

BEC WORLD

ANNUAL REPORT
2018



BEC WORLD PUBLIC COMPANY LIMITED

VISION

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

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REFERENCE PERSONS

BOARD OF DIRECTORS' REPORT

“ We still committed to expand this business which is our expertise to create a stable and sustainable business growth. ”



**To: Company Shareholders
BEC World Public Company Limited**

2018 is another year which our industry regressed slightly since the beginning of the year, compared to 2017. Consequently, despite the fact that we can generate more advertising revenue from our new channels almost Baht 200 million, BEC World Group's, whose revenue base is higher than other operators in the past, advertising revenue generation in 2018 is only Baht 8,789 million which is 10.2% or Baht 1,011 million lower compared to the previous year. However, due to the organization restructuring and our effort to create new revenue bases, BEC World Group is able to generate more revenue from copyright licensing and other services, which is 70 % or Baht 436 million higher than the last year.

As a result of the continuous regression of advertising expenditure since the beginning of 2015 and the fact that there is no indication whatsoever for any change to the current trend, BEC World Group has been constantly controlling the costs and expenses since many years ago to reduce the loss while we are waiting for the rise of advertising expenditure. However, the intense competition from new channels, who becoming more known after operating more than four years, is the major obstacle for BEC World Group to maintain its costs and expenses as we need to keep our audience share. Despite our need to create new sources of incomes and having expenses from the reduction of organization size and the adjustment of the reserve expenses for employees' long-term benefits as special expenses, our cost and expense still decrease considerably compared to the previous year. Nevertheless, we still able to maintain our position as the top-rated television channel as ever.

Despite the fact that, in 2018, our revenue from copyright licensing and other services is Baht 436 million higher

compared to the previous year and the fact that we had made effort to reduce the costs and expenses, our advertising revenue still plunged by Baht 1,011 million due to the regressive trend of the industry. In addition, since we have special expenses from the reduction of the organization size and the adjustment of the reserve expenses for employees' long-term benefits, BEC World Group's profit for 2018, which is the shareholder equity, is Baht 391 Million lower compared to the last year. Consequently, we suffered loss in the amount of Baht 330 million.

Despite the significant dropped in the profit compared to the last year, BEC World Group financial position is still stable and we can still generate cash flow from our operation at a high rate as before. Moreover, due to the governments' measure to delay the payment of licenses, the Company has more current assets with a decrease of current liabilities. As a result, it has a higher liquidity ratio.

In the early year of 2019, although there is no indication that the advertising expenditure will increase, but from the projected higher growth rate of macro-economic, the national elections and various economic stimulus, as well as the well-known plan to adjust the distribution of revenue, it is expected that the domestic purchasing power will grow. This growth of the domestic purchasing power will be the main factor to stimulate more competition in the domestic consumer market. Therefore, we are anticipating the growth of advertising expenditure in this year. We still committed to expand this business which is our expertise to create a stable and sustainable business growth. In this regard, we will focus increasing the efficiency of revenue generation and controlling the costs and expenses to reduce loss as before.

Despite the drop in our operating result in the previous year due to unfavorable environment, it is a result of the efforts, dedication, abilities and cooperation of our employees and associates at all levels, as well as the good support from customers, mass media, investors, our shareholders and the public. On behalf of the Board of Directors of BEC World Plc., we hereby expressed our sincere gratitude to all concerned parties.



(Mr. Somchai Boonnamsiri)

Chairman of the Board

AUDIT COMMITTEE REPORT

To : Shareholders
BEC World Public Company Limited

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

During the year 2018, the Audit Committee held seven meetings which all members thereof have attended all seven meetings, some meetings were held with external auditor without management, having the followings significant matters:

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

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

3. Reviewing compliance of relevant rules, regulations and laws of the Securities and the Stock Exchange of Thailand; following up compliance of laws regarding operation systems

of the Company. We found that there is no significant matter concerning non-compliance of the aforesaid rules, regulations and laws.

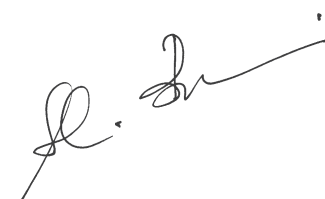
4. Reviewing the connected transactions or transactions which may cause conflict of interest to be in compliance of the laws and regulations of Stock Exchange of Thailand. We are of the opinion that the aforesaid transactions are reasonable and for the best interest of the Company. The Company also discloses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

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

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

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

For the year 2019, the Audit Committee has proposed the Board of Director to further propose to Annual General Shareholder Meeting to appoint Dr. Virach Aphimeteetamrong and/or Mr. Chaiyakorn Aunpitipongsa and/or Mr. Apiruk Ati-anuwat and/or Dr. Preecha Suan, certified auditor of DR. VIRACH & ASSOCIATES COMPANY LIMITED as the Company's auditor for the accounting period for year 2019, since they are appropriate, competent, professional. In addition, their performance in the past are acceptable and reliable, the auditor is independent, and they have no relationship with the Company and its subsidiaries. The audit fee for year 2019 as proposed is also reasonable and conform to the works of BEC World Group.



(Mr. Somchai Boonnamsiri)
Chairman of the Audit Committee
On behalf of the Audit Committee

REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors resolved to appoint the Nomination and Remuneration Committee to be responsible for recruiting and nomination of qualified persons to serve as directors, subcommittee, as well as the Group Chief Executive Officer, including to prepare the monetary remuneration policy of directors and subcommittees and propose it to the Board of Directors for their consideration.

The Nomination and Remuneration Committee comprised of:

- (1) Mr. Prathan Rangsimaporn (Independent Director) Chairman of the Nomination and Remuneration Committee
- (2) Mr. Manit Boonprakob (Independent Director) Member of the Nomination and Remuneration Committee
- (3) Miss Ratana Maleenont (Director) Member of the Nomination and Remuneration Committee

For the year 2018, the Nomination and Remuneration Committee held three meetings, which all members thereof have attended all three meetings. The matters proceeded during such meetings are as follows:

- Selecting and screening candidates who are qualified to be appointed as directors and subcommittees in order to propose them to the meeting of the Board of Directors and the Annual General Meeting of Shareholders for approval;
- Determining the remuneration and other benefits of directors and subcommittees which are appropriate to their duties and responsibilities by comparing with other companies with business size, assets, and similar industries in order to propose to the Board of Directors and the Annual General Meeting of Shareholders for approval;

- Determining annual remuneration in order to propose to the Board of Directors for approval; and

- Considering and reviewing the policy, format, and criteria of recruitment and determine the amount of monetary remuneration of directors and subcommittees in order to propose to the Board of Directors for approval.

In summary, the Nomination and Remuneration Committee has performed the duties as mentioned above according to the roles, duties and responsibilities assigned by the Board of Directors. For the year 2018, the Nomination and Remuneration Committee are of the view that the directors, subcommittees and Group Chief Executive Officer are knowledgeable and capable and the remuneration and other benefits as shown in the annual report is suitable with the role, obligations, and responsibilities, the overall economic condition, and performance of the Company as a whole.



(Mr. Prathan Rangsimaporn)

Chairman of the Nomination and
Remuneration Committee

CORPORATE GOVERNANCE COMMITTEE REPORT

To : Shareholders

BEC World Public Company Limited

The Board of Directors of BEC World Public Company Limited ("Company") supports the business operation of the Company Group to be in accordance with the principle of good corporate governance, corporate governance code and business ethics. The Board of Directors, therefore, appoints the Corporate Governance Committee to assist the Board of Directors in determining good corporate governance policies and other guidelines of the Company to be in line with the internationally accepted good corporate governance principle, which listed company should comply. The objective of this good corporate governance approach is (1) to achieve a concrete performance in the overall operation of the organization according to good corporate governance principle; and (2) to support the Company to grow sustainably by managing the business with morality, transparency and accountability, which will strengthen the confidence of shareholders, investors, stakeholders and all related parties.

The Corporate Governance Committee comprises of 4 members, as follows:

1. Mr. Somprasong Boonyachai Non-Executive Director as Chairman of the Corporate Governance Committee
2. Mrs. Ratchanee Nipatakusol Executive Director as Member of the Corporate Governance Committee
3. Mr. Tospol Maleenont Non-Executive Director as Member of the Corporate Governance Committee
4. Mr. Chalit Limpanavech as Honorable Committee

In 2018, the Corporate Governance Committee held two meetings which all members thereof have attended all meetings. In this regard, the Corporate Governance Committee proceeded with the following significant matters:

1. Reviewed and proposed to the Board of Directors to revise the Company's corporate governance policies and improve the Company's good corporate governance guideline to be in accordance with the principle of good corporate governance and corporate governance code.

2. Reviewed and revised the charter of Corporate Governance Committee to be appropriate, and proposed them to the Board of Directors for consideration.

3. Evaluated the compliance of the Corporate Governance Committee with the charter and found that the Corporate Governance Committee fully complied with the Charter and reported their operation result to the Board of Directors for acknowledgement.



(Mr. Somprasong Boonyachai)

Chairman of the Corporate Governance Committee

BOARD OF DIRECTORS

INDEPENDENT DIRECTORS



Mr. Somchai Boonnamsiri

Independent Director / Chairman of the Board,
Chairman of the Audit Committee

EXECUTIVE DIRECTORS



Mr. Prachum Maleenont ⁽³⁾ ⁽⁴⁾

Director / Vice-Chairman of the Board,
Chairman of the Executive Committee



Miss Ratana Maleenont

Director / Executive Director,
Member of the Nomination and Remuneration Committee



Miss Amphorn Maleenont ⁽⁴⁾

Director / Executive Director



Mrs. Ratchanee Nipatakusol

Director / Executive Director,
Member of the Corporate Governance Committee

- Remark:** The changes in the Board of Directors during 2018 are as follows:
- ⁽¹⁾ The Board of Directors meeting No. 2/2561, held on 12 February 2018, acknowledged Mr. Kavin Kanjanapas resignation from the position of independent director, having effect from 12 February 2018 onward. As at the date of resignation, the remaining term of his directorship is 1 year and 4 months.
 - ⁽²⁾ The Board of Directors meeting No. 6/2561 acknowledged Mr. Voravat Maleenont's resignation from the position of director, having effect from 9 May 2018 onward. As at the date of resignation, the remaining term of his Directorship is 2 years and 2 months.
 - ⁽³⁾ The Board of Directors meeting No. 4/2562, held on 4 March 2019, appointed Mr. Ariya Banomyong to replace the vacant position, which the remaining term is one year. In addition, the meeting also appointed Mr. Ariya Banomyong as an executive director in the position of "President", having effect from 2 May 2019 onward. Moreover, the meeting also resolved to restructure the management structure and appoint Mr. Prachum Maleenont as the Chairman of the Executive Committee, having effect from 2 May 2019 onward
 - ⁽⁴⁾ The Board of Directors meeting No. 6/2562, held on 29 March 2019, resolved to restructure the Company's executives position, having effect from 18 April 2019 onward, as follows:
 - 1) Mr. Prachum Maleenont Previous Position: Group Chief Executive Officer (G-CEO) New Position: Chairman of the Executive Committee
 - 2) Miss Amphorn Maleenont Previous Position: Chief Operating Officer (COO) New Position: Executive Director
 - 3) Mr. Ariya Banomyong: President



Mr. Chansak Fuangfu

Independent Director /
Chairman of the Risk Management Committee



Mr. Prathan Rangsimaporn

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



Mr. Manit Boonprakob

Independent Director / Member of the Audit Committee,
Risk Management Committee and
Nomination and Remuneration Committee



Mr. Somprasong Boonyachai

Non-Executive Director /
Chairman of the Corporate Governance Committee



Miss Nipa Maleenont

Non-Executive Director



Mr. Matthew Kichodhan

Non-Executive Director



Mr. Tospol Maleenont

Non-Executive Director / Member of the Risk Management
Committee and Corporate Governance Committee

Mr. Chatchai Thiamtong

Secretary of the Board of Directors

Mrs. Chalaiporn Itthithavorn

Company Secretary

THE BEC WORLD GROUP



BROADCASTING AND MEDIA BUSINESS

TV BUSINESS

99.99%

Bangkok Entertainment Co., Ltd. (300)

99.99%

BEC Multimedia Co., Ltd. (200)

RADIO BROADCASTING BUSINESS

99.99%

You & I Corporation Co., Ltd. (35)

PROGRAM SOURCING- PRODUCTION, DISTRIBUTION AND SUPPORTING BUSINESSES

ENTERTAINMENT AND DOCUMENTARY PROGRAM SOURCING, PRODUCTION AND DISTRIBUTION BUSINESS

99.99%

Rungsirojvanit Co., Ltd. (5)

99.99%

New World Production Co., Ltd. (5)

99.99%

Bangkok Television Co., Ltd. (5)

99.99%

BEC International Distribution Co., Ltd. (5)

59.99%

TVB 3 Network Co., Ltd. (10)

PRODUCTION OF VARIETY SHOWS, CONTENT AND PROMOTIONAL CAMPAIGN ACTIVITIES BUSINESS

59.99%

BEC-TERO Entertainment Plc. [BEC-Tero]
(250:Paid up 200)

59.99%

Thai Ticket Major Co., Ltd. (10)

50.00%

BEC-TERO Scenario Co., Ltd. (40)

BROADCASTING AND MEDIA BUSINESS & PROGRAM SOURCING AND PRODUCTION BUSINESS

As at December 31, 2018

NEW MEDIA BUSINESS

99.99%

Satellite TV Broadcasting Co., Ltd. (1)

99.99%

Bangkok Satellite & Telecommunication Co., Ltd.* (25)

99.99%

BECi Corporation Ltd. (200)

EXTENDED AND SUPPORTING BUSINESSES

99.99%

BEC-TERO Radio Co., Ltd. (49.96)

49.00%

Forever BEC-TERO Co, Ltd.
(US\$ 100,000 : Paid Up US\$ 25,000)

99.99%

BEC-TERO Myanmar Co., Ltd. (US\$ 200,000)

50.10%

Live Nation BEC-TERO Entertainment Co., Ltd.** (10)

40.00%

BEC-Tero Show Co., Ltd. (10)

99.99%

BEC Broadcasting Center Co., Ltd. (1)

99.99%

BEC News Bureau Co., Ltd. (5)

99.99%

BEC STUDIO Co., Ltd.* (5)

99.99%

BEC Asset Co., Ltd. (30)

99.99%

BEC IT Solution Co., Ltd. (15)

Remark :

- % is shareholding percentage
- Number in brackets () is a number of registered capital (BHT Million)

* No operation yet

** Investment of BEC-TERO Entertainment Plc.
is equivalent to 50.10 %, has voting right 49.70 %

BUSINESS OPERATION OF BEC WORLD GROUP

01

BROADCASTING AND MEDIA BUSINESS

As of 31 December 2018, BEC Group comprises of BEC World Plc., the parent company, 21 subsidiary companies and 3 associated companies, which could be divided into types of business operations as follows:

1.1 TV Business

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

1.1.2 Digital Terrestrial TV ("DTTV"), National Business Service category, - BEC-Multimedia Co., Ltd. ("BECM"), a subsidiary company of BEC World, won an auction for 3 Licenses to use

Allocated Frequencies for National Commercial Digital Television Services, from National Broadcasting and Telecommunications Commission ("NBTC"), which is

1. High-Definition Variety Category
"3 HD Channel on channel 33";
2. Standard-Definition Variety Category
"3 SD Channel on channel 28"; and
3. Standard-Definition for Kids and Family Category
"3 Family Channel on channel 13".





The said 3 licenses are for the period of 15 years, starting from 25 April 2014 to 24 April 2029.

In this regard, Bangkok Entertainment Co., Ltd. has made a settlement agreement with National Broadcasting Commission “NBC” in the presence of the Central Administration Court on 8 October 2014 that, in order to support national and NBC’s policy to change broadcasting system from Analog system to Digital system and to be in conform with the practice of all other Analogue television operators, NBC authorized and approved BECM and Bangkok Entertainment Co., Ltd. to make a simulcast broadcasting, using Ch3 analogue to distribute simultaneously with Ch33 HD digital channel. The said simulcasting is the same way as those of Ch7 and Ch9, which is “Real Time Pass Through” with 33 HD digital channel. The NBC meeting on 10 October 2014 already approved the amended program schedule of Ch33 HD and Ch33 HD has begun the simulcasting broadcasting of Ch33 HD with Ch3 since 10 October, 2014 onward.

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

1.2 Radio Broadcasting Business

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

1.3 New Media Business

i.e., internet and mobile phone related businesses, operated by BECI Corporation Ltd. In this regard, the purpose of our new media is to be a digital media for the services of BEC Group’s content, as well as to connect BEC Group’s customers with digital marketing. In 2018, we officially announced the debut of Mello, the Company’s online platform. As a producer and provider of dramas, series, and variety program, this is considered to be a full launch in online platform business. In this regard, viewers can use the service via Mello application and the Mello.me website, both on Android and IOS systems. We also look for opportunity to operate satellite TV business through Bangkok Satellite & Telecommunication Co., Ltd. and Satellite TV Broadcasting Co., Ltd.

BUSINESS OPERATION OF BEC WORLD GROUP

02

PROGRAM SOURCING-PRODUCTION, DISTRIBUTION AND SUPPORTING BUSINESSES

2.1 Entertainment and Documentary Program

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





2.2 Production of Variety Shows, content and Promotional campaign activities

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



2.3 Extended and Supporting Businesses



BEC IT Solution Co., Ltd., provides information technology services. BEC Asset Co., Ltd. provides asset management and leases. BEC Broadcasting Center Co., Ltd. provides broadcasting facilities services. In addition, there is a plan to provide a wide range of production services, including TV studio and equipment for rental and post-production services by BEC STUDIO Co., Ltd. In the year 2017, BEC-Tero Entertainment [BEC-Tero] jointly invested with The Show DC Entertainment Corp, Establishment of associate company "BEC-Tero Show Co., Ltd." It operates the management of venues and services, arranges tickets and tickets for the concert, entertainment, sports and the show.

At present, BEC World Public Co., Ltd. has a registered capital of Baht 2 billion divided into 2,000 million ordinary shares with par value at Baht 1 per share. The company's shares listed, under its abbreviation as "BEC", has begun trading on the SET on July 18, 1996. As of 31 December 2017,

BEC WORLD Group employs around of 2,457 employees. BEC World Public Co., Ltd. has its registered office at 3199 Maleenont Tower, Floor B1, G, 2, 3, 8, 9, 10, 30-34, Rama 4 Road, Klongton, Klongtoey, Bangkok, 10110, and can be reached by telephone at (66) 2204-3333, 2262-3333, by fax at (66) 2204-1384 and at its website: www.becworld.com.

BUSINESS OPERATION

POLICY AND OVERVIEW OF BUSINESS OPERATION

01

VISION,
OBJECTIVES, TARGET AND
STRATEGY OF BUSINESS
OPERATION OF
BEC WORLD GROUP



VISION

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

OBJECTIVES

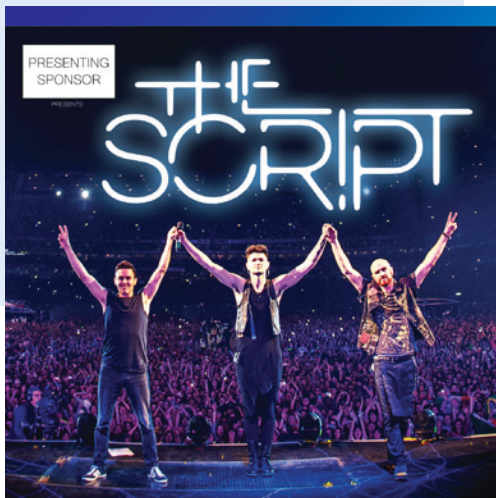
Being a leader in our service industry persistently and also reach all viewers, having a good and stable relationship. We also intend to efficiently use our existing resources and create work satisfaction for all customers. In addition, we put all our effort to provide the best services to our business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



STRENGTHENING THE CORE			Digital Transformation and Growth Platform		
STRENGTHENING THE ORGANIZATION	INCREASE RATING	PROACTIVE SELLING STRATEGY	New Products	New Geographics	New Platform
			<ul style="list-style-type: none"> - Simulcast - Events & On-ground activities 	<ul style="list-style-type: none"> - China - Southeast Asia 	<ul style="list-style-type: none"> - Mello - Youtube - Line TV - International Platform
Capabilities and Organization Efficient					
Good Governance					
Social and Environmental Sustainability					

Target

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



Strategy

In response to the increasing competition after the introduction of Digital Terrestrial TV (DTTV) and the changes in advertising environment in the Digital Disruption era. The Company continues the strategic direction of the year 2018 on building and maintaining a sustainable business with competitive edge by focusing on strengthening our core business.

1. Strengthening the Core

To maintain the competitiveness of the current core business in the challenging environment by focusing on:

- **Strengthening the Organization**
 - Organization Enhancement/Restructuring.
 - Recruiting of skilled and experienced people to work with the Company, at all level (from operational level to management level), which will open a new perspective and eventually strengthen the Company in the long run.
 - Work process enhancement.
 - BEC Newshawk Program, a program to seek for new expertise reporter, whom can search, produce, and present the news content by oneself. A new model to generate news content which is accuracy, fast, and meeting with viewers expectation.
- **Increase Rating**
 - Customer Centric Contents.
 - Attractive and more concise content.
 - A diverse range of creative content.
 - Pickup on trends and new customer/consumer requirements via inhouse research analysis.
 - Program scheduling - adjustment of programs in each channel for clearer targeted audience and best-fit program to meet customers with diverse needs.
 - Increasing new and existing audience bases by promoting through social media, celebrity media, influencer and events.
 - Adjust advertising strategy to meet different targets for agencies and non-agencies customers, with new attractive sales package, suitable for each customer.

2. Digital Transformation and Growth Platform

Monetization from existing and new business, from both domestically and internationally, which is growing and offering good returns.

- Expanding new markets domestically, by having more access channels for viewer through mobile applications, website via the Company's own platform and partnership platforms. This allows the audience to enjoy the convenience of watching the contents of the Company and reaching out to younger audiences.
- Expanding internationally by building partnerships with major Broadcasting companies in country, to reach out to large audiences, reduce copyright infringement, and create opportunities to do business abroad including sales of content, simulcast broadcasting, on-ground events of celebrities and sales of merchandise in each country.
- Creating new products for viewers and business partners.

The Company is committed to be a socially and environmentally sustainable organization, as well as good corporate governance and good governance.

การแสดงดนตรีเปิดพระเกียรติสมเด็จพระเจ้าอยู่หัวมหาวชิราลงกรณ บดินทรเทพยวรางกูร

ROYAL BANGKOK SYMPHONY ORCHESTRA

WITH *Joshua Bell*

PLATE MAE DECH VIOLIN CONCERTO AND REQUIEM

CHARLES OLIVIERI-MUNROE, CONDUCTOR
JOSHUA BELL, VIOLIN

PROGRAMME

WEDER
BRUCH
SARASATE
BACH
DEBussy

ROBERTSCHUMANN
VIOLIN CONCERTO NO. 1
ZIGGYBOWEN (GYPSY AIRS)
CHACONNE (ORCHESTRATION BY JOACHIM RAFF)
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4 SEPTEMBER 2018

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MR. BELL RECORDS EXCLUSIVELY FOR ROYAL CLASSICAL.

ANANTARA Bangkok Bank DMS ARCHIM SINCE 1878

ANANTARA ANANTARA HELLO! Mercedes-Benz

02

THE DIVISION OF BUSINESS OPERATION OF BEC GROUP

As of 31 December 2018, BEC Group comprises of BEC World Plc., the parent company, 21 subsidiary companies and 3 associated companies, which could be divided into two types of businesses, which are

- (1) subsidiary companies that the parent company hold majority shares and

- (2) the associated companies that the parent company and/or subsidiary companies enter into partnership with other business partners, that are not a related person, having experience and expertise in the said business operation.

The aforesaid business operation can be divided into two major groups, which are

- (1) Broadcasting and Media Business; and
- (2) Program Sourcing and Production, and Distribution and Supporting Business.

The division of the said business operation among BEC group companies is pursuant to job classification, expertise, resources and core value of such companies.



ป้แก้วนางหงส์

ออกอากาศทุกวันพุธ - พฤหัสบดี เวลา 20.20 น.

นำแสดงโดย วรันร ปญหาญจน์ , ธานี แคมเปน , อลัษัธ เรนเดลล์ , พริมา พันธุ์เจริญ , สุภัสสร ธิษธา และนักแสดงมากฝีมืออื่

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

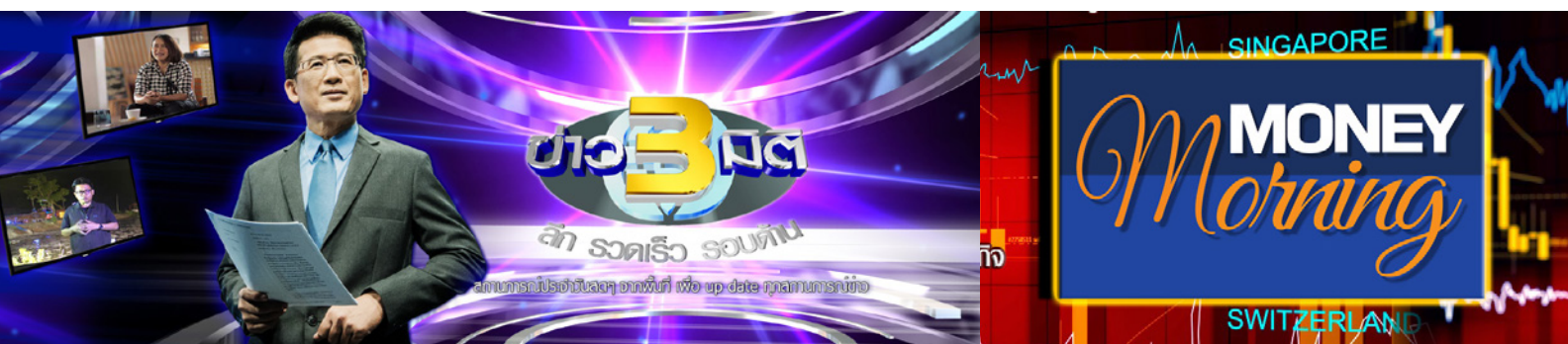
other persons who have experience, expertise and/or resource to establish the subsidiary companies as the joint-venture company, in which we believe that they would support such expansion and generate benefit to the Company. In this regard, we put all our effort to negotiate with our business partners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

03

INVESTMENT POLICY IN THE SUBSIDIARY COMPANY AND ASSOCIATED COMPANY

04

SUBSTANTIAL CHANGE AND DEVELOPMENT REGARDING BUSINESS OPERATION AND MANAGEMENT IN THE YEAR 2018



2018

9 FEBRUARY

Announced the collaboration with LINE TV as a partner on Online Platform to penetrate the market of the new generation of audiences who enjoy watching re-run drama on online platform. In addition to the provision of re-run contents on LINE TV, there is also an increase in joint marketing strategy with LINE TV, such as sticker making and joint-exclusive content planning, in order to create a clear distinction to the marketing on online platform.

23 FEBRUARY

The Board of Directors meeting No. 2/2561 acknowledged the resignation of Mr. Kavin Kanjanapas, independent director, from director position since he has to perform many other duties, therefore, he could not fully perform his obligation as the independent director, having effect from 12 February 2018, onward.

The Board of Directors meeting No. 2/2561 acknowledged the resignation of Mr. Somprasong Boonyachai from the Chief of Executive Director position, since he has other duties, resulting that he could not spend time to fully work as the Chairman of Executive Director, having effect from 1 March 2018, onward. However, Mr. Somprasong Boonyachai is still the director of the Company.

29 MARCH

Officially announced the debut of Mello, the Company's online platform. As a producer and provider of dramas, series, and variety program, this is considered to be a full launch in online platform business. In this regard, viewers can use the service via Mello application and the Mello.me website, both on Android and IOS systems.

2018

30 APRIL

Announced the simulcast broadcasting of “ลิขิตรัก The Crown Princess” on Tencent Video online platform, China’s number one online video company. This simulcast broadcasting is considered as a new form of marketing in foreign countries which will be a guideline for further development of overseas markets in the future.

11 MAY

The Board of Directors meeting No. 6/2561 acknowledged the resignation of Mr. Vorawat Maleenont from the director position, having effect from 9 May 2018, onward.

4 JUNE

Announced the collaboration with JKN Global Media PLC. (“JKN”) in the licensing of Thai dramas overseas. The Company and JKN agreed that JKN shall be the distributor of Channel 3’s dramas throughout the world, except any country that Channel 3 has already marketed its contents such as the People’s Republic of China, Hong Kong, Macao, Cambodia and the Republic of the Union of Myanmar. This collaboration is a good start to make the world know and follow more Thai dramas.



2019

4 MARCH

The Board of Directors meeting No. 4/2562, held on 4 March 2019, appointed Mr. Ariya Banomyong to replace the vacant position, which the remaining term is one year. In addition, the meeting also appointed Mr. Ariya Banomyong in the position of “President” who report directly to the Executive Committee, having effect from 2 May 2019 onward. Moreover, the meeting also resolved to restructure the management structure and appoint Mr. Prachum Maleenont as the Chairman of the Executive Committee, having effect from 2 May 2019 onward.

29 MARCH

The Board of Directors meeting No. 6/2562, held on 29 March 2019, resolved to adjust the Company’s executives position, having effect from 18 April 2019 onward, as follows:

- 1) **Mr. Prachum Maleenont**
Previous Position: Group Chief Executive Officer (G-CEO)
New Position: Chairman of The Executive Committee
- 2) **Miss Amphorn Maleenont**
Previous Position: Chief Operating Officer (COO)
New Position: Executive Director
- 3) **Mr. Ariya Banomyong**
President

INDUSTRIAL ENVIRONMENT- BROADCASTING AND ADVERTISING MEDIA BUSINESS



COMPETITION IN TELEVISION BROADCASTING INDUSTRY

Domestic broadcasting business comprises 2 parts, i.e.

- (1) Free TV business and
- (2) Subscribed TV Business

1. Free Television Business

At present, the television business has changed significantly. From the previous services in analogue system, which have only 6 operators, to digital system services. After NBTC's auction at the end of 2013, the analogue operators gradually changed to digital system in 2014. In this regard, since digital TV is an opportunity in media business in the future, many new entrepreneurs has entered digital TV business. Currently, Channel 3, which operated by Bangkok Entertainment Co., Ltd., is the only channel that operated in the old analogue system together with the digital system as the term of the joint color television business operation contract with MCOT Public Company Limited is until 25 March 2020.

From the auction of digital TV channels, there are 48 new channels, consisting of 12 Public Channels, mostly operated by the government sector, 12 Community Channels, mostly operated by non-profit organization and 24 Business Channels, operated by private entity and state enterprise who won the auction and received the license from NBTC. The terrestrial television channels shall be generally opened to the public without any limitation and consideration from the audience. Only for the Business Channels and some Public Channels, the operators thereof could generate income from advertisement, while most of Public Channels are operated with the budget

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

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



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

The new 24 commercial services channels have been categorized into 3 main categories and 4 sub-categories, which is:

- (1) 7 high definition and 7 standard definition “Variety” channels
- (2) 7 “News” channel and
- (3) 3 standard definition “Kids, Youth and Family” channels.

Such license for commercial services channel will be issued by the auction only. In addition, NBTC also regulates that each operator company is limited to only 3 sub-categories with either one of the high definition “Variety” channel or “News” channel. The term of license is 15 years.

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

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

With respect to the competition among television channels, even when there are not many TV Channels, the competition was intense from the beginning. Since TV Channels could not charge viewers directly, income from advertising are the main income of these TV Channels. Therefore, for these TV Channels, the market/customer/competition are overlapped as two layers, which are “audiences” and “advertisers”. In this sense, “channel” requires “audiences” to be a “media”, and by being a “media”, “channel” will then have “advertisers” as customers. To be the most efficient and proficient “media”, TV Channels





have been competing for the highest and longest view rate from the “viewer”. In addition, as viewer could only view one channel at a time, therefore, if such viewer is viewing a certain channel at a certain period of time, it means that any other channels are also losing a viewer at the same time, i.e. Winner Takes All. Such factors are the main reason for this intense competition from the beginning. Moreover, as people mostly study/work during the day time and rest/sleep during the night time, the time when many people would become “viewer” in the same time is limited to the evening time before bed time only. Therefore, it is certain that such time is the best time for TV Channels as “media”. Furthermore, as most people often do not have to study/work on holidays/weekend, the day time of such holidays/weekend is therefore another good time for TV Channels as an efficiency and proficiency “Media”. Additionally, as the advertising expenditure in television media in the past was small, the competition for advertisement has been packed mainly in those times, resulting in the even more intense competition during such time. However, since the advertising expenditure in television media has been increasing constantly and became diversified, the competition has also reached the point that the entire broadcasting time is the current competition in television advertisement business.

Regarding the business competition among the 6 TV operators in analogue systems as a media, actually there are only 5 TV network operators as Thai PBS was transformed into public TV service without advertisement since since the beginning of 2008, currently, there are only 5 original analogue TV network operators competing as a media. AGB Neeilsen Media research (Thailand) Co., Ltd. (“Nielsen”) reported that the spending budget on advertising via the 5 TV stations was beyond 50% and the growth rate of the said spending budget was over 60%, compared to the whole budget for industrial environment since 1997 and 2011, respectively. Presently, Nielsen has expanded its report by including the advertising expenditure of satellite TV, cable TV, and terrestrial digital TV since 2014.

However, due to the increase of the number of operators while the advertising expenditure on television media is limited, the industry competition is very intense. Due to such competition environment, some operators suffered heavy loss and ceased their operation. Presently, there are 22 commercial services channels remaining.

In this regard, Nielsen reported that advertising expenditure on television channel in 2018 was 64% of the total advertising expenditure. This growth rate is due to the economic situation which was estimated that the Thai economy will grow by about 4.5% last year, but can actually grow by only 4% as a result of the global economic recession. The Thai economy, which mainly driven by exports, has slowed down to the point of deficit for the first time in 18 months. Moreover, the tourism sector has also been affected from the ship wrecked incident in Phuket resulting in a dramatic decrease in Chinese tourists. The industry that expanded well in 2018, such as automobile and engine industry, are due to the expansion of the domestic market from the expanding of domestic economy. Nielsen further reported that the total amount of advertising expenditure (“AdEx”) in 2018 is Baht 105,455 million, which is Baht 3,970 million or 3.91% higher compared to the Baht 101,485 million in 2017. In this regard, the increase in the advertising expenditure of each medias are: Baht 5,061 million or 8.05% for television media (analogue and digital), Baht 326 million or 7.28% for radio media, Baht 496 million or 7.28% for cinema, and Baht 499 million or 7.03% for outdoor media. However, there was a decline in advertising expenditure in some media in 2018 comparing to 2017. This decrease is leaded by newspaper industry, which dropped by Baht 1,606 million or 20.84%, while magazines industry declined by Baht 667 million or 33.65% and cable/satellite TV industry also decreased by Baht 479 million or 16.44%. In this matter, the total advertising expenditure in TV industry (analogue/digital TV + cable/satellite TV) in 2018 is Baht 70,639, which is Baht 4,582 million or 6.96% higher compared to the Baht 65,787 million in 2017.

2. Subscribe Television Business

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

At present, as the internet has played a greater role in business, it causes operators who provide subscription-based content services from abroad, such as Netflix and iflix, to play a role in Thai market. Such operators will be a channel for BEC Group to help increase the chances of selling content, as well as opening opportunities to build BEC brands around the world





Competition in other industries

For radio business, the competition is more intense than TV broadcasting business as there are more radio frequencies than TV frequencies, including both FM and AM frequencies. With narrower coverage than TV and the failure of grouping in order to broaden service area, each radio program or station has to clearly and distinctively create its characteristic that suit their niche market target. As the economic situation improves, the opportunities for the niche media are also increased. Consequently, the competition in the radio business also increased.

Each of our radio station has created its different niche market and become quite successful. Therefore, we put all our effort to expand radio business. Although the 1997 Constitution set forth the reformation of the radio industry, the establishment of the new independent regulatory body was postponed due to the establishment problem. In this regard, even though the NBTC has already been established, no action regarding the provision of radio licenses were taken. As a result, most of the radio business operation contract is a short-term contract, which need to be renewed on yearly basis. Consequently, the competition for successful radio channel and the operation costs is increased. Furthermore, the year-on-year term business operation terms also create risks for business interruption if one cannot maintain their frequency. Even if some programs may be able to continue their program in the new channel, it still reduce the profitability of radio business. Nevertheless, as the proportion of the revenue of the radio business is not significant, there would not be any adverse impact to the BEC Group.

PROGRAM SOURCING AND PRODUCTION BUSINESS

Industrial Environment and Competition

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

For selling of contents to foreign countries, since there are only a few content producers in Thailand who can produce content with enough quality to be sold in foreign countries, the competition is not very high. However, the competition with foreign competitors are more intense due to: (1) limited quotas for foreign content purchasing; (2) obstacles from the different in culture and preference; and (3) strictness in content screening. Having tested the market in 2018, BEC Group has learned to screen the content and find a way to sell our content overseas, which will help the selling of the content overseas in the following year be more suitable to the taste of business partners.



RISK FACTORS

1 Risk Factors of Business Operation

1.1 Risk from the economic situation and advertisement spending

Although the overall Thai economy in 2018 grew from the previous year, the risk from the economic situation persisted since the said growth is from the foreign growing demand in export and tourism sector, which have growth restrictions. The export sector's growth slowed down during the end of the year pursuant to the slowed economic of trader countries and the world's financial situation. On the other hand, the tourism sector has limitations in airports' tourist accommodation, including the decline of Chinese and Russian tourists. In addition, even though the government's investment in large infrastructure will create growth in domestic economy, it is only a gradual recovery since it is a recovery after the reduction of farmer's revenue in the second half of 2017. Furthermore, as the level of household debt in Thailand, which is a weighting factor for spending, is still high, the expenditure on advertising is limited. In addition, there is also a risk from the moving of advertising expenditure from the media with higher cost to a media with lower cost, more accessibility and faster. In this sense, BEC Group recognizes the importance of online media and therefore developed the Company's online platform "Mello", which allow viewers to watch re-run contents as well as original contents. Additionally, BEC Group also make an alliance with YouTube and LINE TV to maintain online audience base for the Company Group as well.

Risk from the growth of advertising costs and expenses

As BEC Group's major incomes derives from the selling of airtime to advertisers, the key risk factor is the growth of advertising costs and expenses of the economy as a whole which depends on purchasing power of domestic consumers and competition among entrepreneurs who are the real advertising spenders. However, the Company has implemented campaigns and policies to save cost and expenses according to the market situation.

1.2 Risk from market share maintaining

With respect to the Digital Terrestrial TV business group or Digital TV, currently, there is high competition from many Digital TV operators to attract audiences and advertisement spending by sourcing new foreign contents and producing new contents, continuously. As a result, audiences or consumers have more channels to view more television programs. Moreover, since consumers behavior and taste change all the time, Digital TV operators have to adjust and develop contents according to such constantly varied taste of consumers. In this regard, the core business of BEC group is overlapped as two layers, which are "audiences" and "advertisers". In this sense, "channel" requires "audiences" to a "media", and by being a "media", "channel" will then have "advertisers"



as customers. BEC Group constantly tries to improve its efficiency in reaching “audiences” in order to reach more “audiences” than other operators in the same type of business. However, whether BEC group could maintain or increase the efficiency in reaching customer or not is one of the risks of BEC group. Although, BEC group has been successful in sourcing television programs and adjusting the television schedule which enhanced the efficiency in reaching audiences so far, there are still risks in competing with other Digital TV operators, either the old operators who might able to increase their efficiency or new operators who might enter the market and spread out the “audience” from a variety of channels and audiences. In this regard, the “audience” market share of BEC group might decrease from the spreading of “audience” due to a variety of channels and tastes. Regarding the market share of advertisement spending, due to the variety of channels, there is a possibility that the market share of BEC group and other operators in the same business would be lower, since it is a Zero-Sum Game.

1.3 Risk from the amendment of broadcasting operational control

There is a risk from the amending of broadcasting operation control due to the establishment of independent regulatory body instead of government authority. However, BEC group anticipated that there will be no adverse effect to BEC Group as we are protected by the transitory provision of the Constitution and related laws. Moreover, since all operators in the industry is affected by the reduction of advertising time from the Operation of Radio and Television Broadcasting Business Act, which has been in effect since the first quarter of 2008, this will not cause any change to the competition in the industry.

24K MAGIC WORLD TOUR 2018
FEATURING



1.4 Risk from the renewal of operation agreement

As the independent entity has just been recently established and is focused mainly on the television business, and as some of BEC Group's contract for the operation of the radio channel is a short-term contract, e.g. year-on-year contract, there is a risk whether BEC Group will be able to renew the contract for operation of relevant radio frequencies. However, since the revenue generated from radio business is small and the profitability is also low, the impact to BEC Group is minimal even if we cannot carry on this business. On the other hand, the risk of TV business regarding the renewal of operation agreement is lower than the radio business, since the current contract term is until 2020. In addition, from the advancement of technologies from “Analogue system” to “Digital system”, Channel 3 program has already been broadcasted simultaneously on both Analogue and Digital system since October 2014. Therefore, upon the expiration of the current analogue concession agreement in 2020, Channel 3 is entitled to continue operating on Channel 33 until the expiration of the licenses to use allocated frequencies for national commercial digital television services in 2029.



1.5 Risk from the expansion of other advertising media and new advertising media which replacing television media

From the current market situation, media operators must adapt to the rapid change from the technological advances which causes changes to the industry. This technological advance affects thought patterns, needs, behavior, and interaction of both the producers and consumers. In this regard, the wide spread high-speed internet connection in Thailand increases the viewing of content via over-the-top (OTT) system or various communication and broadcasting of visual and audio services through communication devices such as mobile phone. Recently, advertising through social media began to expand and became an alternative advertising media for agency and products or services owners. In this regard, BEC Group believes that social media is a niche market. Most of the viewers are mainly from urban areas with the age of around 18 to 25 years old. In addition, the main income of BEC Group, as main market media, is mass market. Therefore, it is still the television media that can meet the needs of public relation of agency and products and services owners. However, BEC Group has also prepared for the change in the advertising media industry in the future.

1.6 Risk from the returning of the licenses to use allocated frequencies for national commercial digital television services

From the change of the television broadcasting industry from “Analogue system” to “Digital system” since 2014, there was a rapid increase in the number of operators in the industry which give viewers a variety of alternatives. Consequently, there is also intense competition for rating and advertising expenditure. BEC-Multimedia Co., Ltd. (BECM), subsidiary company of BEC World, won an auction for 3 licenses to use allocated frequencies, i.e. the 3HD, 3SD and 13Family channel. Therefore, BECM is the holder of the greatest number of licenses in the industry. As a result, there is a risk to BEC Group if the operation result does not meet the expected target due to the intense competition. Currently, the Company has divided the target group of viewers for each channel differently. The target group of 3HD channel, which is our main channel, is our current target group, while 3SD channel focuses on the broadcasting of re-run dramas and 13Family channel focuses on the broadcasting of foreign dramas and series. By dividing the target group, we can attract kids, teenagers, workers and elders, which give agencies options to advertise for each target group, completely.

2. Risk of Operation and Management

The Holding of the Company Shares by a Group of Majority Shareholders

As of 28 March 2018 (the latest closing of the company share registrar within the last fiscal year), Maleenont family holds majority shares approximately 42.88% of BEC World's total shares. Therefore, Maleenont family might be able to set management policy of the Company. However, the Company has been strictly complying with the good corporate governance principles, as well as the minority shareholders protection principles. Furthermore, there are also some internal and external independent bodies supervising and auditing management and operation of the Company. Moreover, with respect to any transaction or resolution which has legal significant, a special resolution from shareholder's meeting is required before proceeding. Therefore, the aforesaid factors could ensure and guarantee the risk of operation and management of the Company.

3. Financial risk

Risk of short-term loan

As of 31 December 2018, the BEC Group has Baht 3,360.8 million interest-bearing debts for business operation. These loans are short-term loan from financial institutions which comprised of bill of exchange and promissory note in the amount of Baht 363.2 million, and debentures in the amount of Baht 2,997.6 million. In this regard, the total cash, cash equivalents and short-term investments are Baht 2,168.2 million, which make the Company's net interest-bearing debt ratio (interest-bearing liabilities deducted by cash, cash equivalents and short-term investments) per shareholder's equity to be only 0.19 times. Considering the current ratio between short-term debt and income, there may be a risk of liquidity problems. Nevertheless, the 2018 Annual General Shareholders Meeting already approved to issue up to Baht 4,000 million debentures to prepare the Company for such risk.

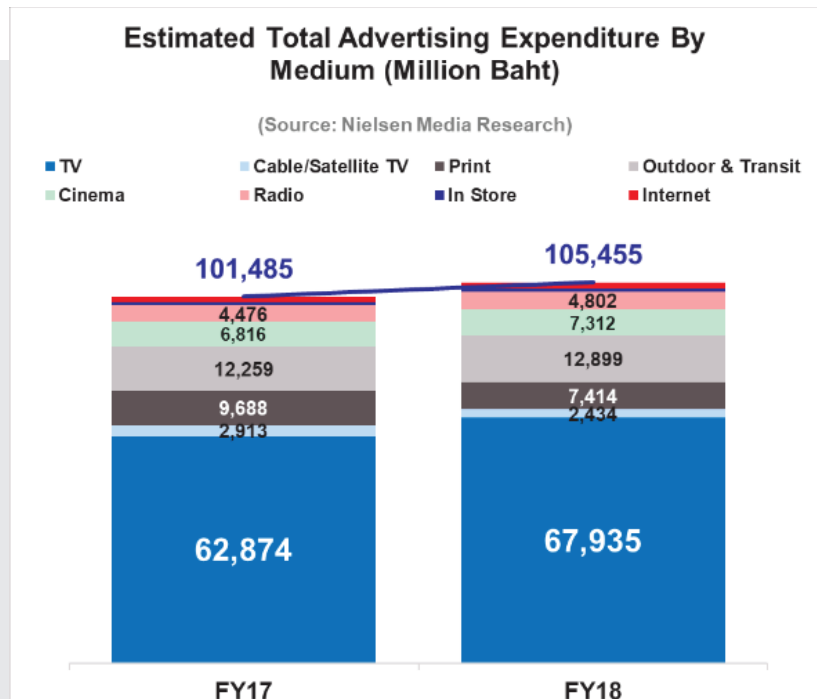


Management Discussion and Analysis

1. Overview of Business Operation and Substantial Change

Economic Overview and Market Situation

The National Economic and Social Development Board or NESDB estimated that Thailand's economy expanded by approximately 4.1% in 2018. The growth could be attributed to steady recovery of external demand including export and tourism, which had favored employment. However, export sector growth had softened towards the end of the year in line with the slowdown in trading partners' economies and global financial situation. Thailand's tourism sector faced limitations of its airports' capacity as well as the decline in the number of Chinese and Russian tourists. In addition, public sector investment in large infrastructure would help stimulate domestic demand and result in higher employment. Household income began to gradually recover. The growth, however, might not be fast as it had just started to recover after the farm income contracted in the second half of 2017. Notwithstanding the recovery, Thailand's household debt remained at a high level which resulted in concentrated recovery within the household sector and adversely affected TV industry.



