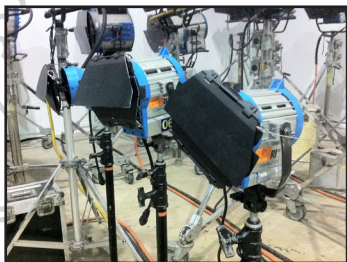
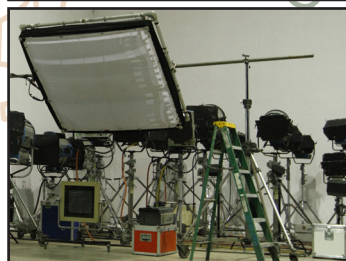
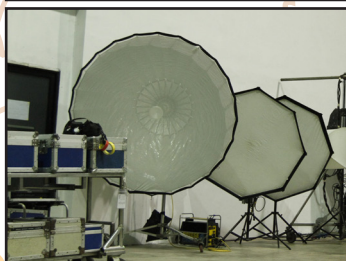
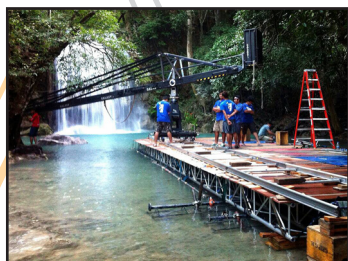




Annual Report 2013

รายงานประจำปี 2556



Summary of financial highlights for 2011 - 2013

Financial Highlights		2011	2012	2013
Earnings Performance (Million)				
Revenue from sales and service		595.87	604.56	672.39
Total revenue		601.30	616.82	690.77
Net profit		14.56	58.44	78.52
Balance Sheet (Million)				
Total Assets		564.18	582.28	1,352.90
Total Liabilities		131.48	100.20	100.67
Shareholders' Equity		432.70	482.08	1,252.22
Shares or details about ordinary shares				
Issued and paid-up ordinary shares	(million Shares)	259.14	259.14	469.24
Book Value Per Share		1.67	1.86	2.67
Earnings Per Share		0.05	0.23	0.20
Dividend Per Share		0.09	0.06	0.10
Financial Ratios				
Net Profit Margin (%)		2.42	9.47	11.37
Return on Equity (%)		3.35	12.78	9.06
Return on Assets (%)		2.44	10.20	8.12
Debt to Equity Ratio (time)		0.30	0.21	0.08
Interest Coverage Ratio (time)		25.46	158.14	377.94

Note : The financial statement for 2011-12 was adjusted for comparison purposes because in 2013 the Company and subsidiaries changed their accounting policies.

Investors can find additional securities issuer information in the Company's Form 56-1 disclosed at www.sec.or.th or the Company's website at www.matchinggroup.com





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Message from the Board of Directors

The current economy and the ongoing political tension have inevitably impacted all industries. As a consequence, the Thai economy expanded only 2.9 percent in 2013, representing a sharp contraction from the growth of 6.5 percent in the preceding year. The advertising spending in the entire industry grew at 0.95 percent, also contracting on a year-on-year basis from the growth of 8.77 percent in the previous year. The contraction can be blamed on the fact that advertising and marketing budget was more cautiously spent. Only certain media channels saw growth in advertising spending. For instance, the advertising spending through TV media managed to expand by 1.65 percent while that through newspapers grew by 0.49 percent. However, the Company has its vision and applies effective strategies in order to meet demand and withstand the fragile economic situation by focusing more on TV program production and equipment rental businesses. Both businesses generated strong revenue for the Company. In 2013, the Company invested in new start-of-the-art equipment to meet demand of clients both in the upper and lower markets. The new equipment was also aimed at enhancing operation efficiency and boosting market shares. According to Ministry of Tourism and Sports, in 2013, a total of 717 foreign productions were filmed in Thailand, translating into a ten-year high value of Baht 2,173 million. This high figure suggests that Thailand has potentials and good locations for filming foreign commercials, featured movies, documentaries, dramas and etc.

In 2013, the Company posted revenue of Baht 672.39 million, increasing by Baht 67.83 million or 11.22 percent. The Company's net profit for the year stood at Baht 78.52 million, rising by Baht 20.08 million or 34.36 percent on a year-on-year basis. The earnings increase was made possible by: i) a 35-percent increase in revenue and a 28-percent widening of gross profit margin, on a year-on-year basis, earned by the equipment rental business; and ii) the gross profit margin from the TV program production business remaining over than 50 percent. Moreover, in 2013 Kob Dek...Sang Ban received "Best Press Award for 2013 from Catholic Press of Thailand. In addition, Plod Nee also received "Best Host Team Award" from the 28th Golden TV Award in 2013.

The year 2014 will be the first year when Thai analog TV system will be transformed to a digital TV system and when all industries will adjust themselves ahead of the launch of ASEAN Economic Community (AEC) in 2015. The Company will focus on driving growth, planning on business expansion, and developing personnel. The Company has planned to invest in the New-Home Project, for which a huge international film studio and an equipment warehouse will be built. State-of-the-art equipment will be prepared and professional staff will be developed to support integrated content operators, cope with potential competition, and face new opportunities.

The business success in the past year was made possible by the unity of all parties, including the directors, the management, employees at all levels, clients, investors, stakeholders, as well as general supporters. On behalf of the Company's Board of Directors, I would like to thank all the aforementioned people for their support and trust. The Company expects to maximize benefits for stakeholders and will continue business operation based on corporate governance principles and corporate social responsibility.

Yours sincerely



(Mr. Somrit Srithongdee)

Chairman of the Board of Directors



Audit Committee Report for 2013

Dear Shareholders of Matching Maximize Solution Public Company Limited

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

During the year 2013, the Audit Committee convened a total of six meetings, where the authorized auditor, the Company's management and the internal auditor attended. One, out of the six meetings, was the meeting of only the Audit Committee and the authorized auditor, without the presence of the Company's management. The following key issues were considered in the meetings.

1. Good Corporate Governance

The Audit Committee examined whether the Company operated business, based on the good corporate governance principles, through the meetings with the Company's management and the internal auditor. The meetings provided the guidelines of good corporate governance principles as well as creating the same understanding among the directors, the management and the employees so that they followed the set policies. The Company reviewed the good corporate governance principles at least once per annum in order to ensure that the Company's corporate governance policies were appropriate and adequate in accordance with the current situation.

2. Review of Financial Information

The Audit Committee reviewed the interim financial information and annual financial information of the Company and its subsidiaries to examine whether such financial information was completed in compliance with the accounting standard. The results of the review/audit of the financial information were appropriately and adequately disclosed in the meetings attended by the management, the internal auditor, and the authorized auditor. In the meeting the Audit Committee also raised some matters as well as suggestions based on the review/audit and reported the auditing plans and guideline and the independence of the authorized auditor. After the review of the Audit Committee, the audit report was presented to the Company's directors for consideration or approval as the case may be.

3. Internal control system

The Audit Committee reviewed the work of the Company's internal control system in order to evaluate its efficiency. The Audit Committee examined the independence, the audit working plans, budgets, human resource development of the internal control department. The Committee reported the review results as well as the results of the follow-up of the progress on improvement of the internal control system, based on the audit review report. The Company's management was invited to provide information about the adequateness of the Company's internal controls and the improvement based on the audit review. The Audit Committee provided opinions and additional suggestions for the Company to improve its internal control system in order to prevent operational risks. The Committee also ensured that the mechanism of the Company's internal control and audit systems were appropriate and sufficient, based on the current circumstance and nature of business.



4. Following the laws and policies set forth by the Board of Directors

The Audit Committee examined whether the Company followed relevant laws as well as policies set forth by the Board of Directors through the auditing process of the Company's internal auditors and the authorized auditor. The Audit Committee arranged meetings with the Company's management, the authorized auditor and the internal auditors to ensure that everyone was aware of the relevant laws and the policies set by the Company's Board of Directors. Finally, the Audit Committee also provided additional suggestions for the Company to enhance its corporate governance and also to continue developing the business.

5. Review of connected transactions that may have caused conflicts of interests

The Audit Committee reviewed the connected transactions that may have caused conflicts of interests; the review was done with the internal auditors and the authorized auditor. The Audit Committee had meetings with the management in order to ensure that the connected transactions were justified and that the Company had appropriately and adequately prepared to prevent possible conflicts of interests.

6. Selection and appointment of the authorized auditor and consideration of the remuneration for the authorized auditor

The Audit Committee considered the dependency, qualifications and experience of the authorized auditor. In addition, the Audit Committee, together with the management, also appraised the performance of the authorized auditor of the past fiscal. The Audit Committee proposed that the Board of Directors appoint PricewaterhouseCoopers ABAS Ltd. as the Company's authorized auditor for the fiscal year of 2014.

7. Report of the performance results of the Audit Committee to the Board of Director

The Audit Committee reported its performances based on the scope of responsibilities to the Board of Directors at least once quarterly. In addition, the Audit Committee also offered suggestions and additional opinions that were useful for the Company's management and administration in order to boost confidence among shareholders, investors, stakeholders of the Company.

The Audit Committee continued to place the emphasis on the Company's internal control system. The Committee worked independently, based on its working scope. The Audit Committee opined that Matching Maximize Solution Plc. and its subsidiaries had effective internal control systems, which were adequate and appropriate to the Company's operations. The Committee did not find any mistakes or problems with the Company's internal control system that would have significant impacts on the accuracy and reliability of the Company's financial reports. Also, the authorized auditor and internal auditors were found to have worked independently. Finally, the Company's corporate governance and internal control system were sufficient and appropriate to current circumstances.

(Mr. Akarat Na Ranong)
Chairman of Audit Committee



History and major changes of the Company

1. History and major development of the Company

Matching Maximize Solution Public Company Limited (formally known as Matching Studio Public Company Limited) was founded in 1992, with an initial registered capital of Baht 1 million by Mr. Somchai Cheewasutthanon and Mr. Thanisaphong Sasinmanop to operate TV commercials production business. The Company subsequently expanded its business to include TV program production, equipment rental services and event organizing, and printing business.

