. REGISTERED PROVIDENT FUND

The Company and its subsidiaries have set up and registered provident fund in accordance with the Provident Fund Act B.E. 2530 (1987), in order to be the savings and welfare promotion, as well as the fringe benefits upon resignation or retirement to its employees according to the Company's regulation. The fund is partly contributed by the employees and another part by the Company at the rate 2 - 5 % of their basic salaries. Hereby, the Company has appointed the MFC Asset Management Public Company Limited to be the fund manager.

Provident fund contributions made by the Company and its subsidiaries for their employees and recorded as expenses in the statements of income for the years ended December 31, 2019 and 2018 are Baht 6.78 million (the Company Baht 5.70 million) and Baht 6.64 million (the Company Baht 5.61 million), respectively.

20. INCOME TAX

Corporate income taxes of the Company and subsidiaries for the years ended December 31, 2019 and 2018 were calculated from accounting profit or loss and adjusted with other revenues and some expenses which are exempted from income tax, such as dividend income, or being disallowable expenses in income taxes computation purposes such as doubtful debts.

The corporate income taxes of the Company and subsidiaries is calculated at the rate of 20 percent.

Income tax expenses recognized in statements of income consist:

BAHT

| PARTICULARS FOR THE YEARS ENDED DECEMBER 31, | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
|--|----------------------|----------------------|--------------------------------------|----------------------|
| | 2019 | 2018 | 2019 | 2018 |
| The corporate income tax for the years | 21,798,498.83 | 22,631,808.01 | 20,776,078.87 | 21,274,935.62 |
| Amortization and reversal of temporary differences | (2,393,418.14) | (561,195.99) | (2,526,808.16) | (490,388.64) |
| Income tax expenses | 19,405,080.69 | 22,070,612.02 | 18,249,270.71 | 20,784,546.98 |

As at December 31, 2019 and 2018, the deferred tax assets/liabilities arose from the following temporary differences:

BAHT

| PARTICULARS | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
|--|------------------------|------------------------|-----------------------------------|------------------------|
| | 2019 | 2018 | 2019 | 2018 |
| Accumulated temporary differences in the statements of income | | | | |
| Allowance for doubtful trade accounts receivable | 9,919,097.50 | 9,810,492.50 | 9,919,097.50 | 9,810,492.50 |
| Allowance for investments in Open-end Fund | (354,379.79) | (1,136,676.51) | (137,319.78) | (1,016,623.59) |
| Allowance for loss on capital decrease and for impairment in investments | 24,260,070.00 | 24,292,840.00 | 24,260,070.00 | 24,292,840.00 |
| Provision for long-term employee benefits | 58,371,055.34 | 47,262,096.34 | 51,882,753.34 | 40,203,851.34 |
| Total | 92,195,843.05 | 80,228,752.33 | 85,924,601.06 | 73,290,560.25 |
| Temporary differences in the statements of comprehensive income | | | | |
| - recognized in other components of the shareholders' equity | | | | |
| Unrealized gain on remeasuring available-for-sale securities | (165,467,748.36) | (166,961,964.89) | (165,265,083.14) | (167,151,613.64) |
| - recognized in retained earnings | | | | |
| Provision for long-term employee benefits | (8,758,404.34) | - | (5,682,617.34) | - |
| Total | (82,030,309.65) | (86,733,212.56) | (85,023,099.42) | (93,861,053.39) |
| Deferred tax liabilities | (16,406,061.93) | (17,346,642.51) | (17,004,619.89) | (18,772,210.68) |

21. EARNINGS PER SHARE

Basic earnings per share for the years ended December 31, 2019 and 2018 were calculated by dividing profit for the year attributable to equity holders of the parent with the number of common stocks held by outsiders by the weighted average method as follows:

| PARTICULARS | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
|---|----------------------|-----------------------|-----------------------------------|----------------------|
| | 2019 | 2018 | 2019 | 2018 |
| Profit attributable to common stocks Equity holders of the parent (Baht) | 95,827,219.59 | 100,988,642.91 | 83,155,836.84 | 87,814,108.46 |
| Number of common stocks outstanding at January 1, (share) | 7,749,950 | 7,500,000 | 7,749,950 | 7,500,000 |
| Effect of shares options exercised (share) | 61,505 | 62,488 | 61,505 | 62,488 |
| Weighted average number of common stocks outstanding (share) | 7,811,455 | 7,562,488 | 7,811,455 | 7,562,488 |
| Earnings per share (Baht) | 12.27 | 13.35 | 10.65 | 11.61 |

22. FINANCIAL INFORMATION BY SEGMENT

Group companies have operated only as a domestic advertising agency, therefore, there is no presentation of operating segment.