Nielsen Media Research ("Nielsen") reported that advertising expenditures (AdEx) for the year 2018 were Baht 105,455 million, an increase of Baht 3,970 million or a 3.9% growth from the year 2017 at Baht 101,485 million. Television media (Analog and Digital) remained the main media that had the most advertising expenditures spending at Baht 67,935 million, increasing by Baht 5,061 million or 8% from the year 2017 at Baht 62,874 million. Taking into account the widespread increases in Home Shopping programs across the channels, however, the figures were believed to be overestimated. Estimated total advertising expenditure by medium was collected based on the overall air-timer and advertising Rate Card or advertising "Set Price" before discount. As could be seen from the information provided by Nielsen that, in 2018, TV Direct was the brand with the highest advertising budget of Baht 2,085 million. The AdEx for TV Group (TV + Cable/Satellite) in 2018 was at Baht 70,369 million, increasing by Baht 4,582 million or 7% growth from year 2017 at Baht 65,787 million. TV group continued to dominate in media spending and accounting for about 66.7% of the total AdEx. The advertising spending for Media that increased in 2018 are Radio, (increased by Baht 326 million or 7.3%), Cinema (increased by Baht 496 million or 7.3%), and Outdoor and Transit group (increased by Baht 640 million or 5.2%). The advertising spending for Media that decreased in 2018 were Print Media (decreased by Baht 2,274 million or 23.5%) and TV-Cable/Satellite (decreased by Baht 479 million or 16.4%)



Business Policy, Strategy and Decision

Given the low growth in AdEx in 2018 and changes in consumer behavior in watching TV/content via over-the-top (“OTT” - OTT is the audio, video, and other media content distributed through the Internet), BEC World Public Company Limited or (“BEC Group”) has adapted its strategies to support these changes by launching its own Online Video Platform called “Mello”. Under the name Mello Original, Mello is a content provider as well as a service provider of video entertainment platforms. Mello provides convenience to viewers who are unable to watch content at regular airtime on TV channels (Analog and digital) and can watch it on Mello at midnight after broadcast on TV channels. It has also launched a partnership with LINE TV and Youtube in order to penetrate new generation viewers who prefer OTT platforms.

Apart from expanding the online business, we also follow strategic direction to expand our business to foreign countries via Global Content Licensing and leveraging our current assets (contents). In 2018 we had collaborated with Tencent Video (Under Tencent Holding PLC, one of the largest content providers in China) via Inside Technology (Thailand) to simulcast Thai drama to China and received satisfactory results which laid the foundation for future international marketing. Currently, BEC Group has a presence conducting its own marketing activities in 6 countries including China, Vietnam, Hong Kong, Macau, Myanmar and Cambodia. In addition, BEC Group has signed a partnership with JKN Global Media Public Company Limited (JKN) to distribute BEC’s contents to countries around the world (excluding the 6 countries above) and this will help expand our audience base around the world.

2. The Result of Operation and Capability of Making Profit

The total revenue of the BEC group in 2018 was Baht 10,375.7 million, a decrease of 6% from the year 2017 at Baht 11,035.0 million baht. Net loss attributed to BEC group was Baht 330.2 million. However, to reflect the real company performance, we deducted non-recurring item expenses that occurred in 2018:

1. Expenses from retirement and manpower reduction programs according to the organizational restructuring policy of Baht 140.6 million
2. Provision for Long-term Employee Benefits expenses according to the draft of Labor Protection Act of Baht 134.8 million

The above items, net of taxes and non-controlling interests, would be Baht 232.1 million. The BEC group had a Normalized net loss attributed to BEC in 2018 of Baht 98.1 million baht

Revenue

BEC Group's advertising income for the year 2018 was Baht 8,878.8 million, a decreased of 10.2% from year 2017 at Baht 9,890.2 million while the total advertising expenditures slightly grew at 3.9%. The main advertising income of BEC Group accounted for 85.6% of total revenue and was mainly from the advertising sales from "Channel 3". The decline in advertising income

STATEMENT OF INCOME	FY17		FY18		YoY	
	M.TH.B	%	M.TH.B	%	(+/-)	%
Total Revenues	11,035.0	100.0%	10,375.7	100.0%	(659.3)	-6.0%
Advertising income	9,890.2	89.6%	8,878.8	85.6%	(1,011.4)	-10.2%
Income from copyright and other services	618.6	5.6%	1,054.8	10.2%	436.2	70.5%
Income from organizing concerts and shows	454.2	4.1%	368.5	3.6%	(85.7)	-18.9%
Sales of goods	72.0	0.7%	73.5	0.7%	1.5	2.2%
Total Cost	(9,176.8)	-83.2%	(8,789.2)	-84.7%	(387.6)	-4.2%
Cost of sales and services	(8,790.3)	-79.7%	(8,480.3)	-81.7%	(310.0)	-3.5%
Cost of organizing concerts and shows	(386.5)	-3.5%	(308.8)	-3.0%	(77.7)	-20.1%
Gross Profit	1,858.2	16.8%	1,586.5	15.3%	(271.6)	-14.6%
Selling and admin expenses	(1,799.4)	-16.3%	(1,795.4)	-17.3%	(4.0)	-0.2%
Other income	176.9	1.6%	110.7	1.1%	(66.2)	-37.4%
Provision for Long-term Employee Benefits expenses according to the draft of Labor Protection Act	-	0.0%	(134.8)	100.0%	134.8	100.0%
Share of profit (loss) of associates held by subsidiary	14.2	0.1%	17.7	0.2%	3.5	24.3%
Finance costs	(181.8)	-1.6%	(168.7)	-1.6%	(13.1)	-7.2%
Profit before income tax expense	68.0	0.6%	(384.0)	-3.7%	(452.0)	-664.9%
Income tax (expense) revenue	(41.1)	-0.4%	72.1	0.7%	(113.2)	-275.5%
Profit for the period	26.9	0.2%	(311.9)	-3.0%	(338.9)	-1258.9%
Net Profit attributable to BEC World	61.0	0.6%	(330.2)	-3.2%	(391.2)	-641.2%
Non-controlling interests	(34.1)	-0.3%	18.2	0.2%	52.3	153.5%
EBITDA	3,759.2	34.1%	3,451.0	33.3%	(308.2)	-8.2%

was from the high competition in the advertising market while the economic conditions had resulted in restricted advertising spending from advertisers than in the past. Moreover, advertising income from radio business also declined.

Income from copyrights and other services for the year 2018 was at Baht 1,054.8 million, an increase of Baht 436.2 million or 70.5% from the year 2017 at Baht 618.6 million. The increase was mainly from an

increase in revenue of online businesses via BEC Group's online platform and websites such as CH3Thailand and Mello as well as partnership platforms and growth of Global Content Licensing

Income from organizing concerts and shows for the year 2018 was at Baht 368.5 million which decreased by Baht 85.7 million or 18.9% from the year 2017 at Baht 454.2 million. In 2018, there were concerts and shows such as Disney On Ice, Ninja Exhibition, BRICK LIVE

LEGO SHOW, B5 Now 15 Concert, and organizing of Miss Thailand World 2018, and concert arrangement for Bruno Mars, Harry Styles, Celine Dion, Mike Shinoda of Linkin Park, Sam Smith, and Charlie Puth. However, since the second half of 2015, the organizing activities of foreign artists concerts in Thailand have been transferred to Live Nation BEC-Tero Entertainment Company Limited (associated company).

For the year 2018, BEC Group had revenue from product sales of Baht 73.5 million, an increase of Baht 1.5 million or 2.2% from the year 2017 at Baht 72 million.

However, the increase of income from copyright and other services in the year 2018 had contributed to BEC Group total revenue of Baht 10,375.7 million, which decreased by Baht 659.3 million or 6% from the year 2017 at Baht 11,035 million

For the year 2018, BEC had other income of Baht 110.7 million which decreased by Baht 66.2 million or 37.4% from the year 2017 at Baht 176.9 million which have income from sale of investment properties and income from reversal of provision for liabilities.

Expenses

BEC's total cost for the year 2018 was at Baht 8,789.2 million which decreased by Baht 387.6 million or 4.2% from the year 2017 at Baht 9,176.8 million. The decrease in BEC's total cost for the year 2018 was mainly from lower cost of sale and services, which decreased by Baht 310 million or 3.5% from the year 2017 from lower production expenses. Production expenses decreased by Baht 284 million or 4.8% from Baht 5,910.7 million for the year 2017 to Baht 5,626.7 million for year 2018. In addition, the cost related to networks in the year 2018 decreased by Baht 122 million from year 2017 mainly from NBTC's assistance measures. However, in the year 2018 BEC Group had a retirement and manpower reduction programs according to the organizational restructuring policy and paid extra

compensation in the consolidated financial statement in the amount of Baht 250.3 million. Under this program, a part of extra compensation was deducted from incremental liabilities from provision for long-term employee benefits in the consolidated financial statement in amount of Baht 109.7 million and recorded as expenses in the consolidated statement of income in the amount of Baht 140.6 million (recorded in the Cost of sales and cost of services amounting to Baht 87.5 million and recorded in the selling and administrative expenses of Baht 53.1 million). While the cost of organizing concerts and shows in 2018 amounted to Baht 308.8 million, a decrease of Baht 77.7 million or 20.1% according to the smaller number and size of activities in 2018 compared to 2017.

Gross Profit for year 2018 was at Baht 1,586.5 million, a decrease by 14.6% from the year 2017 at Baht 1,858.2 million with a gross margin of 15.3%

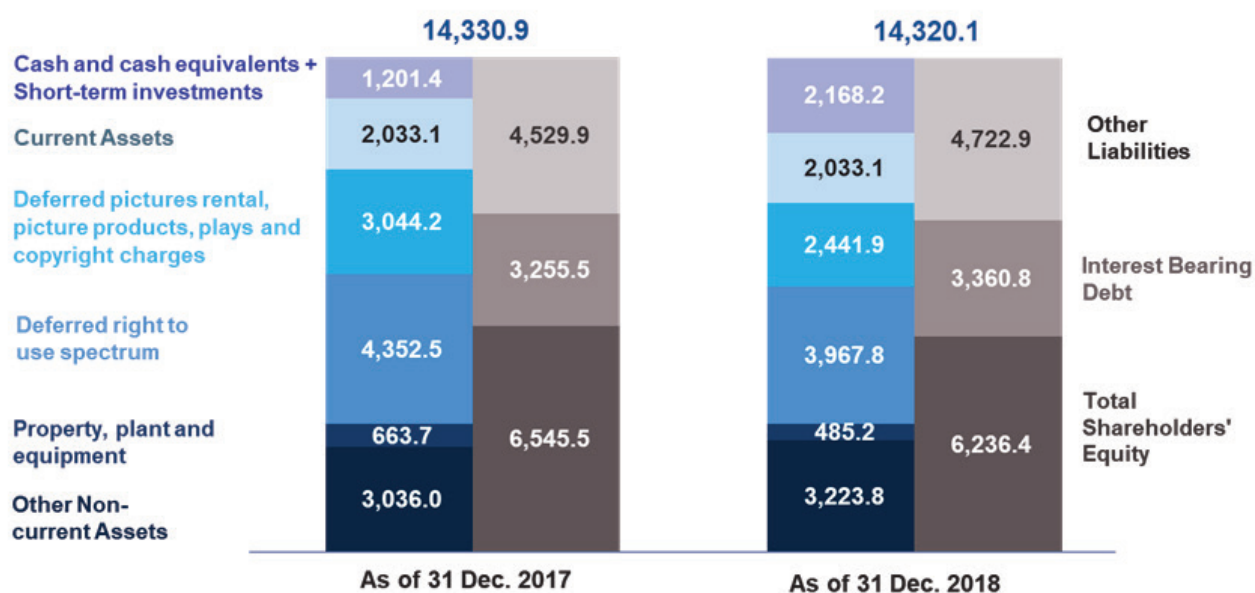
In addition, selling and administrative expenses of BEC Group has continuously decreased during year but registered an increase of Baht 53.1 million from the retirement and manpower reduction programs according to the organizational restructuring policy. Commission and sales promotion expenses increased by Baht 32.2 million or 8.5 % to Baht 411.1 million for the year 2018. From the reasons mentioned, selling and administrative expenses in 2018 was at Baht 1,795.4 million and decreased by only 0.2% from 2017 at Baht 1,799.4 million.

In conclusion, BEC Group reported consolidated net loss attributable to BEC World of Baht 330.2 million and normalized net loss attributable to BEC World of Baht 98.1 million, net cash flow from operation of Baht 2,931.2 million and Cash and cash equivalents and short-term investment of Baht 2,168.2 million as at ending 2018.

In 2018, the Company had no expense for research and development of technology and innovation.



Unit: Million Baht



3. Asset Management Capacity and Financial Status

As of December 31, 2018, BEC group had total assets of Baht 14,320.1 million which decreased by Baht 10.8 million from Baht 14,931.0 million as of December 31, 2017.

Asset

Total current assets increased by 30% to Baht 4,201.3 million mainly from cash and cash equivalent and short-term investments on its consolidated balance sheet totaling Baht 2,168.2 million, an increase of Baht 966.8 million or 80.5% from ending year 2017 at Baht 1,201.4 million. Trade and other receivables and current portion of receivable from investment disposal slightly decreased.

Total non-current assets decreased by Baht 977.7 million or 9% to Baht 10,118.7 million. The decrease was mainly from lower deferred rights to use of property and spectrum totaling Baht 602.6 million, decline of property, plant, and equipment totaling Baht 178.5 million, and decrease of deferred pictures rental, picture products, plays and copyright charges totaling Baht 602.2 million. However, deferred tax assets increased by Baht 336.7 million mainly from unused tax losses and provision for long-term employee benefits. Other non-current assets increased by Baht 288.2 million baht from withholding taxes (due over 1 year).

4. Liquidity and Cash Flow

For the statement of cash flows for the year ended December 31, 2018, BEC Group had net cash from operating activities of Baht 2,931.2 million with cash provided from operation of Baht 3,612.2 million which was 4% lower than in 2017.

Net cash used in investing activities was Baht 2,097.1 million, which decreased by Baht 1,274.5 million or 38% from the ending year 2017 at Baht 3,371.7 million, mainly from lower cash used for content rental, content production, dramas and copyright charges. Cash used for content rental, content production, dramas and copyright charges decreased by Baht 760.3 million or 26% reduction from the year ended December 31, 2017 at Baht 2,945 million to Baht 2,184.7 million as at ended December 31, 2018. In addition, on May 23, 2018, the National Peacekeeping Council (NCPO) issued an order under Section 44 to help ease the financial burden for the business of radio broadcasting, television broadcasting and telecommunications. The order allows the license holders, who do not want to comply with the rules of payment of remaining license fees in accordance with the terms and conditions, to notify NBTC as such by providing a written notification to NBTC within 30 days from the effective date of this order. Should NBTC deem the request appropriate, it would grant a moratorium on fee payments, in which a delay of payment period must not exceed 3 years and payment to resume in 2021 onwards with the final installment due in 2025. A subsidiary of the Company has exercised the moratorium rights for the rest of its license fee payment and consequently the cash payment for rights to use spectrum reduced by Baht 545.6 million from the year ended December 31, 2017.

BEC group had a net cash flow from financing activities of Baht 88.8 million, mainly from the increase in bank overdrafts and short-term borrowings from financial institutions amounting to Baht 108.3 million.

Together with beginning cash and cash equivalents as at 1 January 2018, BEC Group had consolidated cash and cash equivalents at the end of the year 2018 of Baht 2,116.4 million. Including short-term investments, BEC Group reported consolidated cash and cash equivalents and short-term investments totaling Baht 2,168.2 million.

5. Source of Fund

The source of fund for business operation and additional investment of BEC Group in 2018 are from working capital with net cash from operating activities of Baht 2,931.2 million. BEC Group's debt to equity ratio in 2018 is 1.30, increasing from 1.19 in 2017 from the increased of liabilities and reduction of Shareholders' equity from the net loss for the year 2018.

Liabilities

As at December 31, 2018, BEC group had total liabilities of Baht 8,083.7 million, an increase of Baht 298.3 million or 3.8% from end of year 2017 at Baht 7,785.4 million.

The total current liabilities decreased by Baht 176.3 million, mainly due to trade and other payables decrease by Baht 290.4 million and current portion of accrued right to use spectrum which reduced by Baht 471.9 million as license holder received assistance from the National Broadcasting and Telecommunication Commission

(NBTC) to ease the financial burden for the business of radio broadcasting, television broadcasting and telecommunication by delaying the payment period to not exceed 3 years and would be paid from the year 2021 onwards. Other current liabilities increased by Baht 435.6 million.

Interest-bearing debt increased by Baht 105.3 million from Baht 3,255.5 million as at ending year 2017 to Baht 3,360.8 million as at ending year 2018, mainly from bank overdrafts and short-term borrowings from financial institutions which increased by Baht 108.3 million. Approximately 89% of the interest-bearing debt is the 5-year debenture amounting to Baht 3,000 million issued in 2017 with a coupon rate of 3.14%.

Shareholders' equity

As of December 31, 2018, BEC group had total shareholders' equity of Baht 6,236.4 million baht (total shareholders' equity of Parent Company was at Baht 6,084.1 million and for non-controlling interest was at Baht 152.2 million) which decreased by Baht 309.2 million from 31 December 2017 at Baht 6,545.5 million. Moreover, the decrease in total

shareholders' equity was mainly due to the decrease in retained earnings of Baht 255.4 million from net loss for the year



6. Liabilities and Management of off-Balance Sheet Liabilities

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

In addition, there are obligations under the commercial bank's guarantee, obligations from various guarantee, which is a normal business operation of BEC Group. All of the aforementioned liabilities are completely shown in article 36 of notes to 2018 financial statements of "BEC"

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

Market and business trends in 2019

Media Agency Association of Thailand, MAAT, has predicted that the overall advertising expenditures in 2019 will be better as it is forecast to grow inline with the GDP which is expected to grow at 4.1%, in addition from many positive factors such as Elections that will benefit the outdoor and transit media, while digital TV is still the media with the high advertising expenditures. However, the media with the highest growth continue to be the online media as advertiser move more money from television to online media, according to consumers behavior that used more internet (online). MAAT forecast that the total advertising expenditures will grow by 4% to Baht 121,286 million. The total advertising expenditures for television media (digital TV, cable TV and satellite TV) will be Baht 71,000 million, where television media remained the main media of the industry and still has the largest advertising share of approximately 58.5% while online media growth by 25% with a total value of Baht 18,716 million or occupying 15.4% of the total advertising expenditures. Outdoors media will grow 5% with total value of Baht 7,150 million as people today spend more time outdoors, while mass transit media will grow by 5% with a total value of Baht 6,200 million from the expansion of mass transit trains route. The print media tends to continue to decline. Considering the widespread increases in Home Shopping programs across the channels, however, the figures were believed to be overestimated. Estimated total advertising expenditure by medium was collected based on the overall air-timer and advertising Rate Card or advertising "Set Price" before discount.

As for the trend of operations of the BEC Group in 2019, the direction of the company continues from the previous year and focuses on strengthening our core business by: 1. Increasing TV revenue 2. Increasing revenue from global content licensing 3. Increasing digital revenue and 4. Organization enhancement and work process improvement, effective cost management and increasing the opportunity to generate revenue from our strengths. To increase the TV revenue, we have adjusted the drama promotion plan for both before and during the broadcasting period, by using the selling point of each drama to be a highlight in the promoting plan. Moreover, emphasizing the use of online media and social media to create speed and impact in order to achieve wider awareness and stimulate viewing. For some drama, there may be on-ground activities with local media to stimulate viewing with the target group audiences. There will be total integrated sales package as well as increasing Non-agencies Customer and strengthening of News Program to increase rating. The Digital Transformation and Growth Platform will continue to expand and targeted to increase global content licensing sales this year, with improvement and enhancements of the process to support the needs of customers in the global market as well as the customization of Content Package. In terms of online business, we still focus on developing Mello and expanding the audience base to be the leading OTT of the country, in responding with consumer behavior.



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IMPORTANT FINANCIAL DATA

Unit : Million Baht

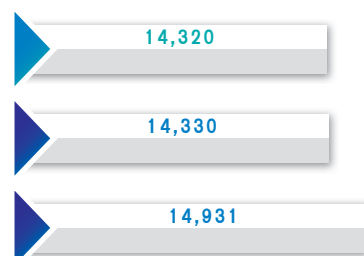
	2018	2017	2016
Total Assets	14,320	14,330	14,931
Total Liabilities	8,084	7,785	7,821
Total Shareholders' Equity	6,236	6,545	7,110
Revenues from sale	10,375	11,034	12,265
Total Revenues	10,486	11,211	12,534
Gross Margin	1,587	1,858	3,469
Net Profit (loss)	(330)	61	1,218

Financial Ratio	2018	2017	2016
Net Profit to Total Revenues	(3.15)%	0.54%	9.72%
Return on Total Shareholders' Equity	(5.29)%	0.93%	17.13%
Return on Total Assets	(2.30)%	0.43%	8.16%
Net Profit (loss) Per Shares (Baht)	(0.17)	0.03	0.61
Dividend Per Share (Baht)	-	0.10	0.60
Book Value Per Share (Baht)	3.12	3.27	3.56

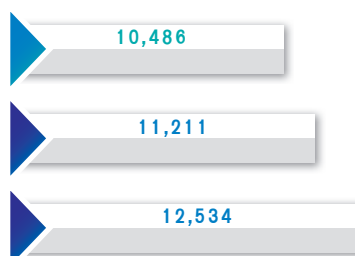
Dividend payment policy

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

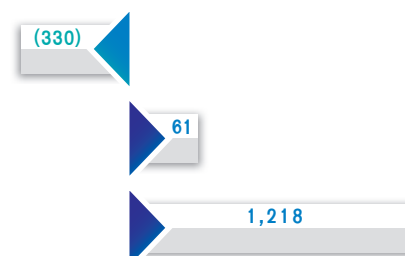
Total Assets



Total Revenues



Net Profit (loss)



Unit : Million Baht

▲ Year 2018 ▲ Year 2017 ▲ Year 2016

REPORT OF THE BOARD OF DIRECTOR'S RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The attached financial statements comprised of Statement of Financial Position, Statement of Income, Statement of Comprehensive Income, Statement of Changes in Shareholders' Equity, Statement of Cash Flows and Notes to the Financial Statements. The management prepared the financial statements in conformity with generally accepted financial report principles and appropriate accounting policies and applied the said principles consistently. In addition, the management also made the financial statements on their best estimates and judgments with adequate disclosure of material issues.

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

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

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



(Mr. Somchai Boonnamsiri)

Chairman of the Board

On behalf of the Board of Directors

AUDITOR'S REPORT

To The Shareholders of BEC World Public Company Limited

Opinion

I have audited the consolidated financial statements of BEC World Public Company Limited and its subsidiaries, which comprise the consolidated statements of financial position as at December 31, 2018, the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of BEC World Public Company Limited for the same period.

In my opinions, the financial statements referred to above present fairly, in all material respects, the financial position of BEC World Public Company Limited and its subsidiaries and of BEC World Public Company Limited as at December 31, 2018, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

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

Testing the amount of deferred right to use spectrum

As at December 31, 2018, the consolidated financial statements have deferred right to use spectrum to provide digital television operating amount of Baht 3,967.78 million. Which is considered to be a significant asset in the Group's consolidated statements of financial position, was disclosed in Notes 3.17 and 16 to the financial statements. Digital television is at an intense competition, and as such, there is a risk that operation results may not be in line with initial forecasts, that the deferred right to use spectrum may possibly be impaired. Therefore, management involved judgment in the estimation cash flow of the recoverable amount in the future.

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

- Gaining an understanding discounted cash flow projection, approved by management.
- Assessing the discounted cash flow projection by evaluating the key assumptions and actual operation results, as well as assessing the appropriateness of discount rate used and testing the computation of discounted cash flow projection.
- Evaluating the adequacy of the financial statements disclosures in accordance with Thai Financial Reporting Standards.

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

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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



(Dr. Virach Aphimeteetamrong)

Certified Public Accountant Registration No. 1378

February 18, 2019

STATEMENTS OF FINANCIAL POSITION

BEC WORLD PUBLIC COMPANY LIMITED AND SUBSIDIARIES

AS AT DECEMBER 31, 2018

BAHT

	Notes	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
		2018	2017	2018	2017
ASSETS					
Current Assets					
Cash and cash equivalents	3.2 and 4	2,116,369,177	1,193,389,737	652,874,859	241,376,628
Short-term investments					
Investments in Open-end Fund	3.3 and 5	50,006,721	-	-	-
Investments in related party	11	-	2,674,307	-	-
Warrant	3.4 and 10.2	1,864,000	5,359,000	1,864,000	5,359,000
Total short-term investments		51,870,721	8,033,307	1,864,000	5,359,000
Trade and other receivables	3.5, 3.6 and 6	1,127,830,896	1,148,635,342	1,916,070,508	1,848,057,000
Current portion of receivable from investment disposal	3.7 and 11	15,656,902	53,627,524	-	-
Short-term loans to related parties	7	26,330,248	25,947,360	4,822,525,655	4,328,018,779
Inventories	3.8 and 8	4,436,938	5,129,685	2,885,582	2,404,056
Other current assets	9	858,881,334	799,745,486	251,678,980	247,699,610
Total Current Assets		4,201,376,216	3,234,508,441	7,647,899,584	6,672,915,073
Non-current Assets					
Available-for-sale securities	3.10 and 10.1	119,995,000	185,235,000	119,995,000	185,235,000
Investments in associates	3.11 and 11	167,926,146	150,886,261	-	-
Investments in subsidiaries	3.11 and 11	-	-	1,000,591,728	1,000,591,728
Bank deposits with obligation		11,905,000	92,086,891	-	-
Other long-term investments	3.12	3,000,000	3,000,000	-	-
Investments property	3.13 and 12	5,800,000	5,850,000	600,000	650,000
Property, plant and equipment	3.14 and 13	485,195,831	663,718,759	36,159,487	42,925,924
Intangible assets	3.15 and 14	116,879,858	151,907,476	978,428	993,710
Deferred right to use property	3.16 and 15	166,089,018	383,952,554	-	-
Deferred right to use spectrum	3.17 and 16	3,967,775,922	4,352,536,340	-	-
Deferred additional compensation	3.18 and 17	57,674,050	104,454,114	-	-
Deferred pictures rental, picture products, plays and copyright charges	3.19 and 18	2,441,934,400	3,044,181,364	1,350,512,389	1,981,888,131
Deposit on pictures copyright		342,564,602	111,818,085	342,564,602	111,818,085
Prepaid plays production		532,508,679	772,190,679	532,508,679	771,830,679
Deferred tax assets	3.22 and 32	954,030,289	617,344,032	45,531,242	40,862,969
Other non-current assets	19	745,418,616	457,243,143	10,574,367	10,424,417
Total Non-current Assets		10,118,697,411	11,096,404,698	3,440,015,922	4,147,220,643
TOTAL ASSETS		14,320,073,627	14,330,913,139	11,087,915,506	10,820,135,716

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

STATEMENTS OF FINANCIAL POSITION

BEC WORLD PUBLIC COMPANY LIMITED AND SUBSIDIARIES

AS AT DECEMBER 31, 2018

BAHT

Notes	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current Liabilities				
Bank overdrafts and short-term borrowings				
from financial institutions	20	358,230,855	249,884,692	-
Trade and other payables	21	662,602,827	953,057,592	294,721,230
Accrued expenses		415,979,982	390,788,977	52,711,931
Current portion of financial leases	3.20 and 24	4,226,153	3,754,672	-
Current portion of accrued right				
to use spectrum	25	-	471,987,916	-
Short-term borrowings from subsidiaries	22	-	-	940,000,000
Corporate income tax payable		59,800,038	43,364,351	6,694,956
Other current liabilities	23	773,588,091	337,927,146	162,209,787
Total Current Liabilities		2,274,427,946	2,450,765,346	1,456,337,904
Non-current Liabilities				
Financial leases	3.20 and 24	684,241	4,910,394	-
Accrued right to use spectrum	25	2,193,648,568	1,674,373,342	-
Debentures	3.21 and 26	2,997,627,720	2,996,933,394	2,997,627,720
Provision for long-term employee benefits	3.27 and 27	616,209,189	657,169,648	52,676,746
Other non-current liabilities		1,098,627	1,224,627	-
Total Non-current Liabilities		5,809,268,345	5,334,611,405	3,050,304,466
Total Liabilities		8,083,696,291	7,785,376,751	4,506,642,370
Shareholders' Equity				
Share capital				
Authorized share capital				
2,000,000,000 common stocks of Baht 1 par value		2,000,000,000	2,000,000,000	2,000,000,000
Issued and paid-up share capital				
2,000,000,000 common stocks at Baht 1 each		2,000,000,000	2,000,000,000	2,000,000,000
Premium on common stocks		1,166,724,373	1,166,724,373	1,166,724,373
Retained earnings				
Appropriated				
Legal reserve	30	200,000,000	200,000,000	200,000,000
Unappropriated		2,691,422,436	2,946,781,470	3,190,411,326
Other components of shareholders' equity		26,000,334	78,599,456	24,137,437
Total Shareholders' Equity of Parent Company		6,084,147,143	6,392,105,299	6,581,273,136
Non-controlling interests		152,230,193	153,431,089	-
Total Shareholders' Equity		6,236,377,336	6,545,536,388	6,581,273,136
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		14,320,073,627	14,330,913,139	11,087,915,506

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

STATEMENTS OF INCOME

BEC WORLD PUBLIC COMPANY LIMITED AND SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2018

BAHT

	Notes	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
		2018	2017	2018	2017
REVENUES					
Advertising income		8,878,845,072	9,890,202,808	890,028,160	855,174,000
Income from copyright and other services		1,054,795,070	618,592,188	2,967,506,044	2,788,775,565
Income from organizing concerts and shows		368,530,254	454,198,065	-	-
Sales of goods		73,521,436	71,972,501	18,910,223	2,461,309
Dividend income	11	-	-	-	609,989,290
Other incomes					
Interest income		16,607,788	14,026,502	163,083,510	149,301,861
Gain on disposal investments property		-	29,326,264	-	-
Gain on reversal of provision liabilities		-	28,908,831	-	-
Others		94,109,504	104,610,832	24,992,139	14,331,511
Total other incomes		110,717,292	176,872,429	188,075,649	163,633,372
Total Revenues		10,486,409,124	11,211,837,991	4,064,520,076	4,420,033,536
EXPENSES					
Cost of sales and services		8,480,346,039	8,790,307,489	2,866,124,631	2,864,236,508
Cost of organizing concerts and shows		308,825,928	386,498,435	-	-
Selling expenses		411,052,064	378,740,690	3,428,683	3,929,147
Administrative expenses		1,361,171,461	1,398,322,528	362,713,337	285,409,774
Provision for long-term employee benefits expenses					
according to the draft of Labor Protection Act	27	134,813,300	-	8,409,558	-
Directors’s remuneration	28	23,170,000	22,355,000	23,170,00	22,355,000
Finance costs	29	168,737,532	181,847,047	121,262,375	116,766,088
Total Expenses	31	10,888,116,324	11,158,071,189	3,385,108,584	3,292,696,517
Share of profit of associates held by subsidiary		17,681,017	14,220,428	-	-
Profit (loss) before Income tax		(384,026,183)	67,987,230	679,411,492	1,127,337,019
Income tax expenses (revenues)	3.23 และ 32	(72,086,490)	41,071,483	133,427,184	107,382,866
Profit (loss) for the years		(311,939,693)	26,915,747	545,984,308	1,019,954,153
Profit (loss) attributable to					
Equity holders of the parent		(330,178,407)	61,012,106	545,984,308	1,019,954,153
Non-controlling interests		18,238,714	(34,096,359)	-	-
		(311,939,693)	26,915,747	545,984,308	1,019,954,153
Earnings (loss) per share to equity holders of the parent					
Basic Earnings (Loss) Per Share	3.24	(0.17)	0.03	0.27	0.51
Issued and paid-up 2,000,000,000 common stocks					

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

STATEMENTS OF COMPREHENSIVE INCOME

BEC WORLD PUBLIC COMPANY LIMITED AND SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2018

BAHT

	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
Profit (loss) for the years	(311,939,693)	26,915,747	545,984,308	1,019,954,153
Other Comprehensive Income (Loss):-				
Components of other comprehensive income				
that will be reclassified to profit or loss :				
Translation of financial statements differences	(678,537)	(9,894,670)	-	-
Loss on remeasuring available-for-sale securities	(65,240,000)	(68,735,000)	(65,240,000)	(68,735,000)
Components of income tax	13,048,000	13,747,000	13,048,000	13,747,000
Loss on remeasuring available-for-sale securities-net of tax	(52,192,000)	(54,988,000)	(52,192,000)	(54,988,000)
Components of other comprehensive income				
that will not be reclassified to profit or loss :				
Actuarial gain from employee benefit plan	89,303,774	-	5,969,303	-
Component of income tax	(17,850,398)	-	(1,193,860)	-
Actuarial gain from employee benefit plan-net of tax	71,453,376	-	4,775,443	-
Actuarial loss from employee benefit plan of associate held by subsidiary-net of tax	(42,159)	-	-	-
Other comprehensive income (loss) for the years-net of tax	18,540,680	(64,882,670)	(47,416,557)	(54,988,000)
Total comprehensive income (loss) for the years	(293,399,013)	(37,966,923)	498,567,751	964,966,153
Total comprehensive income (loss) attributable to				
Equity holders of the parent	(307,958,156)	87,306	498,567,751	964,966,153
Non-controlling interests	14,559,143	(38,054,229)	-	-
	(293,399,013)	(37,966,923)	498,567,751	964,966,153

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

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

BEC WORLD PUBLIC COMPANY LIMITED AND SUBSIDIARIES

FOR THE YEAR ENDED DECEMBER 31, 2018

BAHT

CONSOLIDATED										
Equity holders of the parent										
Note	Issued and paid-up share capital	Premium on common stocks	Retained earnings		Other components of shareholders' equity			Total equity holders of the parent	Non-controlling interests	Total shareholders' equity
			Appropriated -Legal reserve	Un-appropriated	Other comprehensive income (loss)		Total other components of shareholders' equity			
					Translation of financial statements	Available-for-sale investments				
Year 2017 Beginning balances, January 1, 2017 Comprehensive income (loss) for the year 2017 Non-controlling interests decrease during the year from disposal of subsidiary held by subsidiary Dividend payment Subsidiary's dividend paid to non-controlling interests Ending balances, December 31, 2017	2,000,000,000	1,166,724,373	200,000,000	3,385,769,364 61,012,106 (500,000,000)	8,206,819 (5,936,800)	131,317,437 (54,988,000)	139,524,256 (60,924,800)	6,892,017,993 87,306 (500,000,000)	218,170,415 (38,054,229) (2,674,328) (500,000,000)	7,110,188,408 (37,966,923) (2,674,328) (500,000,000)
	2,000,000,000	1,166,724,373	200,000,000	2,946,781,470	2,270,019	76,329,437	78,599,456	6,392,105,299	(24,010,769) 153,431,089	(24,010,769) 6,545,536,388
	2,000,000,000	1,166,724,373	200,000,000	2,946,781,470	2,270,019	76,329,437	78,599,456	6,392,105,299	153,431,089	6,545,536,388
	Year 2018 Beginning balances, January 1, 2018 Comprehensive income (loss) for the year 2018 :- Comprehensive income (loss) for the year Actuarial gain from employee benefit plan-net of tax Total comprehensive income (loss) for the year 2018 Subsidiary's dividend paid to non-controlling interests Ending balances, December 31, 2018	2,000,000,000	1,166,724,373	200,000,000	(330,178,407) 74,819,373 (255,359,034)	(407,122) - (407,122)	(52,192,000) - (52,192,000)	(52,599,122) - (52,599,122)	(382,777,529) 74,819,373 (307,958,156)	17,967,299 3,408,156) 14,559,143 (15,760,039)

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

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

BEC WORLD PUBLIC COMPANY LIMITED AND SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2018

BAHT

	Note	SEPARATE FINANCIAL STATEMENTS					
		Issued and paid-up share capital	Premium on common stocks	Retained earnings		Other components of shareholders' equity	Total shareholders' equity
				Appropriated- Legal reserve	Unappropriated		
Year 2017							
Beginning balances, January 1, 2017		2,000,000,000	1,166,724,373	200,000,000	2,119,697,422	131,317,437	5,617,739,232
Comprehensive income for the year 2017					1,019,954,153	(54,988,000)	964,966,153
Dividend payment	28				(500,000,000)		(500,000,000)
Ending balances, December 31, 2017		2,000,000,000	1,166,724,373	200,000,000	2,639,651,575	76,329,437	6,082,705,385
Year 2018							
Beginning balances, January 1, 2018		2,000,000,000	1,166,724,373	200,000,000	2,639,651,575	76,329,437	6,082,705,385
Comprehensive income (loss) for the year 2018 :-							
Comprehensive income (loss) for the year					545,984,308	(52,192,000)	493,792,308
Actuarial gains from employee benefit plan - net of tax					4,775,443	-	4,775,443
Total comprehensive income (loss) for the year 2018					550,759,751	(52,192,000)	498,567,751
Ending balances, December 31, 2018		2,000,000,000	1,166,724,37	200,000,000	3,190,411,326	24,137,437	6,581,273,136

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

STATEMENTS OF CASH FLOWS (1/4)

BEC WORLD PUBLIC COMPANY LIMITED AND SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2018

BAHT

	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit (loss) before income tax expenses	(384,026,183)	67,987,230	679,411,492	1,127,337,019
ADJUSTMENTS TO RECONCILE PROFIT (LOSS) BEFORE INCOME TAX TO NET CASH PROVIDED FROM (USED IN) OPERATIONS				
Depreciation	207,155,264	219,629,040	10,212,300	8,620,932
Expenses from barter from investment disposal	8,741,900	15,619,593	-	-
Reverse allowance for expenses from litigation	-	(28,908,831)	-	-
Amortization of intangible assets	37,956,818	39,122,559	307,882	268,728
Amortization of right to use property	217,878,938	225,455,559	-	-
Amortization of right to use spectrum	384,760,418	384,760,417	-	-
Amortization of additional compensation	46,780,064	46,780,063	-	-
Amortization of pictures rental, plays, picture products and copyright charges	2,763,795,765	2,783,252,342	2,294,580,036	2,357,321,664
Amortization of other current assets	56,921	-	-	-
Amortization of other non-current assets	1,491,268	1,491,268	-	-
Write-off of withholding tax	175,698	9,910,476	-	-
Amortization of intangible assets	127,500	-	-	-
Loss on destruction of inventories	-	4,014,938	-	-
Increase (decrease) allowance for goods returned	429,983	(1,973,509)	-	-
Bad debts - Trade and other receivables	6,783,280	1,718,811	-	-
Increase (decrease) in doubtful debt				
- Trade account receivables	(4,374,363)	10,293,242	-	-
- Short-term loans to related parties	690,847	-	10,894,066	10,672,140
- Receivable from investments disposal	10,000,000	-	-	-
Increase (decrease) allowance for diminution of inventories	557,594	(2,571,750)	-	-
Unrealized (gain) loss on investment in trading security and investments in Open-end Fund	3,488,279	(5,359,000)	3,495,000	(5,359,000)
(Gain) loss on disposal and unused equipment	917,674	(213,886)	455,496	(4,999)
Gain on disposal investments property	-	(29,326,264)	-	-
Loss on unused intangible assets	-	2,265,000	-	-
Unrealized loss on exchange rates	391,199	11,837,246	164,127	1,438,707
Loss on revaluation of investments property	50,000	-	50,000	-
Dividend income	-	-	-	(609,989,290)
Interest income	(16,607,788)	(14,016,885)	(163,083,510)	(149,301,861)
Finance cost	168,737,532	181,847,047	121,262,375	116,766,088
Long-term employee benefits expenses	158,063,417	46,061,492	11,110,485	2,531,861
Loss from pay back investment in related party by subsidiary	78,054	-	-	-
Share of profit of associates held by subsidiary	(17,681,017)	(14,220,428)	-	-
Share of loss on subsidiary dissolution held by subsidiary	-	794,029	-	-
Share of loss on non-controlling interests of subsidiary dissolution held by subsidiary	-	794,036	-	-
Profit from operation before changes in operating assets and liabilities items	3,596,419,062	3,957,043,835	2,968,859,749	2,860,301,989

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

STATEMENTS OF CASH FLOWS (2/4)

BEC WORLD PUBLIC COMPANY LIMITED AND SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2018

BAHT

	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)				
(INCREASE) DECREASE IN OPERATING ASSETS ITEMS				
Investments in Open-end Fund	(50,000,000)	-	-	-
Trade and other receivables	17,866,198	(163,578,418)	(68,013,508)	(760,093,080)
Inventories	135,153	(1,829,965)	(481,526)	(1,062,757)
Other current assets	(47,463,561)	(23,180,051)	6,935,652	(13,445,252)
Deposit on pictures copyright charges	(207,546,517)	32,087,090	(207,546,517)	32,087,090
Prepaid plays production	239,682,000	261,496,000	239,322,000	261,856,000
Other non-current assets	2,066,745	2,477,092	(149,950)	158,000
INCREASE (DECREASE) IN OPERATING LIABILITIES ITEMS				
Trade and other payables	(294,652,386)	40,870,942	31,766,455	(66,911,649)
Accrued expenses	19,887,031	(5,406,129)	(7,730,002)	6,718,687
Other current liabilities	435,656,718	(333,306,681)	26,286,605	58,164,480
Provision for long-term employee benefits	(99,683,002)	(7,495,964)	(6,461,580)	(2,642,552)
Other non-current liabilities	(126,000)	954,627	-	-
CASH PROVIDED FROM OPERATION	3,612,241,441	3,760,132,378	2,982,787,378	2,375,130,956
Interest expenses paid	(125,489,022)	(86,810,250)	(128,092,809)	(112,786,455)
Income tax expenses paid	(555,440,768)	(609,397,808)	(129,625,233)	(137,374,493)
Translation of financial statements differences	(79,564)	(1,081,697)	-	-
NET CASH PROVIDED FROM OPERATING ACTIVITIES	2,931,232,087	3,062,842,623	2,725,069,336	2,124,970,008
CASH FLOWS FROM INVESTING ACTIVITIES				
Decrease in bank deposits with obligation	80,181,891	27,807,459	-	-
Interest income	14,651,999	9,626,613	22,758,895	25,053,630
Proceeds from dividend income	-	5,009,900	-	609,989,290
Increase in short-term loans to related parties	(1,193,255)	-	(375,991,349)	(411,033,097)
Proceeds from pay back investments in related party held by subsidiary	2,596,253	-	-	-
Proceeds from receivable from investments disposal	20,000,000	40,000,000	-	-
Purchase of investments in an associate company held by subsidiary	-	(3,999,900)	-	-
Purchase of equipment	(36,225,238)	(53,374,095)	(4,921,248)	(17,600,986)
Proceeds from equipment disposal	9,987,990	5,638,813	1,279,491	5,000
Proceeds from investments property disposal	-	91,326,264	-	-
Increase in intangible assets	(2,319,536)	(3,065,822)	(292,600)	(18,000)
Increase in right to use property	(15,402)	-	-	-
Increase in pictures rental, picture products, plays and copyright charges	(2,184,748,801)	(2,945,032,739)	(2,131,680,294)	(2,896,113,742)
Proceeds from plays disposal	-	-	445,276,000	436,074,000
Payment for right to use spectrum	-	(545,600,000)	-	-
NET CASH USED IN INVESTING ACTIVITIES	(2,097,084,099)	(3,371,663,507)	(2,043,571,105)	(2,253,643,905)

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

STATEMENTS OF CASH FLOWS (3/4)

BEC WORLD PUBLIC COMPANY LIMITED AND SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2018

BAHT

	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase (decrease) in bank overdrafts and short-term borrowings from financial institutions	108,346,163	(2,260,115,308)	-	(2,300,000,000)
Decrease in short-term borrowings from related parties	-	-	(270,000,000)	(97,826,250)
Dividend payment	-	(500,000,000)	-	(500,000,000)
Subsidiary held by subsidiary's dividend paid to non-controlling interests	(15,760,039)	(24,010,769)	-	-
Payment of financial leases	(3,754,672)	(4,163,464)	-	-
Proceeds from debentures	-	3,000,000,000	-	3,000,000,000
Deferred debentures issuing costs	-	(3,471,630)	-	(3,471,630)
NET CASH PROVIDED FROM (USED IN) FINANCING ACTIVITIES	88,831,452	208,238,829	(270,000,000)	98,702,120
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	922,979,440	(100,582,055)	411,498,231	(29,971,777)
CASH AND CASH EQUIVALENTS AS AT JANUARY 1,	1,193,389,737	1,299,531,146	241,376,628	271,348,405
LESS CASH AND CASH EQUIVALENTS TRANSFERRED OUT FROM DISSOLUTION OF SUBSIDIARY HELD BY SUBSIDIARY (SUPPLEMENTARY STATEMENT 1)	-	(5,559,354)	-	-
CASH AND CASH EQUIVALENTS AS AT DECEMBER 31,	2,116,369,177	1,193,389,737	652,874,859	241,376,628
ADDITIONAL DISCLOSURE ITEMS TO CASH FLOWS STATEMENTS:				
NON-CASH ITEMS CONSIST OF				
Transferred accrued interest income to short-term loans to related parties	-	-	129,409,593	114,197,794
Transferred withholding tax over one year to non-current assets	291,909,184	263,510,536	-	-
Increase in equipment from assets payable	3,312,762	2,983,327	259,602	194,321
Increase in intangible assets from assets payable	737,164	6,667,000	-	-
Transferred deferreds picture rental, picture products, plays and copyright charges to deposit on picture copyright	23,200,000	-	23,200,000	-
Decrease investments in associate due to translation of financial statements differences on exchange rate	(598,973)	(8,812,973)	-	-
Available-for-sale securities loss on remeasuring available-for-sale securities	(65,240,000)	(68,735,000)	(65,240,000)	(68,735,000)
Decrease non-controlling interests due to translation of financial statements differences on exchange rate	271,415	3,957,870	-	-
Transferred depreciation to selling tickets program under process	-	419,482	-	-
Transferred assets under installation to intangible assets	-	8,606,860	-	-
Transferred provision for long-term employee benefits to accrued expenses	(10,037,100)	-	(868,950)	-
Effect of adjusted actuarial estimates from employee benefit plan :-				
- Decrease deferred tax assets	17,850,398	-	1,193,860	-
- Decrease provision for long-term employee benefits	(89,303,774)	-	(5,969,303)	-
- Increase retained earnings	74,861,532	-	4,775,443	-
- Decrease non-controlling interests	(3,408,156)	-	-	-
Effect of adjusted actuarial estimates from employee benefit plan of associate :-				
- Decrease in investments in associates	(42,159)	-	-	-
- Decrease retained earnings	42,159	-	-	-

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

STATEMENTS OF CASH FLOWS (4/4)

BEC WORLD PUBLIC COMPANY LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED DECEMBER 31, 2018

SUPPLEMENTARY STATEMENT 1

Dissolution of subsidiary held by subsidiary

On July 20, 2017 BEC-TERO TRUE VISIONS COMPANY LIMITED which is subsidiary of BEC-TERO ENTERTAINMENT PUBLIC COMPANY LIMITED has dissolved. Therefore, outstanding assets and liabilities are transferred out from the consolidation, as follows :

	BAHT
Cash and cash equivalents	5,559,354
Other current assets	124,325
Equipment	92,360
Intangible assets	28,153
Other non-current assets	1,271,356
Trade and other payables	(99,747)
Accrued expenses	(36,000)
Other current liabilities	(3,101)
Non-controlling interests	(3,468,364)
Investments in subsidiary at the beginning of the period	3,468,336
Share of loss on subsidiary's dissolution	(794,029)
Investments in subsidiary as at dissolution date	2,674,307
Transferred investment in subsidiary dissolution to investments in related company	(2,674,307)
Investments in subsidiary as at dissolution date	-

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

NOTES TO THE FINANCIAL STATEMENTS

BEC WORLD PUBLIC COMPANY LIMITED AND SUBSIDIARIES

DECEMBER 31, 2018

1. TYPE OF BUSINESS

1.1 General information

Legal status	A juristic person established under Thai law and listed on the Stock Exchange of Thailand.
Company location	B1, G, 2 nd , 3 rd , 8 th , 9 th - 10 th and 30 th - 34 th Floors, at Maleenont Tower, 3199 Rama IV Road, Kwaeng Klongtan, Khet Klongtoey, Bangkok 10110, Thailand.
Type of business	(1) Providing, producing TV programmes and selling air time. (2) Holding shares in subsidiaries and associates which operate business as stated in Note 11 to the financial statements.