Summary of History and major development of the Company

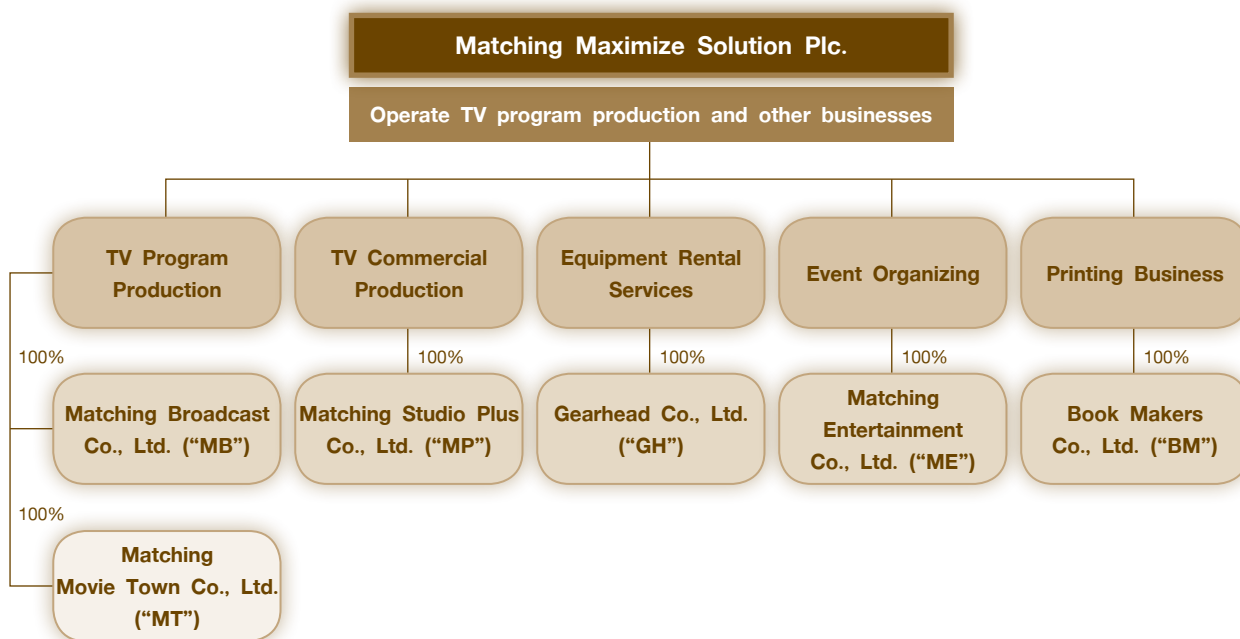
Year	Major Development
1992	The Company was established with a registered capital of Baht 1 million, i.e., 10,000 shares at a par value of Baht 100 per share, to operate TV commercial production business.
2003	The Company was listed in the Alternative Investment (MAI), with a registered capital of Baht 120 million, i.e., 24 million shares at a par value of Baht 5 per share. The Company subsequently issued 6 million capital increase shares for public offering and expanded its business to cover a wide variety of entertainment and recreation services. Later, the BOD approved to issue warrants (MATCH-W1) amounting to 108 million units, with the life of five years, for existing shareholders.
2004	<p>The Company increased capital, changed the shareholder structure, moved from the secondary market and expanded to TV program production business.</p> <ul style="list-style-type: none">• Issued and offered capital increase shares to BBTV Production Company limited (BBTV Production) in order to support the Company's expansion of TV program business, enhance business operation within the group and increase the market share.• Moved from trading in MAI to the Stock Exchange of Thailand (SET) under the media and printing sector.
2009	<p>Increased capital and changes major shareholders</p> <ul style="list-style-type: none">• Issued and offered the second warrants ("MATCH-W2") of 103,431,863 units, with the warrant life of five years, for existing shareholders.• In Three major shareholders decided to sell common shares and MATCH-W2 to BBTV Production Co., Ltd. As a result, BBTV Production became the major shareholder, with the stakeholding increasing to 49.65 percent from 27.73 percent previously.

Year	Major Development
2010	BBTV Productions Co., Ltd., exercised the right to purchase the second warrants, MATCH-W2, raising its shareholding to 57.94 percent. As a consequence, BBTV Productions Co., Ltd., was empowered to purchase entire assets of the Company. After the tender offer, BBTV Production's shareholding rose to 68.48 percent.
2012	<p>Increased the registered capital to Baht 535 million by issuing capital increase shares of 271 million shares, with a par value of Baht 1 per share:</p> <ul style="list-style-type: none"> Capital increase shares of 210 million shares for public offering Capital increase shares of 7.54 million shares to support the exercise of MATCH-W2
2013	<p>Incased paid-up capital to 469.24 million shares</p> <ul style="list-style-type: none"> Issue and offer 210 million IPO shares at Baht 3.50 per share

2. Shareholding structure

2.1 The Company's group structure

As of 31 December 2013, there were six subsidiaries^{/1} with the structure classified by business type as follows.



Remark ^{/1} The Board of Director Meeting No. 10/2013 on 23 August 2013 resolved to settle the accounts and close Goody Film BKK Co. Ltd, the Company's 60% owned subsidiary (producing TV commercials for foreign clients) in order to transfer the operation to be under the Company. On 30 January 2014, the Company settled the accounts and registered to cease operations with Ministry of Commerce.



2.2 Business Operation of the Group

At present, the Company and its subsidiaries operate five main businesses, i.e., the TV production business, the TV commercial production business, the equipment rental business, the event organizing business and the printing business.

1) The TV production business

The Company produces TV programs and broadcast them on the airtime slots bought from the TV channel. Then, it sells commercial timeslots to advertising agencies or product owners. In addition, the Company is hired to produce TV programs by TV channels.

As of 31 December 2013, there were five programs, namely “Plod Nee”, Plod Nee on Public Holidays”, Kob Dek...Sarng Ban”, Ta Lob Lang Ta Lad” and “Cheeze TV D.I.Y.”

2) TV commercial production business

The Company runs a production house to produce TV commercials promoting products or conveying messages from clients to their targeted customers. In addition, the Company also coordinates with and provides services for foreign crews to facilitate filming or shooting activities set in Thailand.

Examples of the Company’s products in 2013 are TOT 3G/ Pigeon, Choice/ Grand Canal and etc.

3) Equipment Rental Services

The Company provides rental equipment for filming, shooting, and producing TV commercials, as well as supplying skillful personnel who know how to use such equipment. The rental equipment is delivered to filming sites.

Examples for such service in 2013 include the equipment for movies produced by Sahamongkhon Film and international films from several countries including Russia, France and India.

4) Event organizing business

The Company acts as an event organizer who plans public relation activities as well as managing events for clients both from state and private sectors. Being committed to meeting the needs and objectives of the clients, the Company provides integrated services to meet demand of both domestic and international clients.

Examples of the services in 2013 include CBU Outing, Red Bull Concert, 2013 Yong Model and Meet the Star Roadshow.

5) Printing business

The Company produces printing media, magazines, and pocket books, both for sale and free. The Company’s magazines, pocket books and printing media are released on a monthly basis and sometimes there are exclusive issues on special occasions. The major targeted readers are teenagers or those working in the fashion industry.

As of 31 December 2013, the Company’s group owned three monthly magazines, namely Cheeze, Cheeze Shopping Guide, and Cheeze Looker and there was free copy Cheeze Snack.

3. Business Objectives

The Company is currently launching a new home project, consisting of a new studio to support all kinds of international filming or shooting activities, a equipment warehouse and a new big office building. The new home project is aimed at strengthening the company’s integrated business and enabling the Company to become a center for various kinds of content production in order to support demand in the digital TV era and also prepare for the existence of the ASEAN Economic Communities (AEC) in the near future.

Type of Business

Revenue Structure

The Company and its subsidiaries' revenue structure by types of business in the consolidated financial statements for 2011-2013 is as follows.

Consolidated financial statement	Year					
	2011		2012		2013	
	million	%	million	%	million	%
Core Business						
TV program production	154.43	25.68	186.79	30.28	181.90	26.33
TV commercial production	158.71	26.39	44.15	7.16	44.53	6.45
Equipment Rental Services	180.45	30.01	257.43	41.73	348.38	50.43
Event Organizing	64.17	10.67	65.17	10.57	37.84	5.48
Printing business	31.79	5.29	28.43	4.61	52.20	7.56
Total revenue from core business	589.55	98.05	581.98	94.35	664.85	96.25
Other revenue¹	11.74	1.95	34.84	5.65	25.93	3.75
Total	601.29	100.00	616.82	100.00	690.78	100.00

Note ¹Other revenue consisted of revenue from sales of products and interest income

The Company and its subsidiaries operate five main businesses, i.e., the TV production business, the TV commercial production business, the equipment rental business, the event organizing business and the printing business.

1. TV program production business

1.1. Services

The Company's TV program production business is done in two forms: i) the Company subleased broadcast time slot from the TV stations for its own TV programs and ii) the company is hired by TV channels to produce TV program by. For the latter, the Company gains revenue from selling of commercial timeslot or promoting products/services during the program and the production fee.

As of 31 December 2013 the Company presented two program styles for the total of five programs broadcast on Channel 7 and True Vision with the following details.

1) Game shows

Game shows allow participants to play games and get the prizes. The Company's game shows focus both on useful information and entertainment. Knowledge and interesting ideas are also presented in the programs, reflected by program participating guests special abilities or program hosts' interviews.





As of 31 December 2013, the Company presented three game shows:

- **“Plod Nee”** is a game show focusing both knowledge and entertainment for society. Regarding the program style, guests are invited to demonstrate their special abilities. If they successfully achieve the program’s rules, they will receive proceeds to settle their debts. The program focuses on offering assistance to those in financial trouble. Through guests’ special abilities, the program presents useful information, knowledge, as well as interesting ideas.
- **“Plod Nee on Public Holidays”** is an entertaining and educating program decided for helping society. The program presented the lives of the guests of the aforementioned Plod Nee who were given the prizes to settle debts.
- **“Talob Lang Talad”** is a game show where guests compete to win the prizes. Competing guests are sellers in the markets, joined by actors or actresses as special competitors. The program presents useful information, knowledge, as well as interesting ideas through guests’ abilities.

2) General programs/ Verities

The general/variety programs provide opportunities for guests to present stories reflecting various aspects of the Thai society. The programs focus on both education and entertainment purposes.