23. TRANSACTIONS WITH RELATED PERSONS AND PARTIES

The Company has certain business transactions with its related persons and parties which are related through, directorship or shareholding or having shareholders or some co-directors. The effects of these transactions were reflected in the accompanying financial statements in normal business and general trading conditions.

| RELATED PERSON AND PARTIES | RELATIONSHIP |
|---|---|
| Associates | See Note 9 |
| Subsidiaries | See Note 10 |
| Related companies | |
| Saha Pathana Inter-Holding Plc. | Shareholders / Co - directors |
| I.C.C. International Plc. | Shareholders / Co - directors |
| Saha Pathanapibul Plc. | Shareholders / Co - directors |
| Lion Corporation (Thailand) Limited | Co - directors |
| Boutique New City Plc. | Co - shareholders |
| Thai President Foods Plc. | Shareholders / Co - directors |
| Ruamissara Co., Ltd. | Co - directors |
| Winteregency Co., Ltd. | Major shareholder in an associate of Company |
| HAKUHODO DY MEDIA PARTNERS INC. | Shareholder in an associate of the Company |
| Future Marketing Communications Group Co., Ltd. | Shareholder in an associate of the Company |
| HAKUHODO (BANGKOK) CO.,LTD. | Shareholder in an associate of the Company |
| President Bakery Plc. | Co - Major shareholder |
| Pinnacle Travel Co., Ltd. | Co - directors |
| Chailadadol Co., Ltd. | Co - directors |
| Data First Co., Ltd. | Co - directors |
| Chokwattana Co., Ltd. | Co - directors |
| Bangkok Athletic Co., Ltd. | Director is relative with director of the Company |
| Munk Productions Co., Ltd. | Co - directors |
| Related persons | Directors's Company /subsidiaries and spouses of directors of the Company |

The significant transactions with related persons and parties are as follows:

BAHT

| TRANSACTIONS IN STATEMENTS OF FINANCIAL POSITION | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
|---|-----------------------|-----------------------|--------------------------------------|-----------------------|
| | 2019 | 2018 | 2019 | 2018 |
| <u>Trade accounts receivable</u> | | | | |
| - Subsidiaries | - | - | 15,146,932.06 | 8,086,524.91 |
| - Associates | 3,830,830.79 | 3,497,203.35 | 3,830,830.79 | 3,497,203.35 |
| - Related companies | 255,043,342.45 | 235,850,437.43 | 236,286,982.89 | 218,339,590.75 |
| Total | 258,874,173.24 | 239,347,640.78 | 255,264,745.74 | 229,923,319.01 |
| <u>Other receivables</u> | | | | |
| - Subsidiaries | - | - | 17,871.06 | 20,764.62 |
| - Associates | - | 600.00 | - | 600.00 |
| - Related companies | 61,669.32 | 53,265.05 | 61,669.32 | 53,265.05 |
| Total | 61,669.32 | 53,865.05 | 79,540.38 | 74,629.67 |
| <u>Investments in available-for-sale-fair value</u> | | | | |
| - Related companies | 191,931,963.75 | 194,853,098.75 | 191,931,963.75 | 194,853,098.75 |
| <u>Trade accounts payable</u> | | | | |
| - Subsidiaries | - | - | 367,010.00 | 1,163,090.00 |
| - Associates | 11,492,555.98 | 12,988,614.32 | 10,974,675.98 | 11,434,348.57 |
| - Related companies | 4,801,667.80 | 1,138,397.52 | 4,801,667.80 | 1,138,397.52 |
| Total | 16,294,223.78 | 14,127,011.84 | 16,143,353.78 | 13,735,836.09 |
| <u>Other non-current liabilities</u> | | | | |
| - Subsidiaries | - | - | 99,000.00 | 99,000.00 |
| - Associates | - | 16,000.00 | - | 16,000.00 |
| - Related companies | 756,000.00 | 756,000.00 | 756,000.00 | 756,000.00 |
| Total | 756,000.00 | 772,000.00 | 855,000.00 | 871,000.00 |