1.2 Joint operation information

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

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

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

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

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

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

BEC MULTIMEDIA CO., LTD., a subsidiary of the Company, won the auctions for licenses to use the spectrum to provide terrestrial digital television service in the type of national commercial service ("License Agreement") including 3 licenses - General (variety) high-definition category, General (variety) standard-definition category, and Kids and family category from The National Broadcasting and Telecommunications Commission (NBTC). License Agreement allowed a period of 15 years from the date of permission. (Commencing on April 25, 2014 and ending April 24, 2029.)

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

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

2. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

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

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

PARTICULARS	% HOLDING		ESTABLISHED IN
	2018	2017	
<u>SUBSIDIARIES DIRECTLY HELD BY THE COMPANY</u>			
1. THE BANGKOK ENTERTAINMENT CO., LTD.	99.99	99.99	THAILAND
2. RUNGSIROJVANIT CO., LTD.	99.99	99.99	THAILAND
3. NEW WORLD PRODUCTION CO., LTD.	99.99	99.99	THAILAND
4. BEC BROADCASTING CENTER CO., LTD.	99.99	99.99	THAILAND
5. YOU & I CORPORATION CO., LTD.	99.99	99.99	THAILAND
6. BEC ASSET CO., LTD.	99.99	99.99	THAILAND
7. BEC STUDIO CO., LTD.	99.99	99.99	THAILAND
8. BEC INTERNATIONAL DISTRIBUTION CO., LTD.	99.99	99.99	THAILAND
9. BEC NEWS BUREAU CO., LTD.	99.99	99.99	THAILAND
10. BANGKOK TELEVISION CO., LTD.	99.99	99.99	THAILAND
11. BANGKOK SATELLITE & TELECOMMUNICATION CO., LTD.	99.99	99.99	THAILAND
12. BEC IT SOLUTION CO., LTD.	99.99	99.99	THAILAND
13. SATELLITE TV BROADCASTING CO., LTD.	99.99	99.99	THAILAND
14. BEC-TERO ENTERTAINMENT PUBLIC CO., LTD.	59.99	59.99	THAILAND

PARTICULARS	% HOLDING		ESTABLISHED IN
	2018	2017	
15. BECI CORPORATION LTD.	99.99	99.99	THAILAND
16. BEC MULTIMEDIA CO., LTD.	99.99	99.99	THAILAND
<u>SUBSIDIARY HELD BY BEC INTERNATIONAL DISTRIBUTION CO., LTD.</u>			
1. TVB 3 NETWORK CO., LTD.	59.99	59.99	THAILAND
<u>SUBSIDIARIES HELD BY BEC-TERO</u>			
<u>ENTERTAINMENT PUBLIC COMPANY LIMITED</u>			
1. THAITICKETMAJOR CO., LTD.	59.99	59.99	THAILAND
2. BEC-TERO SCENARIO CO., LTD.	50.00	50.00	THAILAND
3. BEC-TERO RADIO CO., LTD.	99.99	99.99	THAILAND
4. BEC-TERO MYANMAR COMPANY LIMITED	99.99	99.99	REPUBLIC OF THE UNION OF MYANMAR
<u>ASSOCIATES HELD BY BEC-TERO ENTERTAINMENT</u>			
<u>PUBLIC COMPANY LIMITED</u>			
1. FOREVER BEC-TERO COMPANY LIMITED	49.00	49.00	REPUBLIC OF THE UNION OF MYANMAR
2. LIVE NATION BEC-TERO ENTERTAINMENT CO., LTD.	50.10	50.10	THAILAND
3. BEC-TERO SHOW CO., LTD.	40.00	40.00	THAILAND

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

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

Thai Accounting Standards (TAS)

- | | |
|---------------------------|--|
| 1. TAS 1 (revised 2017) | Presentation of Financial Statements |
| 2. TAS 2 (revised 2017) | Inventories |
| 3. TAS 7 (revised 2017) | Statement of Cash Flows |
| 4. TAS 8 (revised 2017) | Accounting Policies, Changes in Accounting Estimates and Errors |
| 5. TAS 10 (revised 2017) | Events After the Reporting Period |
| 6. TAS 11 (revised 2017) | Construction Contracts |
| 7. TAS 12 (revised 2017) | Income Taxes |
| 8. TAS 16 (revised 2017) | Property, Plant and Equipment |
| 9. TAS 17 (revised 2017) | Leases |
| 10. TAS 18 (revised 2017) | Revenue |
| 11. TAS 19 (revised 2017) | Employee Benefits |
| 12. TAS 20 (revised 2017) | Accounting for Government Grants and Disclosure of Government Assistance |
| 13. TAS 21 (revised 2017) | The Effects of Changes in Foreign Exchange Rates |
| 14. TAS 23 (revised 2017) | Borrowing Costs |

15. TAS 24 (revised 2017)	Related Party Disclosures
16. TAS 26 (revised 2017)	Accounting and Reporting by Retirement Benefit Plans
17. TAS 27 (revised 2017)	Separate Financial Statements
18. TAS 28 (revised 2017)	Investments in Associates and Joint Ventures
19. TAS 29 (revised 2017)	Financial Reporting in Hyperinflationary Economies
20. TAS 33 (revised 2017)	Earnings Per Share
21. TAS 34 (revised 2017)	Interim Financial Reporting
22. TAS 36 (revised 2017)	Impairment of Assets
23. TAS 37 (revised 2017)	Provisions, Contingent Liabilities and Contingent Assets
24. TAS 38 (revised 2017)	Intangible Assets
25. TAS 40 (revised 2017)	Investment Property
26. TAS 41 (revised 2017)	Agriculture

Thai Financial Reporting Standards (TFRS)

27. TFRS 2 (revised 2017)	Share-based Payment
28. TFRS 3 (revised 2017)	Business Combinations
29. TFRS 4 (revised 2017)	Insurance Contracts
30. TFRS 5 (revised 2017)	Non-current Assets Held for Sale and Discontinued Operations
31. TFRS 6 (revised 2017)	Exploration for and Evaluation of Mineral Resources
32. TFRS 8 (revised 2017)	Operating Segments
33. TFRS 10 (revised 2017)	Consolidated Financial Statements
34. TFRS 11 (revised 2017)	Joint Arrangements
35. TFRS 12 (revised 2017)	Disclosure of Interests in Other Entities
36. TFRS 13 (revised 2017)	Fair Value Measurement

Thai Accounting Standard Interpretations (TSIC)

37. TSIC 10 (revised 2017)	Government Assistance - No Specific Relation to Operating Activities
38. TSIC 15 (revised 2017)	Operating Leases - Incentives
39. TSIC 25 (revised 2017)	Income Taxes - Changes in the Tax Status of an Entity or Its Shareholders
40. TSIC 27 (revised 2017)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
41. TSIC 29 (revised 2017)	Service Concession Arrangements: Disclosure
42. TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
43. TSIC 32 (revised 2017)	Intangible Assets - Web Site Costs

Thai Financial Reporting Standard Interpretations (TFRIC)

44. TFRIC 1 (revised 2017)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
45. TFRIC 4 (revised 2017)	Determining Whether an Arrangement Contains a Lease
46. TFRIC 5 (revised 2017)	Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
47. TFRIC 7 (revised 2017)	Applying the Restatement Approach under TAS 29 (revised 2017) Financial Reporting in Hyperinflationary Economies
48. TFRIC 10 (revised 2017)	Interim Financial Reporting and Impairment
49. TFRIC 12 (revised 2017)	Service Concession Arrangements
50. TFRIC 13 (revised 2017)	Customer Loyalty Programmes

51. TFRIC 14 (revised 2017)	TAS 19 (revised 2017) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction
52. TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
53. TFRIC 17 (revised 2017)	Distributions of Non-cash Assets to Owners
54. TFRIC 18 (revised 2017)	Transfers of Assets from Customers
55. TFRIC 20 (revised 2017)	Stripping Costs in the Production Phase of a Surface Mine
56. TFRIC 21 (revised 2017)	Levies

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

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

Effective for fiscal years beginning on or after January 1, 2019

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
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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

And effective for fiscal years beginning on or after January 1, 2020

Thai Accounting Standards (TAS)

53.TAS 32	Financial Instruments: Presentation
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Thai Financial Reporting Standards (TFRS)

54.TFRS 7	Financial Instruments: Disclosures
55.TFRS 9	Financial Instruments

Thai Financial Reporting Standard Interpretations (TFRIC)

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

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

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Revenues and expenses recognition

Revenues and expenses are recorded on an accrual basis.

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

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

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

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

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

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

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

3.2 Cash and cash equivalents

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

3.3 Investments in Open-end Fund

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

3.4 Short-term investment – Warrant

Short-term investment is warrant to purchase ordinary share and recorded as trading security which stated at fair value. The difference between fair value and cost is shown as allowance for investment value adjustment in trading security. Gains on investments in trading security incurred during the year were duly presented in the statements of income.

3.5 Trade accounts receivable and allowance for doubtful accounts

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

3.6 Allowance for goods returned

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

3.7 Receivable from investment disposal and allowance for doubtful accounts

Receivable from investment disposal is measured at cash equivalent receiving by installments discounted to present value using the Company's incremental borrowing rate. The difference between the cash equivalent and total settlement to be made is recognised as interest income over the receiving periods. The Company provides allowance for doubtful accounts by estimating from the uncollectible accounts receivable based on the past experience in debt collection and the current status of receivable from investment disposal on the statement of financial position date.

3.8 Inventories

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

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

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

3.9 Concerts and television programs under process

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

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

3.10 Available-for-sale securities

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

3.11 Investments in associates and subsidiaries

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

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

3.12 Investments in other companies

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

3.13 Investments property

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

3.14 Property, plant and equipment

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

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

3.15 Intangible assets

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

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

3.16 Deferred right to use property

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

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

3.17 Deferred right to use spectrum

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

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

3.18 Deferred additional compensation

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

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

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

3.20 Leases

Operating leases

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

Financial leases

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

3.21 Deferred debentures issuing costs

Debentures issuing costs are amortized to be expense calculated by the straight-line method based on life of debentures and presented as a deduction against the debenture amounts in the statement of financial position.

3.22 Deferred tax assets/liabilities

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

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

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

3.23 Income tax expenses (revenues)

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

3.24 Earnings (Loss) per share

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

3.25 Foreign currency transactions

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

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

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

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

3.26 Barter income

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

3.27 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.

3.28 Significant accounting judgments and estimates

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

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

4. CASH AND CASH EQUIVALENTS

BAHT

PARTICULARS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
Cash and bank deposit	1,974,182,943	1,162,507,437	652,874,859	241,376,628
Short term investments in fixed deposit	142,186,234	30,882,300	-	-
Cash and cash equivalents	2,116,369,177	1,193,389,737	652,874,859	241,376,628

5. INVESTMENTS IN OPEN-END FUND

BAHT

PARTICULARS	CONSOLIDATED	
	2018	2017
Investments in Open-end Fund-Debt securities	50,000,000	-
Allowance for investment adjustment	6,721	-
Investments in Open-end Fund-Fair value	50,006,721	-

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

BAHT

PARTICULARS	CONSOLIDATED	
	2018	2017
Unrealized gain on investments in Open-end Fund	6,721	-

6. TRADE AND OTHER RECEIVABLES

BAHT

PARTICULARS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
Trade accounts receivable				
Current	587,092,041	620,750,949	373,393	1,678,471
Overdue within 3 months	288,862,732	314,475,070	16,050	-
Over 3 to 6 months	3,131,499	22,276,571	1,499,498	-
Over 6 to 12 months	7,120,817	11,630,307	-	-
Over 12 months	28,270,334	26,256,502	-	-
Total	914,477,423	995,389,399	1,888,941	1,678,471
Less Allowance for doubtful accounts	(21,297,490)	(25,671,853)	-	-
Allowance for goods returned	(1,192,331)	(762,348)	-	-
Trade accounts receivable-net	891,987,602	968,955,198	1,888,941	1,678,471
Trade accounts receivable of related parties	56,875,342	54,867,861	1,894,536,391	1,845,106,557
Total trade accounts receivable-net	948,862,944	1,023,823,059	1,896,425,332	1,846,785,028
Other receivables	83,902,702	73,149,338	18,023,013	34,271,972
Other receivables of related parties	132,645,545	89,243,240	34,622,163	-
Less Allowance for doubtful accounts	(37,580,295)	(37,580,295)	(33,000,000)	(33,000,000)
Total other receivables-net	178,967,952	124,812,283	19,645,176	1,271,972
Trade and other receivables-net	1,127,830,896	1,148,635,342	1,916,070,508	1,848,057,000

7. SHORT-TERM LOANS TO RELATED PARTIES

BAHT

PARTICULARS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS		INTEREST RATE (%)	
	2018	2017	2018	2017	2018	2017
COMPANY LOANS TO						
- SUBSIDIARIES						
1. YOU & I CORPORATION CO., LTD.						
Beginning balances	-	-	105,462,490	99,481,151		
Increase during the years	-	-	4,900,000	2,700,000		
Compound interest	-	-	3,578,190	3,281,339		
Ending balances	-	-	113,940,680	105,462,490	3.300-3.450	3.300-3.550
<u>Less</u> Allowance for doubtful accounts	-	-	(113,940,680)	(105,462,490)		
Total short-term loans-net	-	-	-	-		
2. BEC ASSET CO., LTD.						
Beginning balances	-	-	97,448,374	116,732,715		
Increase during the years	-	-	-	14,000,000		
Compound interest	-	-	2,024,292	2,777,749		
Settlement during the years	-	-	(51,028,651)	(36,062,090)		
Ending balances	-	-	48,444,015	97,448,374	3.300-3.450	3.300-3.550
3. BEC INTERNATIONAL DISTRIBUTION CO., LTD.						
Beginning balances	-	-	6,011,571	5,820,770		
Compound interest	-	-	204,499	190,801		
Ending balances	-	-	6,216,070	6,011,571	3.300-3.450	3.300-3.450
<u>Less</u> Allowance for doubtful accounts	-	-	(6,216,070)	(6,011,571)		
Total short-term loans-net	-	-	-	-		
4. TVB 3 NETWORK CO., LTD.						
Beginning balances	-	-	66,700,000	62,200,000		
Increase during the years	-	-	2,120,000	4,500,000		
Compound interest	-	-	91,377	-		
Ending balances	-	-	68,911,377	66,700,000	3.550-3.700	3.550-3.800
<u>Less</u> Allowance for doubtful accounts	-	-	(68,911,377)	(66,700,000)		
Total short-term loans-net	-	-	-	-		
5. BANGKOK TELEVISION CO., LTD.						
Beginning balances	-	-	450,000,000	379,073,738		
Increase during the years	-	-	-	200,000,000		
Settlement during the years	-	-	(50,000,000)	(129,073,738)		
Ending balances	-	-	400,000,000	450,000,000	3.300-3.450	3.300-3.500
6. BEC MULTIMEDIA CO., LTD.						
Beginning balances	-	-	3,780,470,405	3,172,522,500		
Increase during the years	-	-	370,000,000	550,000,000		
Compound interest	-	-	123,507,968	107,947,905		
Settlement during the years	-	-	(100,000,000)	(50,000,000)		
Ending balances	-	-	4,173,978,373	3,780,470,405	3.300-3.450	3.300-3.500

PARTICULARS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS		INTEREST RATE (%)	
	2018	2017	2018	2017	2018	2017
7. BEC NEWS BUREAU CO., LTD.					3.450	3.300-3.500
Beginning balances	-	-	-	145,131,075		
Increase during the years	-	-	217,250	-		
Settlement during the years	-	-	(217,250)	(145,131,075)		
Ending balances	-	-	-	-		
8. SATELLITE TV BROADCASTING CO., LTD.					3.300	3.300
Beginning balances	-	-	100,000	-		
Increase during the years	-	-	-	100,000		
Compound interest	-	-	3,267	-		
Ending balances	-	-	103,267	100,000		
9. RUNGSIROJVANIT CO., LTD.					3.450	-
Beginning balances	-	-	-	-		
Increase during the years	-	-	5,398,298	-		
Settlement during the years	-	-	(5,398,298)	-		
Ending balances	-	-	-	-		
10. THE BANGKOK ENTERTAINMENT CO., LTD.					3.400	-
Beginning balances	-	-	-	-		
Increase during the years	-	-	200,000,000	-		
Ending balances	-	-	200,000,000	-		
TOTAL SHORT-TERM LOANS TO SUBSIDIARIES-NET	-	-	4,822,525,655	4,328,018,779		
SUBSIDIARY COMPANY LOANS TO					7.00	7.00
- Associates held by subsidiary						
1. FOREVER BEC-TERO CO., LTD.						
Beginning balances 25,947,360	28,452,800	-	-	-		
Loss on exchange rates	(119,520)	(2,505,440)	-	-		
Ending balances	25,827,840	25,947,360	-	-		
2. BEC-TERO SHOW CO., LTD.					-	-
Beginning balances	-	-	-	-		
Increase during the year	1,193,255	-	-	-		
Ending balances	1,193,255	-	-	-		
Less Allowance for doubtful accounts	(690,847)	-	-	-		
Total short-term loans	502,408	-	-	-		
TOTAL SHORT-TERM LOANS TO RELATED PARTIES-NET	26,330,248	25,947,360	4,822,525,655	4,328,018,779		

8. INVENTORIES

BAHT

PARTICULARS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
Finished goods	7,214,288	7,349,441	2,885,582	2,404,056
<u>Less</u> Provision for diminution in value of inventories	(2,777,350)	(2,219,756)	-	-
TOTAL INVENTORIES - NET	4,436,938	5,129,685	2,885,582	2,404,056

9. OTHER CURRENT ASSETS

BAHT

PARTICULARS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
Concerts and television programmers under process	30,792,021	24,049,470	7,033,466	10,817,345
Revenue Department Receivable	120,162,073	242,656,866	-	34,996,988
Undue input tax	45,661,080	35,373,384	16,242,743	5,795,618
Withholding Tax	302,474,286	292,097,344	-	-
Accrued interest income	8,293,203	7,129,101	115,126,177	104,211,156
Prepaid expenses	296,942,293	166,442,707	86,390,345	75,923,917
Prepaid copyright	3,497,378	2,523,562	-	-
Others	51,059,000	29,473,052	26,886,249	15,954,586
TOTAL OTHER CURRENT ASSETS	858,881,334	799,745,486	251,678,980	247,699,610

10. INVESTMENTS

10.1 AVAILABLE-FOR-SALE SECURITIES

BAHT

PARTICULARS	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	
	2018	2017
WAVE ENTERTAINMENT PUBLIC COMPANY LIMITED		
Cost	266,046,765	266,046,765
<u>Less</u> Adjustment of investment revaluation	(176,223,561)	(176,223,561)
Fair value on the date of reclassification	89,823,204	89,823,204
<u>Add</u> Gain on remeasuring available-for-sale securities	30,171,796	95,411,796
Available-for-sale securities-Fair value	119,995,000	185,235,000

10.2 SHORT – TERM INVESTMENT – WARRANT

BAHT

PARTICULARS	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	
	2018	2017
Short-term investment-Warrant-Cost	-	-
<u>Add</u> Allowance for trading security adjustment	1,864,000	5,359,000
Short-term investment-Fair value	1,864,000	5,359,000

Short-term investment is warrant to purchase ordinary share of WAVE ENTERTAINMENT PUBLIC COMPANY LIMITED and recorded as trading security. The difference between fair value and cost is shown as allowance for investment value adjustment in trading security. Gains on investment in trading security incurred during the year were duly presented in the statements of income as follows:

PARTICULARS FOR THE YEARS ENDED DECEMBER 31,	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	
	2018	2017
Unrealized gain (loss) on investment in trading security	(3,495,000)	5,359,000

11. INVESTMENTS IN SUBSIDIARIES ASSOCIATES AND RELATED PARTY

PARTICULARS	(%)HOLDING		COST METHOD		EQUITY METHOD	
	2018	2017	2018	2017	2018	2017
SUBSIDIARIES						
1. THE BANGKOK ENTERTAINMENT CO., LTD.	99.99	99.99	299,999,200	299,999,200		
2. RUNGSIROJVANIT CO., LTD.	99.99	99.99	34,999,510	34,999,510		
3. NEW WORLD PRODUCTION CO., LTD.	99.99	99.99	59,999,160	59,999,160		
4. BEC BROADCASTING CENTER CO., LTD.	99.99	99.99	42,996,990	42,996,990		
5. YOU & I CORPORATION CO., LTD.	99.99	99.99	34,999,300	34,999,300		
6. BEC ASSET CO., LTD.	99.99	99.99	29,999,930	29,999,930		
7. BEC STUDIO CO., LTD.	99.99	99.99	4,999,930	4,999,930		
8. BEC INTERNATIONAL DISTRIBUTION CO., LTD.	99.99	99.99	4,999,930	4,999,930		
9. BEC NEWS BUREAU CO., LTD.	99.99	99.99	4,999,930	4,999,930		
10. BANGKOK TELEVISION CO., LTD.	99.99	99.99	4,999,930	4,999,930		
11. BANGKOK SATELLITE & TELECOMMUNICATION CO., LTD.	99.99	99.99	24,999,930	24,999,930		
12. BEC IT SOLUTION CO., LTD.	99.99	99.99	14,999,930	14,999,930		
13. SATELLITE TV BROADCASTING CO., LTD.	99.99	99.99	999,930	999,930		
14. BEC-TERO ENTERTAINMENT PUBLIC CO., LTD.	59.99	59.99	122,116,158	122,116,158		
15. BECI CORPORATION LTD.	99.99	99.99	199,992,000	199,992,000		
16. BEC MULTIMEDIA CO., LTD.	99.99	99.99	199,992,000	199,992,000		
INVESTMENTS IN SUBSIDIARIES			1,086,093,758	1,086,093,758		
<u>LESS</u> ALLOWANCE FOR IMPAIRMENT			(85,502,030)	(85,502,030)		
TOTAL INVESTMENTS IN SUBSIDIARIES-NET (SEPARATE FINANCIAL STATEMENTS)			1,000,591,728	1,000,591,728		

PARTICULARS	HOLDING (%)		COST METHOD		EQUITY METHOD	
	2018	2017	2018	2017	2018	2017
<u>ASSOCIATES HELD BY BEC-TERO ENTERTAINMENT PUBLIC CO., LTD.</u>						
1. FOREVER BEC-TERO COMPANY LIMITED	49.00	49.0	386,610	386,610	145,272,173	126,870,925
2. LIVE NATION BEC-TERO ENTERTAINMENT CO., LTD.*	50.10	50.10	5,009,90	5,009,900	22,653,973	23,755,708
3. BEC-TERO SHOW CO., LTD.	40.00	40.00	3,999,900	3,999,900	-	259,628
TOTAL INVESTMENTS IN ASSOCIATES			9,396,410	9,396,410		
<u>LESS</u> ALLOWANCE FOR IMPAIRMENT						
- BEC-TERO SHOW CO., LTD.			3,999,900	3,740,000		
			5,396,510	5,656,410		
TOTAL INVESTMENTS IN ASSOCIATES HELD BY SUBSIDIARY (CONSOLIDATED)					167,926,146	150,886,261
<u>RELATED COMPANY HELD BY BEC-TERO ENTERTAINMENT PUBLIC CO., LTD.</u>						
1. BEC-TERO TRUE VISIONS CO., LTD.**	-	-	-	24,999,900		
<u>LESS</u> ALLOWANCE FOR IMPAIRMENT				(22,325,593)		
TOTAL INVESTMENTS IN RELATED COMPANY HELD BY SUBSIDIARY (CONSOLIDATED)			-	2,674,307		

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

** BEC-TERO TRUE VISIONS CO., LTD. has completed the liquidation on April 11, 2018.

TRANSACTIONS OF SUBSIDIARIES

The subsidiaries held by BEC-TERO ENTERTAINMENT PUBLIC COMPANY LIMITED

BEC-TERO TRUE VISIONS COMPANY LIMITED

On July 20, 2017, BEC-TERO TRUE VISIONS COMPANY LIMITED, a subsidiary of BEC-TERO ENTERTAINMENT PUBLIC COMPANY LIMITED has registered with the Ministry of Commerce for dissolution and in June 2018, BEC-TERO ENTERTAINMENT PUBLIC COMPANY LIMITED has received amount of Baht 2.60 million from the liquidation and recognized the difference as loss on investment pay back from subsidiary amount of Baht 0.08 million in the statements of income because of BEC-TERO TRUE VISIONS COMPANY LIMITED, has registered with the Ministry of Commerce for the completion of the liquidation on April 11, 2018.

BEC-TERO SASANA COMPANY LIMITED

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

1. Cash receiving
 - The first installment in amount of Baht 10 million, received in January 2016.
 - The second installment in amount of Baht 40 million, received in February 2017, amount of Baht 10 million, May 2017, amount of Baht 20 million and June 2017, amount of Baht 10 million.

- The third installment in amount of Baht 40 million, received in post dated cheque on May 15, 2018 and it was changed to 6 post dated cheques as follows; No. 1 - 4 post dated cheques on 27th July, August, September and October, 2018 amount of Baht 5 million for each and No. 5 - 6 post dated cheques on 26th November and December, 2018 amount of Baht 10 million for each. Post dated cheques No. 1-2 draw money in August and cheque No. 3 in October, 2018 and cheque No. 4 draw money in December, 2018 and the post dated cheques No. 5 - 6 have been changed to new date on 28th February and 29th March, 2019 amount of Baht 10 million for each and subsidiary of the Company provides allowance for doubtful debt collection from receivable from investments amount of Baht 10 million.
- 2. Receiving the right to advertise in printing media of SIAMSPORT amount of Baht 45 million, by dividing the right into 3 years, from 2016 to 2018 Baht 15 million per year using the fair value method to determine the pricing of advertising rate and has extended the right to advertise until April 30, 2019.

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

A subsidiary of the Company recognised gain on the sale of investment in the consolidated financial statements 2016 in amount of Baht 135.69 million.

As at December 31, 2018 and 2017 the receivable from investment disposal, as follow :

CONSOLIDATED	CURRENT PORTION	
	2018	2017
Cash receiving		
Future value of cash received - beginning	40,000,000	80,000,000
<u>Less</u> Settlement from the receivable from investment disposal	(20,000,000)	(40,000,000)
Future value of cash received - ending	20,000,000	40,000,000
<u>Less</u> Deferred interest	(771,278)	(3,252,025)
Interest income for the years	771,278	2,480,747
Deferred interest-net	-	(771,278)
Fair value of cash to be received	20,000,000	39,228,722
<u>Less</u> Allowance for doubtful accounts	(10,000,000)	-
Fair value of cash to be received-net	10,000,000	39,228,722
Barter receivable - beginning	14,398,802	30,018,395
<u>Less</u> Utilizing from barter during the years	(8,741,900)	(15,619,593)
Barter receivable - ending	5,656,902	14,398,802
Total receivable from investment disposal	15,656,902	53,627,524

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

The associate held by BEC-TERO ENTERTAINMENT PUBLIC COMPANY LIMITED

BEC-TERO SHOW COMPANY LIMITED

On April 25, 2017, BEC TERO ENTERTAINMENT PUBLIC COMPANY LIMITED a subsidiary of the Company has invested in BEC-TERO SHOW COMPANY LIMITED, amount of 399,990 common stocks, amount of Baht 3,999,900 in shareholding proportion of 40.00%. By the objective is to operate the place management and service tickets for concert, entertainment event, sports activities and all the show.

As at December 31, 2018, the financial statements of BEC-TERO SHOW CO., LTD. has a capital deficiency, so the subsidiary recorded the investments in associate equal to zero and recorded the share of loss on investment which is over the cost amount of Baht 0.69 million, to be allowance for doubtful debt for loan to BEC-TERO SHOW CO., LTD. (See Note 7).

Summarized financial information of associates

Financial information of the associates are summarized, as follow :

Company's name	Total assets		Total liabilities		Total revenues		Profit (loss)	
	2018	2017	2018	2017	2018	2017	2018	2017
FOREVER BEC-TERO COMPANY LIMITED	539.72	553.34	243.25	294.42	349.47	375.74	38.78	7.30
LIVE NATION BEC-TERO ENTERTAINMENT CO., LTD.	212.00	206.40	166.78	158.98	578.05	455.07	(2.11)	28.71
BEC-TERO SHOW CO., LTD.	1.33	14.53	3.05	13.88	6.31	5.24	(2.38)	(9.35)

BAHT

PARTICULARS	TYPE OF BUSINESS	PAID-UP CAPITAL		DIVIDEND	
		2018	2017	2018	2017
SUBSIDIARIES					
1. THE BANGKOK ENTERTAINMENT CO., LTD.	Operating business of TV and radio stations	300,000,000	300,000,000	-	-
2. RUNGSIROJVANIT CO., LTD.	Providing, producing TV programmes and sell air time for advertising	5,000,000	5,000,000	-	299,995,800
3. NEW WORLD PRODUCTION CO., LTD.	Providing, producing TV programmes and sell air time for advertising	5,000,000	5,000,000	-	-
4. BEC BROADCASTING CENTER CO., LTD.	Servicing studio equipment	1,000,000	1,000,000	-	49,996,500
5. YOU & I CORPORATION CO., LTD.	Producing radio programmes, operating radio station	35,000,000	35,000,000	-	-
6. BEC ASSET CO., LTD.	Own and leasing assets	30,000,000	30,000,000	-	29,999,930
7. BEC STUDIO CO., LTD. (*)	Producing programmes and servicing studio equipment	5,000,000	5,000,000	-	-
8. BEC INTERNATIONAL DISTRIBUTION CO., LTD.	Providing, producing TV programmes programmes	5,000,000	5,000,000	-	-
9. BEC NEWS BUREAU CO., LTD.	Producing news	5,000,000	5,000,000	-	-
10. BANGKOK TELEVISION CO., LTD.	Providing, producing TV programmes and sell air time for advertising	5,000,000	5,000,000	-	199,997,200

* NOT YET OPERATING

PARTICULARS	TYPE OF BUSINESS	PAID-UP CAPITAL		DIVIDEND	
		2018	2017	2018	2017
11. BANGKOK SATELLITE & TELECOMMUNICATION CO., LTD. (*)	Satellite uplink-downlink services	25,000,000	25,000,000	-	-
12. BEC IT SOLUTION CO., LTD.	Information technology services, retail of computer accessories and maintenance service	15,000,000	15,000,000	-	29,999,860
13. SATELLITE TV BROADCASTING CO., LTD. (*)	Satellite uplink-downlink services	1,000,000	1,000,000	-	-
14. BEC-TERO ENTERTAINMENT PUBLIC COMPANY LIMITED	Providing and producing TV programmes and sell air time for TV advertising; producing and promoting music for organizing concert, producing pictures and plays	200,000,000	200,000,000	-	-
15. BECI CORPORATION LTD.	Invest in internet business	200,000,000	200,000,000	-	-
16. BEC MULTIMEDIA CO., LTD.	Operating business of Digital TV	200,000,000	200,000,000	-	-
<u>COMPANIES HELD BY</u>					
1. BEC INTERNATIONAL DISTRIBUTION CO., LTD.					
<u>SUBSIDIARY</u>					
1. TVB 3 NETWORK CO., LTD.	Providing and producing TV programmes and sell air time	10,000,000	10,000,000	-	-
2. BEC-TERO ENTERTAINMENT PUBLIC COMPANY LIMITED					
<u>SUBSIDIARY</u>					
1. THAITICKETMAJOR CO., LTD.	Servicing for producing advertisement, reserve and selling show ticket, servicing to make seats reservation and sell bus tickets, sales of toys, souvenirs and gift	10,000,000	10,000,000	23,639,960	34,799,942
2. BEC-TERO SCENARIO CO., LTD.	Organizing show on the stage	40,000,000	40,000,000	-	799,999
3. BEC-TERO RADIO CO., LTD.	Sell advertising for broadcast radio and concerts	49,960,800	49,960,800	-	-
4. BEC-TERO MYANMAR CO., LTD.	Service for ticketing, television program production, entertainment event, and distribution services for audio /video CD production in REPUBLIC OF THE UNION OF MYANMAR	6,215,250 (USD200,000)	6,215,250 (USD200,000)	-	-

* NOT YET OPERATING

BAHT

PARTICULARS	TYPE OF BUSINESS	PAID-UP CAPITAL		DIVIDEND	
		2018	2017	2018	2017
<u>ASSOCIATES</u>					
1. FOREVER BEC-TERO COMPANY LIMITED	Provide and produce entertainment show also sell air time for TV advertising REPUBLIC OF THE UNION OF MYANMAR	789,000 (USD25,000)	789,000 (USD25,000)	-	-
2. LIVE NATION BEC-TERO ENTERTAINMENT CO., LTD.	Organizing international concert in Thailand	10,000,000	10,000,000	-	5,009,900
3. BEC-TERO SHOW CO., LTD.	Operate the place management and service tickets for concert, entertainment event, sports activities and all the show	10,000,000	10,000,000	-	-
TOTAL DIVIDEND				23,639,960	650,599,131
- DIVIDEND RECEIVED FROM SUBSIDIARIES				-	609,989,290
- DIVIDEND RECEIVED FROM SUBSIDIARIES HELD BY SUBSIDIARY				23,639,960	35,599,941
- DIVIDEND RECEIVED FROM ASSOCIATE HELD BY SUBSIDIARY				-	5,009,900

12. INVESTMENTS PROPERTY

BAHT

PARTICULARS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
Cost	4,715,415	4,715,415	763,980	763,980
<u>Add (Less)</u> Gain (loss) on revaluation	1,084,585	1,134,585	(163,980)	(113,980)
Fair Value	5,800,000	5,850,000	600,000	650,000

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

13. PROPERTY, PLANT AND EQUIPMENT

BAHT

PARTICULARS	CONSOLIDATED							
	Office furniture and equipment	Utility systems	Television and radio equipment	Leasehold improvement	Motor vehicles	Tool and processing equipment	Assets under installation	Total
<u>Cost</u>								
January 1, 2017	779,502,750	152,213,920	360,171,829	208,214,971	563,792,540	724,671,319	104,828,890	2,893,336,219
Purchases	23,173,789	-	51,300	120,855	14,040,058	6,406,228	12,565,192	56,357,422
Transferred to the intangible assets	-	-	-	-	(1,060,908)	-	(7,545,952)	(8,606,860)
Decrease from disposal of subsidiary	(187,298)	-	-	-	-	-	-	(187,298)
Disposal/unused	(33,670,881)	-	-	(1,030,888)	(22,340,666)	-	-	(57,042,435)
Transferred to/from	12,295,890	-	-	8,981,189	11,394,253	76,363,986	(109,035,318)	-
December 31, 2017	781,114,250	152,213,920	360,223,129	216,286,127	565,825,277	807,441,533	812,812	2,883,917,048
Purchases	13,212,417	-	-	1,323,234	8,252,000	16,071,680	678,669	39,538,000
Disposal/unused	(10,982,587)	-	(27,901)	-	(39,925,757)	(64,100)	-	(51,000,345)
Transferred to/from	-	-	-	812,812	-	-	(812,812)	-
December 31, 2018	783,344,080	152,213,920	360,195,228	218,422,173	534,151,520	823,449,113	678,669	2,872,454,703
<u>Accumulated depreciation</u>								
January 1, 2017	654,197,496	135,755,127	340,134,811	193,661,447	399,959,803	328,153,529	-	2,051,862,213
Depreciation for the year 2017	55,510,822	10,322,369	7,356,131	6,605,578	26,787,905	113,046,235	-	219,629,040
Decrease from disposal of subsidiary	(94,938)	-	-	-	-	-	-	(94,938)
Disposal/unused	(33,274,738)	-	-	(1,030,885)	(17,311,885)	-	-	(51,617,508)
Transferred to the computer softwares under installation	419,482	-	-	-	-	-	-	419,482
December 31, 2017	676,758,124	146,077,496	347,490,942	199,236,140	409,435,823	441,199,764	-	2,220,198,289
Depreciation for the year 2018	46,544,889	4,886,561	6,937,084	6,628,409	23,059,155	119,099,166	-	207,155,264
Disposal/unused	(10,793,325)	-	(17,215)	-	(29,237,253)	(46,888)	-	(40,094,681)
December 31, 2018	712,509,688	150,964,057	354,410,811	205,864,549	403,257,725	560,252,042	-	2,387,258,872
<u>Net book value</u>								
December 31, 2017	104,356,126	6,136,424	12,732,187	17,049,987	156,389,454	366,241,769	812,812	663,718,759
December 31, 2018	70,834,392	1,249,863	5,784,417	12,557,624	130,893,795	263,197,071	678,669	485,195,831

PARTICULARS	SEPARATE FINANCIAL STATEMENTS				
	Office furniture and equipment	Utility systems	Motor vehicles	Tools and processing equipment	Total
<u>Cost</u>					
January 1, 2017	145,500,642	20,122,095	46,026,751	2,089,034	213,738,522
Purchases	5,242,307	-	12,500,000	53,000	17,795,307
Disposal/unused	(163,000)	-	-	-	(163,000)
December 31, 2017	150,579,949	20,122,095	58,526,751	2,142,034	231,370,829
Purchases	2,530,850	-	-	2,650,000	5,180,850
Disposal/unused	(63,400)	-	(8,799,000)	-	(8,862,400)
December 31, 2018	153,047,399	20,122,095	49,727,751	4,792,034	227,689,279
<u>Accumulated depreciation</u>					
January 1, 2017	126,810,021	19,708,798	32,550,504	917,649	179,986,972
Depreciation for the year 2017	5,728,638	168,393	2,337,543	386,358	8,620,932
Disposal/unused	(162,999)	-	-	-	(162,999)
December 31, 2017	132,375,660	19,877,191	34,888,047	1,304,007	188,444,905
Depreciation for the year 2018	6,691,871	168,394	2,691,162	660,873	10,212,300
Disposal/unused	(28,413)	-	(7,099,000)	-	(7,127,413)
December 31, 2018	139,039,118	20,045,585	30,480,209	1,964,880	191,529,792
<u>Net book value</u>					
December 31, 2017	18,204,289	244,904	23,638,704	838,027	42,925,924
December 31, 2018	14,008,281	76,510	19,247,542	2,827,154	36,159,487

14. INTANGIBLE ASSETS

BAHT

PARTICULARS	CONSOLIDATED		
	The computer softwares	The computer softwares installation	Total
<u>Cost</u>			
January 1, 2017	283,499,593	23,520,532	307,020,125
Purchases	8,190,422	1,542,400	9,732,822
Disposal/unused	-	(2,265,000)	(2,265,000)
Decrease from disposal of subsidiary	(40,000)	-	(40,000)
Transferred from equipment	-	419,482	419,482
Transferred to/from	8,606,860	-	8,606,860
December 31, 2017	300,256,875	23,217,414	323,474,289
Purchases	3,056,700	-	3,056,700
Amortized to expenses	-	(127,500)	(127,500)
December 31, 2018	303,313,575	23,089,914	326,403,489
<u>Accumulated amortization</u>			
January 1, 2017	132,456,101	-	132,456,101
Decrease from disposal of subsidiary	(11,847)	-	(11,847)
Amortization for the year 2017	39,122,559	-	39,122,559
December 31, 2017	171,566,813	-	171,566,813
Amortization for the year 2018	37,956,818	-	37,956,818
December 31, 2018	209,523,631	-	209,523,631
<u>Net book value</u>			
December 31, 2017	128,690,062	23,217,414	151,907,476
December 31, 2018	93,789,944	23,089,914	116,879,858

BAHT

PARTICULARS	SEPARATE FINANCIAL STATEMENTS
	The computer softwares
<u>Cost</u>	
January 1, 2017	2,530,159
Purchases	18,000
December 31, 2017	2,548,159
Purchases	292,600
December 31, 2018	2,840,759
<u>Accumulated amortization</u>	
January 1, 2017	1,285,721
Amortization for the year 2017	268,728
December 31, 2017	1,554,449
Amortization for the year 2018	307,882
December 31, 2018	1,862,331
<u>Net book value</u>	
December 31, 2017	993,710
December 31, 2018	978,428

15. DEFERRED RIGHT TO USE PROPERTY

PARTICULARS	CONSOLIDATED							Total
	Building	Building improvement	Other structures	Color television and radio transmitter	Color television and radio equipment	Television relay vehicles	Network station property	
<u>Cost</u>								
January 1, 2017	94,571,922	64,797,373	1,819,856	370,167,506	979,263,339	22,107,790	2,312,655,694	3,845,383,480
December 31, 2017	94,571,922	64,797,373	1,819,856	370,167,506	979,263,339	22,107,790	2,312,655,694	3,845,383,480
Increase/decrease	-	-	-	-	-	-	15,402	15,402
December 31, 2018	94,571,922	64,797,373	1,819,856	370,167,506	979,263,339	22,107,790	2,312,671,096	3,845,398,882
<u>Accumulated amortization</u>								
January 1, 2017	89,263,654	64,509,870	1,819,852	305,828,473	789,717,577	20,944,251	1,963,891,690	3,235,975,367
Amortization for the year 2017	1,677,562	161,095	-	22,040,255	86,885,480	616,536	114,074,631	225,455,559
December 31, 2017	90,941,216	64,670,965	1,819,852	327,868,728	876,603,057	21,560,787	2,077,966,321	3,461,430,926
Amortization for the year 2018	1,677,562	88,120	-	21,259,401	84,962,710	518,093	109,373,052	217,878,938
December 31, 2018	92,618,778	64,759,085	1,819,852	349,128,129	961,565,767	22,078,880	2,187,339,373	3,679,309,864
<u>Net book value</u>								
December 31, 2017	3,630,706	126,408	4	42,298,778	102,660,282	547,003	234,689,373	383,952,554
December 31, 2018	1,953,144	38,288	4	21,039,377	17,697,572	28,910	125,331,723	166,089,018

BAHT

16. DEFERRED RIGHT TO USE SPECTRUM

BAHT

PARTICULARS	CONSOLIDATED	
	2018	2017
<u>Cost</u>		
Deferred right to use spectrum	5,790,744,882	5,790,744,882
<u>Accumulated amortization</u>		
Accumulated amortization - brought forward	1,438,208,542	1,053,448,125
Add Amortization of right to use spectrum for the years	384,760,418	384,760,417
Accumulated amortization - carried forward	1,822,968,960	1,438,208,542
Deferred right to use spectrum-net	3,967,775,922	4,352,536,340

BEC MULTIMEDIA CO., LTD., a subsidiary of the Company, won the auctions for licenses to use the spectrum to provide digital television service in the type of national commercial service ("License Agreement") including 3 licenses with price of auction totaling Baht 6,471 million (Excluding VAT) and the auction document charges amount of Baht 3 million, a subsidiary of the Company recognized deferred right to use spectrum totaling Baht 6,474 million. A subsidiary of the Company, recognised the cost of deferred right to use spectrum with the cash equivalent based on present value of installments this amount Baht 5,790.75 million.