As of 31 December 2013 the Company had two general/variety programs:

- **“Kob Dek Sarng Ban”** : The program is designed to seek good children, who are in need for helps or resume too tough responsibilities for their ages, and help them achieve their goals. The program member either builds them a home or offer scholarship, encouraging them to pursue their dreams. Viewers of the program enjoy both entertaining and educating contents.
- **“Cheeze TV D.I.Y.”** presents contents about fashion, which are easy to understand and easily reach teenage viewers. The program also helps to promote the Company’s magazines Cheeze and Looker

As of 31 December 2013 the Company's TV programs are as the following details:

Program	Date and Airtime Slot	Targeted groups	Start ออกอากาศ	Program style	Produced by
1) Game Shows					
	Every Saturday 15.30 – 16.15 hrs Channel 7	All genders, all ages and medium income earners	2000	Own production	MATCH
	Every Public Holiday 1 hour Channel 7	All genders, all ages and medium income earners	2005	Own production	MATCH
	Monday to Thursday 15.00 - 15.30 hrs Channel 7	All genders, all ages and medium to low income earners	2011	Paid production	MATCH
2) General/Varieties					
	Every Thursday 16.00-16.30 hrs Channel 7	Children aged 6-15 years old and adults aged above 25	2008	Own production	MATCH
	Every Wednesday 21.00 - 21.30 hrs Rerun Fridays: 13.00 - 13.30 hrs Sundays: 19.00 - 19.30 hrs Mondays: 17.30 - 18.00 hrs True Vision	Teenagers	2012	Own production	MATCH

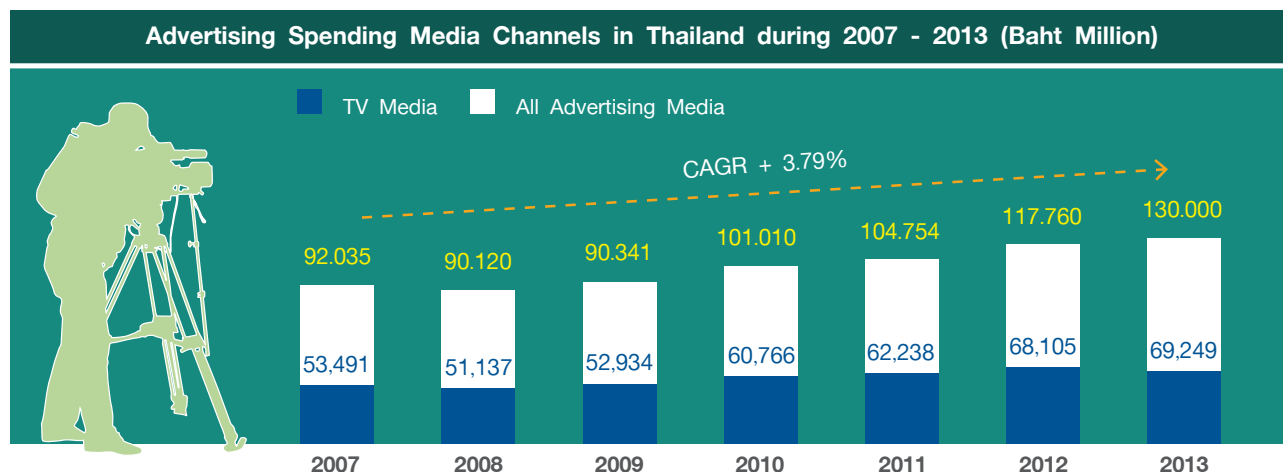


1.2 Marketing and Competition

1) Industry Overview

- Advertising Industry

The advertising industry is directly impacted by the country's overall economy. The fiercer competition has resulted in continued growth in the advertising industry, evidenced by the advertising spending through media channels that has shown an uptrend, from Baht 92,035 million in 2007 to Baht 115,029 million in 2013, representing a CAGR growth of 3.79 percent.



Source: Nielsen Media Research and VGI Global Media Plc

According to Nielsen Media Research, the advertising industry in Thailand is huge, with a total market value of over Baht 100 billion. The advertising spending through TV media, which links to the Company's business, had a market share of over Baht 60 billion per annum, accounting for approximately 60 percent of the total advertising spending in the entire industry. This high exposure to the TV media channels is attributable to the fact that TV is mass media and is the most popular among consumers in Thailand. The TV media can access as much as 98 percent of the population nationwide (according to the National Broadcasting Telecommunication Commission: NBTC). In addition, the TV media presents both visions and sound Simultaneous, while the advertising rate per head remains low.

In 2012, the country's economy and politics remained stable, without any negative impacts. In addition, operators spent on advertising more aggressively in order to recover from the huge impacts of the flood crisis in late 2011. As a consequence, the overall market value of the industry increased by 8.77 percent from the level seen in 2011. Overall, all media channels showed strong growth, with TV media remaining the major media channel. Although the market share of TV media declined in 2012 as other new media channels came to take away some shares from the TV media, the advertising spending through the TV media still increased by 9.43 percent as most product owners still relied heavily on TV media channels. In addition, advertising agencies still continued to choose the TV media as they believed it was the best media channel reaching the targeted groups. Meanwhile, the Internet remained an attractive media channel, evidenced by the strong growth in advertising spending value of 62.07 percent in 2011 and 21.92 percent in 2012.

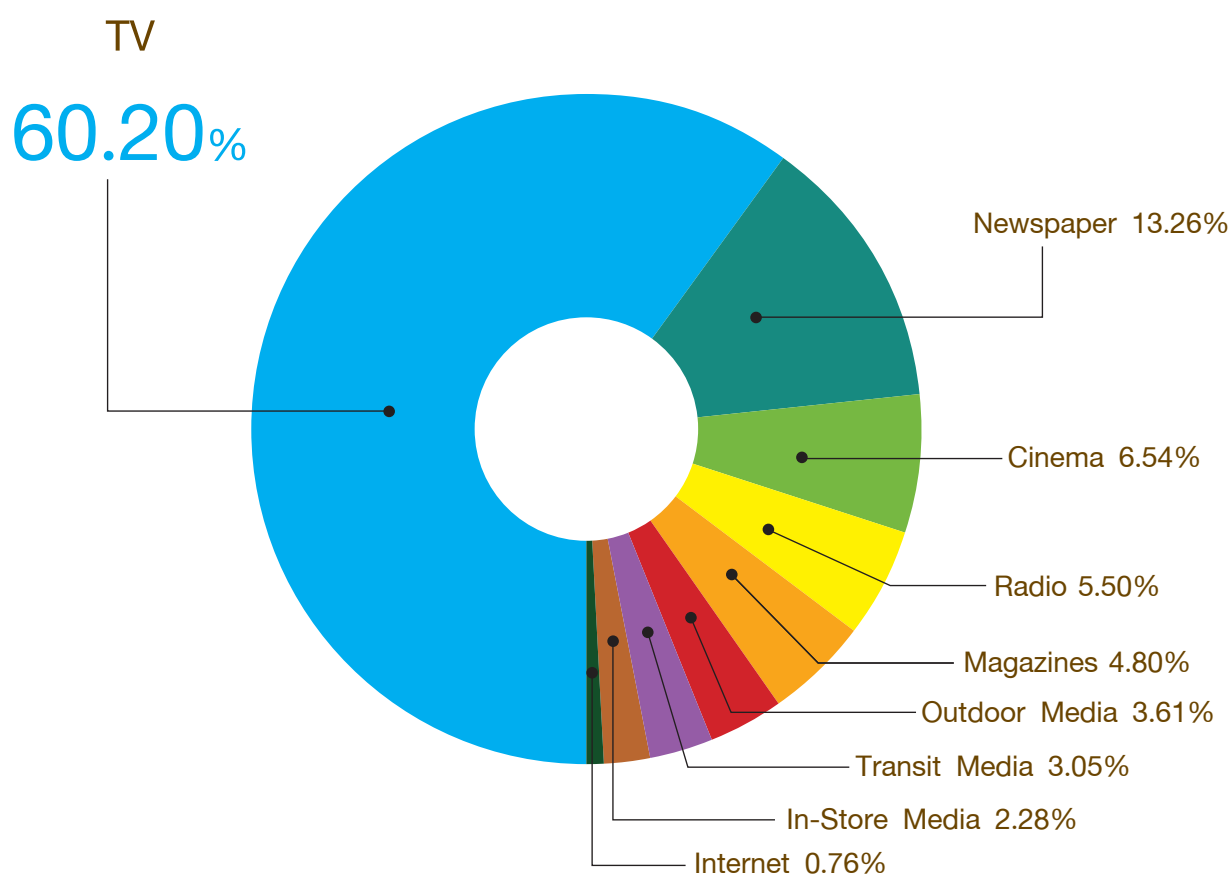
In addition, the usage of Internet continued to increase, through various channels, e.g., brands' official websites, social media and video clips. These Internet channels helped promote branded content that could easily and rapidly be spread to targeted groups, with considerably lower cost, compared with other media channels. The budget for advertising on the Internet media is smaller than that for advertising on the TV media.

Advertising media by type in 2007 - 2013 (million)

Advertising media by type (million)	2007	2008	2009	2010	2011	2012	2013
TV	53,491	51,137	52,935	60,766	62,238	68,105	69,249
Newspaper	15,809	15,282	14,149	15,000	14,541	15,183	15,258
Cinema	4,341	4,173	4,856	5,987	7,224	7,906	7,519
Radio	6,318	6,933	6,168	6,116	5,918	6,358	6,321
Magazines	6,067	5,998	5,426	5,694	5,824	5,595	5,518
Outdoor Media	4,481	4,229	3,965	3,849	4,278	4,532	4,153
Transit Media	956	1,372	1,764	2,188	2,643	2,960	3,512
In-Store Media	570	826	819	1,121	1,618	2,733	2,623
Internet	-	172	259	290	470	573	877
Total	92,035	90,121	90,341	101,010	104,754	113,945	115,029
Percentage of TV (%)	58.12	56.74	58.59	60.16	59.41	59.77	60.20