| TRANSACTIONS IN STATEMENTS OF INCOME FOR THE YEARS ENDED DECEMBER 31, | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
|--|-----------------------|-----------------------|--------------------------------------|-----------------------|
| | 2019 | 2018 | 2019 | 2018 |
| <u>Income from services and commissions</u> | | | | |
| - Subsidiaries | - | - | 19,049,988.63 | 14,440,607.94 |
| - Associates | 7,631,962.63 | 5,103,157.84 | 7,631,962.63 | 5,103,157.84 |
| - Related companies | 342,875,166.42 | 337,770,267.56 | 295,225,982.92 | 296,279,281.21 |
| Total | 350,507,129.05 | 342,873,425.40 | 321,907,934.18 | 315,823,046.99 |
| <u>Gain on disposal of investments in available-for-sale security</u> | | | | |
| - Related person | - | 14,037,952.49 | - | 14,037,952.49 |
| <u>Gain on disposal of investments in other companies</u> | | | | |
| - Related companies | - | 46,200.00 | - | 46,200.00 |
| - Related person | - | 982,080.00 | - | 982,080.00 |
| Total | - | 1,028,280.00 | - | 1,028,280.00 |
| <u>Other incomes</u> | | | | |
| - Subsidiaries | - | - | 1,744,998.00 | 1,708,800.00 |
| - Associates | 20,000.00 | 30,000.00 | 20,000.00 | 30,000.00 |
| - Related companies | 4,287,280.00 | 4,295,992.30 | 4,287,280.00 | 4,261,080.00 |
| Total | 4,307,280.00 | 4,325,992.30 | 6,052,278.00 | 5,999,880.00 |
| <u>Dividend income</u> | | | | |
| - Subsidiaries | - | - | 1,680,000.00 | 2,240,000.00 |
| - Associates | - | - | 15,810,000.00 | 18,900,000.00 |
| - Related companies | 3,806,211.90 | 3,642,671.50 | 3,806,211.90 | 3,642,671.50 |
| Total | 3,806,211.90 | 3,642,671.50 | 21,296,211.90 | 24,782,671.50 |
| <u>Cost of services and commissions</u> | | | | |
| - Subsidiaries | - | - | 1,739,000.00 | 3,804,200.00 |
| - Associates | 6,916,124.67 | 12,290,997.36 | 5,846,102.17 | 12,290,997.36 |
| - Related companies | 1,463,425.00 | 1,806,747.50 | - | 181,747.50 |
| Total | 8,379,549.67 | 14,097,744.86 | 7,585,102.17 | 16,276,944.86 |
| <u>Other expenses</u> | | | | |
| - Related companies | 120,000.00 | 120,000.00 | 120,000.00 | 120,000.00 |
| <u>Interest expenses</u> | | | | |
| - Related person | - | 10,815.18 | - | - |

24. COMMITMENT AND CONTINGENT LIABILITIES

24.1 As at December 31, 2019, Group companies have contingent liabilities in relation to letters of guarantee issued by commercial banks amounting to approximately amount of Baht 2.50 million. The Group pledged their 3 - 12 month time deposit as collateral for the letter of guarantee.

24.2 As at December 31, 2019, the Company had overdraft facilities and letter of guarantee from commercial banks, totaling amount of Baht 20 million, which were guaranteed by one director of the Company in the amount of Baht 10 million and the remaining amount were guaranteed by 3 - 12 months time deposit.

24.3 As at December 31, 2019, the Company had outstanding forward contract line from a commercial bank of USD 200,000 from the total of USD 200,000 or equivalent.

25. DISCLOSURE OF FINANCIAL INSTRUMENTS

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

25.1 Accounting policies and procedure See Note 4.

25.2 Risk from breach of contracts

- Due to the contracting parties do not follow the requirement in the contract which caused damage to the Company and its subsidiaries.
- Risk from concentration of credit is minimal even most resulting from service and commission for large companies and small companies, the group has closely monitored each trade account receivable business. Thus, the Company and its subsidiaries do not expect any material damage from this kind of risk.
- For the financial assets shown in the statements of financial position, the book value of such assets is net from various provisions to be estimated fair value. Such provisions are assumed to be the highest value of risk incurred from breach of contracts.

25.3 Risk relating to interest rate

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

25.4 Fair value of financial instruments

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

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

26. FINANCIAL STATEMENTS APPROVAL

These financial statements were authorized for issuing by the Company's authorized directors on February 25, 2020.

An abstract geometric diagram consisting of several thin grey lines connecting small grey dots. The dots are arranged in a way that forms a complex, multi-pointed shape. A central dot is connected to several other dots, creating a star-like pattern. The overall shape is irregular and angular, with lines extending from the central area towards the top and bottom edges of the frame.

Divergence^o

Move beyond reason

OUR WORK





OUR CSR



School Project 13th “Learn ENG with Real!” Ep. 2



The 13th School Project activity in support of needy schools in underdeveloped rural areas under the concept, ‘Learn ENG with Real’ Episode 2 2019 was the 13th consecutive year where the company and its clients has organised CSR activities under the ‘School Project’ banner in order to support needy schools in underdeveloped rural areas. This year, under the ‘Learn ENG with Real’ Episode 2, the company supports Ban Pang Samakki School in Saraburi province to build an English Center with the intention to increase the opportunity to learn English to the poor school as English is so in demand and has the major role in the modern world. The company also cooperated with Lion (Thailand) Co., Ltd. to support "Beautiful teeth, bright smile by ourselves" project by donating toothbrushes and toothpaste by encouraging tooth brushing after lunch for the whole school to create awareness and encourage the student to know how to maintain cleanliness within the mouth and teeth. The company also composed the English songs about brushing teeth for the school to use in such activity.

On behalf of all our clients, the company’s employees delivered this wonderful occasion to Ban Pang Samakki School in Saraburi province on 4 December 2019. Employees participated in joyful activities with the students, donated learning materials, stationery, consumer products and scholarship, while also preparing lunch, as a special gift to the children in the hope of encouraging them to have fun in the New Year. It was a happy occasion that provided equal joy to both the giver and the recipient.