The license to use the spectrum for 3 licenses consist :

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

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

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

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

- | | |
|-----------------------------|---|
| 4 th installment | Due within 30 days after the maturity period of 3 years from the date of receipt of the license totaling Baht 545.60 million (excluding VAT), the company paid on May 23, 2017. |
|-----------------------------|---|

On May 23, 2018, National Council for Peace and Order (NCPO) issued an order under Section 44 to help ease the financial burden the business of radio broadcasting, television broadcasting and telecommunications. The order allows the license holders, who were unable to comply with the rules for payment of license fees in the rest in

accordance with the terms and conditions, to notify by providing a written notification to NBTC within 30 days from the effective date of this order. In case NBTC deems the requests appropriate a moratorium on fee payments, a delay of payment period must not exceed 3 years which will be paid again in 2021 and the final installment due in 2025. A subsidiary of the company has exercised the moratorium rights for the rest of license fee payment, separate payments as follows:

5 th installment	Due within 30 days after the maturity period of 7 years from the date of receipt of the license totaling Baht 545.60 million (excluding VAT).
6 th installment	Due within 30 days after the maturity period of 8 years from the date of receipt of the license totaling Baht 444.10 million (excluding VAT).
7 th installment	Due within 30 days after the maturity period of 9 years from the date of receipt of the license totaling Baht 444.10 million (excluding VAT).
8 th installment	Due within 30 days after the maturity period of 10 years from the date of receipt of the license totaling Baht 444.10 million (excluding VAT).
9 th installment	Due within 30 days after the maturity period of 11 years from the date of receipt of the license totaling Baht 444.10 million (excluding VAT).

17. DEFERRED ADDITIONAL COMPENSATION

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

BAHT

PARTICULARS	CONSOLIDATED	
	2018	2017
Deferred Additional Compensation - Net brought forward	104,454,114	151,234,177
<u>Less</u> Amortization of additional compensation	(46,780,064)	(46,780,063)
Deferred Additional Compensation-Net carried forward	57,674,050	104,454,114

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

BAHT

PARTICULARS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
Deferred Pictures Rental, Picture Products, Plays and Copyright Charges-net brought forward	3,044,181,364	2,882,400,967	1,981,888,131	1,879,170,053
<u>Add</u> Increase during the years	2,184,748,801	2,945,032,739	2,131,680,294	2,896,113,742
<u>Less</u> Decrease by sale	-	-	(445,276,000)	(436,074,000)
Less Transferred to deposit on picture copyright	(23,200,000)	-	(23,200,000)	-
Total	5,205,730,165	5,827,433,706	3,645,092,425	4,339,209,795
<u>Less</u> Amortization for the years	(2,763,795,765)	(2,783,252,342)	(2,294,580,036)	(2,357,321,664)
Deferred Pictures Rental, Picture Products, Plays and Copyright Charges-net carried forward	2,441,934,400	3,044,181,364	1,350,512,389	1,981,888,131

19. OTHER NON-CURRENT ASSETS

BAHT

PARTICULARS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
Deferred right to use property	8,955,783	10,447,052	-	-
Marginal deposit	61,918,202	63,955,694	10,574,367	10,424,417
Withholding Tax (over 1 year)	673,903,721	382,199,487	-	-
Others	640,910	640,910	-	-
Total other non-current assets	745,418,616	457,243,143	10,574,367	10,424,417

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

BAHT

PARTICULARS	CONSOLIDATED	
	2018	2017
Bank overdrafts	18,230,855	9,884,692
Promissory notes	340,000,000	240,000,000
Total bank overdrafts and short-term borrowings from financial institutions	358,230,855	249,884,692

Promissory notes of subsidiary are guaranteed by director of subsidiary and the subsidiary (See Note 36.7.2).

21. TRADE AND OTHER PAYABLES

BAHT

PARTICULARS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
Trade accounts payables	579,556,832	865,941,744	285,654,509	260,057,209
Other payables	83,045,995	87,115,848	9,066,721	2,478,064
Total trade and other payables	662,602,827	953,057,592	294,721,230	262,535,273

22. SHORT-TERM BORROWINGS FROM SUBSIDIARIES

BAHT

PARTICULARS	SEPARATE FINANCIAL STATEMENTS		INTEREST RATES (%) PER ANNUM	
	2018	2017	2018	2017
<u>COMPANY BORROWINGS FROM SUBSIDIARIES</u>				
1. RUNGSIROJVANIT CO., LTD.				
Beginning balances	800,000,000	1,059,826,250		
Increase during the years	-	200,000,000		
Repayment during the years	(450,000,000)	(459,826,250)		
Ending balances	350,000,000	800,000,000	3.000-3.250	3.000-3.250
2. NEW WORLD PRODUCTION CO., LTD.				
Beginning balances	103,000,000	16,000,000		
Increase during the years	-	90,000,000		
Repayment during the years	-	(3,000,000)		
Ending balances	103,000,000	103,000,000	3.000-3.250	3.000-3.250
3. BEC BROADCASTING CENTER CO., LTD.				
Beginning balances	100,000,000	-		
Increase during the years	-	100,000,000		
Ending balances	100,000,000	100,000,000	3.000	3.000
4. BEC STUDIO CO., LTD.				
Beginning balances	8,000,000	8,000,000		
Ending balances	8,000,000	8,000,000	3.250	3.250
5. BANGKOK SATELLITE & TELECOMMUNICATION CO., LTD.				
Beginning balances	44,000,000	44,000,000		
Ending balances	44,000,000	44,000,000	3.000-3.250	3.250
6. BEC IT SOLUTION CO., LTD.				
Beginning balances	5,000,000	5,000,000		
Ending balances	5,000,000	5,000,000	3.000-3.250	3.250
7. BECI CORPORATION LTD.				
Beginning balances	150,000,000	175,000,000		
Repayment during the years	-	(25,000,000)		
Ending balances	150,000,000	150,000,000	3.000-3.250	3.250
8. BEC NEWS BUREAU CO., LTD.				
Beginning balances	-	-		
Increase during the years	180,000,000	-		
Ending balances	180,000,000	-	3.00	-
Total short-term borrowings from subsidiaries parties	940,000,000	1,210,000,000		

23. OTHER CURRENT LIABILITIES

BAHT

PARTICULARS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
Revenue Department payable	118,009,008	86,101,720	41,330,874	21,236,109
Undue sale tax	56,990,419	60,929,037	119,476,380	114,463,546
Cash received from selling tickets the contracting companies	487,453,508	105,509,600	-	-
Unearned revenues	104,348,248	78,173,557	1,178,695	-
Others	6,786,908	7,213,232	223,838	219,300
Total other current liabilities	773,588,091	337,927,146	162,209,787	135,918,955

24. FINANCIAL LEASES

BAHT

PARTICULARS	CONSOLIDATED	
	2018	2017
Minimum amount to be paid		
Within 1 year	4,418,965	4,238,382
Over 1 year but within 3 years	691,667	5,110,633
Total	5,110,632	9,349,015
<u>Less</u> Deferred interest expenses	(200,238)	(683,949)
Total	4,910,394	8,665,066
<u>Less</u> Current portion	(4,226,153)	(3,754,672)
Financial leases-Net	684,241	4,910,394

Financial leases are vehicle leases and payable on a monthly basis. This will be completed by the year 2019 - 2020. Portion of financial leases due within one year, is shown under current liabilities.

25. ACCRUED RIGHT TO USE SPECTRUM

BAHT

PARTICULARS	CONSOLIDATED					
	2018			2017		
	Future value of payments	Deferred interest	Present value of payments	Future value of payments	Deferred interest	Present value of payments
Current portion	-	-	-	545,600,000	(73,612,084)	471,987,916
Over 1 year but not over 5 years	1,433,800,000	(117,443,985)	1,316,356,015	1,776,400,000	(102,026,658)	1,674,373,342
Over 5 years	888,200,000	(10,907,447)	877,292,553	-	-	-
Total	2,322,000,000	(128,351,432)	2,193,648,568	2,322,000,000	(175,638,742)	2,146,361,258

PARTICULARS	CONSOLIDATED	
	2018	2017
Present value at the beginning	2,146,361,258	2,610,838,394
<u>Less</u> Payment of the digital television license fee	-	(500,043,202)
Payment of the interest expenses	-	(45,556,798)
Total payment of the digital television license fee	-	(545,600,000)
Amortization of interest for spectrum licensing for the years	47,287,310	81,122,864
Present value at the ending	2,193,648,568	2,146,361,258

Accrued right to use spectrum are the licenses fees to use the spectrum and payable on a yearly basis. This will be completed by the year 2025 (See Note 16).

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

26. DEBENTURES

On May 31, 2017, the Company has issued the debentures which are approved by the Ordinary General Shareholders' Meeting on April 27, 2017, as follows :

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	AMOUNT OF UNIT (UNITS)	AMOUNT OF BAHT
Debentures No. 1/2017 (At face value of Baht 1,000)	3,000,000	3,000,000,000
TYPE OF DEBENTURE	Unsubordinated and unsecured without a debentures holders' representative and are in the name-registered.	
TENOR (YEARS)	5	
INTEREST RATE (%) PER ANNUM	3.14	
INTEREST PAYMENTS	Interest payments are paid semi-annually on May 31 and November 30 each year.	
MATURITY DATE	May 31, 2022	

PARTICULARS	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	
	2018	2017
Debentures value	3,000,000,000	3,000,000,000
<u>Less</u> Deferred debentures issuing costs	(3,066,606)	(3,471,630)
Amortization of deferred debentures issuing costs	694,326	405,024
Deferred debentures issuing costs - net	(2,372,280)	(3,066,606)
Debentures - net	2,997,627,720	2,996,933,394

27. PROVISION FOR LONG-TERM EMPLOYEE BENEFITS

BAHT

PARTICULARS	SEPARATE FINANCIAL STATEMENTS		INTEREST RATES (%) PER ANNUM	
	2018	2017	2018	2017
<u>Defined benefit obligation</u>				
Beginning balances	657,169,648	618,604,120	54,866,094	54,976,785
Actuarial gain from employee benefit plan	(89,303,774)	-	(5,969,303)	-
<u>Add</u> Current service cost	17,683,575	35,960,327	2,176,219	2,076,930
Past service cost	134,813,300	-	8,409,558	-
Interest cost	10,238,513	10,101,165	524,708	454,931
<u>Less</u> Benefit paid during the years	(99,683,002)	(7,495,964)	(6,461,580)	(2,642,552)
<u>Less</u> Reverse provision for long-term employee benefits not apply	(4,671,971)	-	-	-
Transferred accrued provision for long-term employee benefits to accrued expenses	(10,037,100)	-	(868,950)	-
Ending balances	616,209,189	657,169,648	52,676,746	54,866,094

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

BAHT

PARTICULARS	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	
	2018	2017
Discount rate	1.72 - 3.60 % per annum	2.8 % per annum
Salary increase rate (depends on the age)	3 - 7 % per annum	3 - 10 % per annum
Staff turnover rate (depends on the age)	0 - 20 % per annum	0 - 19 % per annum

Sensitivity analysis on key assumption changes are as follows :

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PARTICULARS	2018	
	CONSOLIDATED	SEPARATE FINANCIAL STATEMENTS
Discount rate -1.0%	31,269,999	1,739,751
Discount rate (base)	616,209,189	52,676,746
Discount rate +1.0%	(27,606,123)	(1,584,036)
Expected rate of salary increase -1.0%	(27,422,655)	(1,580,263)
Expected rate of salary increase (base)	616,209,189	52,676,746
Expected rate of salary increase +1.0%	30,406,911	1,700,332

In 2018, the Group Companies had a retirement project and reduced manpower according to the organizational restructuring policy and paid extra compensation in the consolidated financial statements amount of Baht 250.31 million (separate financial statements amount of Baht 13.65 million). Under such project, some part of extra compensation has to deduct from incremental liabilities from provision for long-term employee benefits in the consolidated financial statement amount of Baht 109.72 million (separate financial statements amount of Baht 7.33 million) and recorded as expenses in the consolidated statements of income amount of Baht 140.59 million (separate financial statements amount of Baht 6.32 million).

On December 13, 2018, the National Legislative Assembly passed a resolution approving the draft of a new Labour Protection Act, which is in the process being published in the Royal Gazette. The new Labour Protection Act stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive compensation of not less than that of the last 400 days, based on the final wage rate. This change is considered a post-employment benefits plan amendment and the Company and its subsidiaries have additional liabilities for long-term employee benefits. 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 134.81 million (separate financial statements amount of Baht 8.41 million).

28. DIVIDEND PAYMENT AND DIRECTORS' REMUNERATION

On April 27, 2018, the Ordinary General Shareholders' Meeting was held and has acknowledged the payment of interim dividend during the year 2017 to the shareholders following the Board of Directors's Meeting held on August 10, 2017, which has a resolution to pay interim dividend at Baht 0.10 per share amount of Baht 200 million. The interim dividend payment was made on September 7, 2017 and the Meeting has a resolution no dividend payment for the second half of the year 2017 and the Meeting also approved to pay the directors' remuneration for the year 2018 directors' bonus amount of Baht 18 million and meeting allowance at the rate specified.

On April 27, 2017, the Ordinary General Shareholders' Meeting was held and has acknowledged the payment of interim dividend during the year 2016 to the shareholders following the Board of Directors's Meeting held on August 15, 2016, which has a resolution to pay interim dividend at Baht 0.45 per share amount of Baht 900 million. The interim dividend payment was made on September 14, 2016 and has a resolution to pay dividend for the results of their operation for the second half of the year 2016 at Baht 0.15 per share amount of Baht 300 million, dividend payment was made on May 25, 2017. Total dividend payment following the resolution at Baht 0.60 per share amount of Baht 1,200 million. The Meeting also approved to pay the directors' remuneration for the year 2017 directors' bonus amount of Baht 18 million and meeting allowance at the rate specified.

29. FINANCE COSTS

PARTICULARS	BAHT			
	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
Amortization of interest spectrum licensing	47,287,310	81,122,864	-	-
Interest expenses	26,555,895	44,831,488	26,368,048	60,873,393
Debentures interest	94,200,001	55,487,671	94,200,001	55,487,671
Amortization of deferred debentures issuing costs	694,326	405,024	694,326	405,024
Total finance costs	168,737,532	181,847,047	121,262,375	116,766,088

30. LEGAL RESERVE

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

31. EXPENSES BY NATURE

BAHT

PARTICULARS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
(Increase)decrease in changes of finished goods	135,153	2,184,973	(481,526)	(1,062,757)
Production expenses	5,626,679,464	5,910,713,803	2,853,387,127	2,861,193,019
Organizing concerts and shows expenses	308,825,928	386,498,435	-	-
Director and management benefit expenses	180,009,087	156,355,372	105,390,973	71,514,224
Employee benefit expenses	1,736,895,054	1,547,435,769	164,190,853	93,097,260
Depreciation	207,155,264	219,629,040	10,212,300	8,620,932
Amortization of intangible assets	37,956,818	39,122,559	307,882	268,728
Amortization of right to use property	217,878,938	225,455,559	-	-
Amortization of right to use spectrum	384,760,418	384,760,417	-	-
Amortization of additional compensation	46,780,064	46,780,063	-	-
Amortization of other non-current assets	1,491,269	1,491,268	-	-
Agencies and promotions expenses	411,052,064	378,740,690	3,428,683	3,929,147
Building and place expenses	486,188,131	467,066,470	93,858,354	95,283,777
Other expenses	1,242,308,672	1,391,836,771	154,813,938	159,852,187
Total	10,888,116,324	11,158,071,189	3,385,108,584	3,292,696,517

32. INCOME TAX

Corporate income taxes of the Company and subsidiaries for the years ended December 31, 2018 and 2017 were calculated from the accounting profit or loss and adjusted with other revenues and some expenses which are exempted from income tax, such as dividend income etc. or being disallowable expenses in income tax computation purposes such as doubtful debt and loss on impairment, etc.

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

The corporate income taxes of subsidiaries established under Thai law are calculated at the rate of 10, 15 and 20 percent.

The corporate income taxes of a subsidiaries established under The Republic of Union of Myanmar law are calculated at the rate of 25 percent.

Income taxes expenses (revenues) recognized in the statements of income consist :

BAHT

PARTICULARS FOR THE YEARS ENDED DECEMBER 31,	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
The corporate income tax for the years	269,402,165	276,707,538	126,241,317	104,797,054
Deferred tax from the temporary difference and the reversal of the temporary	(341,488,655)	(235,636,055)	7,185,867	2,585,812
Income tax expenses (revenues)	(72,086,490)	41,071,483	133,427,184	107,382,866

As at December 31, 2018 and 2017, the deferred tax assets/liabilities arose from the following temporary differences:

BAHT

PARTICULARS	CONSOLIDATED		SEPARATE	
	2018	2017	2018	2017
Temporary differences in the statements of income				
Gain from investments in Open-end Fund adjustment	(6,721)	-	-	-
Allowance for trading securities	(1,864,000)	(5,359,000)	(1,864,000)	(5,359,000)
Allowance for doubtful accounts receivable	41,624,448	7,501,948	33,000,000	-
Allowance for available-for-sale securities	176,223,561	176,223,561	176,223,561	176,223,561
Allowance for diminution of other current assets	545,422	545,422	-	-
Calculate depreciation difference from tax rate	16,742,778	16,742,778	-	-
Provision for long-term employee benefits	705,105,827	649,698,155	58,646,049	54,866,094
(Gain) loss on revaluation investments property	(1,198,565)	(1,248,565)	163,980	113,980
Calculate amortization of right to use spectrum difference from tax rate	366,126,078	366,788,898	-	-
Calculation of gain on sale of investments difference from tax rate	-	771,278	-	-
Amortization copyright plays disposal difference from tax rate	-	76,948,615	-	76,948,615
Allowance for loss from investment in subsidiary dissolution held by subsidiary	-	22,325,593	-	-
Unused tax losses	3,588,648,683	1,874,259,877	-	-
Deferred debentures issuing costs	(2,372,280)	(3,066,606)	(2,372,280)	(3,066,606)
Total	4,889,575,231	3,182,131,954	263,797,310	299,726,644
Temporary differences in the retained earnings				
Provision for long-term employee benefits	(89,251,991)	-	(5,969,303)	-
Temporary differences in the shareholders' equity				
Unrealized gain on remeasuring available- for-sale securities	(30,171,796)	(95,411,796)	(30,171,796)	(95,411,796)
Total	4,770,151,444	3,086,720,158	227,656,211	204,314,848
Deferred tax assets calculated from tax rate of 20%	954,030,289	617,344,032	45,531,242	40,862,969

33. TRANSACTIONS WITH RELATED PERSONS AND PARTIES

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

RELATED PERSONS AND PARTIES	RELATIONSHIP
1. Subsidiaries	See Note 11
2. Associates held by subsidiary	See Note 11
3. Related companies	
3.1 MALEENONT TOWER CO., LTD.	Shareholders and /co-directors
3.2 MILLIONAIRE PROPERTY FUND	MALEENONT TOWER CO., LTD., is major investment unit holder
3.3 WAVE ENTERTAINMENT PUBLIC CO., LTD. AND SUBSIDIARIES	Co-directors
3.4 THAI FIGHT CO., LTD.	Directors and related persons are shareholders to May 31,2018
3.5 DDD NIRUNDORN CO., LTD.	Shareholders and /co-directors
4. Related companies of subsidiary	
4.1 TELEVISION BROADCASTS LIMITED	The holding company of TVB 3 NETWORK CO., LTD., a subsidiary company of BEC INTERNATIONAL DISTRIBUTION CO., LTD.
4.2 FOREVER GROUP CO., LTD.	The holding company of FOREVER BEC-TERO CO., LTD.,an associate of BEC-TERO ENTERTAINMENT PUBLIC COMPANY LIMITED
4.3 LIVE NATION (HK) LIMITED	The holding company of LIVE NATION BEC-TERO ENTERTAINMENT CO.,LTD., an associate of BEC-TERO ENTERTAINMENT PUBLIC COMPANY LIMITED
5. Related persons	Directors of Company /subsidiaries

The significant transactions with related persons and parties are as follows :

STATEMENTS OF FINANCIAL POSITION TRANSACTIONS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
1. Trade and other receivables (Note 6)				
Trade accounts receivables				
- Subsidiaries	-	-	1,894,536,391	1,845,106,557
- Related companies	588	2,787,718	-	-
- Associates held by subsidiary	9,925,882	2,107,254	-	-
- Related company of subsidiaries	46,948,872	49,972,889	-	-
Total trade accounts receivables	56,875,342	54,867,861	1,894,536,391	1,845,106,557
Other receivables				
- Associates held by subsidiary	132,645,545	89,243,240	-	-
Total other receivables	132,645,545	89,243,240	-	-
Total trade and other receivables	189,520,887	144,111,101	1,894,536,391	1,845,106,557
2. Short-term loans extended (Note 7)				
- Subsidiaries-net	-	-	4,822,525,655	4,328,018,779
- Associates held by subsidiary	26,330,248	25,947,360	-	-
Total	26,330,248	25,947,360	4,822,525,655	4,328,018,779

STATEMENTS OF FINANCIAL POSITION TRANSACTIONS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
3. Other current assets				
- Subsidiaries	-	-	115,053,164	104,177,266
- Associates held by subsidiary	7,850,957	6,070,969	-	-
Total	7,850,957	6,070,969	115,053,164	104,177,266
4. Purchase of plays				
- Related company	-	56,000,000	-	56,000,000
5. Sale of plays (Note 18)				
- Subsidiary	-	-	445,276,000	436,074,000
6. Sale investments property				
- Related companies	-	91,326,284	-	-
7. Other non-current assets				
Leased building deposits				
- Related company	45,659,320	46,919,824	10,419,744	10,419,744
8. Trade and other payable				
- Subsidiary	-	-	232,545,047	61,524,158
- Associates held by subsidiary	1,351,788	6,001,848	-	-
- Related companies	10,213,293	12,440,929	252,411	-
- Related companies of subsidiary	4,767,848	4,768,554	-	-
Total	16,332,929	23,211,331	232,797,458	61,524,158
9. Short-term borrowings (Note 22)				
- Subsidiary	-	-	940,000,000	1,210,000,000
10. Accrued interest				
- Subsidiary	-	-	12,138,493	19,663,253
- Related companies of subsidiaries	1,825,905	1,785,031	-	-
Total	1,825,905	1,785,031	12,138,493	19,663,253
11. Other current liabilities				
- Associates held by subsidiary	29,854,203	20,202,826	-	-
STATEMENTS OF FINANCIAL POSITION TRANSACTIONS FOR THE YEARS ENDED DECEMBER 31,	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
12. Advertisement income				
- Subsidiaries	886,659,000	855,174,000		
- Associates held by subsidiary	23,388,250	26,369,400	-	-
- Related companies	4,192,000	6,100,000	-	-
- Related persons	-	37,365,000	-	-
Total	27,580,250	69,834,400	886,659,000	855,174,000
13. Income from copyright and other service				
- Subsidiaries	-	-	2,885,612,100	2,782,634,337
- Associates held by subsidiary	57,180,967	45,110,661	-	-
- Related companies	550	630	-	-
- Related companies of subsidiary	300,000	2,890,040	-	-
Total	57,481,517	48,001,331	2,885,612,100	2,782,634,337

STATEMENTS OF FINANCIAL POSITION TRANSACTIONS FOR THE YEARS ENDED DECEMBER 31,	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
14. Income from organizing concerts and shows				
- Associates held by subsidiary	20,483,407	11,912,463	-	-
15. Sales of goods				
- Subsidiaries	-	-	13,016,690	811,433
- Associates held by subsidiary	124,300	-	-	-
- Related companies	55,675	-	-	-
Total	179,975	-	13,016,690	811,433
16. Dividend income (Note 11)				
- Subsidiaries	-	-	-	609,989,290
17. Other income				
- Subsidiaries	-	-	182,941,140	148,062,236
- Associates held by subsidiary	22,519,212	24,563,244	-	-
- Related companies of subsidiary	430,425	680,555	-	-
Total	22,949,637	25,243,799	182,941,140	148,062,236
18. Cost of sales and services				
- Subsidiaries	-	-	344,387,881	261,027,285
- Associates held by subsidiary	19,943,748	36,725,076	-	-
- Related companies	146,280,967	153,342,572	131,095	360,155
Total	166,224,715	190,067,648	344,518,976	261,387,440
19. Cost of organizing concerts and shows				
- Associates held by subsidiary	16,009,108	875,962	-	-
- Related companies of subsidiary	-	169,850	-	-
Total	16,009,108	1,045,812	-	-
20. Selling expenses				
- Associates held by subsidiary	829,290	1,200,079	-	-
- Related companies	2,385,150	-	-	-
Total	3,214,440	1,200,079	-	-
21. Administrative expenses				
- Subsidiaries	-	-	28,383,082	35,921,109
- Associates held by subsidiary	42,497	81,234	-	-
- Related companies	141,012,275	142,602,426	49,344,377	49,471,066
Total	141,054,772	142,683,660	77,727,459	85,392,175
22. Interest expenses				
- Subsidiaries	-	-	26,368,048	33,114,435
- Related companies of subsidiary	40,873	30,389	-	-
Total	40,873	30,389	26,368,048	33,114,435

34. FINANCIAL INFORMATION BY SEGMENT

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

35. REGISTERED PROVIDENT FUND

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

Provident fund contributions made by the Company and its subsidiaries for their employees and recorded as expenses in the statements of income for the years ended December 31, 2018 and 2017 are Baht 38.67 million (the Company Baht 3.36 million) and Baht 40.49 million (the Company Baht 2.34 million), respectively.

36. COMMITMENTS AND CONTINGENT LIABILITIES

36.1 Commitments

As at December 31, 2018, the subsidiaries have commitments, as follows :

MILLION BAHT	
PARTICULARS	CONSOLIDATED
Bank guarantees	
- guarantee for compliance with the terms of payment spectrum to provide terrestrial digital television service in the type of national commercial service	2,484.54
- guarantee for compliance with Lease Agreement to lease for digital terrestrial television network service	206.72
- guarantee for payment of the broadcast live match, match records and others of international football programs	32.61
- guarantee of agreement for joint operation of color TV transmission	10.00
- Others	10.93

36.2 Commitments on long-term leases

As at December 31, 2018, the Company and its subsidiaries have commitments on leases agreement, as follows:

- The Company and its subsidiaries have entered into Lease Agreement to lease the office space of Maleenont Tower, on B1, G, 2nd - 11th, 21st - 23th, 25th - 28th and 30th - 34th floors, at 3199 Rama IV Road, Kwaeng Klongtan, Khet Klongtoey, Bangkok with Millionaire Property Fund for the total period of 3 years.
- Its subsidiary has entered into Lease Agreement to lease the space of Maleenont Tower (M II), on B2 and 2nd - 12th Floors for the period of 3 years, commencing from April 9, 2016 to April 8, 2019.
- Its subsidiary has entered into Lease Agreement to lease the space of BAIYOK II Building, 84th Floor for the period of 3 years, commencing from March 17, 2017 to March 16, 2020.

MILLION BAHT

PARTICULARS	CONSOLIDATED	SEPARATE FINANCIAL STATEMENTS
Space rental, equipment and furnishing on the leased space (per month)		
Maleenont Tower	5.83	2.05
Maleenont Tower (M II)	2.86	-
BAIYOK II Building	1.20	-
Total	9.89	2.05
Common services (per month)		
Maleenont Tower	3.89	1.37
Maleenont Tower (M II)	1.90	-
Total	5.79	1.37
Total	15.68	3.42

- The subsidiary has transferred Land Sub-Lease Agreement from BEC-TERO SASANA CO., LTD. (RENAME : TERO SASANA SPORT CLUB CO., LTD.) for the period of 8 years and 11 months, commencing from February 1, 2016 to December 31, 2024. As at December 31, 2018 payments are as follows :

MILLION BAHT

PARTICULARS	MINIMUM AMOUNT
Current portion	1.44
Over 1 year but not over 5 years	6.48
Over 5 years	1.68
Total	9.60

36.3 Commitments on joint-operation contracts with MCOT

As at December 31, 2018, BANGKOK ENTERTAINMENT CO., LTD., has to pay annual compensation to MCOT according to the Television Joint-operation of color TV transmission contract, as follows :

MILLION BAHT

PARTICULARS	MINIMUM AMOUNT
Current portion	244.06
Over 1 year but not over 2 years	61.75
Total	305.81

As at December 31, 2018, BANGKOK ENTERTAINMENT CO., LTD., has to pay annual compensation according to the Contract of Operating Program and Advertisement through an MCOT FM radio station, at 105.5 MH frequency to MCOT, as follows :

MILLION BAHT

PARTICULARS	MINIMUM AMOUNT
Current portion	31.99
Over 1 year but not over 2 years	2.69
Total	34.68

36.4 As at December 31, 2018, commitments of Lease Agreement to lease for digital terrestrial television network service between BEC MULTIMEDIA CO., LTD., with TPBS as follows:

MILLION BAHT

PARTICULARS	MINIMUM AMOUNT
Current portion	216.00
Over 1 year but not over 5 years	1,079.00
Over 5 years	1,231.27
Total	2,526.27

36.5 Commitments on satellite signal services and integrated signal services

36.5.1 BEC MULTIMEDIA CO., LTD., a subsidiary of the Company, entered into a satellite signal services with THAIKOM PUBLIC COMPANY LIMITED for the period of 2 years 19 days, commencing from December 1, 2017 to December 19, 2019. As at December 31, 2018 payments are as follows :

MILLION BAHT

PARTICULARS	MINIMUM AMOUNT
Current portion	52.99 (USD 1,624,773.34)

36.5.2 BEC MULTIMEDIA CO., LTD., a subsidiary of the Company, entered into a integrated signal services with TC BROADCASTING COMPANY LIMITED for the period of 2 years 19 days, commencing from December 1, 2017 to December 19, 2018. As at December 31, 2018 payments are as follows :

MILLION BAHT

PARTICULARS	MINIMUM AMOUNT
Current portion	0.94 (USD 28,710.00)

36.5.3 BEC MULTIMEDIA CO., LTD., a subsidiary of the Company, entered into a contract the high-speed communication circuit services with INTERLINK TELECOM COMPANY LIMITED for the period of 3 years, commencing from May 1, 2017 to April 30, 2020. As at December 31, 2018 payments are as follows :

MILLION BAHT

PARTICULARS	MINIMUM AMOUNT
Current portion	3.11
Over 1 year but not over 2 years	1.04
Total	4.15

36.5.4 BEC MULTIMEDIA CO., LTD., a subsidiary of the Company, entered into a integrated signal services Preemptible Transponder with THAI COM PUBLIC COMPANY LIMITED for the period of 8 years 6 months and 25 days, commencing from September 1, 2015 to March 25, 2024. As at December 31, 2018 payments are as follows :

MILLION BAHT	
PARTICULARS	MINIMUM AMOUNT
Current portion	24.99 (USD 766,100.00)
Over 1 year but not over 5 years	99.94 (USD 3,064,400.00)
Over 5 years	5.90 (USD 180,884.73)
Total	130.83

36.6 Commitments on right charges under buying forward contract

The Company and subsidiaries have commitments on right charges under buying forward contract, as at December 31, 2018 are as follows:

MILLION BAHT		
PARTICULARS	MINIMUM AMOUNT	
	CONSOLIDATED	SEPARATE FINANCIAL STATEMENTS
Current portion		
- Foreign pictures	62.32	62.32
- Volleyball	138.61	138.61
	(USD 4,250,000.00)	(USD 4,250,000.00)
- Music copyright	13.54	-
	(USD 415,000.00)	-
- Computer software copyright	3.98	3.98
	(USD 121,980.00)	(USD 121,980.00)
Over 1 year but not over 5 years		
- Foreign pictures	1.10	1.10
- Volleyball	138.61	138.61
	(USD 4,250,000.00)	(USD 4,250,000.00)
- Music copyright	7.01	-
	(USD 215,000.00)	-
Total	365.17	344.62

36.7 Commitments from guarantees

36.7.1 The Company has commitments from guarantees as follows :

- Guarantees for compliance with the terms of payment of spectrum to provide terrestrial digital television service in the type of national commercial service for BEC MULTIMEDIA CO., LTD., a subsidiary of the Company with a certain financial institution in amount of Baht **2,484.54** million.

- Guarantees for compliance with Lease Agreement to lease for digital terrestrial television network service for BEC MULTIMEDIA CO., LTD., a subsidiary of the Company with a certain financial institution in amount of Baht 206.72 million.
- Guarantees for compliance with the terms of payment of the broadcast live match, match records and others of international football programs for BANGKOK ENTERTAINMENT CO., LTD., a subsidiary of the Company with a certain financial institution in amount of Baht 32.61 million.

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

- Guarantees for the loans of BEC-TERO RADIO CO., LTD (The subsidiary of BEC-TERO ENTERTAINMENT PUBLIC COMPANY LIMITED), to a certain financial institution in amount not exceed of Baht 120 million.

37. LITIGATION

37.1 According to BEC-TERO ENTERTAINMENT PUBLIC COMPANY LIMITED a subsidiary of the Company, had a dispute in 2013 concerning breach of contract and demand for damages, which shall be resolved by arbitration in Singapore. In 2016, the arbitral tribunal granted a partial award, concluding that the Subsidiary breached the disputing contract. Later on, the Subsidiary issued a letter to the arbitral tribunal, objecting the partial award on the grounds that there were reasons to believe that the proceedings and partial award are unlawful, and also informing that it neither wish to proceed any further with the arbitration nor accept any awards of the tribunal. In 2017, the tribunal rendered the final award that the Subsidiary shall be liable to the plaintiff for the damages of EUR 2.06 million together with interest, arbitration costs, and the costs incurred to the plaintiff as determined by the tribunal.

In December 2018, the plaintiff petitioned for enforcement of the Singapore arbitral awards at the Central Intellectual Property and International Trade Court in Thailand in order to compel the subsidiary to pay damages of Baht 111.91 million together with interest thereon and pay the court proceeding cost and lawyer's fee for the plaintiff. As of December 31, 2018, this case is still in process of the Thai court hearing whereby Thai courts may refuse enforcement of the arbitral awards for certain reason as provided by law. Therefore, the Subsidiary decides not to recognize these contingent expenses and liabilities in its accounting records due to a reason that the court decision on this case is uncertain.

37.2 In 2017, two subsidiary companies were sued as a co-defendant for a breach of contract to live broadcast football match from Europe in the amount of Baht 260.22 million. On December 31, 2018 the case is being considered by the civil court. The subsidiary companies expect no negative effect from being sued therefore, the contingent expenses and liabilities from the outcome of such case have not been accounted for.

37.3 In 2018, the Company and its subsidiaries were sued as a co-defendant in 3 cases of lawsuits total amount of Baht 132 million. On December 31, 2018, which is a civil case, amount of Baht 100 million, the Thai court has temporarily struck out the case in order to wait for the outcome of the criminal case. As for the 2 litigation case in the amount of Baht 32 million are being considered by the civil court case, the Company and its subsidiaries expect no negative effect from being sued therefore, the contingent expenses and liabilities from the outcome of such case have not been accounted for.

37.4 A subsidiary of the Company was sued as a defendant in 2015 for a breach of contract in the approximate amount of Baht 26 million, which the court of first instance ordered the subsidiary company to pay damages and compensation to the plaintiff. Later on, the subsidiary company submitted an appeal against to the court and the court of appeal rendered its judgment to dismiss the case in August 2017. Afterwards, the plaintiff has submitted a petition to the supreme court and the court accepted the petition in July 2018. On December 31, 2018, the case is currently being considered by the supreme court. As the subsidiary company expects no negative financial effect from being sued therefore, the contingent expenses and liabilities from the outcome of such case have not been accounted for.

38. 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:

38.1 Accounting policies and procedure

See Note 3.

38.2 Risk from breach of contracts

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

38.3 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.

38.4 Risk from exchange rate

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

38.5 Fair value of financial instruments

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

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

39. RECLASSIFICATION

The Company certain accounting transactions in the consolidated financial statements for the year ended December 31, 2017 have been reclassified to conform to the consolidated financial statements for the year ended December 31, 2018. The reclassifications had no effect to previously reported profit or shareholders' equity.

40. FINANCIAL STATEMENTS APPROVAL

These financial statements are duly approved by the Company's directors on February 18, 2019.

REVENUE STRUCTURE

Revenue Structure of the Group during the previous three Years, 2018, 2017 and 2016, respectively.

(These revenues are net of intra-group transactions.)

Product / Service		Provided by (Company Limited)	2018		2017		2016	
			Million Baht	%	Million Baht	%	Million Baht	%
<u>Advertising Income</u>								
<u>Television Media</u>	BEC World Plc.							
	Bangkok Entertainment ¹							
	Rungsirojvanit ¹							
	BEC Multimedia ¹							
	BEC-Tero Entertainment and sub ²							
Total Advertising Income from Television Media			8,648.75	82.48	9,654.22	86.11	10,885.28	86.84
<u>Radio Media</u>	Bangkok Entertainment ¹							
	You & I Corporation ¹							
	BEC-Tero Entertainment and sub ²							
Total Advertising Income from Radio Media			230.10	2.19	235.98	2.10	265.90	2.12
Total Advertising Income			8,878.85	84.67	9,890.20	88.21	11,151.18	88.96
<u>Income from Copyright Licensing and Other Services</u>								
	BEC World Plc.	81.89	0.78	6.16	0.05	5.76	0.04	
	Bangkok Entertainment ¹	73.87	0.70	33.56	0.30	5.58	0.04	
	Bangkok Television ¹	128.71	1.23	57.59	0.51	80.43	0.65	
	BEC-Tero Entertainment and sub ²	439.87	4.19	384.81	3.43	346.72	2.77	
	BEC Multimedia ¹	0.00	0.00	4.69	0.04	3.27	0.03	
	BEC International Distribution ¹	0.00	0.00	2.89	0.03	2.93	0.02	
	BEC IT Solution ¹	0.95	0.01	0.85	0.01	0.80	0.01	
	BEC ASSET ¹	0.27	0.01	0.23	0.01	-	-	
	BECi Corporation ¹	329.23	3.14	127.83	1.14	95.71	0.76	
Income from copyright licensing and other services			1,054.79	10.06	618.59	5.52	541.20	4.32
<u>Income from Concerts and Shows</u>								
	BEC-Tero Entertainment and sub ²	368.53	3.51	454.20	4.05	470.19	3.75	
<u>Income from Sale of Goods</u>								
	BEC World Plc.							
	BEC-Tero Entertainment and sub ²	73.52	0.70	71.97	0.64	103.18	0.82	
Total Income from Sales and Services			10,375.69	98.94	11,034.96	98.42	12,265.75	97.85
Other Income			110.72	1.06	176.87	1.58	268.81	2.15
Total Revenue			10,486.41	100.00	11,211.83	100.00	12,534.56	100.00

Note : ¹ 99.99% held by BEC World Public Company Limited

² 59.99% held by BEC World Public Company Limited

REVENUE STRUCTURE AND CHANGES FROM THE PREVIOUS YEAR

The main revenue of the BEC Group in 2018 is mainly from advertising income, which is mostly from the sales of TV commercials. The next significant revenue are incomes from copyright licensing and other services from entertainment activities organization, sale of right to use our programs, movies and dramas (soap-opera) for VCD/DVD distribution within the country, global content licensing and advertising from online business via BEC Group's platforms and websites such as CH3Thailand and Mello, as well as other alliance platforms. In addition, we also have revenue from the selling of show and bus tickets services, mobile entertainment and other services. Other important revenue are from concerts and shows organization.

In 2018, advertising income is the main income of BEC Group with the total advertising revenue of Baht 8,878.85 million (equal to 84.67% of the total revenue), which is 10.2% lower compared to the revenue of the last year at Baht 9,890.2 million. In this regard, the total advertising income from television business is Baht 8,648.75 million, which is 10.4% lower compared to the previous year at Baht 9,654.22 million; and the total advertising income from radio business is Baht 230.10 million, which is 11.25% lower compared to the previous year at Baht 235.98 million. Furthermore, the revenue from copyright licensing and other services are Baht 1,054.79 million (equal to 10.06% of the total revenue), which is 70.05% higher compared to the previous year at Baht 618.59 million. The rise in the revenue is due to:

1. The growth of our online business by BECi Corporation Co., Ltd. via BEC Group's platforms and websites and our alliance platforms;
2. The increase in the sale of global content licensing from BEC World PLC. and Bangkok Television Co., Ltd.; and
3. The selling of show and bus tickets services by BEC-Tero Entertainment Co., Ltd. and subsidiaries.

Moreover, the revenue from concerts and shows is Baht 368.5 million (equal to 3.51% of the total revenue), which is 18.9% lower compared to the last year at Baht 454.2 million and the revenue from sale of goods is Baht 73.5 million (equal to 0.7% of the total revenue) which is 2.2% higher compared to the previous year at Baht 72 million.

LIST OF TOP TEN LARGEST SHAREHOLDERS

List of major shareholders

(a) As of 28 March 2018, the latest closing of the company share registrar within the last fiscal year, including holding shares of relevant persons and shareholders who are under the same controller group as follow:

	Name of the shareholders	Number of shares	Percentage
1.	Maleenont Group*	857,640,100	42.88%
2.	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	194,465,893	9.72%
3.	NORTRUST NOMINEES LTD-CL AC	117,018,500	5.85%
4.	Mr. Thaveechat Chulangkul	100,328,400	5.02%
5.	Thai NVDR Co., Ltd.	63,250,136	3.16%
6.	STATE STREET EUROPE LIMITED	46,356,804	2.32%
7.	BNP PARIBAS SECURITIES SERVICES LUXEMBOURG	33,384,100	1.67%
8.	Mr. Nuttapol Chulangkul	32,976,600	1.65%
9.	SOCIAL SECURITY OFFICE	24,668,600	1.23%
10.	CHASE C.S. CENTRAL NOMINEES LIMITED	17,552,600	0.87%

* Detail of the Maleenont Group is as follows:

Name of the shareholders	Number of shares held	Number of Percentage	Name of the shareholders	Number of shares held	Number of Percentage
1.) Ms. Ratana Maleenont	179,672,420	8.98%	11.) Ms. Navasinee Maleenont	23,515,000	1.18%
2.) Ms. Amphorn Maleenont	129,113,500	6.46%	12.) Ms. Cathleen Maleenont	17,634,380	0.88%
3.) Ms. Nipa Maleenont	129,113,300	6.46%	13.) Mr. Jiravat Maleenont	17,000,000	0.85%
4.) Mr. Prachum Maleenont	66,575,000	3.33%	14.) Ms. Nobchulee Maleenont	17,000,000	0.85%
5.) Mr. Saran Nipatakusol	58,787,500	2.94%	15.) Ms. Paralee Maleenont	17,000,000	0.85%
6.) Mr. Jaturont Nipatakusol	58,787,500	2.94%	16.) Ms. Tracy Ann Maleenont	16,460,500	0.82%
7.) Mr. Tospol Maleenont	23,515,000	1.18%	17.) Ms. Ann Maleenont	16,460,500	0.82%
8.) Ms. Pinkamol Maleenont	23,515,000	1.18%	18.) Ms. Piyawadee Maleenont	8,230,250	0.41%
9.) Mr. Noppatee Maleenont	23,515,000	1.18%	19.) Ms. Prissana Maleenont	8,230,250	0.41%
10.) Ms. Navaree Maleenont	23,515,000	1.18%			
			Total	857,640,100	42.88%

Changes in securities holdings After 28 March 2018 the latest closing of the company share registrar within the last fiscal year

Name-Family name From Acquired / Distributed	Form	Acquired / Distributed	% After acquisition / Disposition	Date Acquired / Distributed
1.) Mr. Thaveechat Chulangkul	246-2	Acquired	10.14%	7/12/2018
2.) Mr. Prachum Maleenont	59-2	Acquired	3.43%	04/04/2018
	59-2	Acquired	3.48%	11/05/2018
	59-2	Acquired	3.53%	14/05/2018
	59-2	Acquired	3.55%	22/06/2018

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

Issuance of Other Securities

In 2018, BEC World and subsidiaries has issued the following debt instruments:

(1) Promissory Note

In 2018, several subsidiaries issued many promissory notes with a commercial bank. As at 31 December 2018, the aggregate total of undue promissory notes are 340 Million Baht. The due date of the said remaining undue promissory notes are extendable and will gradually be due in 2019. Each note is guaranteed by directors of such subsidiaries and other subsidiaries of the Company.

(2) Debenture

The Company has issued debentures pursuant to the resolution of the Annual General Shareholders meeting, held on 27 April 2017. As at 31 December 2017, the details of the undue debenture is as follow:

No.	1/2560
Date of Issuance	31 May 2017
Type	Offering target Institutional investors and major investors.
Amount of debentures offered	3,000,000 unit (1,000 baht/unit)
Unredeemed debentures	3,000 million Baht
Tenor	5 years
Coupon rate	3.14% per year
Interest payment	Every 6 months, on 31 May and 30 November of each year throughout the term of the debenture.
Maturity date	31 May 2022

Dividend payment policy

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

Year	2018	2017	2016	2015	2014	2013
Net Profit per share (Baht)	(0.17)	0.03	0.61	1.49	2.17	2.79
Dividend per share (Baht)	-	0.10	0.60	1.40	2.00	2.60
Dividend payment to net profit ratio (%)	-	327.8%	98.52%	93.87%	92.23%	93.03%

MANAGEMENT STRUCTURE AND CORPORATE GOVERNANCE

Management Structure

1. Board of Directors

As of 29 March 2019, the Company's Board of Directors comprised of 13 directors, consisting of 4 executive directors and 8 non-executive directors. The 8 non-executive directors already included 4 independent directors. The directors and their position in other committees are as follows:

1. Mr. Somchai Boonnamsiri	Independent Director / Chairman of the Board, Chairman of the Audit Committee
2. Mr. Prachum Maleenont ⁽¹⁾	Director / Vice-Chairman of the Board, Chairman of the Executive Committee
3. Mr. Somprasong Boonyachai ⁽²⁾	Non-Executive Director / Chairman of the Corporate Governance Committee
4. Miss Ratana Maleenont	Director / Executive Director, Member of the Nomination and Remuneration Committee
5. Miss Amphorn Maleenont	Director / Executive Director
6. Mrs. Ratchanee Nipatakusol	Director / Executive Director, Member of the Corporate Governance Committee
7. Miss Nipa Maleenont	Non-Executive Director
8. Mr. Chansak Fuangfu	Independent Director / Chairman of the Risk Management Committee
9. Mr. Prathan Rangsimaporn	Independent Director / Member of the Audit Committee, Chairman of the Nomination and Remuneration Committee
10. Mr. Manit Boonprakob	Independent Director / Member of the Audit Committee, Risk Management Committee and Nomination and Remuneration Committee
11. Mr. Matthew Kichodhan	Non-Executive Director
12. Mr. Tospol Maleenont	Non-Executive Director / Member of the Risk Management Committee and Corporate Governance Committee

In this regard, all independent directors and the Audit Committee are qualified under relevant regulations in all aspects. CV of directors, executive officers are shown on page 157.