Source: Nielsen Media Research

Advertising spending by media type in 2013



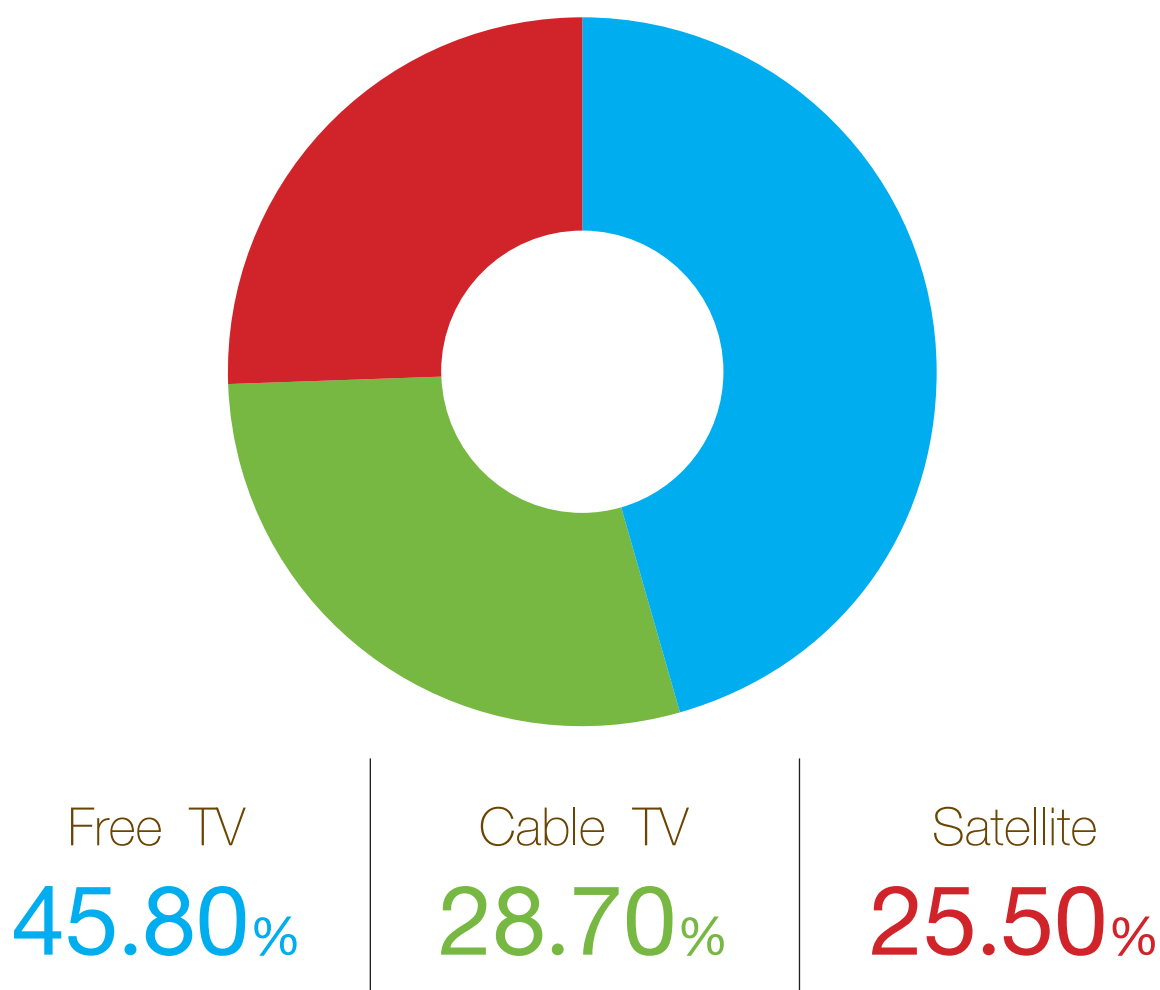
Based on the advertising spending figure via almost all media types in 2013, the market value of the advertising industry for the year grew by 0.95 percent to Baht 115,029 million. By media types, only four media channels showed growth in advertising spending; i) the TV channel growing by 1.65 percent to Baht 69,249 million; ii) the newspapers growing by 0.49 percent to Baht 15,258 million; iii) the transit media expanding by 18.65 percent to Baht 3,512 million; and iv) the Internet media growing by 53.05 percent to Baht 877 million. It can be seen that the Internet media showed the biggest growth. Note that the overall market value expanded only slightly owing to i) clients' decision to reduce their spending amid the economic slowdown; ii) clients' smaller purchasing power and iii) political tension in late 2013.

Nonetheless, the advertising spending through the TV media in 2013 remained quite stable at 60 percent thanks to the fact that TV remained the most popular media channel. Despite the arrivals of other media channels, TV media still played a key role in the people's living in the present

- **Television (TV)**

The TV business in Thailand has categorized into two types and three systems: free TV (terrestrial TV), subscribed TV or pay TV (i.e. Cable TV and Satellite TV).

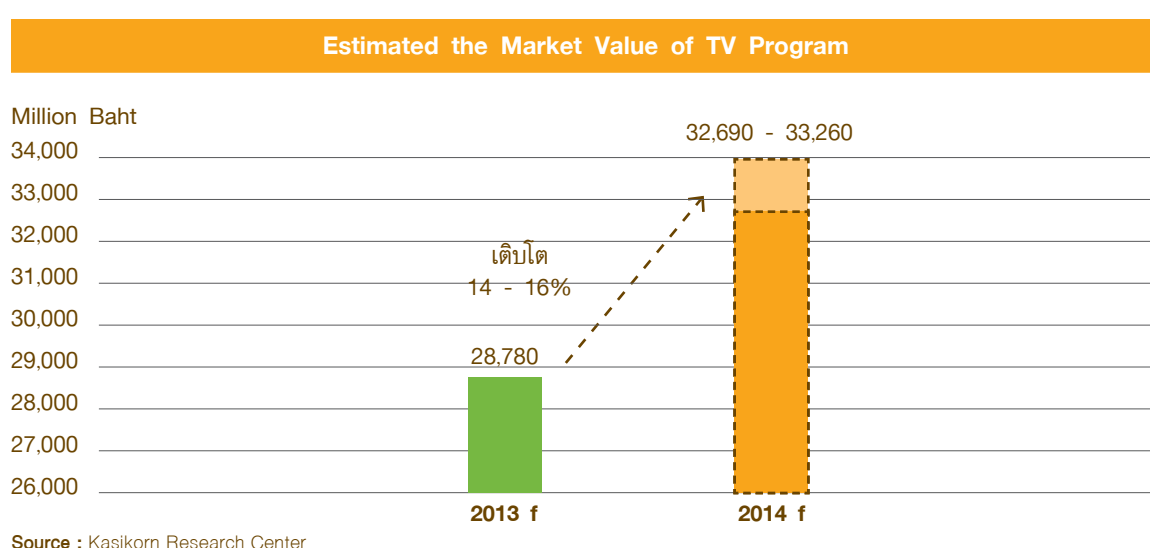
TV Audiences in Thailand by Types



Source: NBTC

“TV programs” are key factors for the TV business as they can generate massive amount of revenue. Currently TV programs are normally presented in forms of dramas, varieties, news and kid programs broadcast in the aforementioned three TV systems. Regarding the market overview of the present TV program industry, Kasikorn Research Center view that there will be more players entering the market due to a jump in growth of cable TV and satellite TV in the recent years, with over 200 channels reaching over 14 million households. In addition, as foreign programs became less popular, especially foreign series TV channels broadcast more Thai programs; this is a good opportunity for local TV program producers, especially those producing Thai dramas and varieties.

After the bidding for 24 TV digital channels by NBTC in late 2013, 2014 is the beginning of digital TV era in Thailand, which will thus help liven up the TV production industry in Thailand. In light of this, the market value of TV program production business is estimated to expand by 14-16 percent to Baht 32,690 -33,260 millions, up from the estimated value of Baht 28,780 million for 2013.



Digital TV : Trend and business opportunity for TV program producers and related business operators

- **TV program producers**

The transformation to the digital TV era will bring business opportunities TV program producers as the details discussed below.

- 1) TV program producers will have more ways to produce programs for free TV channels vs. the current six free TV stations. Only a small number of TV program producers are able to produce programs for free TV stations while others have to produce programs for cable TV stations and satellite TV stations. It is estimated that the number of households reaching cable TV and satellite TV will grow at a slower pace. Nonetheless, after the launch of digital TV, there will be 24 channels, raising more demand for TV programs. Hence, TV program producers who produce mainly for cable TV and satellite TV will see greater opportunities to present their programs to digital TV stations. In addition, the digital TV system will also offer opportunities for new TV program producers who possess strong creativity but lack of opportunities to present their works.





- 2) Producers will have to compete to present interesting content and attractive and unique presentation styles to attract viewers. Successful bidders for digital TV stations will have to create good ratings from viewers, who will have choices of 24 channels, in order to compete to gain shares of advertising revenue via TV channels valued at Baht 70,000 million per annum. Hence, bid winners for digital TV will have to carefully select TV programs with quality contents matching viewers' demand. Hence, TV program producers will also have to compete to develop their content and present creative programs with unique styles. This trend will help lift quality of TV content in Thailand and bring in varieties of programs serving viewers' demand.
- 3) Digital TV for business services will also bring more channels for TV program producers to reach particular groups of viewers, e.g. kids, news and varieties. Hence, producers can present programs based on their expertise and can focus on interests and demand of viewers more effectively.

2) Competition

The arrival of digital TV was a major factor effecting growth in the market value in 2013. However, there have been several points of challenges for TV program producers.

1) The change in viewers' behavior toward smart phones and tablets

Given the currently advanced communication technology, people tend to use mobile devices. Thus, viewers tend to use multitasking devices more. To elaborate, more viewers tend to view TV program through their mobile phones or tablets. They can view TV programs while using other application of those devices. This trend is very challenging for TV program producers as they will have to ensure that their programs are creative, interesting and attractive enough to attract viewers to focus only the programs and forget about other applications.

TV channels have tried to adjust their program styles by increasing the broadcast channels both on TV and the Internet in order to allow viewers to choose the viewing channels of their interests. Hence, they can choose to watch programs from TV, smart phones or tablets as they prefer. In addition, operators also adjust advertising packages for sponsors according to the viewing channels chosen by viewers.

2) High production cost

With the fiercer competition, some TV programs gain rating quickly while some lose it quickly as well. This depends on the changing consumer trends. Revenue of a TV program varies in accordance with the rating. Product owners choose to put their advertisement or put their production promotion programs on TV programs gaining high rating or directly reaching particularly targeted groups. Given a large number of players, TV program producers should continue to improve their programs as well as introducing new interesting styles in order to differentiate their programs from new comers' and also to maintain and expand their audience base. In addition to capability, expertise, and creativity, TV program producers should have to present their uniqueness to attract their targeted audiences. For examples, the programs are presented in creative styles by interesting hosts and participated by attractive TV stars. In addition, viewers should also be allowed to participate in the program and given prizes or presents. In addition, TV programs producers should also take into account the airtime slots when designing program styles as different airtime slots address different groups of audiences.

3) Shortage of experienced personnel

TV programs require highly experienced personnel. Experienced producers are often offered very attractive remuneration packages by other TV stations. In addition, with 24 digital TV stations, demand for TV programs will increase. This may lead to shortages of experienced personnel in the industry, both in terms of creative and producer teams as well as technicians. Hence, TV program producers will have to prepare personnel to support growing demand for TV programs. Operators may have new personnel trained by experienced personnel or rotate existing personnel to learn all functions of TV production process.