Remark: The changes in the Board of Directors during 2018 are as follows:

- ⁽¹⁾ The Board of Directors meeting No. 2/2561, held on 12 February 2018, acknowledged Mr. Kavin Kanjanapas's resignation from the position of independent director, having effect from 12 February 2018 onward. This resignation was due to the fact that Mr. Kavin have many missions which make him unable to fully perform his duties as director and independent director. As at the date of resignation, the remaining term of his directorship is 1 year and 4 months.
- ⁽²⁾ The Board of Directors meeting No. 6/2561 acknowledged Mr. Voravat Maleenont's resignation from the position of director, having effect from 9 May 2018 onward. As at the date of resignation, the remaining term of his directorship is 2 years and 2 months.
- ⁽³⁾ The Board of Directors meeting No. 4/2562, held on 4 March 2019, appointed Mr. Ariya Banomyong to replace the vacant position, which the remaining term is one year. In addition, the meeting also appointed Mr. Ariya Banomyong as an executive director in the position of "President", having effect from 2 May 2019 onward. Moreover, the meeting also resolved to restructure the management structure and appoint Mr. Prachum Maleenont as the Chairman of the Executive Committee, having effect from 2 May 2019 onward
- ⁽⁴⁾ The Board of Directors meeting No. 6/2562, held on 29 March 2019, resolved to restructure the Company's executives position, having effect from 18 April 2019 onward, as follows:
 - 1) Mr. Prachum Maleenont
Previous Position: Group Chief Executive Officer (G-CEO)
New Position: Chairman of the Executive Committee
 - 2) Miss Amphorn Maleenont
Previous Position: Chief Operating Officer (COO)
New Position: Executive Director
 - 3) Mr. Ariya Banomyong: President

Authorized Directors

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

Scope of Authority of the Board of Directors

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

Measures to prevent Conflict of Interest

The Board of Directors has set out measures to prevent conflict of interest by requiring the directors and executives to disclose information regarding any contract relating to the managing of the Company and its subsidiaries between the Company and the directors and executives, their close relatives, or other related parties to the Company Secretary. The Company Secretary shall then collect the information and report them to the Audit Directors, and propose them to the Board of Directors for their approval pursuant to relevant procedure, as well as disclosing such transaction to comply with relevant regulation thereof.

In addition, the Board of Directors has approved the Human Resources Department to prepare a Code of Conduct regarding business operation and notify all employees to comply with such Code of Conduct. The chapter regarding conflict of interest regulates that the interests of BEC Group and all stakeholders shall be considered when conducting any business operations. The Company should avoid any conflict of interest or any courses of action that may pose conflict of interest which may cause losses or inappropriate benefit to BEC Group. In this regard, the regulation regarding conflict of interest is as follows:

- Acceptance of money or other compensations: there shall be no acceptance of any money or others compensations from customers, trading partners, or any other person from any work on behalf of the Company;
- No loan and borrowing: except for any borrowing as a customer of banks or financial institutions, there shall be no loans, borrowing, or soliciting of money or any things from customers or trading partners;
- Additional work aside from the Company's work: any private business or additional work shall not affect the performances and working hours of the Company. In addition, directors, executives, and employee shall not do or take part in any business that may be competitive with the businesses of the BEC group whether for direct or indirect benefits; and
- Doing businesses with BEC group: all directors, executives, and employees shall always disclose their conflict of interest with the Company before doing any business with the Company whether by him/herself, their family, or any juristic person.

Failure to comply with the principles and guidelines set out in the Code of Conduct may resulted in a disciplinary action and may be penalized according to the criteria defined by the Company. Moreover, encouraging others to commit an unethical act, knowingly ignore any non-compliance action, obstructing the investigation, and acting unfairly toward informants are deem to be a breach of the Code of Conduct and are disciplinary actions as well.

Performance of the Board of Directors

In 2018, the Board of Directors convened 14 meetings.

Name-Family Name	Number of meetings	Number of attendance time
1. Mr. Somchai Boonnamsiri	14	14
2. Mr. Prachum Maleenont	13	14
3. Mr. Somprasong Boonyachai	13	14
4. Miss Ratana Maleenont	14	14
5. Miss Amphorn Maleenont	14	14
6. Mrs. Ratchanee Nipatakusol	13	14
7. Miss Nipa Maleenont	14	14
8. Mr. Chansak Fuangfu	13	14
9. Mr. Prathan Rangsimaporn	13	14
10. Mr. Manit Boonprakob	14	14
11. Mr. Matthew Kichodhan	10	14
12. Mr. Tospol Maleenont	14	14
13. Mr. Voravat Maleenont ⁽²⁾	4	5
14. Mr. Kavin Kanjanapas ⁽¹⁾	1	1

Remark: The changes in the Board of Directors during 2018 are as follows:

- ⁽¹⁾ The Board of Directors meeting No. 2/2561, held on 12 February 2018, acknowledged Mr. Kavin Kanjanapas's resignation from the position of independent director, having effect from 12 February 2018 onward. This resignation was due to the fact that Mr. Kavin have many missions which make him unable to fully perform his duties as director and independent director. Therefore, Mr. Kavin Kanjanapas attended 1 out of 1 meetings before the resignation.
- ⁽²⁾ The Board of Directors meeting No. 6/2561 acknowledged Mr. Voravat Maleenont's resignation from the position of director, having effect from 9 May 2018 onward. Therefore, Mr. Voravat Maleenont attended 4 out of 5 meetings before the resignation.

2. Executives

As of 29 March 2019, the Company comprised of 9 executives as follows:

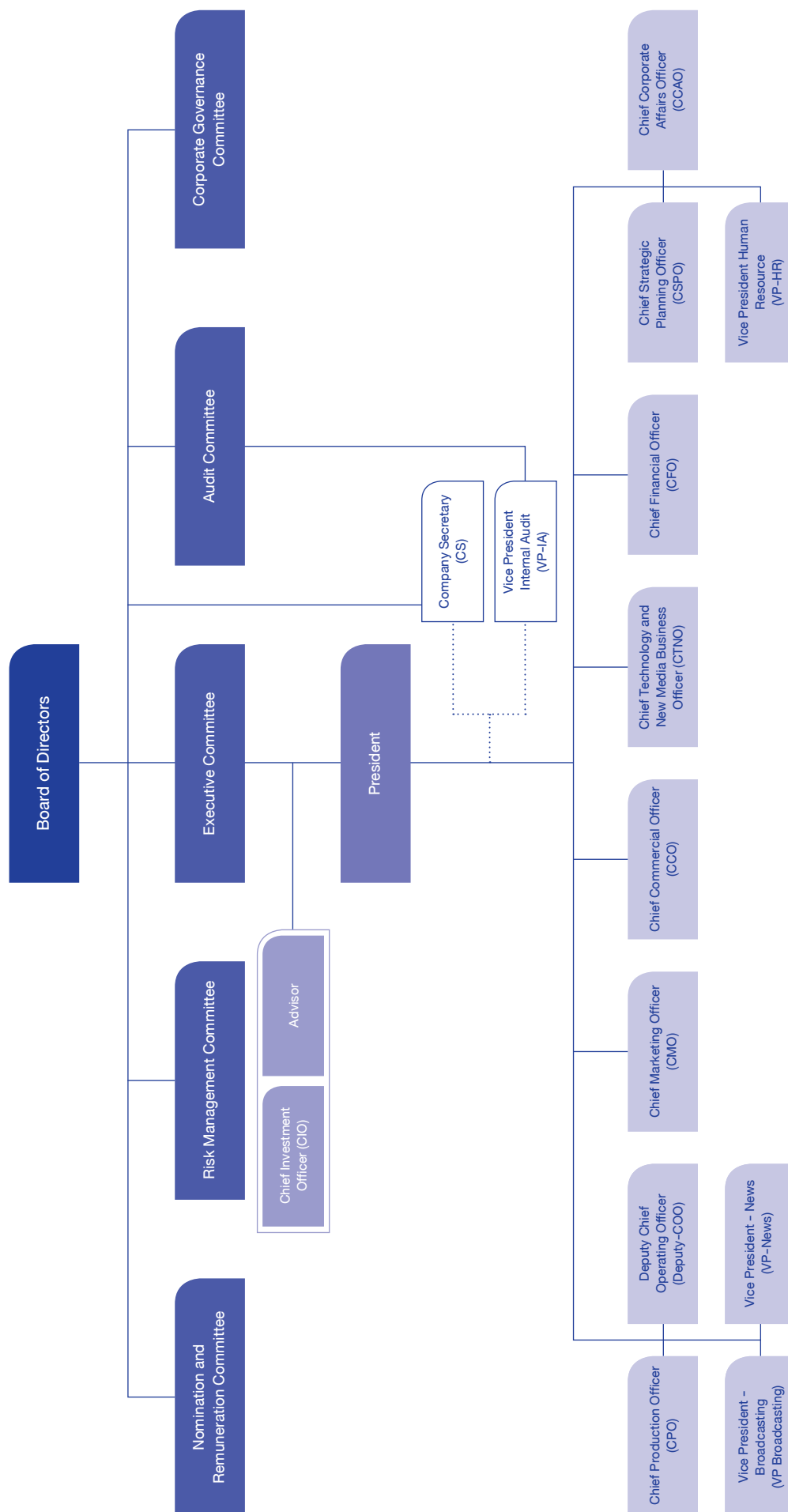
- | | |
|---|---|
| 1. Mr. Prachum Maleenont ^{(7) (8)} | Group Chief Executive Officer ("GCEO") |
| 2. Miss Amphorn Maleenont ⁽⁸⁾ | Chief Operating Officer ("COO") |
| 3. Mr. Piriyaadit Choophungart ⁽¹⁾ | Chief Financial Officer ("CFO") |
| 4. Mr. Nopphadol Khemayotin | Chief Investment Officer ("CIO") |
| 5. Mr. Somrak Narongwichai | Chief Production Officer ("CPO") |
| 6. Mr. Subandit Suwannop | Deputy Chief Operating Officer ("Deputy-COO") |
| 7. Ms. Namtip Promchua | Chief Strategic Planning Officer ("CSPO") |
| 8. Mr. Ronnapong Kamnuanthip | Chief Commercial Officer ("CCO") |
| 9. Mr. Charkrit Direkwattanachai | Chief Corporate Affairs Officer ("CCAO") |

Remark: The changes in the executives during 2018 are as follows:

- (1) The Executive Committee appointed Mr. Piriyaadit Choophungart as Chief Financial Officer ("CFO"), having effect from 19 January 2018 onward.
- (2) Mrs. Arpattra Sringkarrinkul, Chief Technology and New Media Business Officer ("CTNO"), vacated her position due to the expiration of her contract on 1 July 2018.
- (3) Mr. Pattarasak Uttamayodhin, Chief Human Resource Officer ("CHRO"), vacated his position due to resignation, having effect from 1 October 2018 onward.
- (4) Mr. Thongchai Chansevikul, Chief Creative Officer ("CCRO"), vacated his position due to the expiration of term on 1 November 2018 onward.
- (5) Mrs. Aurana Tuncharoen, Chief Research Officer ("CRO"), vacated her position due to resignation, having effect from 1 December 2018 onward.
- (6) Mr. Waroonthep Watcharaporn, Chief Marketing Officer ("CMO"), vacated his position due to resignation, having effect from 1 February 2019 onward.
- (7) The Board of Directors meeting No. 4/2562, held on 4 March 2019, appointed Mr. Ariya Banomyong to replace the vacant position, which the remaining term is one year. In addition, the meeting also appointed Mr. Ariya Banomyong as an executive director in the position of "President", having effect from 2 May 2019 onward. Moreover, the meeting also resolved to restructure the management structure and appoint Mr. Prachum Maleenont as the Chairman of the Executive Committee, having effect from 2 May 2019 onward.
- (8) The Board of Directors meeting No. 6/2562, held on 29 March 2019, resolved to restructure the Company's executives position, having effect from 18 April 2019 onward, as follows:
 - 1) Mr. Prachum Maleenont
Previous Position: Group Chief Executive Officer (G-CEO)
New Position: Chairman of the Executive Committee
 - 2) Miss Amphorn Maleenont
Previous Position: Chief Operating Officer (COO)
New Position: Executive Director
 - 3) Mr. Ariya Banomyong: President

MANAGEMENT STRUCTURE OF BEC WORLD PLC.

Effective on: 18 April 2019



means "Executives" as specified in the Notification of the Securities and Exchange Commission

3. Company Secretary

Appointment and specified responsibilities of Company Secretary: On 7 August 2008, The Board of Directors meeting No. 4/2551 has appointed Mrs.Chalaiporn Ittithavorn to be the Company Secretary, commencing from 7 August 2008, having responsibility as required by laws as follows:

- (1) Preparation and keeping of the following documents:
 - a. Director registry;
 - b. Invitation letter and minute of the Board of Directors meeting, and annual report;
 - c. Invitation letter and minute of the AGM;
 - (2) Keeping of report regarding conflict of interest of directors and executives;
 - (3) Performing other tasks as regulated by the Capital Market Supervisory Board.
- Company Secretary's information is as shown in CV of Directors, Executive Officers.

4. Remuneration of Directors and Executives in 2018

(1) Monetary Remuneration for the Directors and Management

As of 31 December 2018, the Company had 14 directors and had 14 executive officers, 2 of them were also the Company's directors. The Company's directors and executives received monetary remuneration in 2018 as follows:

- (a) Directors remuneration: Baht 23,170,000.-
(The Company sets remuneration for directors in monetary form only, i.e., meeting allowance and remuneration, without any other special benefits.)
- (b) Aggregate amount of remuneration to all executives: Baht: 82,220,973.-
(i.e., salary, vehicle and living allowance, bonus, and contribution to provident fund).

Table showing compensation to directors in 2018

In 2018, the Board of Directors (“BOD”) convened 14 meetings, the Audit Committee (“AC”) convened 7 meetings, Nomination and Remuneration Committee (“NRC”) convened 3 meetings, Corporate Governance Committee convened 2 meetings and Non-Executive Directors convened 1 meeting. The meeting details and the amount of compensation can be summarized as follows:

Name-Family Name	Compensation to Directors					Remuneration	Total
	Meeting Allowance						
	BOD convened 14 meetings	AC convened 7 meetings	NRC convened 3 meetings	CG Committee convened 2 meetings	Non- Executive convened 1 meeting		
1. Mr.Somchai Boonnamsiri	420,000	175,000	-	-	25,000	2,000,000	2,620,000
2. Mr.Prachum Maleenont	260,000	-	-	-	-	1,230,000	1,490,000
3. Mr.Somprasong Boonyachai	260,000	-	-	50,000	-	1,230,000	1,540,000
4. Ms.Ratana Maleenont	280,000	-	60,000	-	-	1,230,000	1,570,000
5. Ms.Nipa Maleenont	280,000	-	-	-	-	1,230,000	1,510,000
6. Ms.Amphorn Maleenont	280,000	-	-	-	-	1,230,000	1,510,000
7. Mrs.Ratchanee Nipatakusol	260,000	-	-	40,000	-	1,230,000	1,530,000
8. Mr.Chansak Fuangfu	260,000	-	-	-	-	1,230,000	1,490,000
9. Mr.Prathan Rangsimaporn	260,000	140,000	75,000	-	20,000	1,230,000	1,725,000
10. Mr.Manit Boonprakob	280,000	140,000	60,000	-	20,000	1,230,000	1,730,000
11. Mr.Matthew Kichodhan	200,000	-	-	-	-	1,230,000	1,430,000
12. Mr.Tospol Maleenont	280,000	-	-	40,000	20,000	1,230,000	1,570,000
13. Mr.Kavin Kanjanapas ⁽²⁾	20,000	-	-	-	-	142,768	162,768
14. Mr.Voravat Maleenont ⁽³⁾	80,000	-	-	-	-	439,758	519,758
Total	3,420,000	455,000	195,000	130,000	85,000	16,112,526	20,397,526
Unappropriated pension returned to the Company's account						1,887,474	

Remark: In 2018, there are changes of directors and operation information as follows:

- The 2018 Annual General Shareholders Meeting approved the remuneration of directors for the year 2018 as follows:
 - Meeting allowance:
 - Meeting allowances for each Board of Directors' meeting:
 - Chairman of the Board:Thirty Thousand Baht; and
 - Other directors: Twenty Thousand Baht.
 - The meeting allowances for each sub-committee meeting:
 - Chairman of the Subcommittee: Twenty Five Thousand Baht; and
 - Other director in the Subcommittee: Twenty Thousand Baht.
 - Directors' remuneration in the amount of Baht 18 million as the Board of Directors deems appropriate.
- The Board of Directors meeting No. 2/2561, acknowledged Mr. Kavin Kanjanapas's resignation from the position of director and independent director, having effect from 12 February 2018 onward. This resignation was due to the fact that Mr. Kavin have many missions which make him unable to fully perform his duties as director and independent director. In 2018, Mr. Kavin Kanjanapas attended 1 out of 1 meetings before the resignation.
- The Board of Directors meeting No. 6/2561 acknowledged Mr. Voravat Maleenont's resignation from the position of director, having effect from 9 May 2018 onward. In 2018, Mr. Voravat Maleenont attended 4 out of 5 meetings before the resignation.

(2) Other compensations which are not monetary

- None -

5. Personnel

The Company believes in the importance of appropriate manpower allocation taking the size of the Company into account and preparation for the future plan. As at 31 December 2018, the BEC group has the total of 2,457 employees divided by the course of work as follows:

Television broadcasting and media	1,591 persons
Sourcing and producing documentaries and entertainment program	177 persons
Radio broadcasting	90 persons
Production of Shows, Music, and Campaign Activities	496 persons
Chain and Supporting Businesses	103 persons
Total	2,457 persons

Employee remuneration: Suitable remuneration is the essential factor in promoting personnel's morale as well as building up their loyalty to the organization in a long term basis. The Company considers paying the total remuneration to the employees for the year 2018 in the amount of Baht 1,736.9 million, which included the remuneration of the Company's employees in the amount of Baht 164.2 million. The employees' remuneration consisting of salary, over time expenses, allowance, bonus, contribution to the provident fund, medical allowance, welfares and employees' long-term benefit reserve expense. The details of such remuneration is shown in the social responsibility report, under the subject sincerely "support" the services to improve the knowledge and ability pursuant to their mission, as well as to create love and good relationship in the organization during employment period.

Throughout 2018, the Company and its subsidiaries has expenses on officer training seminars in the amount of Baht 1.5 million.

In this regard, the Baht 1,736.9 million employee expenses in 2018 already included the following two special transactions:

1. In 2018, BEC Group had a retirement and manpower reduction programs according to the organizational restructuring policy and paid extra compensation in the amount of Baht 250.3 million. Under this program, a part of extra compensation was deducted from incremental liabilities from provision for long-term employee benefits in the amount of Baht 109.7 million and recorded as expenses in the amount of Baht 140.6 million.
2. On 13 December 2018, National Legislative Assembly passed the new draft of Labor Protection Act which set forth additional severance pay upon the termination of employment for employees who worked for an uninterrupted period of 20 years in the amount not less than his/her last rate of wages for 400 days. In this regard, the Company and its subsidiaries has recorded the long-term employee benefits expenses in the amount of Baht 137.8 million.

Therefore, if we exclude the above special transactions, the employee expenses in 2018 will be Baht 1,461.5 million.

CORPORATE GOVERNANCE

1. Corporate Governance Policy

The Board of Directors regulates that the corporate governance policy and its guideline shall be reviewed regularly to ensure that the corporate governance is up-to-date and suitable to the situation. In addition, the Board of Directors also prepare the organization to better apply the good corporate governance. In this regard, the Board of Directors meeting No. 12/2561, held on 5 October 2018, resolved to review the corporate governance policy by implementing CG Code according to the context of the Company business

BEC World Public Company Limited **Corporate Governance Policy**

1. Introduction

- 1.1 The Board of Directors recognizes the importance of good corporate governance policy by implementing the CG policy to the business operation. The Board of Directors is of the view that good corporate governance will improve effective and efficiency of the Company business operation, promoting stability and lasting growth, increasing the investment value of the shareholder in the long term and strengthen faith and trust in the organization for all employees, shareholders, investors and stakeholders. In this regard, the Board of Directors has implemented the good corporate governance, i.e. CG Code, as suggested by SET.
- 1.2 The Board of Directors shall always review the corporate governance policy and guidance to the policy to keep such policy to be up-to-date and to prepare better implementation of the said policy.

2. The Board of Directors

2.1 Roles of the Board of Directors

- 2.1.1 The Board of Directors is the highest body of the Company which shall determine vision, direction and policy of the Company and make decision for the best interest of the Company and shareholders on a long-term basis, as well as giving advice and considering the operation of the Executive Committee.
- 2.1.2 The Board of Directors may delegate one or more directors or other persons to perform any act(s) on behalf of the Board of Directors.

2.2 Obligation and Responsibility of the Board of Directors

- 2.2.1 The Board of Directors shall comply with the law, Company's objective, Articles of Association, as well as resolution of the Board of Directors with honesty, good faith and cautious to safeguard the Company's benefit.
- 2.2.2 The Board of Directors has the following obligations and responsibilities:
 1. Review and approve of the Company's vision and mission;
 2. The matters which are under the Board of Directors' authority framework that must be proposed by the Executive Committee are the investment and management approval authority which consisting of:
 - (1) Management policies, i.e., the approval authorities of corporate governance policy, investment policy, human resource policy, financial policy (such as short-term investment policy, risk protection policy), etc.;
 - (2) Accounting policy and other policies which regulated by law to be approved by the Board of Directors;
 - (3) Strategy and direction of business operation including annual plan, KPI, and budget;

- (4) Investment in subsidiaries and associated companies, as follows;
 - 4.1) investment, new company establishment and determining business direction;
 - 4.2) increase or decrease of company capital, restructuring/sale of investment fund, including the closure of subsidiary and associated companies;
 - 4.3) voting at shareholders meetings in subsidiaries and associated companies; and
 - 4.4) appointment of directors and authorized directors of subsidiaries and associated companies.
- (5) Execution of shareholder agreements and authorized directors of subsidiary and associated companies; and
- (6) Exercising of other rights apart from what is agreed in shareholder agreements.
- 3. Supervise the Company to implement the corporate governance policy;
- 4. Supervise the Company to prevent conflicts of interest; and
- 5. Prepare the Board of Directors' responsibilities report for financial reports.

2.3 Roles of the Executive Committee

- 2.3.1 The Board of Directors shall appoint the Executive Committee as a committee to supervise the Company's routine management, having the Chairman of the Executive Committee as a supervisor.
- 2.3.2 The Board of Directors has delegated authority to the Executive Committee to perform the duty on behalf of the Board of Directors. However, for certain matters which are new or relate to more line of commands, the Executive Committee may refer the matter to the Board of Directors for approval on a case by case basis, such as, in case of joint investment with others for new business.

2.4 Obligation and Responsibility of the Executive Committee

The Executive Committee has the following obligations and responsibilities:

- 1. The Executive Committee shall obtain direction/policy and principles of good corporate governance from the Board of Directors to determine the operation plan with the G-CEO responsible for supervision and control of the executive officers' management and performance;
- 2. Direct, supervise, and monitor the performance and operation result of the Company's business line, and oversee the performance of the Company Group;
- 3. Consider business plan and annual budget and propose to the Board of Directors;
- 4. Determine the growth strategy and investment strategy of the Company as a whole; and
- 5. Determine and implement the corporate governance policy approved by the Board of Directors.

2.5 Chairman of the Board of Directors and Group Chief Executive Officer

- 2.5.1 Chairman of the Board of Directors shall act as a Chairman of the shareholders meeting and Board of Directors meeting. The Chairman has duties as the leader of the Board of Directors, including supervising the Board of Directors to perform their duties efficiently and in accordance with the duties specified.
- 2.5.2 G-CEO is the leader of the Company's executives. The G-CEO is responsible to the Board of Directors for managing the Company according to the direction, strategy and budget approved by the Board of Directors in order to achieve the Company's goals.

2.6 Composition of the Board of Directors

- 2.6.1 The Board of Directors consists of experts with experiences in various fields. The number of directors is sufficient to supervise the business of the Company, and is not less than 5 persons according to the law. The Board of Directors has no sexual discrimination.
- 2.6.2 The Board of Directors represents all shareholders as a whole, and is not a representative of any specific group of shareholders.
- 2.6.3 The Board of Directors mostly consists of independent directors and non-executive directors. In this regard, the number of independent directors shall be at least one-third of the total number of directors and not less than 3 persons.

2.7 Sub-Committee

2.7.1 The Board of Directors has appointed the following 5 sub-committees to assist in the management or screening of the work of the Board of Directors:

- (1) **Executive Committee** shall obtain direction/policy and principles of good corporate governance from the Board of Directors to determine the operation plan with the Group Chief Operating Officer responsible for supervision and control of the executive officers' management and performance.
- (2) **Audit Committee** shall (1) verify and ensure the efficiency and suitability of the Company's internal control and internal audit system; (2) audit financial reports so that the financial statements are prepared correctly in accordance with generally accepted accounting standards and that such financial statements have opted to use appropriate accounting policies, regularly; and (3) audit the Company's information disclosure obligation to ensure that the Company has sufficiently disclosed important information regarding connected transaction or transactions that might have conflict of interest.
- (3) **Nomination and Remuneration Committee** shall support the Board of Directors' operation by determining the qualification of candidate who is suitable for the position of director or high level executive. In this regard, the Nomination and Remuneration Committee shall also determine the rule and procedure for selection and recruit qualified candidates from various profession and refer them to the Board of Directors meeting in order to propose to the shareholders meeting to consider appointing them as directors, respectively. In the event that a director vacates his/her position prior to the end of his/her term, the Nomination and Remuneration Committee shall propose the candidate to the Board of Directors meeting, so that the Board of Directors is consist of the knowledgeable and capable personnel from various profession in order to support the operation of the Company Group.
- (4) **Corporate Governance Committee** shall assist the Board of Directors in determining good corporate governance policies and other guidelines of the Company to be in line with the internationally accepted good corporate governance principle, which listed company should comply. The objective of this good corporate governance approach is (1) to achieve a concrete performance in the overall operation of the organization according to good corporate governance principle; and (2) to support the Company to grow sustainably by managing the business with morality, transparency and accountability, which will strengthen the confidence of shareholders, investors, stakeholders and all related parties.
- (5) **Risk Management Committee** shall consider the overall risk management of the Company, which include significant risks such as financial risks, investment risks, and any other risks that might affect the operation of the Company, and report them to the Board of Directors to establish policies and risk management system. In addition, the Risk Management Committee shall manage risks according to the guidelines and policies approved by the Board of Directors.

2.7.2 Each sub-committees have a charter which identifies the composition, authorities, duties, and responsibilities approved by the Board of Directors.

2.8 Independent Directors

2.8.1 In recruiting suitable personnel and proposing them to the Annual General Meeting to consider and appoint as independent director, the Nomination and Remuneration Committee will consider education, training and work experience, as well as the diversity of professions. In addition, such candidate must be qualified under the definition of the "independent director" of the Company.

2.8.2 Independent director means a director who is independent in giving opinion. In this regard, the Board of Directors determines the qualifications of the independent director as follows:

1. must be a director who hold shares in the Company not more than 0.5% of the total shares that is entitled to vote;
2. must be a director who does not have management duty in the Company or subsidiary;
3. must be a director who is independent from the management and the controlling shareholders;
4. must not be a close relative or any person who receives or has joint benefit with the management, the major shareholders or the controlling shareholders;
5. must be a person who has no significant business relationship with the Company which can influence an independent opinion; and
6. must not be an employee or staff of the Company who has received salary regularly during two years before assuming the position.

2.9 Qualification of the Director

1. Must be a knowledgeable and capable person with integrity and ethics in business operations;
2. Have sufficient time to devote his/her knowledge and ability to perform duties for the Company; and
3. Must not have any prohibited characteristic under the Public Limited Company Act and relevant laws.

2.10 Nomination and Appointment of Director

- 2.10.1 The Nomination and Remuneration Committee shall select and screen qualified person and propose them to the Board of Directors for appointment or to the shareholders meeting for approval in accordance with the Articles of Association.
- 2.10.2 The Nomination and Remuneration Committee shall review the skill and characteristic of a director to determine the nomination criteria for the nomination of director, annually.
- 2.10.3 In proposing to re-appoint the same director as director for another term, the Nomination and Remuneration Committee will consider various factors including performance, meeting attendance, and participation in the meeting, as well as support in the activities of the Board of Directors.
- 2.10.4 The appointment of directors shall be in accordance with the Company's Articles of Association and relevant laws. However, the selection must be transparent, clear and conducted by the Nomination and Remuneration Committee.

2.11 Term for Directorship

- 2.11.1 The term for directorship of both director and all sub-committees are 3 years. Currently, there is no limit to the consecutive directorship of the Director and Independent Director.
- 2.11.2 The directors who retired due to rotation may be re-elected.

2.12 Orientation and Directors' Continuous Knowledge Development

- 2.12.1 The newly appointed directors will receive various information regarding internal management, business ethics and various internal procedures, the Company Group's business information, industry information, past operation result, including visions and goals of the Company Group, as well as information regarding other practices of the Board of Directors and information regarding shareholders.
- 2.12.2 The Board of Directors recognized the importance of development of directors and executive officers by encouraging them to attend seminars and training courses, building their knowledge and expertise for management. In this regard, the Company shall support expenses and various facilities.

2.13 The Board of Directors Meeting

2.13.1 Number of Meeting and Schedule

The Board of Directors shall have at least 6 meetings per year. The meeting shall be scheduled in advance for the whole year. There may also be additional meeting as necessary.

2.13.2 Quorum and the Meeting

At least two-third of the total directors of the Company shall be present to constitute as the quorum of the Board of Directors meeting. During the meeting, the Chairman shall allocate reasonable time for all agendas. The Chairman shall commence the meeting by giving opportunities for all directors to independently express their own opinion. All directors shall have rights to raise issue to be considered, give opinion and suggestions, independently. The meeting will hear all opinion and comments before making decision based on reasons, justification and appropriateness, especially in important agenda. To have correct and mutual understanding, the Chairman will summarize a resolution at the end of each agenda.

2.13.3 Agendas of the Meeting

Chairman and G-CEO, shall jointly consider and select agenda to be proposed to the Board of Directors meeting on where each director shall have the right to propose his agenda to the meeting, independently.

Every director can propose the agenda to the meeting by proposing and sending documents through the Company Secretary to propose to the Chairman of the Board of Directors for considering putting in the meeting agenda.

2.13.4 Sending of Meeting Documents

The Company Secretary is responsible for delivering invitation letter along with supporting documents to all directors at least 5 days prior to the meeting to give directors enough time to study all information in advance.

2.13.5 Attendance

Directors shall fully devote their time and attention to the Company and be readied to attend the meeting, regularly. If any director is unable to attend the meeting due to an important mission, such director must inform the Chairman of the Board of Directors.

2.13.6 Minute of the Meeting

The Company Secretary is responsible for preparing minute of the meeting and propose them to the Chairman of the Board of Directors for verification and deliver to all directors for their comments. This process will be completed within 14 days from the date of the meeting. The minutes of the meeting shall sufficiently and clearly record the resolutions of the meeting and relevant information according to the law.

2.13.7 The Meeting of Non-Executive Directors

The Board of Directors regulates that non-executive directors must convene the meeting among themselves at least once a year without attendance of executive directors or executives in order to provide opportunities for discussion of various issues, both regarding the business of the Company and other subject of interest, and report the meeting results to the Board of Directors.

2.14 Ethics

All directors, executives and employees must perform their duties ethically and strictly comply with the Company's code of conduct.

2.15 Directorship in other Companies

2.15.1 Non-executive directors shall not assume the position of director in other companies more than 5 listed companies. However, if it is necessary to assume the position of director more than the said limitation, such director has to inform the Board of Directors in advance.

2.15.2 The Board of Directors has no policy to encourage executives to assume the position of director in other listed companies outside of the Company Group. In case of necessity, such executive shall seek approval from the Executive Committee.

2.16 Performance Evaluation of the Board of Directors

2.16.1 The Board of Directors and the Audit Committee has established a director evaluation to assess their own performance, at least once a year, by evaluating performance of all directors together without individual evaluation.

2.17 Successive Plan

2.17.1 The Board of Directors recognizes the importance of successive plan and assigns the human resource department to propose the information of suitable candidate to the Nomination and Remuneration Committee in order to prepare candidates for the event that the highest level executive is unable to perform his/her duty.

2.18 Remuneration of Directors and Executives

2.18.1 The Board of Directors determines the remuneration policy for directors and the highest level executive that the remuneration must be sufficient for their mission, duties, and responsibilities and must also be in line with economic conditions, operation result and business characteristics. In considering the remuneration, the Board of Directors also considers the information regarding the remuneration of directors and the highest level executive of listed companies. In this regard, the Board of Directors has set out the following criteria for remuneration of directors and the highest level executive:

1. comparable with the remuneration of other listed companies in the same industry, or those having similar income or profit;
2. operating result of the Company and tendency of operating result; and
3. reasonable remuneration, suitable for different obligation, duty responsibility and experience of directors and the highest level executive. Directors who have been assigned additional duties and responsibilities will receive additional remuneration.

2.18.2 The Executive Committee will be responsible for the consideration of the remuneration of the highest level executive by considering duties, responsibilities, and performances together with the operation result of the Company, and propose to the Nomination and Remuneration Committee to propose their opinion to the Board of Directors for further approval.

2.19 Company Secretary

The responsibility of the Company Secretary is as required by law. The Company Secretary must perform duties with responsibility, cautious and honesty, and must also comply with laws, objectives, Articles of Association, resolution of the Board of Directors, as well as the resolution of the shareholders meeting.

2.20 Contacting the Board of Directors

Shareholders and other stakeholders can contact to inquire or send complaints to the Board of Directors or the Audit Committee via the following channels:

1. By post to the Company Secretary
BEC World Public Company Limited
3199 Maleenont Tower, Floor B1, G, 2, 3, 8, 9, 10, 30-34
Rama 4 Road, Klongton, Klongtoey, Bangkok 10110
Fax : 0 2204 1384
2. By email at: auditcommittee@becworld.com (to contact the Audit Committee)
3. By email at: comsec@becworld.com (to contact the Board of Directors)

3. Shareholders' Rights and Equal Treatment to all Shareholders

- 3.1 The Company shall honor rights and treatment to shareholders and all groups of stakeholder with honesty, equality and fairness. In addition, the Company always gives priority to equal treatment to all shareholders, whether institutions investors or minority shareholders, both Thai and foreign nationality, without discrimination.
- 3.2 The Board of Directors encourages the shareholders to exercise their rights by voting in the shareholders meeting, whether for the appointing or dismissing the director, the director's compensation, the auditor appointing and compensation or the dividend payment. Moreover, shareholders is entitled to equal rights as specified in the relevant laws and the Articles of Association.
- 3.3 The Company shall operate business with transparency and traceability, and shall disclose sufficient information to all related parties correctly, and not misleading in material information. The Company shall not conceal any information which should be notified. The information to be disclosed/notified must be up to date and communicated within due time and thoroughly.

3.4 The Board of Directors' policy regarding the convening of shareholders meeting are as follows:

1. To conduct the shareholders meeting in accordance with the law and guideline designated by regulators.
2. To encourages all shareholders to exercise their rights by voting and voicing their opinion in the shareholders meeting.
3. To facilitate shareholders to fully exercise their rights for attending and voting in the shareholders meeting. In no cases shall the Company do anything that would restrict the shareholders' right to attend the meeting and vote.
4. To convene a meeting at the center of the city with convenient transportation in order to facilitate the shareholders / proxies to travel and attend the meeting.
5. To prepare and send invitation letters, supporting documents, and other documents explaining the required documents which the shareholders shall present prior to such meeting, both Thai and English versions, to all shareholders in advance before the meeting date.
6. To disclose the agendas of the meeting and supporting documents in the Company's website for shareholders to access and study them at least 30 days before the meeting date.
7. To allow shareholders to propose issues for shareholders meeting, such as suggestions, name and detail of the person who they deemed to be qualified for the director position, including in case the shareholders has question regarding any agenda; they should propose such issue, question and supporting information to the Board of Directors for their consideration in advance before the meeting in accordance with the criteria and channel as designated by the Company.
8. To encourage shareholders, who could not attend the meeting by themselves, to appoint their proxies to exercise their right to attend the meeting and vote on their behalf.
9. To have all directors and executives attend the shareholders meeting. In addition, the Company will also invite auditor and legal counselor to join the meeting in order to clarify and answer all questions of the shareholders.
10. To summarize the resolution of the meeting, including the details of each agenda (agree / disagree / absent) through SET electronical system once the meeting was completed immediately and to submit the minutes to SET within 14 days from the shareholders meeting date.
11. To disclose the meeting minutes on the Company's website within 14 days after the shareholders meeting date so that the shareholders, who did not attend the meeting, would be aware of all details of the meeting and enable the shareholders who attended the meeting to express their views without having to wait for the next meeting.

3.5 To avoid any conflict of interest, directors and executives are obliged to disclose information regarding the interests of themselves, close relatives, and other related parties in any contract with the Company and its subsidiaries to the Company Secretary. The Company Secretary shall then collect the information and hand over to the Audit Committee and the Chairman of the Board of Directors to inform the meeting of the Board of Directors, accordingly.

3.6 For the consideration of any agenda which any directors, executives or related person have conflict of interest, such person should not be present during the consideration of such agenda in order to ensure independence of decision making for the benefit of the Company.

3.7 Directors, executives and employees shall not use significant inside information that has not been publicly disclosed for self-interests or others.

3.8 Directors, executives and employees have freedom of investment in trading securities of BEC Group. However, to prevent any conflict of interest, directors, management and employees should avoid or suspend their trading of BEC's securities during the silent period or one month prior to the disclosing of the financial statements to the public. On this matter, in addition to the directors' and executives' obligation to notify the Securities and Exchange Commission, Thailand ("SEC"), of the change in their securities holding, the Board of Directors has set out guidelines that the directors and executives are also obliged to notify the Company by sending a copy of the said report to the Company Secretary to report any changes in securities holdings to the Board of Directors at every meeting.

4. Roles of Stakeholders

The Board of Directors recognizes the importance and role of group of stakeholders toward the Company by honoring their rights and treating shareholders and all groups of stakeholder with honesty, equality and fairness, and taking stakeholders' right into consideration, regularly. In this regard, the Board of Directors has established guidelines for stakeholders as part of the business ethics of the Company.

5. Information Disclosure and Transparency

- 5.1 The Board of Directors shall disclose sufficient information to all related persons completely, correctly and not misleading or concealing any material matters. The information to be disclosed must be updated, and the disclosure must be timely and thoroughly.
- 5.2 The Company has established Investor Relation to communicate and publicize useful information to shareholders, investors, securities analysts and related parties on the Company's behalf to inform the Company's information. In this regard, the Chief Financial Officer and the Head of Investor Relations are responsible for preparation and disclosure of material information, both financial information and non-financial information, as well as clarifying rumors by disclosing information related to the development of the Company. In this regard, the disclosure of information must be complete, accurate, timely and thoroughly distributed in accordance with the criteria of the SEC and the SET. Investor Relations, BEC WORLD PUBLIC COMPANY LIMITED, located at 8th Fl., Maleenont Tower, No. 3199, Rama IV Road, Klongton Sub-District, Klogtoey District, Bangkok 10110, website: www.becworld.com.
- 5.3 The Company has a policy to disclose significant information to the public as follows:
1. Vision, mission and Articles of Association of the Company;
 2. Shareholding structure;
 3. Shareholding structure for both directly and indirectly holding;
 4. List of top 10 shareholders' names;
 5. BEC group operational structure;
 6. Management Structure (Company structure);
 7. Corporate governance policy;
 8. Business operation characteristic;
 9. Quarterly financial statements, financial statements description, including explanation and analysis of the management (MD&A);
 10. Form 56-1 and current and previous Annual report;
 11. Shareholders meeting invitation letter for the current and previous year; and
 12. Investor Relation information and supporting documents from investors and analysts.
- Furthermore, the Company still be required to disclose information as mandated by relevant laws or regulations.

6. Risk Management and Internal Control

6.1 Risk Management

- 6.1.1 The Risk Management Committee, G-CEO, and executives are responsible for ensuring that significant business risks has been identified and evaluated, regularly, and that effective risk management measures has been established and regularly report to the Board of Directors.
- 6.1.2 The Audit Committee is responsible for supporting the Board of Directors by reviewing the risk management measure to ensure that the Company has an appropriate and effective risk management system.

6.2 Internal Control

- 6.2.1 The Board of Directors must provide and maintain an internal control system to protect shareholders' investments and the Company's assets.
- 6.2.2 The Board of Directors is responsible for reviewing the effectiveness of the internal control system at least once a year. The said review must cover all aspects of finance, operations, supervision of operation, and risk management.

6.3 Internal Audit

The Company has established the Internal Audit Office as another division in the Company. The Chief of Internal Audit Office shall directly report its performance to the Audit Committee in order to act independently and fairly. The audit activities will help the Company to achieve its objectives by adopting a systematic approach to assess and improve the effectiveness of the internal control system, risk assessment, operation control, information and communication systems, and performance monitoring and evaluation systems.

2. Subcommittee

(1) Director Structure

The Board of Directors has established Sub-Committees to assist in managing or scrutinizing of certain matters. These Sub-Committees are, Executive Committee, Audit Committee, Nomination and Remuneration Committee, Corporate Governance Committee, and Risk Management Committee. The Board of Directors is the highest body of the Company which shall determine vision, direction and policy of the Company and make decision for the best interest of the Company and shareholders on a long term basis, as well as giving advice.

In managing the business, the Board of Directors has assigned the Executive Committee, comprising of 4 directors, each of them has duty to supervise and control routine works of each business line, depending on expertise, interest, capability, and suitability of each person. Chairman of the Executive Committee shall be the person who is responsible for supervision and control of the management. The Executive Committee shall comply with direction/policy and principles of good corporate governance from the Board of Directors to form and impose business plan. The Group Chief Executive Officer “G-CEO” shall manage and control all performance of the executive officers.

The Audit Committee has duty to audit the management’s performance. It has major role in auditing the financial report to ensure that: (1) the financial statements is made correctly under the generally accepted accounting standard; the accounting policy has been properly selected and strictly complied, and (3) there is sufficient disclosure of material information, information relating to connected transaction or transactions which may have conflict of interest.

The Nomination and Remuneration Committee shall promote the Board of Directors’ operation by specifying the qualification of candidate who is qualified for director / highest executive position. This committee shall also specify the rule and procedure for recruiting personnel from various profession who is qualified and have no prohibited characteristic as specified by law and propose them to the Board of Directors meeting to propose to the shareholders meeting for approval. In the event that directors retire before his/her term, the Nomination and Remuneration Committee shall propose the candidate to the Board of Directors meeting, so that the Board of Directors shall consist of knowledgeable and capable personnel from various professional in order to support the operation of the Company Group.

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

Risk Management Committee shall consider the overall risk management of the Company and report them to the Board of Directors to set policies and risk management system. The said risks include significant risks such as financial risks, investment risks, and operation result related risks. In addition, the Risk Management Committee shall manage risks according to the guidelines and policies approved by the Board of Directors.

- **Executive Committee**

As at 29 March 2019, the Company's Executive Committee comprised of 4 executive directors and 4 committee as follows:

1. Mr. Prachum Maleenont ⁽³⁾ Chairman of the Executive Committee (effective from 18 April 2019 onward)
2. Miss Ratana Maleenont Executive Director
3. Miss Amphorn Maleenont ⁽³⁾ Executive Director
4. Mrs. Ratchanee Nipatkusol Executive Director
5. Mr. Somprasong Boonyachai Advisor
6. Miss Tracy Ann Maleenont Vice Managing Director of Bangkok Entertainment Co., Ltd. as a Committee
7. Miss Pinkamol Maleenont Deputy Managing Director of Bangkok Entertainment Co., Ltd. as a Committee
8. Mr.Chatchai Thiamtong Advisor

Remark:

- (1) The Board of Directors meeting No. 6/2560, held on 27 April 2017, appointed Mr. Somprasong Boonyachai as Chairman of the Executive Committee with effect from 27 April 2017 onward as the Executive Committee proposed. On 21 January 2018, Mr. Somprasong Boonyachai notified his resignation from the position of Chairman of the Executive Committee as he have many other duties which might affect his availability to fully perform his task as the Chairman of the Board of Executive Directors. This resignation is effective on 1 March 2018 onward. In this regard, Mr. Somprasong Boonyachai still retain his position as the Company's director.
- (2) The Board of Directors meeting No. 4/2562, held on 4 March 2019, appointed Mr. Ariya Banomyong to replace the vacant position, which the remaining term is one year. In addition, the meeting also appointed Mr. Ariya Banomyong as an executive director in the position of "President", having effect from 2 May 2019 onward. Moreover, the meeting also resolved to restructure the management structure and appoint Mr. Prachum Maleenont as the Chairman of the Executive Committee, having effect from 2 May 2019 onward
- (3) The Board of Directors meeting No. 6/2562, held on 29 March 2019, resolved to restructure the Company's executives position, having effect from 18 April 2019 onward, as follows:
 - 1.) Mr. Prachum Maleenont

Previous Position:	Group Chief Executive Officer (G-CEO)
New Position:	Chairman of the Executive Committee
 - 2.) Miss Amphorn Maleenont

Previous Position:	Chief Operating Officer (COO)
New Position:	Executive Director
 - 3.) Mr. Ariya Banomyong: President

Scope of Authority of the Executive Committee and the Executive Officers

The Board of Directors has appointed the Executive Committee to be a working group responsible for routine management of the Company. Currently, the Company's Executive Committee comprised of 4 directors, each of them has duty to supervise and control routine works of each business unit, depending on expertise, interest, capability, and suitability of each person. They also hold positions of directors in subsidiaries. Chairman of the Executive Committee shall be the person who is responsible for supervision and control of the Executive Committee. The Executive Committee shall obtain direction/policy and principles of good corporate governance from the Board of Directors to determine the operation plan. The current Group Chief Operating Officer (G-CEO) position will be changed to the President position, and the President will be responsible for supervision and control of the executive officers' management and performance. The Board of Directors has delegated authority to the Executive Committee to perform the duty on behalf of the Board of Directors. However, for certain matters which are new or relate to more line of commands, the Executive Committee may refer the matter to the Board of Directors for approval on a case by case basis, such as, in case of joint investment with others for new business.