The Company's "Plod Nee" program had been broadcast for 13 years in 2013. The program continues to gain its popularity from target viewers as the Company encourages viewers to participate in the program and effectively promotes the program. As a result, the program has been well accepted by advertising agencies and sponsors.

"Plod Nee" and "Kob Dek... Sarng Ban" have been granted many awards. In 2013, "Kob Dek... Sarng Ban" received the Best Press Award from the 13th Catholic Press in Thailand. "Plod Nee" received 'Best Host Team' award from 28th the Golden Television in 2013.





2. TV Commercial Production

2.1 Services

The production house business covers three major areas:

- 1) The Company produces TV commercials to promote goods or services or to convey messages from clients to their targeted customers. The commercials last 15, 30, 45, 60 minutes or longer. Different commercials are presented in different styles, depending on creativity of advertising agencies and production houses' ability to convey the intended messages to viewers.

The change in industry trend in 2012 promoted the Company to change its operation from being a big production house with a high number of directors, employees and high production cost to being an integrated agent, providing all kinds of services including recruiting crew, equipment, locations, pre-production and post production. With its reputation and good track record as well as good relations with former personnel, being an agent enables the Company to work more flexibly, reduce production cost and also increase sources of revenue. An example of TV commercial in 2013 is the TV commercial produced for TOT.

- 2) The Company also offers revision works for its past TV commercials to match the changes and new demand from clients. The Company also sells its past commercials to clients who want to keep or publicize more of their commercials. This service is rather limited as it depends mainly on clients' demand.
- 3) The Company also provides services for foreign crew who come to produce commercials or film movies on location in Thailand. The services cover feasibility study, advisory about shooting locations in Thailand and neighboring countries, projection and control of cost, recruitment of crew members as well as post production services.

2.2 Market and Competition

1) Industry

- Production House Industry

At present, there are many players in the TV commercial production industry due to the trend that more producers and directors have resigned from full-time positions at big production houses to run their own small production houses. Some work only on a freelance basis. As a

result, the number of producers and directors in big production houses has become smaller while small production houses see increasing number of producers and directors. Consequently, the market experiences intense competition but production houses gain more flexibility.

- Advertising Industry

The details on the advertising industry can be obtained from Issue 1.2 the Market and Competition Item 1): Advertising Industry.

2) Competition

The competition in the production house industry has become more and more intense due to the trend that more and more producers and directors have reigned from full-time positions at big production houses to run their own small production houses. However, the Company focuses particularly on upper market, in which clients mainly take into account the production houses' financial statement, reputation, performance and good relationship with clients. Hence, the number of the Company's direct rivals is rather small. Such direct competitors include Phenomena Co., Ltd, Mum Film Co., Ltd, The Film Factory Co., Ltd., Muanjai Production House Co., Ltd, Tosakan Film Co., Ltd, I am Good Co., Ltd., Good Boy House Co., Ltd., De Four Co., Ltd., Number Seven Co., Ltd, and Jumbo A Co., Ltd. Although the Company has adjusted its operation strategies, it still sees competitive advantage over its peers thanks to its good relation and connections with producers and directors as well as film production crew. Many freelancers in the market used to work from the Company. Moreover, the Company has good reputation in terms of quality TV commercial production widely accepted by both domestic and international clients.

3 Equipment Rental Services

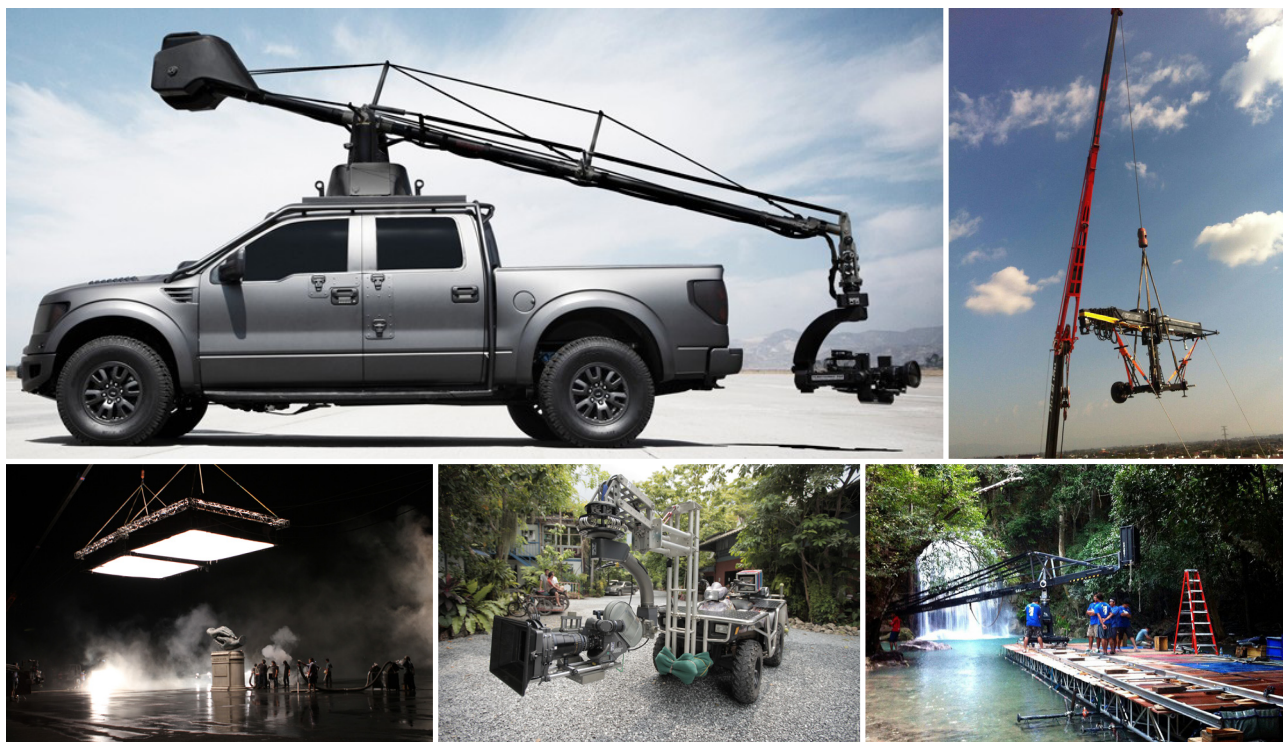
3.1 Services

GH offers equipment rental services for filming movies, serving all groups of clients, including those in the upper market, which are the Company's existing client groups who want high quality and high definition shooting devices. These clients groups include movie producers, documentary producers, music video producers. The services for the upper market are provided by "Gear Head". In addition, the Company also serves demand from the lower market including drama producers and TV program producers. This segment was launched in late 2012 by "Handy Gear".

Major rental equipment items

Items	Examples
Digital cameras	Camera Alexa , Red 35 mm, 16mm, and various kinds of lens
Lighting equipment	Tungsten, Daylight and fluorescents as well as power generators
Sound equipment	Source recorders, mixing consoles, microphones
Grips	Cranes, dollies
Rig Equipment	Special equipment designed for producing TV commercials based on clients demand
Vehicles	Vans, Beverage vehicles, mobile toilets and motor homes





The rental equipment also comes with highly-skilled technicians. Equipment is delivered directly to shooting or filming sites. The Company also invests in vehicles, e.g., trucks, equipment trucks and etc. in order to make sure that the equipment is delivered on time.

In 2013 the equipment rental service generated revenue of Baht 343.38 million, accounting for 50.43 percent of the total revenue.

3.2 Market and Competition

1) Industry

- **Film Industry**

The ongoing political tension as well as economic slowdown has discouraged Thai people to go out to the cinema. Thus, the on-screen advertising spending in 2013 declined by Baht 387 million to Baht 7,519 million, equal to a decrease of 4.90 percent on a year-on-year basis (source: Nielsen Media Research)

In 2013 foreign movies with high revenue included Iron Man 3, Fast & Furious 6, Thor : The Dark World, Pacific Rim. Meanwhile, Thai movies earning high revenue included Pi Mak.. Prakhanong, Yam Yasothorn, Tom Yam Kung 2, Koo Kham, Mor 6/5 Pak Kla Tha Pi. Pi Mak.. Prakhanong produced by GTH was a huge success and generated the biggest revenue compared to other films produced by GTH as well as other Thai movies. As a result, GTH captured the biggest market share in 2013.

- **Advertising Industry**

The details can be obtained from the second part of Issue 1.2 the Market and Competition Item 1): Advertising Industry.

- **TV program production industry**

The transformation to the TV digital era will bring a number of business opportunities as there will be greater demand for TV programs on free TV station. This trend will be positive to TV

program producers to produce programs on a sub-contract basis and also benefit related business operators, such as rental equipment providers, rental studios, and post-production service providers.

- **Foreign Segment: Commercials and movies filmed on location in Thailand**

Number of and revenue from foreign projects filmed in Thailand classified by type

Type	No.	2007	2008	2009	2010	2011	2012	Aug-2013
Advertising	Unit	198	184	166	255	296	314	255
Documentary	Unit	229	197	181	178	155	122	87
TV Series	Unit	32	48	52	46	86	106	81
Feature Film	Unit	22	28	37	49	35	53	44
Music Video	Unit	42	69	60	50	34	41	28
Total	Unit	523	526	496	578	606	636	495
Estimated Revenue	Baht million	1,073	2,023	898	1,869	1,226	1,782	1,289
Variance	%	-44.33	88.63	-55.62	108.19	-34.38	45.29	-27.68

Source: Thailand's Film Office, Tourism Development Office, Ministry of Tourism and Sports; August 2013

Number of foreign movies filmed in Thailand classified by countries

Country	2007	2008	2009	2010	2011	2012	Aug-2013
Japan	154	134	108	123	113	149	106
India	92	123	108	128	107	125	94
Europe	102	106	96	91	119	105	67
Hong Kong	25	23	20	24	24	37	30
Korea	39	26	27	41	47	33	22
USA	22	25	25	22	35	27	23
China	8	8	16	22	33	24	25
Australia	18	10	8	8	15	6	17
Taiwan	6	3	10	16	9	1	6
Others	57	68	78	103	104	129	105
Total	523	526	496	578	606	636	495
Variance (%)	-6.52	0.57	-5.7	16.53	4.84	4.95	-22.16

Source: Thailand's Film Office, Tourism Development Office, Ministry of Tourism and Sports; August 2013

According to the Film Office, foreign movies filmed in Thailand during the first eight months of 2013 were valued at Baht 1,289 million for a total of 495 pieces. Most of them were commercials, documentaries and series. By country, Japanese, Indian and European crew came to film in Thailand with the biggest number of total products, accounting for 50 percent of the total foreign films shot in Thailand. On 11 February 2013, the Director General of Tourism Department, Ministry of Tourism and Sports disclosed that in 2013 a total of 717 foreign products were filmed in Thailand, generating revenue of Baht 2,173 million, increasing by Baht 391 million from Baht 1,782 million in 2012, equivalent to an increase of 22 percent. It should be noted that in 2013 the revenue from foreign products films in Thailand hit a ten-year high.