Performance of Duty of the Executive Committee and the Executive Officers

The Executive Committee and the executive officers regularly convene the meeting around twice per month.

• **Audit Committee**

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

The Board of Directors has approved roles, duties, responsibilities and charter of the Audit Committee in writing. The Audit Committee has consistently reported their performance result to the Board of Directors at every meeting. Furthermore, the Audit Committee has also reported their performance to the shareholders in the annual report. The report of past year performance is shown on Attachment 3.

As at 31 December 2018, the Audit Committee comprised 3 directors as follows:

1. Mr. Somchai Boonnumsiri	Independent Director	Chairman of Audit Committee
2. Mr. Prathan Rangsimaporn	Independent Director	Audit Committee
3. Mr. Manit Boonprakob	Independent Director	Audit Committee
Mr. Chatchai Thiamtong	Secretary of the Audit Committee	

Scope of Authority of the Audit Committee

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

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

Performance of Duty of the Audit Committee

In 2018, the Audit Committee convened 7 meetings.

Name-Family name	Number of attendance time	Number of meetings
1. Mr. Somchai Boonnumsiri	7	7
2. Mr. Prathan Rangsimaporn	7	7
3. Mr. Manit Boonprakob	7	7

• The Nomination and Remuneration Committee

The Board of Directors has appointed the Nomination and Remuneration Committee, consisting of 3 directors, to assist the Board of Directors in recruiting directors and executives of the Company. The Nomination and Remuneration Committee has determined the qualification and recruitment criteria of the candidate for the directors/executives of the Company. Apart from considering professional directors, the Nomination and Remuneration Committee also looks for candidate from various professionals in order to make the Board of Directors comprising of personnel with diverse knowledge to support the Company Group's business. The committee can freely nominate any person they considered suitable to the meeting of the Nomination and Remuneration Committee. In case director completes his directorship term, the Company, by the Nomination and Remuneration Committee, shall select the qualified candidate to be proposed to the shareholders meeting for consideration. For the said selection, the Nomination and Remuneration Committee shall also consider the compliance of the independent director ratio with the rules for issuance and offering of securities and criteria for being listed company in the Stock Exchange of Thailand.

As at 31 December 2018, the Nomination and Remuneration Committee comprised of three directors which are two independent directors and one executive director as follows:

1. Mr. Prathan Rangsimaporn	Independent Director	Chairman of the Nomination and Remuneration Committee
2. Mr. Manit Boonprakob	Independent Director	Nomination and Remuneration Committee
3. Miss Ratana Maleenont	Executive Director	Nomination and Remuneration Committee
Mr. Chatchai Thiamtong	Secretary of the Nomination and Remuneration Committee	

Scope of Obligation and Responsibility of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee's obligations and responsibilities shall be as assigned by the Board of Directors as follows:

1. To set up the procedure and criteria for the nomination and monetary remuneration of the directors and executives;
2. To consider and select qualified candidates in accordance with the relevant law and regulation and propose them to the Board of Directors to consider and appoint them to the following positions:
 - (1) Directors;
 - (2) Committee in various subcommittees whose obligations and responsibilities are assigned directly by the Board of Directors except Executive Committee; and
 - (3) Chief Executive Officer.
3. To review and oversee the size and composition of the Board of Directors to suit the organization, as well as adjusting them to suit the changing environment;
4. To propose to the Board of Directors, candidates to replace the directors who retired due to rotation pursuant to the Articles of Association;
5. To oversee the suitability between monetary remuneration of the directors and executives and their obligations and responsibilities. In this regard, directors who have additional obligations and responsibilities should also receive additional consideration thereof;
6. To support and promote the training and educations related to directors;
7. To determine and evaluate directors and executives for annual remuneration adjustment. The Nomination and Remuneration Committee must take into account the relevant responsibilities, performance, and risks, as well as the increasing of shareholder equity in the long-term;

8. To review the succession planning of CEO on a regular basis;
9. To perform any other tasks as assigned by the Board of Directors; and
10. To review the charter of the Nomination and Remuneration Committee on a regular basis.

Performance of Duty of the Nomination and Remuneration Committee

In 2018, The Nomination and Remuneration Committee convened 3 meetings, having detail as follow.

Name-Family Name	Number of attendance time	Number of meetings
1. Mr. Prathan Rangsimaporn	3	3
2. Mr. Manit Boonprakob	3	3
3. Miss Ratana Maleenont	3	3

• Corporate Governance Committee

The Board of Directors of BEC World Plc. encourages the operation of the Company Group to conform to the good corporate governance and the Code of Conduct. The Board of Directors meeting No. 4/2560, held on 10 March 2017, passed the resolution to appoint the Corporate Governance Committee in order to support the operation of the Board of Directors by stipulating the policy in relation to the good corporate governance and general practice to be in accordance with the international good corporate governance principles which the Company should conform thereto. This will encourage the concrete operation of the Company to be in accordance with good corporate governance, as well as promoting the Company to grow sustainably from operating business with morality, transparency and accountability, which will strengthen the confidence of the shareholders, investors, stakeholders and all related person.

As at 31 December 2018, the Corporate Governance Committee comprised of four directors, one executive director, two non-executive directors and one external director as follows

- | | | |
|------------------------------|--------------------------|---|
| 1. Mr. Somprasong Boonyachai | (Executive Director) | Chairman of the Corporate Governance Committee |
| 2. Mrs. Ratchanee Nipatkusol | (Executive Director) | Member of the Corporate Governance Committee |
| 3. Mr. Tospol Maleenont | (Non-Executive Director) | Member of the Corporate Governance Committee |
| 4. Mr. Chalit Limpanavech | (Honorable Director) | Secretary of the Corporate Governance Committee |

Scope of Obligation and Responsibility of the Corporate Governance Committee

1. To determine the policies and guidelines for good corporate governances, including any other tasks related to corporate governance such as sustainability and social responsibility management and present to the Board of Directors;
2. To supervise and advise the Company's directors and executives regarding the performance of their duties to be in line with the defined policies and guidelines in order to ensure that the directors' governance duty and the executives' management are satisfactory, with practical effect and appropriate consistency in accordance with the expectations of shareholders and stakeholders;
3. To regularly consider, review and improve the guidelines in accordance with the Company's good corporate governance principles to keep the corporate governance policy up-to-date and in line with international standards, including suggesting the Board of Directors to make improvement as appropriate;
4. To continuously support and promote the Company to publish corporate governance principles, including relevant information, in order to be acknowledged and understood by the subcommittees, executives and employees at all levels;
5. To regularly review and improve the charter of the Corporate Governance Committee to be appropriate;
6. To appoint a committee to support the good corporate governance work as necessary; and
7. To perform any other tasks as assigned by the Board of Directors.

Performance of Duty of the Corporate Governance Committee

In 2018, the Corporate Governance Committee convened 2 meetings.

Name-Family Name	Number of attendance time	Number of meetings
1. Mr. Somprasong Boonyachai	2	2
2. Mrs. Ratchanee Nipatakusol	2	2
3. Mr. Tospol Maleenont	2	2

• Risk Management Committee

The Board of Directors is committed to adapt the principles of good corporate governance to suit our organization. Therefore, to enhance the efficiency of the Board of Directors' governance, the Board of Directors meeting No. 8/2560, held on 10 August 2017, has appointed the Risk Management Committee. In this regard, there are four directors in the Risk Management Committee which comprising of two independent directors, one executive director and one non-executive director, as follows:

- | | | |
|-------------------------------|--------------------------|---|
| 1. Mr. Chansak Fuangfu | (Independent Director) | Chairman of the Risk Management Committee |
| 2. Mr. Manit Boonprakob | (Independent Director) | Member of the Risk Management Committee |
| 3. Mrs. Ratchanee Nipatakusol | (Executive Director) | Member of the Risk Management Committee |
| 4. Mr. Tospol Maleenont | (Non-Executive Director) | Member of the Risk Management Committee |

On this matter, as the Company is currently setting up risk management working team to support the Risk Management Committee, the Risk Management Committee has not performed its duties in 2018.

- (2) **The Audit Director who have knowledge and understanding on accounting or finance, as well as experiences in auditing the financial statement of the Company** is Mr. Manit Boonprakob, a certified public accountant (CPA no. 2929) and former member of the Federation of Accounting Professions under the Royal Patronage of His Majesty the King's ethics committee. The information of Mr. Manit is shown on page 162.

3. Nomination and Appointing of Directors and Executive Officers

(1) Independent Director

In recruiting qualified persons to be nominated to the shareholders meeting to be appointed as independent director, apart from the criteria regarding education, training and work experience qualification, the Board of Directors also considers the variety of professions and that such candidate must have no qualification which contrary to the definition of the Company's "independent director".

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

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

(2) Nomination of Directors and Executive Officers

The selection for the nomination of the Company's directors and the G-CEO is considered by the Nomination and Remuneration Committee without the condition of being any shareholder representative. The shareholder is free to nominate any person who has proper qualification by sending the name, education and work background to the Company via the Company website before the Board of Directors meeting for calling annual general shareholder meeting each year. For the Company's directors election, as the Articles of Association of the Company specified that the voting right shall be 1 share per 1 vote without any right for cumulative voting; therefore, the shareholder is unable to divide their voting right during the election to make any candidate have more or less vote than other candidate. In this regard, the majority of the vote from shareholders and proxies shall prevail. In case of equal votes, the Chairman shall have a casting vote.

4. Corporate governance of subsidiary company and associated company

(1) Corporate governance mechanism of subsidiary company and associated company

Pursuant to the resolution of the Board of Directors meeting No. 1/2561, held on 19 January 2018, the matters which are under the Board of Directors' authority framework that must be proposed by the Executive Committee are the investment and management approval authority which consisting of:

- (1) Management policies, i.e., the approval authorities of corporate governance policy, investment policy, human resource policy, financial policy (such as short-term investment policy, risk protection policy), etc.
- (2) Accounting policy and other policies which regulated by law to be approved by the Board of Directors;
- (3) Strategy and direction of business operation including annual plan, KPI, and budget;
- (4) Investment in subsidiaries and associated companies, as follows;
 - 4.1) investment, new company establishment and determining business direction;
 - 4.2) increase or decrease of company capital, restructuring/sale of investment fund, including the closure of subsidiary and associated companies;
 - 4.3) voting at shareholders meetings in subsidiaries and associated companies; and
 - 4.4) appointment of directors and authorized directors of subsidiaries and associated companies.
- (5) Execution of shareholder agreements and authorized directors of subsidiary and associated companies; and
- (6) Exercising of other rights apart from what is agreed in shareholder agreements.

(2) Shareholders' Agreement

The Company has no shareholders' agreement.

5. Prevention on Exploitation of Internal Data

The Company recognizes the importance of the prevention of insider trading by directors, executives (as defined as "executive") and employees, whether for personnel gain or for trading the Company security, including taking caution for the disclosing of such information to any irrelevant party prior to the appropriate time, since such disclosure could cause unfairness to the shareholder and investor. Therefore, the Company has regulated the course of action for the directors, executive and employees who has access to the internal data that they should strictly forfeit from trading the Company's security for one month prior to and after the Company's general information disclosure, whether it is the Company's operation result or significant development or any information that would affect the Company's share price. The Secretary of the Board of Directors has previously made the memorandum requesting the cooperation to the directors and executive from time to time to emphasize the directors and executive's obligation under the law for reporting any change of security holding to the Board of Directors meeting. In 2018, every directors and executive gives full cooperation to comply with the Company's policy.

In addition, Human Resources Department defines in the Code of Conduct in the use of inside information and trading of securities of BEC Group topic that employees and executives must not use internal information that have not been disclosed to the public for their own benefit or others. Directors, executives and employees have the right to freedom of investment in trading securities of BEC Group. But to prevent conflicts of interest, directors, executives and employees should avoid or stop trading of securities of the BEC group within a period of 1 month or within a specified period (Silent Period)

6. Auditor Compensation

(1) Audit Fee

In 2018, the Company and its subsidiaries paid the auditing fees to Dr. Virach and Associates Co., Ltd. in the amount of Baht 7,300,000 (Seven Million Three Hundred Thousand Baht).

(2) Non – Audit Fee

-none-

7. Good Corporate Governance Compliance

Good Corporate Governance Compliance Report BEC World Public Company Limited For 2018

Principle 1 Establish Clear Leadership Role and Responsibilities of the Board

- The Board of Directors understands its leadership role thoroughly and assumes its responsibilities in overseeing the Company and strengthen good governance. Moreover, the Board of Directors, by the proposal of the executives, will review the defining of objectives and goal and the determining of strategy, operation policy and annual plan. The Board of Directors will also allocate appropriate resources to achieve the objectives and goal, as well as monitoring, evaluating, and reporting on the performance of the Company. In this regard, the Board of Directors determines that the aforesaid matters shall be a regular agenda when determining the annual budget plan. Furthermore, the Board of Directors will also supervise the disclosure of financial and non-financial information to be reliable.
- With respect to the corporate governance, the Board of Directors recognizes great importance to promote competitiveness and monitor the management in order for the Company to have good operating results. In making any decisions, the Board of Directors will carefully consider the information which includes information regarding both short-term and long-term impacts to create value to the business, sustainably.
- The Board of Directors approved the corporate governance policy which implemented the CG Code (Shown in 9.1). The policy shall be revised annually to keep it up-to-date. Moreover, the Board of Directors also approved the Code of Conduct for directors, executive and employee. All directors, executives and employees shall be notified of the Code of Conduct implementation in order for the business to operate ethically while respecting the rights and have responsibility to shareholders and stakeholders.
- The Board of Directors recognizes the importance of operation result. In this regard, the Board of Directors' policy is to produce program for free television channel broadcasting by focusing on producing programs for audiences of all ages, including the production of program for other media of the Company and organizing of useful campaign activities without causing problems to society and environmental impacts (good corporate citizenship). This policy will also be implemented with new business in the future as well.
- The Board of Directors recognizes the importance of the Company's adaptation under changing environment. Since the business of the Company Group is related to consumer behavior which varies according to technology, the Board of Directors, therefore, has a policy to adjust itself to be in line with the changing technology.
- In performing its duty, the Board of Directors will supervise all directors and executives to perform their duty with responsibility, duty of care and duty of loyalty for the best interest of the Company. In addition, the operation must be in accordance with the law, i.e. Securities and Exchange Act and Public Limited Company Act, including regulation of authorities such as notifications of Capital Market Supervisory Board, the SEC and the SET and notifications of the NBTC office, etc., as well as the Articles of Associations and resolution of the shareholders meeting.
- The Board of Directors appointed subcommittees to screen various matters and also appointed the Company Secretary. The Board of Directors also encourages directors, executives and employees to attend training program and seminar, periodically. Consequently, directors, executives and employees are aware of changes in corporate governance rules. They also have knowledge about new management practices and be able to apply them in the organization in order for the Company to have adequate systems or mechanisms to ensure that the operations of the Company are in accordance with the laws, Articles of Association, resolutions of the shareholders' meeting, as well as the determined policies or guidelines, including having approval processes for significant operation (such as investments, transactions that affect the business significantly, connected transaction, acquisition / disposition of assets, dividends payment, etc.) that is in accordance with the law. Moreover, the Company is also in the process of preparing the anti-corruption policy, the schedule of authority, etc.

- The Board of Directors organizes the management structure to have various operational lines and the chief executive of each line. The chief executive of each line will report directly to the Group Chief Executive Officer (G-CEO). Moreover, the Board of Directors also regulates the G-CEO to report directly to the Executive Committee and clearly defines the scope of duties and responsibilities of G-CEO and management, as well as following-up and supervising the G-CEO and management to perform the duties as assigned.
- The Board of Directors understands its role, scope of duties and responsibilities. The Board of Directors also clearly determines the scope of duties and responsibilities of the subcommittees and management, as well as following-up and supervising them to perform the duties as assigned.
- The Board of Directors recognizes the importance of overseeing the risk management system and internal control. In this regard, although the Risk Management Committee has already been established, but we are still in the process of setting up operational department. Thus, the Internal Audit Office, who manages the internal control, was also assigned to oversee the risk management work as well. Nevertheless, in the actual risk management operation, a committee, which comprises of representatives from many different departments, has been set up to jointly plan for the risk prevention and risk management.

Principle 2 Define Objectives that Promote Sustainable Value Creation

- The Board of Directors recognizes great importance to define objectives and main goal of the organization's business operation to be able to grow together with society with sustainability, and to create value and benefit for the organization, customers, partners, employees, shareholders, stakeholders, and society as a whole, as well as creating an organizational culture under the principles of good corporate governance.
- The Board of Directors reviews the goals and objectives of the business, annually. Moreover, the Board of Directors considered the business model proposed by the management which could create value for both the business, stakeholders, and society as a whole, as well as communicating to everyone in the organization to move in the same direction. Additionally, the Board of Directors also considered the vision and corporate values.
- The Board of Directors will consider the annual strategic plan to be in accordance with the objectives and main goal of the business by supporting the budget for safe and appropriate technological application while taking into account the current environments of the business, as well as the acceptable opportunities and risks. In this regard, the Board of Directors will also consider the impact of the implementation of the business plan, and encourages the making of long-term business plan.
- In addition to the approval of objectives, goals, and strategies, the Board of Directors also prioritizes the communication, both through supervisor and inter-organization, to notify all personnel in order to create mutual understanding and implementation until it becomes corporate culture.
- BEC Group believes that quality employees is an important factor in reaching sustainable growth and success. In order to achieve quality employees concretely, the "SPIRIT" corporate values is required. In this matter, the aim of this corporate value is for employees to adhere and practice it until it become a corporate culture to create a path for success and sustainability.

SPEED

Swiftly recognizing the change, adjusting the plan and working method, and acting quickly and nimbly to create continuous success.

PASSION FOR EXCELLENCE

Knowing and understanding the responsible work, as well as the quality of the work that must be delivered, following the working process, working prudently, studying for more knowledge, constantly improving the quality and standard of the work to be better than the past.

INNOVATION

Not adhering to the traditional way of thought and practice, thinking further, making question that will lead to creation and development of new value in the work to meet the need and satisfaction of customers.

RESILIENCE

Listening to others' opinion and not considering their own thought and belief to be absolute, be prepared to cope with changes, be patience and not be discouraged.

INTEGRITY

Upholding righteousness, behaving oneself by adhering the code of conduct of the Company and profession, be honest, transparent and unselfish, denying the participation in any matters which are contrary to integrity and fairness or risking the legal offense, not accepting any compensation for any wrong conducts.

TEAMWORK

Believing in unity, respecting the differences, honoring each other, fully cooperate to complete the work, prioritizing the common interest over personal success and comfortability.

Principle 4 Ensure Effective CEO and People Management

- The Board of Directors recognizes the importance of the recruiting of CEO and key executives by ensuring that a proper mechanism is in place for the nomination and development of the CEO and key executives to ensure that they possess the knowledge, skills, experience, and characteristics necessary for the Company to achieve its objectives. The Board of Directors also encourages key executives to attend training and seminar to improve work efficiency, knowledge, skill and experience, continuously.
- Upon the acceptance of key executive positions, Human Resource Department is assigned to oversee the suitability of the remuneration and benefit which will motivate the key executives to have good performance. In this regard, the Human Resource Department will propose the compensation structure and performance evaluation to the Board of Directors for their consideration. The Board of Directors will then determine the compensation structure which will motivate key executives and other personnel in every level to act in accordance with the organization's objectives and main goal, as well as the benefits of the Company in the long term.
- Under the Board of Directors' policy, the Company shall disclose the structure and relationship of shareholders that might affect the management of the business and might have the power to control the management of the business to prevent any obstacles to the performance of the Board of Directors.
- The Board of Directors has followed up and administered the personnel management and development through Human Resource Department to support employees, who are valuable resources of the organization, to have opportunities to develop skills and increase their knowledge and ability to work, regularly and appropriately.
- The Board of Directors approved to establish a committee to evaluate the key executives. The criteria for the evaluation should motivate the key executives to manage the business for the best interest of the Company in accordance with the objectives, main goal, strategies and also in line with the interests of the business in the long term. In this regard, the key executives will be notified of the evaluation criteria in advance.
- The Human Resource Department is responsible for presenting to the Executive Committee to consider and approve criteria and factors for performance evaluation; determine the evaluator of the key executives' compensation structure; and follow up with the CEO to evaluate key executives according to the said evaluation criteria.
- The Board of Directors established the provident fund to ensure that employees have sufficient savings to support retirement, as well as encouraging employees to have knowledge and understanding in money management.

Principle 5 Nurture Innovation and Responsible Business

- The Board of Directors recognizes the importance and supports the creation of innovations that create value for the business while benefiting all stakeholders and have responsibility to society and environment.
- The Board of Directors considers the operation plan of the management in order to provide advice on how to adjust the operation plan to enable the Company to conduct its business with social and environment responsibility and to ensure that every department adopts the Company's objectives, goals, and strategies, while taking into consideration the role of all stakeholders.

- To ensure that the Company operates its business ethically with social and environment responsibility and does not infringe rights of stakeholders, including to be the guideline for all parts of the organization to sustainably achieve the objectives and main goal, the Board of Directors provided the employee manual, which determined the conducts toward stakeholders as a part of the code of the Code of Conduct. The Company will also disclose relevant and necessary significant information to stakeholders in a sufficient, trustworthy, and timely manner. Moreover, the Company handed employee manual to all employees to acknowledge the work rules, such as responsibility toward employees by acting in accordance with relevant laws and standard, treating all employees fairly, and honoring human rights (i.e. setting fair remuneration and other benefits, providing welfare which is not less than legal requirement or more as appropriate, taking care of health, hygiene and work safety, providing training to develop potential and career advancement, and providing opportunities for employees to develop their skills in other areas.
- Although the Board of Directors recognizes the importance of controlling the costs and expenses of the Company, the Board of Directors also focuses on technology investment in order to use new technology to develop new innovations to strengthen the business of the Company Group, particularly for new multimedia business. The management oversees the allocation and managing of resources to be efficient and effective in order to achieve the objectives and main goal, sustainably. In this regard, the management has allocated resources sufficiently and prepared a backup system in case of an emergency.
- The Board of Directors has established a framework for governance of enterprise information technology that is aligned with the Company's business needs and priorities. They also ensure that the Company is using information technology to stimulate business opportunities and strengthen performance and information security measures in order to achieve the objectives and main goal.
- The Company is in the process of preparing to join the National Anti-Corruption Network to be in accordance with relevant laws. Moreover, the Company is also focusing on ethical practices by providing risk assessments for activities that are related to corruption or in risk of corruption. The data from such assessment will be used as a guideline for the operation of the Company, accordingly.

The disclosure of the compliance of Principle 3 (Strengthen Board Effectiveness), Principle 6 (Strengthen Effective Risk Management and Internal Control), Principle 7 (Ensure Disclosure and Financial Integrity), and Principle 8 (Ensure Engagement and Communication with Shareholders) of the CG Code are as follows:

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

Shareholder Rights Protection

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

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

2. The internal department responsible for facilitating all shareholders: The Board of Directors has assigned the Investor Relation unit ("IR") to assist and facilitate shareholders including to disclosing and providing information to shareholders. Shareholders and Investors can reach such information via the Company's website "www.becworld.com" or if the shareholders would like to contact the company via IR and the company secretary, they can contact the Company via e-mail address: irbec@becworld.com. In addition, the shareholders can contact the Company via post or present themselves at the Company's office, located at 8th Fl., Maleenont Tower, No. 3199, Rama IV Road, Klongton Sub-District, Klongtoey District, Bangkok 10110, Tel: 02 022 7427, Fax: 02 262 3264.
3. The disclosure of information and the contact: The disclosure of information shall be made thoroughly, equally and update, such information must provide sufficient, correct and complete information beneficial for their investment and decisions. After submitting information via the Stock Exchange of Thailand's electronic system, the Company shall also disclose the information on its website, www.becworld.com. The information has been prepared in 2 versions i.e. Thai and English version for foreign shareholders. Channel for obtaining information of the Company: Besides those information provided in website of the Stock Exchange of Thailand ("SET"), www.set.or.th, the shareholders and investors can also follow up such information via the company's website; namely www.becworld.com.
4. The Company always gives priority to equal treatment to all shareholders, whether institutions investors or minority shareholder, both Thai and Foreign nationality, without discrimination. In addition, the Company has a policy to encourage all classes of shareholders to attend the meeting, exercising their voting right and giving comment in the shareholder meeting. In this regard, the Company prepared and sent invitation letters, supporting documents, and other documents explaining the required documents which the shareholders shall present prior to such meeting. There are 2 versions of documents i.e. Thai and English versions and to be sent to all shareholders in advance before the meeting date.
5. The Company has facilitated shareholders to fully exercise their rights for attending and voting in the meeting. In no cases shall the Company do anything that would restrict the right to attend the meeting and vote. To illustrate, (1) The Company chose a meeting location in which is located in the center of the city, having the convenient transportation in order to facilitate the shareholders / proxies to travel and attend the meeting. (2) The Company has sent Proxy Form B and C, to facilitate the shareholders who could not attend the meeting to be able to exercise their voting right, to all shareholders together with an invitation letter. The proxy form shall enable the shareholders to vote in each agenda, especially for director appointment, the shareholders are able to vote, individually. The shareholders are entitled to empower a third person as a proxy holder to attend the meeting or authorize independent directors whose names specified by the company as a proxy holder to vote on behalf of themselves. In this stage, the shareholders can send the filled and voted Proxy Form to the Company via post before the meeting date, which is not burden the shareholders too much. (3) As for the registration for attending the meeting, the Company has provided the computer system to assist the registration, attend the meeting and assess the voting result in each agenda. In addition, the Company also provided the voting ballot for the shareholders at the registration point for the convenient of the vote count.
6. The proposal of agenda and candidate director: Should any shareholders wish to propose the issue for shareholder meeting, including any suggestion, the name and detail of the person who they deemed to be qualified for the director position, including in case of the shareholder has the question regarding any agenda; they should propose the issue, question and the supporting information for consideration to The Board of Directors in advance before the meeting via website www.becworld.com or via post to the Company Secretary, located at 30th Fl., Maleenont Tower, No. 3199, Rama IV Road, Klongton Sub-District, Klogtoey District, Bangkok 10110, Tel: 02 262 3635, Fax: 02 262 3170. Upon receiving any proposal from the shareholder, the Company, by the Company's Secretary, shall propose the said matter to the Company's Board of Directors for consideration within meeting agenda in due time prior to the Board of Directors request for annual general shareholders meeting. In case any shareholder proposes any agenda, the Company will receive and consider only agenda which would be useful to all shareholders on the condition that such request is possible for the Board to comply

and it is not contrary to laws and related regulations. Under such terms and conditions, the Company will add such request as meeting agenda, accordingly, including director opinion regarding such matter. In case the Board of Directors opines that such matter, proposed by shareholder is not related with the company's business activities or useful for the sake of the shareholder or such request has too short period to consider, the Board of Directors will assign the Company Secretary to contact such shareholder to clarify the reason for refusal of such matter to be included in the agenda, or inform name of such candidate for acknowledgement of the shareholders meeting only;

Invitation Letter

7. With respect to the AGM 2018, the Board of Directors considered to contain the agendas as prescribed by laws with the addition of the agenda to consider and approve the issuance and offer of debentures of the Company in an amount of not exceeding Baht 4,000 million, whereas, the shareholders, taking a position of managements, did not propose any additional agendas to the Board of Directors meeting. The normal agenda for AGM are
 - (1) To acknowledge the Board of Director report
 - (2) Considering to approve the financial statement
 - (3) Considering replacement of directors by rotation retirement
 - (4) Considering director remuneration [the Company makes payment only meeting allowance and compensation to its directors]
 - (5) Considering the appointment of auditor and auditing fee
 - (6.) Considering approving profit allocation, in which the Articles of Association protects the right of shareholders by specifying that the Company shall pay the dividend to shareholders equally as per the ratio of shares held.

8. According to the invitation letter for AGM 2018, it contains the information regarding the date, time and place of the meeting and agenda of meeting. The Company has arranged for disclosure of information, supporting each agenda properly for acknowledgement and consideration, and specified the objectives and reasons, the resolution of the Board of Directors of each agenda as proposed. The Company has delivered the invitation letter and supporting documents in English for foreign shareholders. The documents delivered were as follows:
 - Agenda for director election: preliminary information of each candidate (such as prefix, name, age, director category, period, educational/training background, work experience including any information which may cause a conflict of interest against the Company's business, position in other companies, dividing to listed company and non-listed company, the Company's security holding ratio, previous year performance, etc.). In 2018, there were 5 directors. The Nomination and Remuneration Committee opined that the Board of Directors and the shareholders should elect the aforesaid retired directors for another term. The said retired directors' qualification has been reconsidered by the Nomination and Remuneration Committee. The Nomination and Remuneration Committee considered and opined that 5 retired directors have qualified and have no prohibited qualification under the Public Company Act, as well as having no offence record under Securities and Exchange Act. In addition, they have the strong background in the Company business, which is the benefit for the Company. In the preceding term, they performed their obligation with responsibility, care and honesty, which is in accordance with the law, objectives and the resolution of the shareholders meeting. In addition, they could well control the Company's business. Therefore, the Nomination and Remuneration Committee opines that the retired directors should be re-elected as the director of the Company.
 - In this regard, as the two directors who retired by rotation in 2018, i.e. Mr. Prathan Rangsimaporn and Mr. Manit Boonprakob are independent director, the definition of independent directors is disclosed to the shareholders for consideration. In this regard, Mr. Manit, the Audit Committee, have knowledge and understanding on accounting or finance, as well as experiences in auditing the financial statement of the Company. Therefore, since the two independent directors are independent in making their decisions and voicing their opinions and could well control the Company's business, the Nomination and Remuneration Committee opines that the retired directors should be re-elected as the director of the Company

- Agenda for director compensation: The Board of Directors has established “Nomination and Remuneration Committee” to assist the Board of Directors in determining the remuneration and other benefits of the Company’s directors and sub-committees to be proportionate with their duties and responsibilities by comparing with other companies in similar industries. The Nomination and Remuneration Committee will then propose to the Board of Directors and the Annual General Shareholders Meeting for approval of such compensation rate. Apart from considering the method of paying the compensation, the Board of Director also considered the amount of compensation as well. As such, the Board of Director considered the rate of the compensation by comparing the compensation rate of other companies in the same industry, and other companies, having similar income and profit. In addition, the trend of the Company’s operation, the direction of industry as well as other environment factors have been taken into consideration. To propose this agenda, the Board of Directors properly discussed and expressed their views for shareholders’ decision. As for 2018 AGM, the Board of Directors has considered to propose the compensation rate for the directors as the same rate of 2017. The compensation rate of the directors proposed to the shareholder meeting shall be in monetary form only namely attendance fee and director’s pension and the Board of Directors had not proposed additional beneficial offers to the meeting for consideration.
 - Agenda for auditor appointment and auditing fee: the Audit Committee has been appointed by the Board of Directors to consider, elect, appoint and propose the name of the auditor and auditing fee for BEC group, as well as to propose the termination of the auditor. As for 2018, the Audit Committee has jointly considered this matter and proposed the name of the former auditor to be the auditor of BEC group for the another year. The names of the former auditor and auditing firm and also explained reason for appointing the former auditor has been specified in the supporting documents for meeting. The Audit Committee opined that the auditor had proper qualification, knowledge and expertise in profession. In addition, the operational result of the previous year was acceptable and satisfy. The auditor was also independent, having no relationship with the Company and its subsidiaries. Furthermore, the Audit Committee considered the appropriateness of auditing fee incremental, by comparing with the quantity of increased works, the auditing fees of other listed companies in the same industry, the auditing fees of other companies, having the similar operational results. The Board of Directors has presented enough information in each agenda, providing their own opinion for shareholders’ decision.
 - Agenda for dividend allocation: The dividend payment policy is shown in the supporting documents for considering the agenda regarding dividend allocation, as well as, in the important financial information topic of the Annual Report. The Board of Directors has arranged for details of each agenda, and director’s opinion sufficient, i.e. rate of dividend, information regarding interim dividend payment and total amount of all dividend payments, compared net profit and accumulative profit as specified in specific and consolidate financial statement of the Company and its subsidiaries as well as to present ratio of dividend and net profit for consideration. Such information was clear for shareholders’ decisions.
 - At the 2018 Annual General Shareholders Meeting, the important issues that need to be considered and approved are issuance and sale offering of debentures and giving equal rights to shareholders. in the Board of Directors meeting for calling shareholders meeting, the Board of Director did not consider and specify other agenda, since it would deprive the right of shareholders who did not attend the meeting to consider such agenda.
9. The Company has presented to the shareholders the opportunity to exercises their rights in nominating the name of the person who they deemed to be qualified for the director position. The shareholders can nominate the name of such person together with his/her information for qualification consideration (i.e. criminal record, education and work experience, etc.), along with the nominated person’s letter of consent allowing the Company to investigate his/her profile. The shareholders may propose the said matter to the Company’s Board of Directors for consideration within meeting agenda in due time prior to the Board of Directors request for annual general shareholders meeting through the Company’s Secretary via www.becworld.com, or at e-mail address: comsec@becworld.com. The Nomination and Remuneration Committee would consider qualifications of each candidate proposed by shareholder in accordance with selection process imposed by the Company prior to Company’s Board of Directors consideration to propose such matter to the shareholders meeting thereafter. However, in the 2018 shareholders meeting, there has been no shareholder proposed any candidate to be appointed as director.
10. The Company has informed the shareholders of the required documents for the attendant registration as shown in the attendant document attached together with an invitation letter. The attendant document show the attendant registration time, the proxy, shareholders rights and the voting procedure.

11. The Company has encouraged shareholders, who could not attend the meeting by themselves, to appoint their proxies to exercise their right to attend the meeting and vote. The Company has sent Proxy Form B and C to all shareholders together with an invitation letter. An explanation for required documents from shareholder and/or proxy holder including an English translation thereof was also provided for foreign investors. The Company has never specified any difficult condition or obstacle to appoint such proxy. In case of any shareholder, who could not attend the meeting and wishes to appoint independent director of the Company as proxy holder, the Company has proposed Mr. Manit Boonprakob, an independent director, to exercise their voting rights.
12. The calling for the 2018 AGM, the Company has informed information regarding the resolution of the Board of Directors to call for the 2018 AGM through SET's electronic system on 9 March 2018, by attaching draft of the invitation letter both Thai and English regarding the shareholders meeting as approved by the Board of Directors, the contents of which contained all information relating to date, time, place agendas of the meeting, objectives and reasons, supporting documents for agenda consideration and acknowledgement, as well as, resolutions of the Board of Directors, sent 48 days in advance prior to the shareholders meeting date and accordingly disseminated through the Company's website, immediately, after notifying the said details to the SET. In the last section of such information disclosure, The Company has informed that the Company will post the original invitation letters of 2018, together with relevant supporting documents, financial statement and proxy etc., having the same contents as ones sent to all shareholders in hard copy both in Thai and English on the Company's website, www.becworld.com which displayed all information for 32 days prior to the shareholder meeting's date. This helped shareholders to study relevant information of the meeting in advance before receiving the invitation letter via post mail.
13. Delivering of invitation letter: The Company has assigned Thailand Securities Depository Co., Ltd. ("TSD"), acting as the Company's Share Registrar to deliver the invitation letter, calling for the shareholders meeting of 2018 to shareholders 15 days in advance prior to the shareholders meeting.
14. Publishing of invitation letter: The Company has published the invitation letters for the 2018 Annual General Shareholder Meeting in "Kaohoon (Stock News)" newspaper for 3 consecutive days, approximately 1 week, before the shareholders meeting date.

The Meeting

15. To facilitate all shareholders, the Company brought computer systems to assist in registering the shareholders attending the meeting, such as printing of voting cards and barcode, specifying details of attendees and number of shares, having voting rights, in each agenda, including the voting evaluation during each agenda. The shareholder could register to attend the meeting at all times, provided that the computer system shall adjust the total votes to the registered attendant of the shareholders. The Company shall close the attendant registration before the voting of the final agenda.
16. There were 12 directors from the total 14 directors. The Chairman of the Board acting as the Chairman of the meeting. In this regard, the Chairman of the Nomination and Remuneration Committee, CEO (who is the Vice Chairman of the Board), CFO, COO and all senior Vice-President in each unit were attending the shareholders meeting. In addition, the Company invited auditor and legal counselor to join the meeting in order to clarify and answer all questions of the shareholders.
17. In AGM 2018, the Company secretary invited the auditor team who was not responsible for clarifying the queries, to assist the examination of the vote counting. However, since the Company Secretary, as the meeting moderator did not inform the said duty of the auditor, the Company's Secretary did not record such duty in the minutes of AGM meeting. Notwithstanding, there was one shareholder volunteering to be the witness of the vote counting.
18. The Chairman informed that the quorum, consisting of required number of attendees and shares, was duly constituted to commence the meeting and also clarified voting right procedures to all shareholders in the shareholders meeting.
19. The meeting's procedure: The Chairman conducted the meeting in each agenda as specified in the invitation letter, sent to all shareholders without any changes or addition. The Company did not add any additional agendas or change any supporting information in the meeting without notifying the shareholders in the shareholders meeting in advance.

20. With respect to voting, the Chairman informed the meeting to use voting card in each agenda for transparency, and available for further examination in case there is any argument raised by any shareholders. The Company prepared voting cards for every agenda. Regarding the director appointment agenda, the voting cards were separated to enable the attendees to vote each director. There is one type of the Company share which is the ordinary share. In addition, the Articles of Association of the Company specifies regarding the share and voting right of shareholders that they shall be granted the voting right equally, by having 1 vote per 1 share. The secretary also showed the result of voting result in all agenda.
21. Agenda for director appointment, the Chairman proposed the meeting to consider director appointment to replace the former directors, under rotation retire, by proposing list of candidates to be considered by the meeting one by one to enable the shareholders to exercise their rights to vote for director election, the Company also asked for cooperation from all shareholders to submit voting slip for director appointment agenda to the Company for record.
22. The Chairman conducted the meeting orderly and properly allocated the meeting time for each agenda, enabling all attendees to freely express their views, suggestion including making any inquiry or doubt in various matters regarding meeting agenda or any matters related to the Company. The Chairman also allocated reasonable time for the executive director(s) and the management(s) in clarifying/answering all questions to all attendees. To respect all shareholders' rights, the Chairman had to control the meeting and the time spent in an effective way. For any query which was not relevant to the meeting agenda, the Chairman would answer such query after the meeting was finished. For 2018, the Chairman allocated time for answering every query during the meeting as shown in the minutes of the meeting posted on Company's website. Preparation of Minutes of Meeting and Disclosure Meeting's Resolutions

Preparing of minute of the meeting and the disclosure of meeting resolution

23. In 2018 AGM, the Company Secretary was responsible for preparing all minutes of the shareholders meeting, specifying date, time and place; a quorum, divided by a number of shares, a number of shareholders and proxy; list of directors and managements who attended the meeting, by specifying clear position; voting procedure, and counting of votes; agenda and resolution of each agenda. Before the meeting of each agenda, the Company specified the details of agenda, objectives and reasons of each agenda, directors' opinion and the resolution of meeting in each agenda. Especially the agenda required voting, the Company has specified number of votes clearly, classified as agreed, disagreed or abstained; including queries/ suggestion/ opinion from shareholders/proxies, attending the meeting and inquiring/ suggesting in such meeting together with answers from the Board of Directors, including significant clarification. All queries, clarification and suggestion would be recorded in the minutes of meeting in order that the shareholders who did not attend the meeting could acknowledge the said queries, clarification and suggestion from the shareholders
24. The Company Secretary has summarized the resolution of the meeting, including the details of each agenda (agree / disagree / absent) through SET electronical system once the meeting was completed immediately and has submitted the minutes of 2018 AGM to SET within 14 days from the shareholders meeting date and also subsequently submitted the same to the Board of Directors which was the first meeting held after the shareholders meeting date for their consideration of correctness and completeness. Then, the minutes was proposed for signing by the authorized directors of the Company for certification, and resubmitted to SET. The said minutes was also submitted to the Ministry of Commerce together with approval of 2017 financial statement in May 2018.
25. After filing the minutes with SET, the Company has uploaded the meeting minutes on the Company's website. For 2018, the Company has disclosed the meeting minutes on the Company's website within 14 days after the shareholders meeting date so that the shareholders, who did not attend the meeting, would be aware of all details of the meeting and enable the shareholders who attended the meeting to express their views before the next meeting. Until now, the Company has not been informed by shareholders that the said minutes of AGM 2018 was incomplete or incorrect. Prevention on Exploitation of Internal Data

Insider information exploitation prevention

26. The Company's Code of Conduct regulates the using of internal information and trading of BEC Group's securities. There shall not be any used of significant inside information that has not been publicly disclosed for self-interests or others. In this regard, the directors, executives and employees have freedom of investment in trading securities of BEC Group. However, to prevent any conflict of interest, directors, management and employees should avoid or suspend their trading of BEC's securities during the silent period or one month prior to the disclosing of the financial statements to the public. On this matter, in addition to the directors' and executives' obligation to notify the Securities and Exchange Commission, Thailand ("SEC") of the change in their securities holding, the Board of Directors has set out guidelines that the directors and executives are also obliged to notify the Company by sending a copy of the said report to the Company Secretary to report any changes in securities holdings to the Board of Directors at every meeting.

Conflict of interest of directors and connected transaction

27. The Company disclosed the details of connected transaction, in the topic of "Connected Transaction". The Auditing Committee considered the transaction in order to examine the connected transaction to be reasonable. In addition, the price should be, comparable to the market price. The terms and conditions of the transaction must be in the normal course of business. Finally, the utmost of the Company group should be considered. The Company has never conducted any connected transaction in the form of financial assistance to other companies which are not subsidiary companies of BEC group.
28. Regarding the acquisition or disposal of asset transaction or other related transactions, BEC group complies with all regulations as specified by Capital Market Supervisory Board, the Securities and Exchange Commission Thailand.
29. The Committee has set measures to prevent conflicts of interests by directors and administrators are obliged to disclose information on interests of themselves, close relatives, and other related parties to any contract relating to the management of the Company and its subsidiaries to the company's secretary, in which the secretary shall collect the information and hand over to the committee for inspection and approving proposal of transaction including disclosure of transactions to fully comply to the policy. In addition, Human resources department are approved by the committee to prepare a code of conduct in which all employees shall be acknowledge and comply with the code of Ethics. By the volume in the conflict of interests, determines that business operations or any businesses regardless of the benefits of BEC group and overall stakeholders should avoid conflicts of interests or related actions that may pose a conflict in result to valuable BEC group or in an improper way as follows, Receipt of money or compensations: no payment or compensations from customers or company partners or any other person due on behalf of the company; Employee loans or solicit money and or items from customers or partners, unless borrowed from a bank and or financial institution as a customer of banks and or financial institution. Additional work from the company: Any private business or additional work must not affect the performances of duties and working hours of the company. Engaging in any business that may be the competitive with the businesses of the BEC group is prohibited. Any businesses with BEC group: Businesses with the company on behalf of individual, family, or of any legal entity must disclose the company's interest before entering into transaction; the failure to comply with the principles and guidelines set out in the Code of Conduct may be considered a disciplinary offense and may be considered harmful according to the criteria defined by the Company also encouraged others to commit an unethical company, by ignoring the notice of non-compliance, blocking the discovery process or investigate the facts and act unfairly which does not follow the Code of Conduct and effects of a disciplinary offense as well.
30. In the event that the directors and Managements wish to propose the Company to enter into any transaction with conflict of interest with related person, the directors and Managements shall inform the Company in advance through the Audit Committee Office; in order for the Audit Committee Office to propose such matters for approval before entering into such transaction. The said information shall include the detail of the transaction with the BEC group, i.e. parties' information, relationship, transaction characteristic and size and the interest of the related person in the transaction together with the relevant documents. The Audit Committee will then consider the reasonability of the transaction, the appropriateness of the price, the information of the price in the similar market and compare with the conditions of general business transactions, for the utmost of the Company and its subsidiaries, in order to propose their opinion to the Board of Directors or the shareholders meeting for the approval and compliance with the regulation regarding Connect Transaction of such transaction.

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

The Share structure of the Company

35. There is only one category of company share, i.e. the common share, having equal voting right, one share per one vote. In addition, there is no cross-shareholding and no pyramid shareholding.
36. The Board of Directors hold shares totally at the rate of 26.63%. However, if counting closed relatives' shares, the shares held by directors and their relatives are 43.1%, totally.
37. There are more than 40% Free Float shares (of the issued and paid up shares).
38. There is no shareholder agreement
39. Other matters: CFO and Head of Investor Relations is responsible for (1) controlling information disclosure and reports pursuant to regulations as specified by the SEC and the SET; and (2) to provide information of BEC Group to shareholders and investors via the SET's communication channel, the Company's online channel, and mass media. Shareholders can contact the Company through Investor Relations. In this regard, the Company does not impose any conditions/barriers against shareholders for contacting Investor Relations.