The biggest contributors were USA (33 pieces), India (150 pieces) and Japan (140 pieces). Most of the production pieces films in Thailand were commercials, documentaries, TV dramas, featured movies, and music videos (source: Thansetakij Newspaper dated 11 February 2014). This was a consequence of the 2013 Thailand Inbound Roadshow 2013 where directors from eight major countries (i.e., USA, Australia, Korea, Japan, Russia, and China) were invited to join so that they could see the beauty of location, the potential of filming sites, start-of-the-art equipment as well as professional crew in Thailand; all of which could well support foreign production crew.

- **ASEAN Economic Community (AEC)**

The launch of AEC will bring good opportunities to operators in the advertising industry, enabling them to expand their client base to ASEAN member countries, especially to Cambodia, Laos, Myanmar, and Vietnam (CLMV) whose economies are growing and people are gaining more purchasing power. There is more room for the advertising industry to grow further. This trend will benefit Thai advertising agencies and production houses as they should help facilitate the purchase or import of equipment and also create business networks with other ASEAN member countries.

2) Competition

Competition

- **Pricing:** Due to the imbalance between the numbers of TV commercials and the numbers of equipment rental service providers, the pricing competition is very intense, resulting in a large number of discounts offered to clients.
- **Equipment:** New equipment is introduced every year, especially for the case of digital equipment. Foreign clients tend to choose companies offering familiar new equipment. Hence, each operator has to continue investing in new equipment.
- **Customer relation:** The Company serves regular big clients who produce big films. The Company's service is widely accepted among foreign clients. This big client base could help pave the way for the Company to attract more potential clients.



4 Event Organizing Business

4.1 Services

The Company helps its clients to organize marketing campaigns, plan public relation activities, promote organization images for both state and private sectors. In addition, the Company also provides integrated event organization services both domestically and internationally. The services cover all areas, e.g, event designing, suggesting creative event styles, in order to ensure that the clients' intended messages are conveyed to their targeted groups. Moreover, the Company also provides services in terms of production, equipment provision, light and sound systems, stages, various techniques and etc, ensuring complete works ready for presentations.

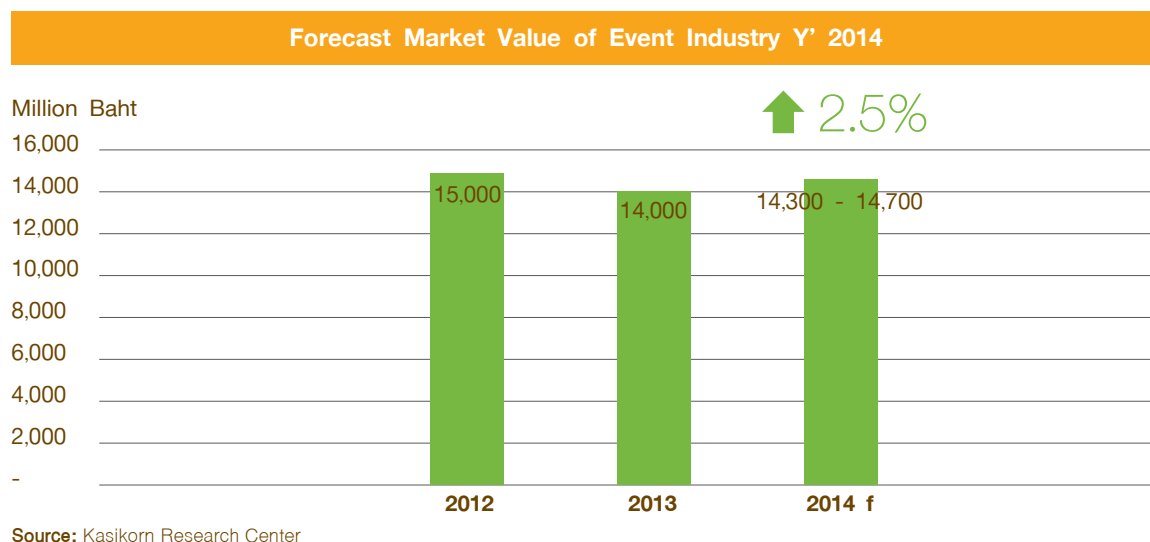
4.2 Market and Competition

1) Industry

In the past, events were highly popular among operators as they could meet their demand and the outcome of the events could be evaluated more clearly than other advertising channels. In addition, Thai event organizers possessed very high capabilities, especially in terms of creativity, technology and management skills. Hence, the event organizing business could expand by over 10 percent per annum in the past. However, the industry has been slowed in recent years given its strong correlation with the country's economic growth. For instance, the economic slowdown and political tension in 2013 prompted operators to either postpone or call off their marketing events. As a result, in 2012 and 2013, the market value of the industry stood at merely Baht 15,000 million, and Baht 14,000 million, equivalent to negative growth of -7%, which was much slower than the full potential of the industry.

As for 2014, the economic and political uncertainty is likely to continue from 2013; hence, operators still decided to postpone their events in the beginning of the year. It is projected that the event organizing business will expand from Baht 14,000 million in 2013 to Baht 14,300-14,700 million, for growth of 2-5 percent, of which Baht 13,010 - 13,288 million would be from domestic events, growing by not more than 4 percent and Baht 1,290 - 1,412 million would be generated by overseas events, growing by not more than 21 percent, in line with big event organizers' goal to expand their overseas business.





2) Competition

The competition in the event organizing industry has become fiercer as it has been widely agreed that events can really reach consumers. Hence, operators prefer to organize marketing events, both for particular groups and general public events for marketing purposes.

5 Printing Business

5.1 Service

The Company produces magazines and pocket books and earns revenue from sale of copies of magazines and pocket books as well as from sale of advertising space to advertising agencies as well as directly to product/service owners.

As of 31 December 2013 the Group owned two types of printing products:

Tiles	Circulation	Details	Targeted readers
1. Magazines			
Cheeze	Monthly	Magazine for teenagers: Street Style, How to, Shopping with focus mainly on on-street and interesting content	<ul style="list-style-type: none"> • Readers at early teens and university students • Those working in fashion industry, designers, photographers and those in the advertising industry
Cheeze Shopping Guide	Monthly	Free copies focusing on fashion with prices and maps: The copies are both attached to Cheeze magazines and separately distributed in various shopping centers in Bangkok and Chiangmai	<ul style="list-style-type: none"> • Readers at early teens and university students • Those working in fashion industry, designers, photographers and those in the advertising industry



Tiles	Circulation	Details	Targeted readers
SNACK	Monthly	Free copies giving updated information and fashion trends focusing on life styles, fashions, views and ideas, tourist attractions, interesting restaurants; Free copied at coffee shops, office buildings both in Bangkok and other provinces	<ul style="list-style-type: none"> Male and female readers aged 18-28 years old Those working in the fashion industry, designers, photographers, and those in the advertising industry
Looker	Monthly	Street Wear magazines encouraging men to be well dressed and take good care of themselves	<ul style="list-style-type: none"> Both teenager readers and working adults focusing in male readers Those working in the fashion industry, designers, photographers, and those in the advertising industry

2. Pocket Book

Special Issue	The Company's pocket books are aimed at bringing benefits to the book industry, offering presents to regular readers. Writers are those from the new generation who can communicate all matters with readers from the same generation	<ul style="list-style-type: none"> General pocket book readers Fan club from Cheeze, Looker
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In addition to the aforementioned magazines and pocket books , the Company also provide printing design services, such as supplements, catalogs and etc. as well as doing production ads for clients who are not convenient to do artworks by themselves.

Moreover, the Company has increased channels and expanded businesses to reach more readers and raise revenue through:

- iPad Application: An ready-to-use application on iPads to access e-Magazine of Cheeze and Looker
- Cheeze TV D.I.Y.: A TV programs for teenagers presenting easy-to-understand content about fashion and easily reach teenager readers, being broadcast on True Vision every Wednesday at 21.00 - 21.30 hrs.



- www.cheezeplaza.com: Online shopping website with a large number of fashion items from various sources
- Marketing events linked to targeted groups to support the Company's core operation and serve the demand of clients who want not only advertising but also marketing events
- Cheeze Sale: The activities creating trends, images and presenting CSR for Cheeze magazine as well as offering the opportunities to meet readers, serving demand from readers and shopping lovers

5.2 Market and Competition

1) Industry

The economic slowdown resulted in weaker purchasing power. As a result, in the past year bookstores nationwide reported over 20% decline in their book sales partially due to the first-car scheme that prompted consumers to save for month installments. Hence, they have to refrain from buying books or magazines.

Publishers also have to adjust themselves, such as selling products by themselves, printing more on demand, focusing on direct readers through new sales channels on social networks, and selecting the writing pieces with higher quality. Meanwhile, the expansion of e-books sales is likely to slow down. There have been new launches of some new publishers with a normal rate.

The Bangkok Book Word event in 2013 did not help boost the overall industry much given limited promotions by political and state sectors as well as related parties. It is estimated that the book industry in Thailand would be valued at Bath 20,000 – 30,000 million in 2013, declining by 10-20 percent from the previous year and the lowest growth ever.

The Company's direct rivals are Day Poet Co. Ltd. (Hamburger Magazine), Media Transasia Thailand Co. Ltd. (Seventeen), Amarin Printing and Publishing Co. Ltd. (Sood Sap Da) and Inspire Entertainment Co.Ltd (Ray, S-Cawaii Magazines)

Meanwhile, e-books are new channels encouraging Thais to read more. However, with the arrival of e-books, operators in the industry have to adjust themselves to cope with growing popularity of e-books, especially among readers who like to keep up with new technologies.

2) Competition

As a result of political conflicts and instability that continued for consecutive quarters, the purchasing power from both public and corporate sectors have slowed down in contrast to higher cost of living. Hence, the printing business has slowed down since late 2013. For example, the advertising spending declined while some advertising budget was cut or cancelled. In addition, sales of magazines also continued to decline.

Social networks as well as technology products also play key roles in the industry changes. For instance, demand for papers for printing has declined.

The Company benefited from the intensified competition in the printing industry as the intensified competition forced printing houses to maintain their competitiveness by offering special discounts to printing cost while maintaining good printing quality. Thus, the Company could choose the best printing house who offered the most attractive deals.

The Company's business has grown quite well. Its sales from printing media and online media still expanded well. In addition, the Company continued to gain support from sponsors, i.e., agencies, and product brand owners. The support from SME operators engaged in clothing business also continued but with smaller degree given intense competition in the SME segment that forced smaller operators to cease their operation.

Risk Factors

1. Operational Risks

As the Company is engaged in five businesses, i.e., TV program production, TV commercial production, equipment rental services, event organizing, and printing business, risks factors for each business are different. The details of risks for each business are discussed below.

1.1 Risks for core businesses

1.1.1 Operational risks varying according to the overall economy

Risks to the company's all aforementioned businesses vary in accordance to the country's overall economy including new effecting factors e.g., the emergence of ASEAN Economic Community (AEC) in 2015. In the circumstance of strong economy, the advertising spending via all media channels, e.g., TV channels, printing media or events for marketing activities, also increases in line with the high spending by consumers. As a result, those providing services linked to advertising spending are likely to see their revenue increase. By contrast, during the economic slowdown, the advertising spending always falls following the deterioration of consumers' purchasing power. As a consequence, the revenue of companies providing services related to the advertising industry also declines. In conclusion, the economic slowdown may have a negative impact on the Company's earnings performance.

However, the Company is well aware of the risk; it then tries to increase the number of channels to promote products and/or services, e.g., TV channels, printing media, or marketing events. Moreover, with content quality and continued improvement of presentation styles, the Company's services remain popular among its target customers. Hence, the Company believes that it can manage to minimize impacts of the economic slowdown at a certain degree.

1.2 TV Program Production

1.2.1 Risk of discontinuation of the subleasing of airtime from TV stations or changes to contracts

To operate and manage TV programs, there is a subleasing of airtime from television stations to broadcast TV programs and sell commercial time slots to advertising agencies or product owners. Subleasing contracts normally last three to six months and can be extended upon the expiry. In light of this, the Company may face some risks when the subleasing contract expires, the TV station may decide to discontinue the contract. If it is the case, the Company will have to look for an airtime at other channels. In addition, if the TV station decides to revise the contents of the contracts, such as hiking the rates, lowering revenue sharing, and reducing advertising time, then this will have negative impacts on the Company's revenue. Moreover, if the TV station decides to reshuffle its program plans in order to maintain the level of its market share or ratings, then this will also have a negative impact on the continuation of the programs and the Company's revenue and earnings performance. In 2013 the revenue earned by the TV program production business accounted for 26.33 percent of the Company's total revenue.

Being well aware of such risks, the Company tries to minimize the chances that the TV stations decide not to extend the subleasing contracts or to extend the contracts under some unfavorable conditions. In so doing, the Company is committed to increasing the audience share (i.e., rating) as well as attracting more sponsors as the rating level and the number of program sponsors are key factors for the TV stations to decide whether or not to extend the subleasing contracts. The Company focuses on enhancing the quality of program contents to both entertain and educate all groups of viewers. On top of that, the Company also continues to develop its program contents to attract broader groups of consumers. The Company places an emphasis on the style of programs



to match the targeted consumers in particular airtimes. The Company presents both entertaining and educating programs that help enhance people's careers and bring good outcome to the society. The Company's TV programs have been awarded by several agencies. In 2013, "Kob Dek Sarng Ban" program received the Best Press Award from the 13th Catholic Press in Thailand. In the same year, "Plod Nee" received 'Best Host Team' award from 28th the Golden Television in 2013.

1.2.2 Risks from lower popularity and changes in consumer' trends

The trends among consumers are major factors determining how popular TV programs are. To consider buying advertising time slots in TV programs, advertising agencies or products owners have to determine how worthwhile the advertising spending through such TV programs will be. They have to take into account the advertising rate as well as the numbers of viewers and the rating of such programs. Meanwhile, the fixed cost for production of a TV program is rather high. The fixed cost includes the rent for airtime, the operation cost, the personnel cost, and etc. Hence, if the Company's TV programs are not popular or see lower popularity, this may have negative impacts on the Company's revenue and earnings.

The Company and the group have continued to improve the contents and presentation styles of its programs to match consumers' interests. In addition, the Company also surveys the popularity of its programs on a regular basis, i.e. checking the rating of the programs. Overall, the popularity of the Company's TV programs has continued to accelerate. Furthermore, the Company has also continued to develop its system to support the online trend that is likely to become more popular in the future due to the growing trend of online channels among targeted consumers. The Company is confident that its TV programs are good enough to keep up with the changing trends among consumers.

1.2.3 Risks linked to the possibility that other media channels may replace or reduce market share of TV media

The TV program production business is directly impacted by the expansion of the advertising through TV channels. At present, there are many new media channels, e.g., the Internet channel, cable TV channels, digital TV channels. In addition, the media channels in cinemas, department stores or mobile media have continued to expand. Hence, advertising agencies or product/service owners have more choices as to which channels they should put their advertising commercials. As a result, the share of advertising spending through TV channels may decline as more spending is allocated to other media channels. This factor also has a negative impact on the Company's revenue and earnings.

Although the Internet is a new media channel, which is becoming popular very rapidly, and the cable TV channels, which are allowed to sell advertising time slots by the new law, those media channels reach only targeted customers in the niche market. Hence, advertising agencies or product/service owners may choose such new media channels only for secondary channels after the main TV channel. The advertising spending through TV channels has continued to increase, with the biggest market share when compared with other media channels. This is because TV channels can reach mass market and the advertising rate per head is rather low. However, although the Company focuses on steady revenue growth from its TV program production, which is its core business, it also seeks business opportunities from other media channels, such as printing media, in order to reduce risks linked to changing popularity of TV media.

1.2.4 Risks from dependency on major clients

At present, the Company produces five TV programs. Four major programs are broadcasted on Channel 7, operated by Bangkok Broadcasting and TV Co., Ltd (BBTV), which is an indirect major shareholder (i.e., the major shareholder of BBTV Productions Co., Ltd (BBTV Production, which is

the major shareholder of the Company). As of 31 December 2013, BBTV Productions held 42.74 percent of the total paid-up capital. The Company sees risks linked to the dependency on BBTV. If BBTV decides not to extend the subleasing contracts for airtime slots, then the Company will have to find new TV stations. If this is the case, the Company's revenue and earnings performance will likely be affected.

However, the Company believes that the strong relationship with BBTV, coupled with the Company's good quality programs that have been broadcasted for over 13 years, should enable it to remain one of the TV program producers for BBTV. Meanwhile, to minimize the risk, the Company has also proposed its programs to other TV stations as well as other media channels. The Company still believes its major partners will continue to choose the Company's services thanks to its high quality programs and a clear focus on targeted clients. It should be noted that the partners are just part of a group of advertising agencies whom the Company provides services for. The Company is able to provide services to other partners, without any limitations. Moreover, even though advertising agencies are the ones who make plans about buying advertising time slots but in the end product/service owners are the ones who make final decisions.

1.3 TV Commercial Production

1.3.1 Risks linked to the changing trends of consumers

Trends among consumers are major factors impacting the popularity of a TV commercial. When making a decision to produce a TV commercial, an advertising agency or a product/service owner always take the current trends into consideration. Hence, if the Company is unable to produce TV commercials that match the changing trends, then this would have a negative impact on the Company and the Group's revenue and earnings performance.

However, the Company continues to follow the situation and see the possibility of changing trends. It also surveys consumers' trends on a regular basis. Hence, the Company is confident that it is able to keep up with the consumers' changing trends.

1.3.2 Risks in regard to the lack of personnel

As the Company changed its service from a commercial producer to be an agency for TV commercial production projects, the major roles and responsibilities include coordinating, providing personnel, equipment and seeking locations. The Company has only a few personnel doing coordinating work. The major production functions are conducted from freelancers. Hence, the Company may see some risks if it is unable to recruit freelancers, and thus affecting the Company's revenue and earnings performance.

However, there are many personnel and freelancers in the industry and the Company and the Group have good relationship with many experienced personnel, most of whom used to work with the Company. In addition, the management of the Company and the Group consists of those with high experience and who are widely respected by people in the industry. In addition, the Company's good long reputation is a major factor prompting clients to choose the Company's services. Therefore, the Company is confident that it is able to recruit personnel to work on its TV commercial production projects.

1.3.3 Risks linked to the competition in the industry

As there are many players in the TV commercial production industry currently, the price competition has intensified. Furthermore, the business does not require a big investment and many experienced personnel tend to launch their own production houses; hence, there is a high risk that the Company may face higher competition that would have a negative impact on its earnings performance.



Nonetheless, the Company does not expect to see significant risks linked to the competition because the Company's clients are those in the upper market who seriously take into account the financial position, qualification and quality of the production houses. The Company and its subsidiaries have firm financial positions and good reputation in the industry. In addition, the management is highly experienced and has strong expertise, especially in TV commercial production. On top of that, the Company also has good relation with clients. Thus, the Company is confident that it has potential to compete with other players in the industry. Meanwhile, new players are unlikely to see significant risks as most of them are highly experienced producers who launch their own small production houses, with small size of personnel and small investment. Thus, these new players may be unable to compete with the Company. In fact, the arrival of such new players may be positive to the Company as these new production houses can become the Company's partners or the personnel from the new houses can work as the Company's freelancers.

1.4 Equipment Rental Services

1.4.1 Risks linked to the changes in technology and the obsolete equipment

The Company provides equipment rental services for production of movies, TV commercials and TV series. The technology changes rapidly. New equipment and devices are introduced to the market every year, especially digital equipment. Clients tend to choose companies with new equipment they are familiar with. Hence, there is a risk that if the Company's equipment is obsolete and unable to match the clients' changing demand, the clients may shift to other operators.

The Company is well aware of the risk; therefore, it has continued to invest in new equipment. Meanwhile, it has also continued to maintain good relation with its customers by offering one-stop services. Not only does the company supply equipment rental services it also provides highly experienced personnel who can use the equipment skillfully. The Company delivers the rental equipment to the shooting sites at the appointment time made with the clients.