Section 3 Roles of Interested Persons:

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

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

Interested person treatment is as shown in the corporate social responsibility report of BEC Group (not including in this report) under the following section,

- 1.) The important of BEC World's interested person,
 - 2.) "Create' good, valued and society benefiting program,
 - 3.) "Support" the services to improve the knowledge and ability pursuant to their mission, as well as to create love and bond in the organization for the employment period. The activity for social and environment is as shown in the corporate social responsibility report of BEC Group under "Support" the activity showing the social and environment responsibility.
- Indemnification: the Board of Directors has imposed compensation package for any interested person who has been injured from the Company's violation. In such circumstance, the Company will appoint a working group to collect information and evidence as well as appointing a committee to consider compensation and procure a measure, and amount of money or other compensations to any injured persons in reasonable, fair and efficient measure to mitigate such damage.
 - Human Right Policy: The Company's group conduct business regarding television station operation and television program production, especially producing news program, documentary program and entertainment program, having the audience in every genders and ages all over the country. Conducting as mass communication creates the opportunity to interact with the number of people. Therefore, the executives and employees shall perform their duty with carefulness and responsibility to the public. They shall perform their obligations, whatsoever in any environment, under the media ethics, also shall respect and not violate against the human right.
 - Mechanism for Interested Person's Participation: the Board of Directors has set procedures to allow all interested persons to participate by requesting all relevant units responsible for each group of interested persons to arrange for meeting and hearing from each group of interest persons and reporting to the Board of Directors and relevant sub-Committee for acknowledgement of their opinion and suggestion. The Company Secretary has been assigned to be a coordinator. Any interested person may send a problem, opinion or any suggestion to the Board of Directors and every Sub-committee through the Company Secretary directly or via the Company's website. In addition, the Board of Directors has controlled and managed all divisions to disclose sufficient information within reasonable time to enable the interested person to have participation efficiently.
 - Notification or Complaint for Illegal Transaction / Right Violation: the Board of Directors has prescribed procedures for a notification and complaint of any illegal transaction or immorality, incorrect financial statement or defective internal control system including right violation by notifying such matter(s) in writing with supporting evidences to the Internal Audit Office. The Internal Audit Office shall examine and then report such matter to the Audit Committee, subsequently. Both of them shall mutually conduct to set a measure to restrain damage including specifying protective measure for this matter. Such complaint shall be deemed to be "confidential information", without disclosing name of the notifying person, resource. In addition, all documents and evidences shall be kept securely in order to protect the security of the notifying person. The Internal Audit Office will conduct an investigation of information and report to the Audit Committee and the Board of Directors, respectively.
 - Anti-Corruption policy is shown in Corporate Social Responsibilities report.
 - Policy and practice regarding none infringement of intellectual property: Board of Directors sets standard policy to prevent infringement of intellectual property especially Copyright, for example establishing a unit to be responsible for managing other person's copyright works and contacting other person for acquiring license to exploit their copyright works. In addition, the Company has provided a training program regarding the intellectual property law to the executives, employees, television program producers and reporter. In addition, the Human Resource Department has included intellectual property into the Code of Conduct

regarding business operation as follows: The Company's intellectual property, i.e. copyright, patent, trademark and trade secret, is an important asset in order to maintain competitive advantage of the Company. All directors, executives and employees shall preserve and protect all intellectual property rights of the Company and shall use such rights with responsibility, as well as respecting others' intellectual property rights. Employees should regularly attend the education and protection of intellectual property training that the Company held, and should always strive for knowledge to promote the right practice by themselves.

- After following up compliance of the policy, we found that employees have adjusted their attitudes and accepted the importance of the application of the CG rules within the organization. Employees have applied the CG policy to well adapt with their duties resulting in changes of organization culture to meet international standard in terms of management, and transparency.

Section 4 Information Disclosure and Transparency

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

Investor Relations

1. Investor Relations: The Board of Directors has established Investor Relations, CFO and Head of Investor Relations, responsible for preparation and disclosure of material information, both financial information and non-financial information in accordance with regulations of the SET and SEC, including providing BEC Group's information to shareholders and general investor via the SET's channel and the Company's online media, as well as providing information to mass media. Investor Relations always evaluate to improve efficiency of information disclosure, such as; notifying of material resolutions of the Board of Directors i.e. resolution to call for the shareholders meeting; fixing the date of closing share register book, and dividend payment, and etc., providing information and news on the Company's activities to communicate such information to all shareholders, investors, securities analyst and also general public where the information to be disclosed timely must be correct, complete and updated.
2. Shareholders can contact Investor Relations without any condition or obstacle by contacting Investor Relations at BEC WORLD PUBLIC COMPANY LIMITED, located at 8th Fl., Maleenont Tower, No. 3199, Rama IV Road, Klongton Sub-District, Klogtoey District, Bangkok 10110, Tel: 02 022 7399, Fax: 02 262 7399 website: www.becworld.com or e-mail address: irbec@becworld.com.
3. The Board of Directors has appointed Mr. Piriyaadit Choophungart - Chief Financial Officer (CFO), Mr. Panugorn Puengpradit-Head of Investor Relations, to be the authorized person to sign in filing of information application form via information disclosure system of SET. Mr. Piriyaadit Choophungart - Chief Financial Officer (CFO), Mr. Panugorn Puengpradit-Head of Investor Relations to be a representative of the Management Division in providing the Company's information to shareholders, investors, analysts, press reporters and related government authority including clarifying on any rumor. Moreover, Mr. Piriyaadit Choophungart and Mr. Panugorn Puengpradit are also the representative of the executives in giving information of the Company Group to shareholders, investors, analysts, news reporters, and relevant government authorities. Such disclosure of information with respect to the Company's development shall be strictly complied with SET regulations regarding information disclosure of listed Company.

4. Many of the local institutions investors and foreign investors are frequently visiting the Management to inquire the investment and development policy of the Company. Furthermore, the Investor Relations will try to held the analyst meeting every quarter, on the next business day after the filing of financial statement to SET, to clarify the additional information to regarding the information disclosed in the financial statement, including information regarding business tendency to support the decision of shareholder and investor
5. Company Secretary performs duties in accordance with the minimum requirement under the Securities and Exchange Act, including to liaise with Thailand Securities Depository Co., Ltd – the registrar of the company to provide registration services to shareholders, as well as determining the record date to determine shareholders list to various rights and the submission of documents to the shareholder by mail, including action to pay a dividend to shareholders, such as the preparation and submission of the dividend check or coordinate with the bank to take into account.
6. Investor Relations activities: In 2018: The Company has convened the analyst meeting at head office, totally 4 times by holding such activities on the date of the filing of financial statement of 2017 and financial statement of 1st – 3rd quarter of 2018. The Head of the Investor Relations is responsible for organizing all four meetings, having Mr. Prachum Maleenont, Group Chief Executive Officer (Group CEO) and Mr. Piriyaadit Choophungart, Chief Financial Officer (CFO) attended all the meetings while other executives also attended as appropriate. The analyst meeting will provide information and clarification regarding operating result, marketing, policy/business trend to the analysts directly. In addition, giving an opportunity to institutional investors, both local and international, to visit business entity and meet executive directors (Company Visit) as well as holding meeting via telephone, where roughly there were 1 institutional investors visiting the Company per week.
7. In addition, the Company has assigned Mr. Panugorn Puengpradit, Head of Investor Relations, to join some activities held by local securities companies. Regarding the plan for conducting IR activities for 2018, the Company shall convene the analyst meeting and press conference for the operating result at the Company's head office, in every quarter, giving an opportunity to local and international investors to visit the Company and meet executive directors (Company Visit), except some financial period – 2 weeks before disclosing the operating result. In addition, the Company shall attend investor activities as invited by securities companies, and shall consider appropriateness for visiting investor in foreign countries.
8. Communication channel of the Company: The Board of Directors has supported IR Unit by giving an opportunity to all shareholders, investors, analysts and reporters to access the Company's information through various channels other than through the SET media, to disclose the Company's information to public widely, when the IR Unit distributes any Company's information to media, analysts and investors regarding information in the business industry and the BEC group, the Company shall post the said documents on the Company's website, both in Thai and in English version, so that any person may follow up on the Company's information and the business industry consistently. In 2018, Investor Relations and Corporate Affairs developed and improved the IR Webpage of the Company's website, www.becworld.com, to be modernized and easily accessible
9. In 2018, Mr. Panugorn Puengpradit, Head of Investor Relations, has presented the movement of the price of the shares of the Company and competitors, as well as the views of analysts from various broker which affect the operation and strategic direction of the Company, including analyst consensus in each quarter to the Board of Directors.
10. In 2018, the Company considers "Investor Relations", one of the company's key frontline functions that has high interaction with investment community and public at large, as a company's spokesperson not only to ensure investors' confidence in the company's business operations, but also to promote the company's Good Corporate Governance by means of its ethical disclosure and all of its acts adhering to the Code of Conduct for all Investor Relations personnel as follows:
 - Perform duties with integrity and in a professional manner;
 - Disclose sufficient information by considering stakeholders' benefit, rights, and fair treatment;
 - Ensure that relevant stakeholders are able to access and inquire for necessary information;

- Confidential information and any inside information for personal benefits are strictly prohibited;
- Conduct regular update to refresh wider knowledge, rules and regulations to enhance IRO's effectiveness;
- Silent period for 14 calendar days before the announcement date (IROs should not conduct any meeting with investor or analyst 14 calendar days before the announcement date);
- IROs are prohibited to trade the company's stock 14 calendar days before the announcement date until 1 calendar day after the announcement date.

Information Disclosure

- Investor Relations has prepared and distributed all material information, both financial information and non-financial information correctly, completely, sufficiently, timely and in accordance with the regulations, prescribed by the SET and SEC. Apart from making disclosure in form 56-1 and annual report, the Company also disclosed information through SET's electronic system and the Company's website (www.becworld.com) by updating such information, consistently. In 2018, the Company as complied with all regulations and disclosed the information prescribed by the SET and SEC correctly and did not have any penalty in relation to the offence of non-disclosure and never been ordered to edit the financial statement. Disclosure and never been ordered to edit the financial statement.
- In filing the Company's documents to the SEC and the generally publishing through SET website of the financial statement, the Company shall always provide and file the management discussion and analysis (MD&A) together with the said financial statement. After the disclosure of financial statement through SET electronic systems, Company will also publish the said information through the Company's website.
- Information in form 56-1 mainly shows in annual report. In this regard, the Company has shown both form 56-1 and annual report on the website for shareholder and investor to download.
- The information disclosure in 2018 Annual Report of the Company having details as follows:
 - Important Financial Information and dividend allocation policy.
 - The report of Board of Directors showing the role, duty and opinion from their performance during the passing year to the shareholders, signed by Chairman.
 - The report of Audit Committee showing the role, duty and opinion from their performance during the previous year to the shareholders, including the appointment of auditor and the determination of their remuneration, in which the auditor has been authorized by SEC office. The Board of Directors considered the qualification, the proficiency and the independence of the said auditors, in addition, such auditor has no relationship or involve with Company or subsidiaries, signed by Chairman of the Audit Committee.
 - The Company showed the business operation information and the structure of the Company group. The Company group specified the ratio of the Company's shareholding, under the topic of "The Business Operation". The Company disclosed the vision, objectives and long term target of the Company, as well as the strategy of business operation, the division of business operations within the group, the investment in subsidiary and associated company policy and substantial change and development regarding business operation and management.
 - Industrial Environment shown in Management Discussion and Analysis, giving information concerning market share and amount of money in the advertising industry. In addition, it also shows the analysis regarding industrial environment and competition in television business, program sourcing and production business, which the Company currently operates. It describes the position and potential in competition of the Company and subsidiaries in the group. In addition, it specifies risk factors of business operation, e.g. risk in growth of advertising costs and expenses, market share maintaining, amendment of broadcasting operational control, renewal operation agreement, substitute of tv media by new advertisement and risk in holding shares of the Company by a group of majority shareholders, which is the risk in management.

- Report of the Board of Directors' Responsibilities for the financial statements signed by Chairman and proposed to the shareholder, as shown in this 2018 Annual Report. It is presented together with page, showing auditor report.
- Financial Statement was audited by the auditor, authorized by the SEC office. The auditor certified the financial statement without the condition. The management discussion and analysis shows the overall business operation and substantial change, policy, strategy or business decision, the result of operation and capability of making profit, the description of revenue, e.g. revenue from airtime sale, licensing and other services, concerts and shows organizing, etc. as well as the details of expenses, e.g. cost of sales and services, organizing concerts and shows, selling and administrative expenses, financial cost, etc. There is the details regarding asset management capacity, showing financial status, total assets, assets component and assets quality. This also presents liquidity, source of investment, liabilities and management of off-balance sheet liabilities. In addition, it discloses factors or events which will affect financial status or operation in the future.
- The disclosure of shareholder structure including the shareholding of director and executive director, is shown in "List of major shareholders" topic. The Company specifies the shareholding of Maleenont group, which is the major shareholders, having the impact against the management policy determination or the substantial Company operation, by specifying the ratio of shareholding and the amendment of shareholding by directors and executive officer in the previous year. Furthermore, it is also shown in the detail of director and executive officer topic. Please note that the shares held by Maleenont group is held by themselves directly. The said shares are not held by its spouse or underage child.
- Management Structure showing information concerning the Board of Directors and executive directors, by disclosing the scope of authority, the authorized directors, measures to prevent conflict of interest, performance of duty, number of the meeting and number of the attendance time that each director attended during the previous year, including the detail concerning the compensation of directors and executive officer. The Company did not hire any director as the consultant, etc., therefore, there is no other compensation for the director. In addition, the information regarding the Company Secretary and the Company's personnel which show the total number of employees and employees' remuneration are also disclosed therein.
- CG Policy Section showing the detail of sub-committee, scope of authority of sub-committee, corporate governance policy, corporate governance practice, the recruitment of director and senior executives, corporate governance of subsidiary company and associated company and prevention on exploitation of internal data, which it is compulsory that the directors and executives shall notify the amendment of securities holding to the Company Secretary in order to report to the Board of Directors meeting. This section will also show auditor fees and related fees, including the corporate governance practice report of the previous year.
- The policy regarding social and environment and compliance with the regulated policy is as shown in the CSR report of the Company.
- In the Annual Report, the Company disclosed the information regarding the internal control and risk Assessment; the Company has provide the risk management manual and has assessed the operational risk for each division annually. The Work System Compliance and Development division, Internal Audit Office, has collect and report the said risk assessment summarizes for the Board of Directors consideration annually.
- Regarding the connected transaction, the Company disclosed information regarding during the year, including the necessity and appropriation of transactions. In addition, the Company specified the policy and trend of the execution of connected transactions. With respect to the future connected transaction, the Board of Directors will perform in accordance with the Securities and Exchange Act and the regulation of Capital Market Supervisory Board related to the connected transaction. In the event that there is a connected transaction between the Company or its subsidiary and any interested person, the Company will assign the Audit Committee to examine and provide opinion regarding the necessity and appropriation of the transaction. Regarding the consideration and condition thereof, if the Audit Committee has no expertise in such connected transaction, the Audit Committee may request for the opinion from the independent expert, in which the Company shall be responsible for any expenses thereof.
- Information regarding the Director, Executive officer, showing the name, position, age, experience, education background, director training program, other training program, the position in other listed and non-listed company, offence record in Securities and Exchange Act and/or Public Company Act. In addition, the Company also clearly disclosed that which director is independent director and non-executive director.

15. The disclosure of information and other news on www.becworld.com website objective is to ensure that the shareholders, investors and any related person receive the investment supporting information. As the information in the website is the direct information from the Company, the Company has considered the sufficiency, reliability, not misleading and timeliness of the information. In addition, for the benefit of the shareholders and investors, the Company has also disclosed the information of the past 3-5 years. The financial statement, MD&A, other news notified via the data center of SET, the main information will show in form 56-1 and annual report which also showing in Company website. The disclosed information is the following:
- (1) Vision and mission of the Company;
 - (2) Business operation characteristic;
 - (3) Structure and management (Company structure) showing the name of directors, the position and the detail of Executive directors;
 - (4) Quarter financial statement and its explanation including MD&A;
 - (5) Form 56-1 and current and previous Annual report;
 - (6) The information proposed to analyst and investors, news which the Company distributed through SET (Press Release). This information will be show in the website after submitting via the SET's electronic system, invitation letter for shareholders meeting and related documents to be sent to all shareholders showing the same documents as sent to shareholders via registered mail. This information shall be post on the Company's website prior to the sending of the registered mail and Minutes of shareholders meeting, this shall be posted on the website within 14 days after the meeting date;
 - (7) Shareholding structure for both directly and indirectly holding;
 - (8) BEC group operational structure, showing the ratio of shareholding in subsidiary company and affiliated company (the Company has no special purpose enterprises investment);
 - (9) List of top 10 shareholders' names;
 - (10) Shareholder structure showing Maleenont group shareholding details (holding 42.88% which are the directors and Managements of the BEC group);
 - (11) Shareholders meeting invitation letter for the current and previous year;
 - (12) Articles of association (the Company has no Shareholder Agreement);
 - (13) Corporate governance policy; and
 - (14) The contacting channel in the website is supervised by the Company Secretary. The information showing on the website is both Thai and English.

Section 5 Directors Responsibilities

1. CG Policy: The Board of Directors has set CG policy in written documents for all employees in the organization to acknowledge and comply with such policy. The Board of Directors has assigned HR Division to set up some activities to campaign and promote the CG policy to all employees to comply therewith, such as, setting up an announcement board for posting any knowledge information, communication through intranet system. The Board of Directors has paid attention to CG policy by having the Management Division report the problem and obstacle in the operation to the Board of Directors. The Board of Directors has opined and advised to improve CG policy and has reviewed the said policy at least once a year to update such policy. In addition, the Board of Directors also prepare the organization to better apply the good corporate governance. In this regard, the Board of Directors meeting No. 12/2561, held on 5 October 2018, resolved to review the corporate governance policy by implementing CG Code according to the context of the Company business.

2. Code of Conduct: the Board of Directors focuses on the importance of having business ethics as it is an important fundamental to strengthen and enhance good governance. Moreover, business ethics is also foundation of sustainable development. Therefore, the Board of Directors has assigned the Human Resources Department to be responsible for updating the previous Code of Conduct to be up-to-date and suitable with the current situation. This updated Code of Conduct shall be the operation framework and a clear and objective guidance to all directors, executives, and employees of BEC Group so that the Company Group's business operation would be on the basis of morality and ethics pursuant to the principles of good governance. Consequently, the Company Group will gain credibility and trust from stakeholders, i.e. trading partners, business alliance, customers, employees, and shareholders. The Code of Conduct shall be made in writing and disseminated to directors, executives, and employees of the Company Group for their acknowledgement and compliance. In this regard, the Code of Conduct regarding business operation consists of 20 topics as follows.
 1. Responsibility toward oneself and other person or organizations [10 principles]:
 - (1) Self-responsibility;
 - (2) Responsibility towards customers;
 - (3) Responsibility towards viewers.;
 - (4) Responsibility towards the Company;
 - (5) Responsibility towards supervisors;
 - (6) Responsibility towards colleagues;
 - (7) Responsibility towards subordinates;
 - (8) Responsibility towards shareholders;
 - (9) Responsibility towards trading partners and creditors;
 - (10) Responsibility towards society and environment;
 2. Respect and comply with relevant laws and regulations;
 3. Anti-corruption;
 4. Conflict of Interest;
 5. Accepting of gifts and business reception;
 6. Equal opportunity;
 7. Occupational health and safety of working environment;
 8. Employees' privacy protection;
 9. Working hours;
 10. Rights and freedoms of employees to association;
 11. No forced labor;
 12. No child labor;
 13. Human Rights;
 14. Political activities;
 15. Use and maintenance of Company's property;
 16. Intellectual Property;
 17. Using of inside information and trading of securities of BEC;
 18. Providing information or interview to mass media or the public;
 19. Using of social media;
 20. Related Transactions in BEC Group.

The Board of Directors has set up INTRANET channel to communicate and promote good practices in the organization. The Code of Conduct provides guideline regarding: (1) how to comply with the Code of Conduct; (2) the consequences of non-compliance; (3) non-compliance report/complaint channel; (4) the person responsible for receiving of reports and complaints; (5) confidentiality; and (6) advice regarding how to make the right decision. Employees may post any queries on the web board in the intranet system. In addition, the intranet system can also be used for communication through internal email system. In this regard, the Human Resources Department is responsible for the campaign to encourage everyone in the organization to comply with the business ethics by setting up bulletin board at the staff resting corner, as well as displaying them in the INTRANET system.

3. The Board of Directors recognizes the importance of executives' and employees' acknowledgement and compliance of the Code of Conduct. Hence, the Human Resources Department requires executives and employees to acknowledge the Code of Conduct and report any conflict of interest, as well as any businesses with the Company Group. In addition, the Human Resources Department also encourages employees' awareness regarding benefits/values of adhering with the Code of Conduct. In this regard, Head of each unit also plays important role in such encouragement since he/she is familiar with all employees under his/her control. Supervisor has to give suggestions including stimulating all employees under his/her control and supervision to strictly comply therewith. The Board of Directors also follows up the compliance of Code of Conduct by employees in organization via Management Section. In 2018, there was no problem in the application and compliance with the Code of Conduct. The Board of Directors has paid attention to Good Corporate Governance policy by implementing the CG policy to the business operation. The Board of Directors is of the view that Good Corporate Governance will improve effective and efficiency of the Company business operation, promoting the stability and lasting growth, increasing the investment value of the shareholder in the long term and strengthen faith and trust in the organization for the entire employee, shareholder, investor and interested person. The Board of Directors always implements the following Good Corporate Governance suggested by SET
4. The Board of Director determines the vision, mission and strategy of the Company to be the guideline of the business operation. These vision, mission and strategy shall be reconsidered once a year for appropriation and enabling the Company to be ready the change of industrial environment and competition. The Board of Director also monitor the employees to apply the said strategy for the operation.

Structure of Board of Director

5. The Board of Directors Structure: The Board of Directors meeting No. 4/2562, held on 4 March 2019, appointed Mr. Ariya Banomyong to replace the vacant director position, In addition, the meeting also appointed Mr. Ariya Banomyong as an executive director in the position of "President", having effect from 2 May 2019 onward. Afterward, the Board of Directors meeting No. 6/2562, held on 29 March 2019, resolved to adjust the Company's executives position, having effect from 18 April 2019 onward, as follows: 1.) Mr. Prachum Maleenont from the previous position of Group Chief Executive Officer (G-CEO) to Chairman of the Executive Committee; 2.) Miss Amphorn Maleenont from the previous position of Chief Operating Officer (COO) to Executive Director; and 3.) Mr. Ariya Banomyong as President. There are 13 members of Board of Directors, comprising 5 executive directors and 8 non-executive directors provided that among those directors, there are 5 independent directors. Currently, Mr. Somchai Boonnamsiri, as the independent letter, is the chairman of the Company. GCEO and most Executive Directors is a director who represents a major shareholder. The Group is also an executive of the Group, having competent knowledge, skill and understanding in the business while the non-executive directors are the directors with diversified experiences; who were from professional career, government officer and finance and marketing business. One of non-executive director are expert in marketing, who have the work experience with the major ad purchasing company, and having competent knowledge and understanding in the business. The directors and senior executive officers of the Company, have never been the partnership of the auditing firm which the Company currently hires. The Board of Directors has no sexual discrimination.
6. In presenting the Directors' information, the Company has present the following information, i.e. name-surname, photo, position, education and work experience and positioning in the Company history, on the Company's website and in the Annual Report. The nomination process is in accordance with the criteria for nomination. In this regard, the Nomination and Remuneration Committee shall propose candidates to the Board of Directors. The Board of Directors will then consider those candidates and propose them to the Annual General Shareholders Meeting for their consideration and approval. For this, the documents sent to shareholders will provide personal information of the nominated person, as well as details regarding nominated position, positioning history, criminal record, positioning in any business that might cause conflict of interest, shareholding ratio, including the opinion of the Nomination and Remuneration Committee, in the relevant AGM supporting documents of the year of election. Such documents will also be show on the website of the Company.

7. The Board of Directors is the highest body of the Company which shall determine vision, direction and policy of the Company and make decision for the best interest of the Company and shareholders on a long-term basis, as well as giving advice and considering the operation of the Executive Committee. Now the Executive Committee comprises 5 directors. Each of them has duty to supervise and control routine works of each business line, depending on expertise, interest, capability, and suitability of each person. Chairman of the Executive Committee shall be the person who is responsible for supervision and control of the management. The Executive Committee shall comply with direction/policy and principles of good corporate governance from the Board of Directors form and impose business plan. The G-CEO shall control all performance of the executive officers.
8. The Board of Directors has imposed qualifications of “Independent Director” of the Company by applying minimum criteria of the SEC by setting shareholding ratio, less than 0.5% of total voting shares. The definition and qualification of “Independent Director” is shown on Management Structure Section, Board of Directors Sub Section, and also shown in the Annual Report.
9. Currently, there are 4 independent directors constituting as 30.77% of the total directors. The Independent Director is independent from the executive department. The Board of Directors has regularly reviewed the Independent Director qualification for the compliance of the Company with the independent director ratio of SEC. In addition, there are 3 independent directors, being the director in other listed and non-listed company, but not exceeding 5 companies.
10. The term for directorship both director and Sub-committee, are 3 years, without limitation of number of terms. Currently, there is no limit to the consecutive directorship of the director and independent director.
11. There are 4 executive directors and 2 non-executive directors, who are members of Maleenont family, a majority shareholder of the Company, currently holding totally 42.88% in the Company. From such amount, the executive directors and non-executive directors hold shares in the amount 26.63%, totally. The remaining shares are held by minority shareholders. Previously, there was no proposal from minority shareholders to nominate any person as a director candidate(s).
12. As the executive directors have normal routine management works in the Company and subsidiaries, the Board of Directors, therefore, has set a policy that executive director may assume the position of director in other companies, which the Company has made investment and has condition of sending representative to act as directors to jointly control and manage the company. For non-executive director, he shall not assume the position of director in other companies more than 5 listed companies. However, if it is necessary to assume the position of director more than 5 companies, such director has to prior inform the Board of Directors, so that the director shall have sufficient time to perform his duty. The detail of each director’s position is disclosed to the shareholders in this Annual Report. In 2018, the non-executive directors who are directors of other 6 listed companies are Mr. Somprasong Boonyachai. The 2 non-executive directors assuming the directors position in other 2 listed companies are Mr. Somchai Boonnamsiri and Mr. Matthew Kichodhan. Mr. Chansak Fuangfu also assuming the Directors position in 1 other listed companies.
13. As the senior management has normal routine management works in the Company and subsidiaries, assuming position as director in other companies, may disrupt his company’s the routine works. The Board of Directors has no policy to encourage senior management work for other business entity except in the same group. In case of necessity, such senior management shall seek approval from the Executive Committee. Now, none of the senior management is a director in other listed companies.
14. The Company Secretary is a permanent employee of the Company who has been appointed by the Board of Directors. The information regarding qualification, experience, education and training experience, including duty and responsibility of the Company Secretary is shown in the Management Structure Section, Company Secretary Sub Section and Director, Management, Chief of Internal Audit Officer and Company Secretary Information Section. The aforesaid is also shown in the website of the Company

Sub – Committee

15. The Audit Committee: The information and qualification of the Audit Committee and the information of the Audit Officer who has knowledge, understanding and experience in accounting and finance is disclosed in Attachment 3, having Internal Control Office oversees the operation of the Company on the page 170.
16. The Board of Directors appointed the Corporate Governance Committee and to adjust the structure of the Nomination and Remuneration Committee to be the Nomination and Remuneration Committee. The Chairman of the Nomination and Remuneration Committee is the Independent Director. Also, the Secretary of the Board of Director is the secretary of Nomination and Remuneration Committee. Nomination and Remuneration Committee has the duty to select, recruit the qualified person, having no prohibited specification under the law, in order to propose to the Board of Directors Meeting and the Shareholders meeting, respectively. Then, the Board of Directors will vote for the highest Executive Director. In addition, the shareholder meeting shall approve the remuneration of the Committee and Sub-Committee. The disclosure of the Nomination and Remuneration Committee is disclosed in the Corporate Governance Section, Sub-Committee Sub Section.
17. The power of the Board of Directors and the Management Division has been divided clearly. The power of the Board of Directors is shown in the Management Structure Section, Sub-Committee Sub Section while the power of the Executive Committee and executive officer is shown in the Corporate Governance Section, Executive Committee Sub Section.
18. The Audit Committee has opined regarding the sufficiency of the Internal Control System and Risk Management in the Annual Report.
19. Notification for Internal Corruption: The affected party or those who know such action may file the information and evidence to the Internal Audit Office through the Company's website www.becworld.com to examine and report such matter to the Audit Committee; (2) inform the supervisor who have direct responsibility over the case (from department director or higher level); or (3) through the Company's website that receive complaints and information (Whistleblower system). Such report can be done verbally, or in written form / Emails / letter (whether namely or anonymously). The person responsible for receiving of reports and complaints may report such complaints / information to your supervisor or the supervisor who have direct responsibility over the case (from department director or higher level), executives, internal audit, Human Resources Department, or the Audit Committee as the case may be. Confidentiality: all personnel involved in the notification of internal corruption and non-compliance of the Code of Conduct must keep all information received confidential and must not disclose any information to anyone except for the disclosure required in practical work or to comply with the law. The Company will protect and will not tolerate any threats or harassments toward the informant.
20. Managing of the Company Group's subsidiaries: The Board of Directors will nominate a candidate to be appointed as a director who represent major shareholder in the Company Group's subsidiaries pursuant to the shareholding ratio in order to keep close control of the administration of the subsidiaries, as well as to continuously and regularly monitor their operation result.
21. Board of Directors' Meeting
 - The Company has determined to convene Board of Directors meetings, at least 5 times per year, provided that the Company Secretary shall provide the notification letter notifying the Board of Directors meeting in advance throughout the year at the beginning the year. The notification letter shall notify the main agenda of the 4 meetings, which shall be the agenda of approving the operating result before disclosing it to public, and the remaining meeting shall be the consideration to convene an annual general shareholders meeting. Number of the Board of Directors meetings is suitable for nature of director duty and business type, except for main agenda as required by law, the Chairman and G-CEO shall gather other information to be acknowledged by other directors and/or specified as meeting agenda to be included in 5 main meetings as scheduled at the beginning of each year. If it is necessary to convene additional meeting, such additional meeting may be convened as appropriate.

- The Company Secretary has provided the memorandum notifying the Board of Directors meeting in advance throughout the year and has sent such memorandum to all of the Directors at the beginning the year so that the Directors could arrange their time to attend the meeting.
- Chairman and G-CEO, shall jointly consider and select agenda to be proposed to the Board of Directors meeting on where each director shall have the right to propose his agenda to the meeting, independently.
- Every Director can propose the agenda to the meeting by proposing and sending documents through the Company Secretary to propose to the Chairman of the Board of Directors for considering putting in the meeting agenda.
- The Board of Directors has assigned the Company Secretary to gather and deliver supporting documents to all directors in advance, approximately one week, to enable them to have enough time to study all information. In the past, there had been some problems regarding late delivery of supporting documents, however, this could be solved with an assistance of e-mail in communication and delivery of computer file before submission of the documents. By delivering only complete documents of relevant agenda to all directors in advance where the remaining documents would be delivered thereafter, as soon as possible.
- The Board of Directors may invite the senior Executive and any Executive, relevant to each agenda, to the meeting in order for the Board of Directors to get to know the Executive who managing such matters and to inquire the addition detail and opinion regarding the said matters. The Board of Directors may request additional opinion from the independent expert, the Company's auditor, financial advisor or legal counselor as supporting information with the Company's expense.
- Most of the directors have attended not less than 75% of the Board of Directors meeting convened in 2018. There was only one director who have attended less than 75% of the Board of Directors meeting convened in 2018.
- During the meeting, the Chairman shall allocate reasonable time for all agendas. The Chairman shall commence the meeting by giving opportunities for all directors to independently express their own opinion. All directors shall have rights to raise issue to be considered, give opinion and suggestions, independently. The meeting will hear all opinion and comments before making decision based on reasons, justification and appropriateness, especially in important agenda. To have correct and mutual understanding, the Chairman will summarize a resolution at the end of each agenda. Generally, it takes 4 hours approximately for each meeting, which is deemed to be proper time for the Board of Directors to consider the matter thoroughly.
- The Board of Directors may request additional necessary information from the G-CEO or the person assigned by the G-CEO.
- The Board of Directors has encouraged the non-executive directors to convene the meeting among themselves without attendance of executive director, to discuss any issue and subsequently inform the managing director of the result of the meeting. In 2018, Non-Executive Directors held one meeting. In such meeting, the Non-Executive Directors present many issues which they believe might be problematic regarding management. In this regard, the Secretary of the Board of Directors has prepared minute of the said meeting and reported them to the Board of Directors meeting as an acknowledgement agenda in the next meeting. The Board of Directors meeting has acknowledged the matter and the Executive Directors concerned has clarified their reasoning to the meeting already.
- After the meeting, the Company Secretary shall be responsible for preparing the minutes of the meeting to be completed within 14 days. The Company Secretary shall review the minutes to ensure that it shall contain relevant details, namely, date, time, list of attending directors, summary of all agendas, all discussions and remarks, opinion, suggestion of each director, resolutions,. (for a case where there is no unanimous vote, name and opinion of director who disagrees, must also be included), name of the person who records the minutes, name of the Company secretary who reviews the minutes, all of which must be clear and complete. The Company Secretary is independent in considering the accuracy and completeness of the minutes.
- The Company Secretary shall be responsible for keeping all invitation letters, meeting minutes and supporting documents and arrange for good filing system for easy searching and retrieval. The Company has customary practice to certify the minutes in the subsequent meeting. Amendment of the minutes cannot be made without the meeting's approval. Then, the minutes duly certified shall be sent to the Chairman for signing

- There are 14 meetings in the year 2018, the number of attendance time each director attended the meeting is shown in the Management Structure Section, Board of Directors Sub Section.
- Since the Board of Directors meeting is not convened every month, the Company Secretary shall prepare a report of the Company's operating result and submit it to the Board of Directors every month.
- The Director Board prepared report of the board of directors' responsibilities for the financial statements, shown in the Annual Report together with the Auditor's report.
- From the last year, there is no negative reputation due to the failure in performing the obligation regarding the supervision of director. The director did not conduct any offence which was fraud or immoral. There is no resignation of the non-executive director due to the corporate governance.

22. Evaluation of Director Performance: The Board of Directors and the Audit Committee has set a director evaluation to assess their own performance, at least once a year, by evaluating performance of all directors together without individual evaluation. The Board of Directors and the Audit Committee has mutually set the criteria for such assessment by using the forms developed from samples advised by the SET. After receiving the evaluation result, the Board of Directors will determine direction to improve working process with an opportunity for every director to express his/her view, independently. In 2018, the evaluation was conducted on 15 March 2019.

23. Director and Senior Management Compensation: The Board of Directors has set up the Nomination and Remuneration Committee to advise the Board of Directors in determining the process and criteria for the recruitment and monetary compensation of the Board of Directors and the Group Chief Executive Officer (Group CEO). In addition, the Nomination and Remuneration Committee is also responsible for (1) overseeing the suitability between monetary remuneration of the directors and executives and their obligations and responsibilities. In this regard, directors who have additional obligations and responsibilities should also receive additional consideration thereof; and (2) determining and evaluating directors and executives for annual remuneration adjustment. The Nomination and Remuneration Committee must take into account the relevant responsibilities, performance, and risks, as well as the increasing of shareholder equity in the long-term. Moreover, as directors' remuneration must be approved by the Annual General Shareholders Meeting, the directors' remuneration is therefore in the form of monetary consideration only. Any adjustment of the said remuneration must be in accordance with the economy, operation result, and nature of the business, namely, 1) comparing with director and Management compensation of other listed companies in the same industry, or those having similar income or profit; 2) Operating result of the Company and tendency of operating result; 3) reasonable compensation, suitable for obligation, duty, responsibility and experience of director and Management. The director and Management who has more duties and responsibilities shall receive more compensation.

24. Successive Plan for Company Management: The Board of Directors recognizes the importance of successor plan in the event that the highest level executive is unable to perform his duties. At the present, as the G-CEO (the highest level of executives) have many missions, The Board of Directors meeting No. 4/2562, held on 4 March 2019, appointed Mr. Ariya Banomyong to replace the vacant director position, In addition, the meeting also appointed Mr. Ariya Banomyong as an executive director in the position of "President", having effect from 2 May 2019 onward. Afterward, the Board of Directors meeting No. 6/2562, held on 29 March 2019, resolved to adjust the Company's executives position, having effect from 18 April 2019 onward, as follows: 1.) Mr. Prachum Maleenont from the previous position of Group Chief Executive Officer (G-CEO) to Chairman of the Executive Committee; 2.) Miss Amphorn Maleenont from the previous position of Chief Operating Officer (COO) to Executive Director; and 3.) Mr. Ariya Banomyong as President. As a result, Mr. Prachum Maleenont will continue to be the G-CEO until 17 April 2019. Moreover, to prevent any interruption to the continuous business operation of the Company Group, Chief Human Resource Officer "CHRO" is assigned to be responsible for creating successor plan and finding of candidates' information. Upon the nomination of candidates, the CHRO must then propose the nominated candidates to the Nomination and Remuneration Committee meeting to consider the qualification and suitability of the candidate and give their opinion to the Board of Executive Directors for their consideration and appointment, accordingly.

25. Director and Management Development: The Board of Directors pays attention to development of directors and executive officers by encouraging them to attend seminar and training course, building their knowledge and expertise for management. The Company shall support expenses and various facilities. Especially for DAP program of IOD. In 2018, the Company has sponsored training fees for one directors, i.e. Mr. Manit Boonprakob in the Risk Management Program for Corporate Leaders 13/2018 and Mr. Tospol Maleenont in the Directors Accreditation Program. Hence, all of the Company's directors have passed the DAP program. In addition, the Company has also sponsored training fees for the Company Secretary in the Director Accreditation Program (DAP) 153/2018, Board Matters and Trends (BMT) 6/2018 and Company Secretary Program (CSP) 95/2019. In the past, Mr. Prathan Rangsimaporn and Mr. Manit Boonprakob have also been sponsored to the Board Nomination & Compensation Program and the Audit Committee Program (ACP) as well. For Mrs. Ratchanee Nipatakusol, Executive Director, the Company has also sponsored training fee for the Finance for Non-Finance Directors Program. However, as some directors are also a director of other company, the Company does not sponsor some of the training. For instance, Mr. Somchai Boonnamsiri, Chairman, has completed the Successful Formulation & Execution of Strategy (SFE), Board that Make a Difference Program (BMD), Audit Committee Program (ACP), Driving Company Success with IT Governance (ITG), Ethical Leadership Program (ELP), and Role of the Compensation Committee (RCC). Furthermore, Mr. Somprasong Boonyachai has finished the Role of the Chairman Program (RCP). The directors who completed the Director Certification Program (DCP) are Mr. Somprasong Boonyachai, Mr. Somchai Boonnamsiri, Mr. Manit Boonprakob, and Mr. Mathew Kichodhan. The Board of Directors has assigned the Company Secretary to follow up the training courses and to propose to all directors for consideration, not limited to the IOD. The board also encourages the Secretary to attend the DCP training. The Company Secretary has been assigned to look for good training program(s) to be proposed to each director for consideration without restriction for only program organized by IOD
26. Giving information and orientation to the new director: the Company assigned Mr. Chatchai Thiamtong, Board of Directors' Secretary, to be responsible for the orientation. During the new director orientation meeting, the Board of Directors' Secretary has invited senior executives to support the giving of information to new directors. In addition to the information regarding business of the Company Group, industry information, product marketing data, transaction history, past operation result, and visions and goals of the Company Group, The Company also provides documents about business ethics and corporate governance as well. In addition, the Company Secretary will be an assistance for supporting the information regarding other practices of the Board of Directors and other information of shareholders.

INTERNAL CONTROL AND RISK MANAGEMENT

1. During the Audit Committee meeting No. 7/2561, held on 3 December 2018, the Internal Audit Office reported the results of the assessment of the adequacy of the Company's internal control system in 2018 using the form prescribed by the Securities and Exchange Commission (SEC) to the Audit Committee. In summary, from the assessment of the 5 components of the Company's internal control which are internal control, risk assessment, operational control, Information and communication systems, and tracking systems, the Internal Audit Office opines that the Company's internal control system is sufficient and appropriate. The Company has sufficient personnel to operate the internal control system effectively. Furthermore, the Company also has an adequate internal control system to monitor and control the operations of subsidiaries; to protect the properties of the Company and its subsidiaries from unauthorized usage of the directors and executives; and to monitor the connected transaction. For other internal controls, the Board of Directors is of the view that the Company already has sufficient internal control.

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

1. Internal Control

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

2. Risk Assessment

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

3. Operational Control

The Company has set up control measure to reduce the Company's objective failure risk into the acceptable level by prescribing policies, regulation and the approved operation manual in writing. There shall be internal control at all levels of the organization and division of responsibilities in order to check and balance each other division. At present, the Company has completed operation manuals for 52 working systems. In this regard, the Department of Regulation and Work System Development has always revised the said operation manuals to be up to date and appropriate for organization structure, regularly. In addition, there are also operation results reviewing by the Company's executives, as well as preventive and monitoring measures in order to ensure that the Company's operation be in accordance with the law, rules, and regulations, constantly. Regarding the technology system control, the Company has developed the general controlled-technology activities to support the accomplishment of the Company's objectives, such as technology system security control, acquisition process control and appropriate technology system development and maintenance.

4. Information and Communication

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

5. Monitoring System

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

Risk Management

To enhance the efficiency of the Board of Directors' governance, the Company has appointed the Risk Management Committee and prepared risk management manual to be used as a guideline for risk management. The Company has also determined the risk management processes and considered risk management to be a part of normal business operation, which will be followed-up and evaluated. Moreover, the Company has established risk management measures which adhere the goals, policies, and regulation of the Company.

The Company regularly evaluates the risks from the operations of each department at the end of each year. In this regard, the executives of each department has identified risks, probability of the risks, and the impact level of such risk in the next year, both from internal and external factors, as well as determining guidelines for managing risks to be at acceptable levels to ensure that the Company will operate efficiently and achieve the Company's goals, and submitted the assessment results to the Internal Audit Office to collect and present to the meeting of the Audit Committee and the Board of Directors for consideration and acknowledgment.

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

CONNECTED TRANSACTIONS

In 2018, BEC World group entered into some connected transactions between related parties which may cause conflict of interest as follows:

Related parties which may cause conflict of interest	Details of relationship	Transaction value (Million Baht)	Type of Transaction
Millionaire Property Fund	Maleenont Tower Co., Ltd. are the majority unit holder of Millionaire Property Fund, and the Company's directors and executives are the major shareholder of Maleenont Tower Co., Ltd.	0.014	Revenue from sale of products
		146.28	Service Cost – lease agreement not exceeding 3 years and utility charges for building which support broadcasting operation
		141.01	Management costs - lease agreement not exceeding 3 years and utility charges for office building
Maleenont Tower Co., Ltd.	Directors and executives of the Company are major shareholders of Maleenont Tower Co., Ltd.	0.04	Revenue from sale of products
Thai Fight Co., Ltd.	Directors and their closed relative are the shareholders of Thai Fight Co., Ltd. until 31 May 2018	4.19	Revenue from sale of advertising time
Wave Entertainment Plc. and its subsidiaries	Common shareholders and directors	2.38	Public relations activity organization costs

1. Necessity and Reasonability of Transactions

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

1) Ordinary business transaction

- 1.1 Transaction for sale of advertising time is considered as an ordinary business transaction. The Audit Committee is of the view that, due to the need of the Company's subsidiaries to obtain various TV programs to broadcast via Channel 3 TV Station in order to maintain its viewership, the Company has collaborated with Thai Fight Co., Ltd., a program producer for Thai Boxing Fighting, which is modern and popular in both domestic and international. In this transaction, the advertisement price is the same price as the price which the subsidiary agrees with other producer in the same category. However, since the Company's directors who is the shareholders of Thai Fight Co., Ltd. has already resigned from BEC World Plc., Thai Fight Co., Ltd. is no longer a related company with BEC World Group since 31 May 2018.
- 1.2 Transaction for sale of products is considered as an ordinary business transaction. Since one of the subsidiary of the Company's normal business is to sell computer related goods, the Audit Committee is of the view that selling computer products to Maleenont Tower Co., Ltd. and Millionaire Property Fund is an ordinary transaction. In this transaction, the price is the same price as the price which the subsidiary agrees with third parties.
- 1.3 Transaction for hiring of public relations event organization is considered as an ordinary business transaction. The Audit Committee is of the view that, due to the necessity of the Company's subsidiaries to find the public relations event organizer in order to promote the popularity of the Company's television programs, the subsidiary hired Index Creative Village Plc., a subsidiary of Wave Entertainment Plc. who is an expert in organizing highly popular national events. In this transaction, the condition of hiring and consideration rate is the same rate which the subsidiary agrees with other public relations activity organizers.

In addition, the Company's Board of Directors meeting also resolved to approve the connected transaction principles that the Company or its subsidiaries may enter into connected transactions with directors, executives or related persons, provided that it is for the ordinary business operation or it is the transaction that support the ordinary business operation of the Company. In this regard, the management is entitled to approve such transaction if its condition is in accordance with general trading condition in the manner which an ordinary person, with the bargaining power without the influence of having a status as directors, executives or related party, would entered into with other ordinary party in the same situation.

2) Short-term lease transaction

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

Having considered the lease agreement, BEC World Group is of the view that the lease agreement is necessary and reasonable transaction. Due to the conducting of TV and radio station of subsidiaries, BEC World Group requires not only normal office area, but also some space for lease, having a special design to serve their business operation as studio and technical room for program production. In this regard, the lessor gave a special favor to design 12-storey building to suit such requirement. The leased premises could support long term business expansion and also, located in downtown, having suitable communication and transportation system, enabling to facilitate Company Group's business operation. Due to the large space rental, BEC World's rental price conditions is lower than the price that the lessor agrees with other lessees, based on general market price.

2. Policy or Trend for Connected Transactions

The Company has a policy to avoid entering into any connected transactions with any related party which may cause "Conflict of Interest", unless such transactions are in favor for business operation of BEC World Group. In this regard, BEC World Group is likely to continue the lease transaction in Maleenont Tower as BEC World Group spent considerable investment for studio construction and system works. Thus, BEC World Group still has a policy to renew the rental term to exploit the premises in Maleenont Tower as much as possible to be worth for its investment.

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

3. Opinions of Independent Directors

The independent directors have no opinion that is difference from the Board of Directors.

SUBSIDIARIES AND ASSOCIATES INFORMATION

SUBSIDIARIES

1. Name : **THE BANGKOK ENTERTAINMENT CO., LTD.**
Business : Operating business of TV and radio station.
Registered Capital : Baht 300 million ((Issued and fully paid-up share capital 3,000,000 common shares)
Office : 2nd Fl., Maleenont Tower, 3199 Rama IV Road, Klongton,
Klongtoey, Bangkok 10110
Tel. : (66) 0-2262 - 3333, 204 - 3333
Fax. : (66) 0-2204 - 1384
Website : www.ch3thailand.com

2. Name : **RUNGSIROJVANIT CO., LTD.**
Business : Providing, producing TV programs and sell air time for advertising.
Registered Capital : Baht 5 million (Issued and fully paid-up share capital 500,000 common shares)
Office : 2nd Fl., Maleenont Tower, 3199 Rama IV Road,
Klongton, Klongtoey, Bangkok 10110
Tel. : (66) 0-2262 - 3333, 204 - 3333
Fax. : (66) 0-2204 - 1384

3. Name : **NEW WORLD PRODUCTION CO., LTD.**
Business : Providing, producing TV programs and sell air time for advertising.
Registered Capital : Baht 5 million (Issued and fully paid-up share capital 500,000 common shares)
Office : 2nd Fl., Maleenont Tower, 3199 Rama IV Road,
Klongton, Klongtoey, Bangkok 10110
Tel. : (66) 0-2262 - 3333, 204 - 3333
Fax. : (66) 0-2204 - 1384

4. Name : **BEC BROADCASTING CENTER CO., LTD.**
Business : Servicing studio equipment
Registered Capital : 1 million Baht. (Issued and fully paid-up share capital 100,000 common shares)
Office : B2, 2nd -7th , 9th -10th M, 12th -12th M Fl., Maleenont Tower, 3199/1 Rama IV Road,
Klongton, Klongtoey, Bangkok 10110
Tel. : (66) 0-2262 - 3333, 204 - 3333
Fax. : (66) 0-2204 - 1384

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

6. Name : **BEC ASSET CO., LTD.**
 Business : Own and leasing assets.
 Registered Capital : Baht 30 million (Issued and fully paid-up share capital 3,000,000 common shares)
 Office : 3rd Fl., Maleenont Tower, 3199 Rama IV Road,
 Klongton, Klongtoey, Bangkok 10110
 Tel. : (66) 0-2262 - 3759
 Fax. : (66) 0-2262 - 3780
7. Name : **BEC STUDIO CO., LTD. (Not Yet Operating)**
 Business : Producing programs and servicing studio equipment
 Registered Capital : Baht 5 million (Issued and fully paid-up share capital 500,000 common shares)
 Office : 2nd Fl., Maleenont Tower, 3199 Rama IV Road,
 Klongton, Klongtoey, Bangkok 10110
 Tel. : (66) 0-2262 - 3333, 204 - 3333
 Fax. : (66) 0-2204 - 1384
8. Name : **BEC INTERNATIONAL DISTRIBUTION CO., LTD.**
 Business : Providing, producing TV programs, Holding Company
 Registered Capital : Baht 5 million (Issued and fully paid-up share capital 500,000 common shares)
 Office : 2nd Fl., Maleenont Tower, 3199 Rama IV Road,
 Klongton, Klongtoey, Bangkok 10110
 Tel. : (66) 0-2262 - 3333, 204 - 3333
 Fax. : (66) 0-2204 - 1384
9. Name : **BEC NEWS BUREAU CO., LTD.**
 Business : Producing news programs.
 Registered Capital : Baht 5 million (Issued and fully paid-up share capital 500,000 common shares)
 Office : 10th, 11th Fl., Maleenont Tower, 3199 Rama IV Road,
 Klongton, Klongtoey, Bangkok 10110
 Tel. : (66) 0-2262 - 3333, 204 - 3333
 Fax. : (66) 0-2204 - 1384
10. Name : **BANGKOK TELEVISION CO., LTD.**
 Business : Providing, producing TV programs and sell air time for advertising.
 Registered Capital : Baht 5 million (Issued and fully paid-up share capital 500,000 common shares)
 Office : 2nd Fl., Maleenont Tower, 3199 Rama IV Road,
 Klongton, Klongtoey, Bangkok 10110
 Tel. : (66) 0-2262 - 3333, 204 - 3333
 Fax. : (66) 0-2204 - 1384

11. Name : **BANGKOK SATELLITE & TELECOMMUNICATION CO., LTD.** (Not Yet Operating)
 Business : Satellite uplink - downlink services.
 Registered Capital : Baht 25 million (Issued and fully paid-up share capital 2,500,000 common shares)
 Office : 2nd Fl., Maleenont Tower, 3199 Rama IV Road,
 Klongton, Klongtoey, Bangkok 10110
 Tel. : (66) 0-2262 - 3333, 204 - 3333
 Fax. : (66) 0-2204 - 1384
12. Name : **BEC IT SOLUTION CO., LTD.**
 Business : Information technology services, retail of computer accessories and maintenance service.
 Registered Capital : Baht 15 million (Issued and fully paid-up share capital 1,500,000 common shares)
 Office : 3rd Fl., Maleenont Tower, 3199 Rama IV Road,
 Klongton, Klongtoey, Bangkok 10110
 Tel. : (66) 0-2262 - 3759
 Fax. : (66) 0-2262 – 3780
13. Name : **SATTELLITE TV BROADCASTING CO., LTD.** (Not Yet Operating)
 Business : Satellite TV operator.
 Registered Capital : Baht 1 million (Issued and fully paid-up share capital 100,000 common shares)
 Office : 2nd Fl., Maleenont Tower, 3199 Rama IV Road,
 Klongton, Klongtoey, Bangkok 10110
 Tel. : (66) 0-2262 - 3333, (66) 0-2204 - 3333
 Fax. : (66) 0-2204 - 1384
14. Name : **BEC-TERO ENTERTAINMENT PUBLIC COMPANY LIMITED**
 Business : Providing and producing TV programs and sell air time for TV advertising;
 producing and promoting music for organizing concert, producing pictures and plays
 Registered Capital : Baht 250 million (Issued and fully paid-up share capital 200,000,000 common shares)
 Office : 21st - 22nd, 25th - 28th Fl., Maleenont Tower, 3199 Rama IV Road,
 Klongton, Klongtoey, Bangkok 10110
 Tel. : (66) 0-2262 - 3800
 Fax. : (66) 0-2262 - 3801-2
 Website : www.bectero.com
15. Name : **BECi CORPORATION CO., LTD.**
 Business : Invest in Internet business.
 Registered Capital : Baht 200 million (Issued and fully paid-up share capital 20,000,000 common shares)
 Office : 4th Fl., Maleenont Tower, 3199 Rama IV Road, Klongton, Klongtoey, Bangkok 10110
 Tel. : (66) 0-2204 - 9999
 Fax. : (66) 0-2204 – 9970
 Website : www.becicorp.com

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

SUBSIDIARY HELD BY BEC INTERNATIONAL DISTRIBUTION CO., LTD.

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

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

18. Name : **THAITICKETMAJOR CO., LTD.**
 Business : Servicing for producing advertisement, reserve and selling show ticket,
 servicing to make seats reservation and sell bus tickets
 Registered Capital : Baht 10 million (Issued and fully paid-up share capital 1,000,000 common shares)
 Office : 27th Fl., Maleenont Tower, 3199 Rama IV Road, Klongton, Klongtoey, Bangkok 10110
 Tel. : (66) 0-2262 - 3800
 Fax. : (66) 0-2262 - 3801-2
19. Name : **BEC-TERO SCENARIO CO., LTD.**
 Business : Organizing show on the stage
 Registered Capital : Baht 40 million (Issued and fully paid-up share capital 4,000,000 common shares)
 Office : 28th Fl., Maleenont Tower, 3199 Rama IV Road, Klongton, Klongtoey, Bangkok 10110
 Tel. : (66) 0-2262 - 3800
 Fax. : (66) 0-2262 - 3801-2
20. Name : **BEC-TERO RADIO CO., LTD.**
 Business : Producing radio programs and operating radio stations
 Registered Capital : Baht 49,960,800 (Issued and fully paid-up share capital 4,996,080 shares)
 Office : 23rd - 24th Fl., Maleenont Tower, 3199 Rama IV Road, Klongton, Klongtoey, Bangkok 10110
 Tel. : (66) 0-2204 - 3500
 Fax. : (66) 0-2204 – 1410

21. Name : **BEC-TERO MYANMAR COMPANY LIMITED**
- Business : Service for ticketing, television program production, entertainment event, and distribution services for audio/video CD production in Republic of the Union of Myanmar
- Registered Capital : USD 200,000 (registered capital of 200,000 common stocks, each is USD 1 and having fully paid shares 25,000)
- Office : No.4-G, Louis Lane, Golden Valley 2nd Street,
Golden Valley (2) Ward, Bahan Township, Yangon, Myanmar.

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

22. Name : **FOREVER BEC-TERO MYANMAR COMPANY LIMITED**
- Business : Providing and producing entertainment show, also selling air time for TV advertising in Republic of the Union of Myanmar
- Registered Capital : USD 100,000 (registered capital of 100,000 common stocks, each is USD 1 and having fully paid shares 25,000)
- Office : Room No. (1402-03), Olympic Tower (1),
Corner of Maha Bandoola Street & Bo Aung Kyaw Street,
Kyauktada Township, Yangon, Myanmar.
- Tel. : +95-1-204013, 256726
- Fax. : +95-1-204107
- Website : <http://www.foreverbectero.com>
- Email : info@foreverbectero.com
23. Name : **LIVE NATION BEC-TERO COMPANY LIMITED**
- Business : Organizing international concerts in Thailand.
- Registered Capital : Baht 10 million (Issued and fully paid-up share capital 1,000,000 common shares)
Shareholder Structure: BEC-Tero Entertainment Public Company Limited holds 50,090 common shares, equal to 50.1% of registered capital, while Live Nation (HK) Limited holds 47,900 common shares and 2,000 preference shares equal to 49.9% of the registered capital; however one preference share has 5 voting rights.
- Office : 28th Fl., Maleenont Tower, 3199 Rama IV Road, Klongton, Klongtoey, Bangkok 10110
- Tel. : (66) 0-2262 - 3800
- Fax. : (66) 0-2262 - 3801-2
24. Name : **BEC-TERO SHOW CO., LTD.**
- Business : Management of concert venues and performances.
- Registered Capital : Baht 10 million (Issued and fully paid-up share capital 1,000,000 common shares)
- Office : ShowDC Tower, 99/6-9 Rimklonbangkapi Road, Bangkapi, Huai Khwang, Bangkok 10310
- Tel. : 0-2262-3866
- Fax. : 0-2262-2232

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

Details of Directors, Executive Officers, Chief Compliance Officer and Company Secretary as of February 2019

Directors, Executive Officers has no record in wrongdoing under Securities and Exchange Act or The Derivatives Act regarding

- (1) Acting in bad faith or gross negligence
- (2) Disclosing or distributing material information which might be misled, or concealing the fact which shall have been distributed, in which such fact may affect the decision making of shareholders, investors or related person
- (3) performing an unfair treatment or taking advantage against the investors in securities trading as well as involving or supporting the said matter for the past five years :

1. Name:	Mr. Somchai Boonnamsiri
Position:	Chairman, Chairman of the Audit Committee, Independent Director
Age:	64 years
Being appointed as director in:	April 2010
Education/Training:	<ul style="list-style-type: none"> - M.A. Economics, The Victoria University of Manchester, England; - B.Sc. (Honors) Economics, The University of Salford, England; - Certificate of Ordinary National Diploma in Business Studies, The City of Bath Technical College, English.
Courses organized by The Thai Institute of Directors Association (IOD):	<ul style="list-style-type: none"> - Diploma of Director Certification Program (DCP#59/2005), - Certificate of Audit Committee Program (ACP) 17/2007, - Certificate of Driving Company Success with IT Governance (ITG) 2/2016, - Certificate of Ethical Leadership Program (ELP) 3/2016, - Certificate of Role of the Compensation Committee (RCC) 21/2016, - Certificate of Successful Formulation & Execution of Strategy (SFE) 29/2017, - Certificate of Board that Make a Difference (BMD) 5/2017, - Certificate of Senior Executive Program, Class 8/2009, Capital Market Academy (SEC), The StockExchange of Thailand - Cyber security, Cyber Resilience & Privacy Risk in the Era of Digital Transformation, 2018, ACIS Professional Center - Diploma of National Defence Course for the Joint State - Private Sectors (Class 9), The National Defence College
The Company's securities ownership (%):	0.00%
Family Relationship:	None
Working Experience for the past five years (as of 31 December 2018):	
FEB 2017 - Present	Chairman of the Board, BEC World Plc.
NOV 2017 - Present	Chairman of the Audit Committee, BEC World Plc.
MAY 2010 - Present	Independent Director, BEC World Plc.
DEC 2015 - Present	Director, Member of the Audit Committee, Member of the Nomination and Remuneration Committee and Member of the Risk Management Committee, Krungthai Bank Plc.
2013 - Present	Director, the Chairman of Nomination and Remuneration Committee and Member of the Audit Committee, The Platinum Group Plc.

2007 - 2014	Chief Executive Officer, Krung Thai Asset Management Plc.
2014 - 2017	Director, Magnolia Finest Corporation Co., Ltd.
1995 - 2015	Chairman, Wall Street Tullett Prebon Securities Co., Ltd.
2015	Director, Metropolitan Electricity Generating Authority - Factoring Plc.
2013 - 2015	Chairman, Thaifoods Group Plc.
2010 - 2015	Director, Siam Allied Holding & Consultant Co., Ltd.

Being any position in other organization in last year:

DEC 2015 - Present	Independent Director, Member of the Audit Committee, Member of the Nomination and Remuneration Committee and the Risk Management Committee. Krung Thai Bank Public Company Limited
2013 - Present	Independent Director, Chairman of the Nomination and Remuneration Committee And the Audit Committee, The Platinum Group Plc.

2. Name: Mr. Prachum Maleenont

Position: Vice Chairman, Authorized Director, Executive Director,
Group Chief Executive Officer ("G-CEO")

Age 62 years

Being appointed on: Appointed as Director since 23 November 1995.

Education/Training:

- B.B.A. (Marketing), Assumption University
- Courses organized by The Thai Institute of Directors Association (IOD):
- Certificate of Directors Accreditation Program (DAP), 2004

The Company's securities ownership (%): 3.55%, held by Mr.Prachum Maleenont and 2.55% held by sui juris child

Family Relationship: Member of Maleenont Family (4)-(7), (12)

Working Experience for the past five years (as of 31 December 2018):

MAR 2017 - Present	Group Chief Executive Officer ("G-CEO")
FEB 2017 - Present	Vice - Chairman of the Board, BEC WORLD Plc.
JUL 2017 - Present	Managing Director of Bangkok Entertainment Co., Ltd.
1995 - Present	Director, Executive Director - New Media Business and of BEC World Plc.
1985 - Present	Director, Executive Director of The Bangkok Entertainment Co., Ltd.
2002 - Jan 2018	Director, Authorized Director and Executive Director of BEC-TERO Entertainment Plc.
Present	Director and Authorized Director of 13 subsidiaries of BEC World Group

Being any position in other organization in last year: None

3. Name: Mr. Somprasong Boonyachai

Position: Non - Executive Director, Chairman of the Corporate Governance Committee

Age: 63 years

Being appointed on: Appointed as Member since 18 January 2017

Education/Training:

- Master Degree in Engineering, Asian Institute of Technology Directors
- High Performance Board, IMD
- Courses organized by The Thai Institute of Directors Association (IOD):
- Certificate of Role of the Chairman Program (RCP) class 21/2009
- Diploma of Directors Certification Program (DCP) class 65/2005
- Certificate of Directors Accreditation Program (DAP) class 30/2004

The Company's securities ownership (%): 0.00%

Family Relationship: None

Working Experience for the past five years (as of 31 December 2018):

FEB 2018 - Present	Non-Executive Director and Advisor to the Executive Committee
APR 2017 - FEB 2018	Chairman of Executive Committee, BEC World Plc.
JUL 2017 - Present	Independent Director, Dusit Thani Plc.
2016 - Present	Independent Director, Vice Chairman, Chairman of the Nomination and CG Committee, OSOTSPA PLC.
2007 - Present	Director, Intouch Holdings Plc.
JAN - DEC 2016	Chairman of Board of Executive Directors, Intouch Holdings Plc.
2008 - 2015	Chief Executive Officer and Chairman of Board of Executive Directors, Intouch Holdings Plc.
2008 - Present	Vice Chairman of Board of Directors, Advanced Info Services Plc.
2006 - Present	Director, Thaicom Plc.
2002 - Present	Independent Director and Member of Audit Committee, Power Line Engineering Plc.
2004 - 2016	Director, Praram 9 Hospital Co., Ltd.
2009 - 2011	Chairman of Board of Executive Directors, Thaicom Plc.
2000 - 2008	Executive Director, Shin Satellite Plc.
1999 - 2008	Chairman of Board of Executive Directors, Advanced Info Services Plc.
1994 - 2008	Director, Advanced Info Services Plc.

Being any position in other organization in last year:

JUL 2017 - Present	Director of Dusit Thani Public Company Limited
2016 - Present	Independent Director, Vice Chairman, Chairman of the Nomination and CG Committee, OSOTSPA PLC.
2007 - Present	Director, Intouch Holdings Plc.
2008 - Present	Vice Chairman of Board of Directors, Advanced Info Services Plc.
2006 - Present	Director, Thaicom Plc.
2002 - Present	Independent Director and Member of Audit Committee, Power Line Engineering Plc.

4. Name: **Ms. Ratana Maleenont**

Position: Executive Director, Authorized Director,
Member of the Nomination and Remuneration committee,

Age: 69 years

Being appointed on: Appointed as Director since 23 November 1995.

Education/Training: - Bachelor Degree in Economics, Thammasat University.

Courses organized by The Thai Institute of Directors Association (IOD):

- Certificate of Director Accreditation Program (DAP) year 2004,

The Company's securities ownership (%): 8.98%

Family Relationship: Member of Maleenont Family (4)-(7), (12)

Working Experience for the past five years (as of 31 December 2018):

1995 - 18 JAN 2018	Chief Financial Officer (CFO)
1995 - Present	Director, Executive Director - Finance and Accounting Business of BEC World Plc. (CFO)
1985 - Present	Director, Authorized Director and Executive Director of The Bangkok Entertainment Co., Ltd.
Present	Director and Authorized Director of 14 subsidiaries of BEC World Group

Being any position in other organization in last year: None

5. **Name:** Ms. Amphorn Maleenont
- Position:** Executive Director, Authorized Director, Chief Operating Officer (“COO”)
- Age:** 64 years
- Being appointed on:** Appointed as Director since 23 November 1995.
- Education/Training:** Bachelor Degree in Commercial and Accounting, Thammasat University
- Courses organized by The Thai Institute of Directors Association (IOD):**
- Certificate of Director Accreditation Program (DAP) year 2004,
- The Company’s securities ownership (%):** 6.46%
- Family Relationship:** Member of Maleenont Family (2), (4), (6), (7), (12)
- Working Experience for the past five years (as of 31 December 2018):**
- | | |
|--------------------|---|
| MAR 2017 - Present | Chief Operating Officer (COO) |
| 1995 - Present | Director, Executive Director - Production Business of BEC World Plc. |
| 1985 - Present | Director, Authorized Director and Executive Director of The Bangkok Entertainment Co., Ltd. |
| Present | Director and Authorized Director of 14 subsidiaries of BEC World Group |
- Being any position in other organization in last year:** None
-
6. **Name:** Mrs. Ratchanee Nipatakusol
- Position:** Executive Director, Authorized Director and
Member of the Corporate Governance Committee
- Age:** 61 years
- Being appointed on:** Appointed as Director since 23 November 1995.
- Education/Training:** Bachelor of Arts, Thammasat University
- Courses organized by The Thai Institute of Directors Association (IOD):**
- Certificate of Director Accreditation Program (DAP) year 2004
 - Certificate of Finance for Non - Finance Directors Program year 2004,
- The Company’s securities ownership (%):** 0.00% by herself and 5.88% held by sui juris child
- Family Relationship:** Member of Maleenont Family (2), (4), (5), (7), (12)
- Working Experience for the past five years (as of 31 December 2018):**
- | | |
|----------------|---|
| 1995 - Present | Director, Authorized Director And Executive Director, BEC World Plc. |
| 1995 - Present | Director, Authorized Director and Executive Director of The Bangkok Entertainment Co., Ltd. |
| Present | Director and Authorized Director of 7 subsidiaries of BEC World Group |
- Being any position in other organization in last year:** None
-
7. **Name:** Ms. Nipa Maleenont
- Position:** Non - Executive Director, Authorized Director
- Age:** 66 years
- Being appointed on:** Appointed as Director since 23 November 1995.
- Education/Training:** - Bachelor Degree in Commercial and Accounting, Thammasat University
- Courses organized by The Thai Institute of Directors Association (IOD):**
- Certificate of Directors Accreditation Program (DAP), 2004
- The Company’s securities ownership (%):** 6.46%
- Family Relationship:** Member of Maleenont Family (2), (4), (5), (6), (12)

Working Experience for the past five years (as of 31 December 2018):

1995 - Present	Director, Authorized Director of BEC World Plc.
1985 - Present	Director, Authorized Director of The Bangkok Entertainment Co., Ltd.
Present	Director and Authorized Director of 6 subsidiaries of BEC World Group

Being any position in other organization in last year: None

- 8. Name:** Mr. Chansak Fuangfu
- Position:** Independent Director,
Chairman of the Risk Management Committee
- Age:** 69 years
- Being appointed on:** Appointed as Director since April 2010
- Education/Training:** Master of Business Management (M.B.M.) Asian Institute of Management, Philippines
B.Sc. (Economic) with Honours, Thammasat University, Thailand
Advanced Management Program [AMP], Harvard Business School, USA, 2000
- Courses organized by The Thai Institute of Directors Association (IOD):**
Certificate of Director Accreditation Program (DAP) year 2004,
Diploma of National Defence Course for the Joint State Class 399
Diploma of the Rule of Law for Democracy Course, College of Constitutional Court (Class 5)
- The Company's securities ownership (%):** 0.00%
- Family Relationship:** None
- Working Experience for the past five years: (as of 31 December 2018)**
- | | |
|---------------------|---|
| 2017 - Present | Corporate Governance Committee, Chairman of the Risk Management Committee, BEC World Plc. |
| 2010 - Present | Independent Director, BEC World Plc. |
| DEC 2011 - Present | Executive Vice President, Bangkok Bank Plc. |
| 2018 - Present | Chairman of the Board of Directors, BEC-Tero Entertainment Plc. |
| 2003 - Present | Director, BEC-Tero Entertainment Plc. |
| 1991 - MAY 2016 | Director, Hi-Tech Nittsu (Thailand) |
| 1988 - SEP 2016 | Director, Thai Industrial Estate Co., Ltd. |
| APR 2006 - FEB 2015 | Director, Wave Entertainment Plc. |
- Being any position in other organization in last year:** None
- | | |
|----------------|---|
| Present | Director, Executive Vice President, Bangkok Bank Plc. |
| 1994 - Present | Independent Director, Teijin Polyester Co., Ltd. |

- 9. Name:** Mr. Prathan Rangsimaporn
- Position:** Independent Director, Member of the Audit Committee, Chairman of the Nomination and Remuneration Committee
- Age:** 84 years
- Being appointed on:** Appointed as Director since 23 November 1995.
- Education/Training:**
- M.A. Journalism, University of the Panjab, Pakistan, Under SEATO Scholarship
 - Bachelor of Journalism, Thammasat University
 - Bachelor of Social Science, Thammasat University

Courses organized by The Thai Institute of Directors Association (IOD):

- Certificate of Directors Accreditation Program (DAP)
- Certificate of Audit Committee Program (ACP) 2005
- Certificate of Board Nomination and Compensation Program (BNCP) 1/2017

The Company's securities ownership (%): 0.00%

Family Relationship: None

Working Experience for the past five years (as of 31 December 2018):

2017 - Present	Chairman of the Nomination and Remuneration Committee
1999 - Present	Audit Committee, BEC World Plc.
1995 - Present	Independent Director, BEC World
1992 - 2008	Special Instructor of the Faculty of Journalism and Mass Communication, Thammasat University
1994 - 2001	The Dean of the Faculty of Communication Arts, Siam University
1993	Senior Public Relations Expert, Public Relations Department
1986 - 1988	director Division of Radio and Broadcasting Committee and Director and Secretary, Public Relations Department

Being any position in other organization in last year: None

10. Name: Mr. Manit Boonprakob

Position: Independent director, Member of the Audit Committee, Member of the Nomination and Remuneration Committee, Risk Management Committee

Age: 68 years

Being appointed on: Appointed as Director from December 1999

Education/Training:

- Master Degree in Business and Administration, Thammasat University
- Bachelor Degree in Accounting, Chulalongkorn University.
- Certified of Public Accountant (Thailand), Registration No. 2929

Courses organized by The Thai Institute of Directors Association (IOD):

- IOD Follow Member, DCP2
- Diploma of Directors Certification Program (DCP) # 02/2000
- Certificate of Audit Committee Program (ACP) 2005
- Certificate of Board Nomination and Compensation Program (BNCP) 1/2017
- Certificate of Risk Management Program for Corporate Leaders (RCL) 14/2018

The Company's securities ownership (%): 0.00%

Family Relationship: None

Working Experience for the past five years (as of 31 December 2018):

2017 - Present	Member of the Nomination and Remuneration Committee, Member of the Risk Management Committee
1999 - Present	Independent Director and Audit Committee, BEC World Plc.
2011 - 2014	Member of the Ethics Committee of the FAP
1993 - 1998	Director and Executive Director, EVP - Finance and CFO of ABB Group of companies in Thailand.

Being any position in other organization in last year:

1998 - Present	Managing Director, BMS Consultant Co., Ltd.
1998 - Present	Executive Director THABB Support Co., Ltd. and Jirajit Co., Ltd.

- 11. Name:** Mr. Matthew Kichodhan
- Position:** Non-Executive Director
- Age:** 52 years
- Being appointed on:** April 2007
- Education/Training:**
- Master of Science, (MSc. Management), Imperial College (Management School), University of London, ENGLAND
 - Bachelor of Commerce, University of Toronto, CANADA
 - Certification, Canadian Stock Exchange Commission
- Courses organized by The Thai Institute of Directors Association (IOD):**
- Diploma of Directors Certification Program (DCP) # 95/ 2007
 - Certificate of Directors Accreditation Program (DAP) # 57/ 2006 (IOD)
- The Company's securities ownership (%):** 0.00%
- Family Relationship:** None
- Working Experience for the past five years (as of 31 December 2018) :**
- | | |
|-----------------|---|
| 2007 - Present | Director, BEC World Plc. |
| 2014 - MAR 2017 | Director, Thai Solar Energy Plc. |
| 2006 - Present | Director, Wave Entertainment Plc. |
| 2013 - Present | Chairman, Chief Executive Officer, Authorized Director And Chairman of the Board of Investment Wave Entertainment Plc, Wave Entertainment Plc., CVD Organizer Co., Ltd. |
| 2014 - Present | Chairman of the Board of Directors and Authorized Director Efficient English Services Ltd. |
| 2014 - Present | Chairman of the Board of Directors and Authorized Director Jeffer Restaurant Co., Ltd. |
| 2015 - Present | Chairman of the Board of Directors and Authorized Director, Index Creative Village Plc. |
| 2013 - Present | Chairman of the Board of Directors and Authorized Director, Wave TV Co., Ltd., Wave Food Group Co., Ltd. |
- Being any position in other organization in last year**
- | | |
|----------------|--|
| 2006 - Present | Independent Director, Ocean Glass Plc. |
|----------------|--|
- 12. Name:** Mr. Tospol Maleenont
- Position:** Non-executive director, Member of the corporate Governance committee, Risk Management Committee
- Age:** 40 years
- Being appointed on:** Appointed as Director on 9 November 2016
- Education/Training:**
- Master of Sciences - Leadership & Management, University of La Verne, La Verne, California
- Courses organized by The Thai Institute of Directors Association (IOD):**
- Certificate of Directors Accreditation Program(DAP)#137/2017
- The Company's securities ownership (%):** 1.18% held by himself, 4.72% held by brother/sister
- Family Relationship:** Member of Maleenont Family (2), (4)-(7)
- Working Experience for the past five years (as of 31 December 2018):**
- | | |
|--------------------|---|
| MAR 2018 - Present | Director, THAITICKETMAJOR Company Limited |
| FEB 2018 - Present | Director and Authorized Director of BEC-Tero Entertainment Plc. |
| NOV 2016 - Present | Director, BEC World Plc. |
| 2017 - Present | Corporate Governance Committee Member, Risk Management Committee |
| 2012 - Present | Vice President, The Bangkok Entertainment Co., Ltd. |
| 2009 - 2012 | Assistance Managing Director, The Bangkok Entertainment Co., Ltd. |
| 2007 - Present | Assistant Managing Director, Bangkok Drama Dept., BEC-TERO Entertainment Plc. |
| 2004 - 2006 | Project Coordinator, Concert and Event Business, BEC-TERO Entertainment Plc. |
- Being any position in other organization in last year:** None

13. Name: Mr. Piriyaadit Choophungart

Position: Chief Financial Officer (“CFO”) (Effective Jan 19, 2018)

Age: 52 years

Being appointed on: 19 January 2018

Education/Training:

- Master of Business Administration Drexel University
- Bachelor of Business Administration, Finance, Thammasat University
- Courses for CFO: Orientation Course - CFO Focus on Financial Reporting

The Company’s securities ownership (%): 0.00%

Family Relationship: None

Working Experience for the past five years (as of 31 December 2018):

2018 - Present	Chief Financial Officer (“CFO”), BEC World Plc.
2018 - Present	Director, BEC-Tero Entertainment Plc.
2018 - Present	Director, THAITICKETMAJOR Company Limited
2008 - 2017	Chief Financial Officer, Unithai Group
2004 - 2008	Financial Controller DKSH (Thailand) Ltd.
2001 - 2004	Regional Financial Controller DKSH Reginal Office (SEA) Ltd.

Being any position in other organization in last year: None

14. Name: Mr. Somrak Narongwichai

Position: Chief Production Officer (“CPO”)

Age: 69 years

Being appointed on: 20 October 2017

Education/Training: Bachelor of Arts, Chulalongkorn University

The Company’s securities ownership (%): 0.00%

Family Relationship: None

Working Experience for the past five years: (as of 31 December 2018)

2012 - Present	Chief Production Officer (“CPO”), BEC World Plc
	Deputy Managing Director, Bangkok Entertainment Co., Ltd.

Being any position in other organization in last year: None

15. Name: Mr. Subandit Suwannop

Position: Deputy Chief Operating Officer (“Deputy-COO”)

Age: 57 years

Being appointed on: 1 December 2017

Education/Training: Bachelor of Communication Arts, Chulalongkorn University

The Company’s securities ownership (%): 0.00%

Family Relationship: None

Working Experience for the past five years (as of 31 December 2018):

DEC 2017 - Present	Deputy Chief Operating Officer (“Deputy-COO”), BEC World Plc.
SEP 2014 - Present	Acting Production Manager, BEC Multimedia

Being any position in other organization in last year: None

- 16. Name:** Mr. Nopphadol Khemayotin
- Position:** Chief Investment Officer ("CIO")
- Age:** 52 years
- Being appointed on:** 1 May 2017
- Education/Training:** MBA in Finance, Western International University, Arizona, USA
Bachelor of Commerce and Accountancy (Finance and Banking), Thammasat University
Future Market Sakura Dellsher Education Program, Chicago, USA
(Received Full Academic Scholarship)
- The Company's securities ownership (%):** 0.00%
- Family Relationship:** None
- Working Experience for the past five years (as of 31 December 2018):**
- | | |
|---------------------|---|
| 2017 - Present | Chief Investment Officer ("CIO"), BEC World Plc |
| FEB 2004 - APR 2017 | Director of Business Development and Investment, BEC World Plc |
| 2001 - 2003 | Senior Vice President, Investment Asset Plus Securities |
| 1998 - 2002 | Director of Investment Division, One Asset Management |
| 1994 - 1997 | Director of Securities Analysis, Ekathamrong Securities Public Company Limited |
| 1992 - 1993 | Assistant Vice President, Investment Banking,
Ek-Damrong Securities Public Company Limited |
- Being any position in other organization in last year:** None
- 17. Name:** Ms. Namtip Promchua
- Position:** Chief Strategic Planning Officer ("CSPO")
- Age:** 48 years
- Being appointed on:** 1 December 2017
- Education/Training:**
- Master of Science – Accounting, Thammasat University
 - Bachelor of Business Administration – Accounting, Thammasat University
 - Executive Development Program (EDP), Class 15/2015, the Listed Company Association
 - The Sasin Senior Executive Program (SEP) , Class 28/2014
- Courses Organized by the Thai Institution of Directors Association (IOD):**
- Diploma of Director Certification Program (DCP), Class of 185/2014,
- The Company's securities ownership (%):** 0.00%
- Family Relationship:** None
- Working Experience for the past five years (as of 31 December 2018):**
- | | |
|--------------------|---|
| DEC 2017 - Present | Chief Strategic Planning Officer ("CSPO"), BEC World Plc. |
| 2012 - 2017 | Senior Vice President Management , Intouch Holdings Plc. |
- Being any position in other organization in last year:** None
- 18. Name:** Mr. Ronnapong Kamnuanthip
- Position:** Chief Commercial Officer
- Age:** 51 years
- Being appointed on:** 15 August 2017
- Education/Training:**
- Master of Business Administration,
Sasin Graduate Institute of Business Administration, Chulalongkorn University
 - Bachelor of Engineering (computer engineering), Chulalongkorn University

The Company's securities ownership (%): 0.0045%

Family Relationship: None

Working Experience for the past five years (as of 31 December 2018):

AUG 2017 - Present Chief Commercial Officer, BEC World Plc.

SEP 2007 - JUL 2017 Managing Director, Universal Music (Thailand) Co., Ltd.

Being any position in other organization in last year: None

19. Name: Mr. Charkrit Direkwattanachai

Position: Chief Corporate Affairs Officer ("CCAO")

Age: 53 years

Being appointed on: 1 December 2017

Education/Training:

- Master of Business Administration, Barry University, Miami, Florida, USA
- Relationship Management Program, Army of the 19th edition, PND.
- Advanced Security Management Course The National Defence College (Class 6), 2014

The Company's securities ownership (%): 0.00%

Family Relationship: None

Working Experience for the past five years (as of 31 December 2018):

OCT 2017 - Present Chief Corporate Affairs Officer ("CCAO"), BEC World Plc.

AUG 2011 - SEP 2017 Head of Corporate Communication & Sustainability (Tesco Lotus)

Being any position in other organization in last year: None

20. Name: Mr. Nathrapong Phisitphadhrikul

Position: Assistant Managing Director - Internal Audit Office (Head of Internal Audit Office),
Chief Compliance Officer

Age: 53 years

Education/Training:

- Master of Arts (Economic law) from Chulalongkorn University, Thailand
- M.B.A. from Thammasat University, Thailand
- Mini M.B.A. from UTCC
- B.B.A. (Accounting) from Ramkhamhaeng University
- CERTIFIED INTERNAL AUDITOR (CIA) NO.30806
- CERTIFIED PROFESSIONAL INTERNAL AUDITOR (CPIA) NO.3012
- Courses organized by Thai Listed Company Association
- Certificate of How Risk Plan (HRP) 21/2019

The Company's securities ownership (%): 0.00%

Family Relationship: None

Working Experience for the past five years (as of 31 December 2018):

2004 - Present Assistant Managing Director - Internal Audit Office (Head of Internal Audit Office),
BEC World Plc.

2002 - 2003 Internal Audit Division Manager, Inter Comfort Co., Ltd. Sep.

2001 - 2002 Internal Audit Division Manager, Singer (Thailand) Plc.

1997 - 2001 Senior Internal Audit manager, CRC. Ahold Co., Ltd.

Being any position in other organization in last year: None

21. Name: Mrs. Chalaiporn itthithavorn

Position: Company Secretary and Secretary of the CG Committee

Age: 48 years

Education/Training:

- Master of Management, College of Management, Mahidol University
- Bachelor of Laws, Thammasat University
- Courses organized by Thai Listed Company Association
- Fundamental Laws and Regulations of Thai Listed Company, 2009
- Fundamental Practice for Corporate Secretary, Class 20 (FPCS 20)

Courses organized by The Thai Institute of Directors Association (IOD):

- Certificate of Director Accreditation Program (DAP) 153/2018
- Certificate of Board Matters and Trends (BMT) 6/2018
- Certificate of Company Secretary Program (CSP) 95/2019

The Company's securities ownership(%): 0.00%

Family Relationship: None

Working Experience for the past five years (as of 31 December 2018):

2008 - Present Company Secretary, BEC World Plc.

Being any position in other organization in last year: None

BEC WORLD'S EXISTING EXECUTIVES AND CONTROLLING PARTIES HOLDING MANAGEMENT ROLES IN SUBSIDIARIES AND RELATED COMPANIES AS OF 31 DECEMBER 2018

LIST NAME OF THE EXECUTIVES AND CONTROLLING PARTIES	BEC WORLD	COMPANY																SUBSIDIARY					ASSOCIATED COMPANY				RELATED COMPANIES							
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	
1. Mr. Somchai Boonnamsiri	X																																	
2. Mr. Somprasong Boonyachai	//																																	
3. Mr. Prachum Maleenont	//																																	
4. Ms. Ratana Maleenont	//																																	
5. Ms. Nipa Maleenont	//																																	
6. Ms. Amphorn Maleenont	//																																	
7. Mrs. Ratchanee Nipatakul	//																																	
8. Mr. Prathan Rangsimaporn	/																																	
9. Mr. Mani Boonprakob	/																																	
10. Mr. Chansak Fuangfu	/																																	
11. Mr. Matthew Kichodhan	/																																	
12. Mr. Tospol Maleenont	/																																	
13. Mr.Piriyadit Choophungart	/																																	

Details of Companies stated in the above table

Subsidiaries Directly Held by the Company

1. Bangkok Entertainment Co., Ltd.
2. Rungsirojanit Co., Ltd.
3. New World Production Co., Ltd.
4. BEC Broadcasting Center Co., Ltd.
5. You & I Corporation Co., Ltd.
6. BEC Asset Co., Ltd.
7. BEC Studio Co., Ltd.
8. BEC International Distribution Co., Ltd.
9. BEC News Bureau Co., Ltd.
10. Bangkok Television Co., Ltd.
11. Bangkok Satellite & Telecommunication Co., Ltd.
12. BEC IT Solution Co., Ltd.
13. Satellite TV Broadcasting Co., Ltd.

14. BEC-TERO Entertainment Plc.
15. BECI Corporation Ltd.
16. BEC-Multimedia Co., Ltd.

Subsidiary owned by

BEC INTERNATIONAL DISTRIBUTION CO., LTD.

17. TVB 3 Network Co., Ltd.

Subsidiary owned by BEC-TERO

ENTERTAINMENT PUBLIC COMPANY LIMITED

18. Thaiticketmajor Co., Ltd.
19. BEC-TERO Scenario Co., Ltd.
20. BEC-TERO Radio Co., Ltd.
21. BEC-TERO Myanmar Co., Ltd.

Associated companies held by BEC-TERO

ENTERTAINMENT PUBLIC COMPANY LIMITED

22. Forever BEC-TERO Myanmar Co., Ltd.
23. Live Nation BEC-TERO Co., Ltd.
24. BEC-TERO Show Co., Ltd.

Related companies

25. Maleenont Tower Co., Ltd.
26. Millionaire Property Fund
27. Wave Entertainment Public Company Limited
28. Wave TV Co., Ltd.
29. Thai Fight Co., Ltd.
30. DDD Nirundorn Co., Ltd.
31. Muangthong Construction Co., Ltd.
32. Maleenont Asset Co., Ltd.

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

NAME LIST OF THE EXECUTIVES AND CONTROLLING PARTIES OF THE SUBSIDIARIES

LIST NAME OF THE EXECUTIVES AND CONTROLLING PARTIES	Bangkok Entertainment Co., Ltd.	Rungsirjavanit Co., Ltd.	BEC-TERO Entertainment Plc.	Bangkok Television Co., Ltd.	BEC-Multimedia Co., Ltd.
1. Mr. Chatrri Sophonpanich *	X, /				
2. Mr. Vichai Maleenont **	//				
3. Mr. Pravrit Maleenont	//				
4. Mr. Prachum Maleenont	//			//	//
5. Ms. Ratana Maleenont	//	//		//	//
6. Ms. Nipa Maleenont	//				//
7. Ms. Amphorn Maleenont	//	//		//	//
8. Mrs. Ratchanee Nipatakusol	//	//			//
9. Dr. Cathleen Maleenont			//		/
10. Mr. Tospol Maleenont			//		
11. Mr. Brian L. Marcar			//		
12. Mr. Chansak Fuangfu			X, /		
13. Mr. Pravrit Jitnarapong			/		
14. Mr. Piriyadit Choophungart			//		
15. Mr. Boonyarith Suwanphucksas		/			
16. Mr. Manootham Thajai				/	

Remark : Subsidiaries mean significant subsidiaries of the Company, i.e., generating revenue over 10% of total revenue in 2018 profit and loss statement.

X = Chairman // = Authorized Director / = Director

* Mr. Chatrri Sophonpanich vacated the director position as he passed away on 24 June 2018

** Mr. Vichai Maleenont vacated the director position as he passed away on 8 October 2018

DETAILS OF THE DEPUTY MANAGING DIRECTOR-INTERNAL AUDIT OFFICE AND THE CHIEF OF COMPLIANCE OFFICER

Name:	Mr. Natthrapong Phisitphadhrikul
Position:	Deputy Managing Director-Internal Audit Office
Age:	53 Years
Working Experience:	
Feb 2018 - Present	Deputy Managing Director-Internal Audit Office, BEC World Plc.
Jan 2004 - Jan 2018	Vice President-Internal Audit Office (VP-IA), BEC World Plc.
Aug 2002 - Dec 2003	Internal Audit Division Manager, Inter Comfort Co., Ltd.
Sep 2001 - Aug 2002	Internal Audit Division Manager, Singer (Thailand) Plc.
Jun 1997 - Aug 2001	Internal Audit Manager, CRC. Ahold Co., Ltd.
Jul 1995 - May 1997	Internal Audit Division Manager, Sangpetch Import-Export Co., Ltd.
Jul 1991 - Mar 1995	Internal Auditor, Siam Tyre Plc.
Education/Training:	Master of Arts (Economic Law) from Chulalongkorn University, Thailand M.B.A. from Thammasat University, Thailand Mini M.B.A. from UTCC B.B.A. (Accounting) from Ramkhamhaeng University CERTIFIED PUBLIC ACCOUNTANT No. 9342 (Thailand) CERTIFIED INTERNAL AUDITOR (CIA) No.30806 CERTIFIED PROFESSIONAL INTERNAL AUDITOR (CPIA) No.3012 TAX AUDITOR (Thailand)
Training:	Working Paper for Anti-Corruption in organization (Thai Institute of Directors) Tax law, Auditing standards and financial reporting standards update (Federation of Accounting Profession) Understanding and testing internal controls according to the new TSA (Federation of Accounting Profession) Internal Control and Internal Audit in the Era of Changing Business Environment (The Stock Exchange of Thailand) COSO-ERM Report (Federation of Accounting Profession), CFO Certification Program (Federation of Accounting Profession), Accreditation in Quality Assessment/Validation (The Institute of Internal Auditors of Thailand) Internal Audit Methodology (Royal Ahold Singapore), Computer Control and Auditing (EDP AUDITORS ASSOCIATION, BANGKOK CHAPTER)

Duties and Responsibilities of Deputy Managing Director-Internal Audit Office

1. Establishing Internal Audit Office charter that defines the authority, duty, and responsibility of the Internal Audit Office.
2. Defining the objectives, goals, and scope of internal audit activities, as well as planning internal audit operation plan, compliance and development plan, internal audit's budget, and monitoring the Internal Audit Office's performance to be in accordance with applicable audit plan and budget.
3. Developing internal audit policies, internal audit manuals, internal audit operation standards, including auditing internal auditor's performance to be in accordance with applicable audit standards and plan.
4. Auditing internal audit reports which will be submitted to directors and the Audit Committee.
5. Reviewing operation manuals which prepared by the compliance and development division, before submitting to the directors for approval.

6. Overseeing and monitoring the internal operation of the Company to be in accordance with policies, goals, objectives, the Company's regulations and relevant laws, as well as ensuring the sufficiency of internal controls.
7. Preventing losses and damage which might occurred to the organization's assets and interest.
8. Encouraging the Company to be Good Corporate Governance organization.
9. Selecting and developing internal auditors to have knowledge and ability to inspect the work to achieve the goal.
10. Setting up performance evaluation of Internal Audit Office's officer at all levels.
11. Providing advice and suggestions on guidelines for compliance with regulations, orders and internal controls of the organization to executives and officers at all levels.
12. Performing special assignments as assigned from executives and the Audit Committee.
13. Coordinating with the key executives, Audit Committee, external auditor, consultant, and relevant executives.

Duties and Responsibilities of Chief of Compliance Officer

1. Setting up annual compliance, monitoring and development plan.
2. Developing and improving compliance, monitoring and development manuals.
3. Educating and updating The Stock Exchange of Thailand and The Securities and Exchange Commission's laws and regulations, including providing advice to guide the business operation to be in accordance with The Stock Exchange of Thailand and The Securities and Exchange Commission's laws and regulations.
4. Proceeding with compliance, monitoring, and development according to the plan, including collecting, analyzing, evaluating and communicating data.
5. Auditing the work system and operations which affect the operation and preparing compliance, monitoring, and development reports to report to the supervisor that the operation has been implemented in accordance with the established policies, plans and procedures.
6. Coordinating in solving problems for the best interest of organization, and assisting in the provision of advice and suggestion to all level of officers in the organization to improve the effectiveness in order for the organization to be able to stably continue its business and grow in the future.
7. Coordinating in the preparation of manuals and present them as guidelines.

REFERENCE PERSONS

SHARE REGISTRAR

Thailand Securities Depository Co., Ltd.

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

AUDITOR

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

DR.VIRACH AND ASSOCIATE OFFICE COMPANY LIMITED

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

LEGAL COUNSELORS

P&P LAW FIRM

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



BEC WORLD PUBLIC COMPANY LIMITED

Registration No. 0107538000673

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Fax : 0 2204 1384

E-mail : ir@becworld.com

www.becworld.com