1.4.2 Risks in regard to investment in equipment and unpopular equipment

To provide equipment rental services, the Company has to highly and continuously invest in new equipment given that technology is changing rapidly. Also, the Company has to make sure that the invested equipment can satisfy the clients. If it turns out that the equipment does not satisfy the clients, the Company will see the risk linked to the clients' dissatisfactory and thus it will be unable to gain some returns from such investment.

Being well aware of this risk factor, when deciding to buy new equipment, the Company has to take into account the clients' need and demand. The Company preliminarily asks for the clients' preference and then analyzes the prospects for profitability of an asset before deciding to invest in such asset.

1.4.3 Risks linked to the investment and new studio and integrated movie town

The Company plans to establish a studio and an integrated film shooting site, which can support both indoor and outdoor shooting as well as under-water shooting. In light of this project investment, there is a risk that the project may not become popular among clients or profitable.

However, the Company sees the risk of unsuccessful investment. Therefore, its management has carefully conducted a feasibility study and presented the study results to the Company's Board of Directors to consider approving the project. As this is a significantly huge investment, the Company needs approval from the shareholders and also sets up an independent financial advisor to provide his opinions to the shareholders, as stated in the regulation for asset transactions

1.5 Event Organizing

1.5.1 Risks linked to the changing trends of consumers

Trends among consumers are major factors impacting the popularity of event organizing. When making a decision to organize an event, an advertising agency or a product/service owner always take into account the current trends. Hence, if the Company is unable to organize events that match the consumers' changing trends, then this would have a negative impact on the Company and the Group's revenue and earnings performance.

However, the Company continues to follow the situation and see the possibility of changing trends. It also surveys consumers' trends on a regular basis. Hence, the Company is confident that it is able to keep up with the consumers' changing trends.

1.5.2 Risks linked to the competition in the industry

As there are many players in the event organizing industry, the price competition has intensified. In addition, the business does not require a big investment and the business structure is not complicated, there is a high risk that the Company may face higher competition from new comers, including advertising agencies, the companies providing setting services, catering service providers, TV program producers, and etc. This would have a negative impact on its earnings performance.

The Company is well aware of the risk of high price competition. Hence, it has tried to minimize such risk by providing integrated services for its clients. In so doing, the Company is also involved in its clients' annual marketing plans. This is the Company's strong point because no new operates can provide such service. Moreover, the Company also has specialists who design and organize interesting and unique events to attract its clients. The specialists can differentiate the event styles as well as well support clients' demand.

1.5.3 Risks from natural disasters

Events are organized both indoor and outdoor. Out door events may see risks linked to unfavorable weather conditions, e.g., raining, being hit, or being unusually cold, and etc. Such unfavorable weather may result in a smaller-than-expected participants or event cancellation. This impacts the level of clients' satisfactory as well as the Company's operation and earnings performance.

However, to reduce the risk, the Company always suggests appropriate timing for event organizing or back-up plans in case unexpected events occur.

1.6 Printing Business

1.6.1 Risks linked to the changing technology

The changing technology helps improve and fasten the printing process. However, some new technologies, e.g., the Internet or e-books, have replaced conventional printing media. As a result, the number of printed books or magazines has become smaller as readers tend to allocate some budget to buy e-books.

However, the Company is aware of the risk; therefore, it tries to minimize the possibility of losing business opportunities. The Company has studied possible impacts and tried to maintain the risks at a management level. In addition, the Company also increases its competitiveness as it is always ready to handle the change from the printing-based information era to the digital information era. The Company has continued to develop new products to be presented in new forms of media in order to understand consumers' behaviors, paving ways to reach targeted clients in the future.



1.6.2 Risks linked to the contents

In the printing business, content quality is a major factor creating brand loyalty among clients. Thus, the quality control is very significant factor affecting the brand loyalty among consumers. If the content quality is low, clients may discontinue buying its magazines or pocket books, resulting in a decline in its sales and advertising revenue.

The Company has continued to develop and improve production process to facilitate the production process and lower production cost. The Company also regularly surveys the clients' preferences to ensure that its products match clients' demand.

1.6.3 Risks of higher paper cost

Paper is a major raw material in the printing business, accounting for 52 percent of the total production cost. Volatile paper cost can be risk for the Company, directly impacting its earnings performance.

To minimize the risks, the Company place orders for paper on an annual basis before determining the selling prices. In regard to free magazines, the Company analyzes the budget and breakeven, assuming the variance of paper cost by 5 percent.

1.6.4 Risks of depreciation of inventory or obsolete inventory

At present, the Company distributes most of its printing products through an agent and accepts the returns of unsold products from the agent. As a result, sometimes a large amount of products remain unsold. The remaining products can later become damaged, low-quality and obsolete products, having negative impacts on the Company's earnings performance. As of 31 December 2013, the value of inventories of books and magazines net at Baht 1.14 million accounting for less than 0.01 percent of the Company's total assets.

However, the Company sets aside provision for obsolete inventory at 25-35 percent of the total value of magazines every month when magazines are distributed by agents. Agents can return unsold magazines within three months. The Company does not keep the returned issues but rather sell them as scrapped paper. If the value of unsold issues is lower than the provision, the company then reserves the amount accordingly. As of 31 December the Company set aside a provision for obsolete inventory at Baht 1.28 million.

1.6.5 Risks from dependency on a major partner

Currently, the Company distributes its printing products through an only agent. Hence, it will be risky of the agent decides to discontinue distributing the Company's products. If it is the case, the Company will have to seek new agents, which would have a negative impact on the revenue and earnings performance.

However, the Company believes that its firm relation with the agent, coupled with the quality of its products and good reputation for over nine years, should prompt the agent to continue distributing the Company's products. Meanwhile, the Company can also consider other partners, without any problems or limitations. Moreover, the Company is also able to sell its printing products through the Internet, instead of selling from booths.

2. Management Risks

2.1 Risks of having the only major shareholder controlling management policies

As of 31 December 2013, BBTV Production held 42.74 percent of the total paid-up capital. With that percentage of shareholding, BBTV Production has power to make decisions and determine the management

policies. With BBTV Production as the only major shareholder, it is very unlikely that the Company will be taken over by other companies, without approval from BBTV, even though other shareholders may see opportunities to raise the value of the Company.

However, the Company has three independent auditors, out of nine directors. The independent auditors can help enhance the management as well as bringing transparency and balancing the power of directors. The independent auditors also act as representatives of retail shareholders to examine the performance of the management. Moreover, the Company's directors always take into account the corporate governance policies (note: more details can be obtained from the Corporate Governance Part 2, Item 9.4). The directors make sure that the Company seriously follows corporate governance policies to ensure that shareholders and stakeholders are treated fairly and equally.

2.2 Risk of dependency on the major shareholder

As discussed in the Item 1.2.4, the Company sees the risk linked to the dependency only on BBTV, which is the major partner in TV program production business. In addition, BBTV is also an indirect major shareholder of the Company (i.e. it is the major shareholder of BBTV Production, which is the major shareholder of the Company).

2.3 Risk of dependence on human resource

Company's businesses rely heavily on skillful and experienced specialists. Thus, specialized personnel and advanced equipment are two keys to business success. If the Company lacks either of these two keys, it will be very difficult for the Company to remain competitive.

Realizing the importance of human resources, the Company focuses on personnel development and allows the personnel to participate in the operations, encouraging them to grow together with the Company's success. It continues to encourage the personnel to boost their skills and improve their personalities. The personnel are also taught about disciplines and team working in order to inspire them to work together. The Company is willing to support and push some personnel who show good progress and high potentials to work in the management level.

2.4 Risk linked to the major shareholders having conflicts of interests and competing to each other

BBTV is the Company's indirect major shareholder (i.e. it is the major shareholder of BBTV Production, which is the major shareholder of the Company). It is also an indirect holder of all shares in Media Studio Co, Ltd. (Media Studio), which also operates TV program production business. Media Studio produces news and entertainment programs broadcasted only on Channel 7. In addition, Media Studio also operates cable TV stations and satellite TV stations, i.e., Media Channel, Media Boom, and Media News. Hence, Media Studio's business can compete with the one of the Company's businesses.

Although the two companies have the same shareholder, in terms of management, the staff teams of both companies are separated. Although both companies produce TV programs, the types and presentation styles of the programs are different. In addition, they run other businesses that are not different. It should also be noted that TV program production is just one of the Company's businesses. In the future, the Company will focus more on becoming a leader on the equipment rental segment, targeting primarily clients in the upper markets before expanding the client base to the lower markets. The Company will invest more on filming equipment as well as the planned studio and one-stop movie town project, which will be funded by the public offering of capital increase shares. Therefore, when considering the Company's investment projects in the pipeline, it can be seen that the risk from the business competition from another company is just minor.



General Information and Other Major Information

1. General Information

- **General Information of the Company**

Company Name	: Matching Maximize Solution Public Company Limited
Nature of Business	: To operate TV program production, TV commercial production, equipment rental services, event organizing and printing businesses
Head Office	: No. 305/10 Soi Sukhothai 6, Sukhothai Road, Dusit Sub-district Dusit District, Bangkok 10300
Telephone Number	: 0-2243-6543-6, 0-2669-4200-9
Fax Number	: 0-2243-4124, 0-2243-1494
Company Registration No.	: 0107545000365
Homepage	: www.matchinggroup.com
Registered capital as of 31 December 2013	: Baht 535,000,000
Paid-up capital as of 31 December 2013	: Baht 469,244,974
Type	: Ordinary Shares

- **General Information of Subsidiaries**

Company Name	: Matching Studio Plus Company Limited
Nature of Business	: To produce TV commercials
Head Office	: No. 305/10 Soi Sukhothai 6, Sukhothai Road, Dusit Sub-district Dusit District, Bangkok 10300
Telephone Number	: 0-2669-4200-9
Fax Number	: 0-2243-4124
Company Registration No.	: 0105545108334
Homepage	: www.matchinggroup.com
Registered capital as of 31 December 2013	: Baht 158,000,000
Paid-up capital as of 31 December 2013	: Baht 158,000,000
Type	: Ordinary Shares

Company Name	: Gear Head Company Limited
Nature of Business	: To provide equipment rental services
Head Office	: No. 173/13-14 Soi Phaholyothin 44, Phaholyothin Road, Senanikhom Sub-district, Chatuchak District, Bangkok
Telephone Number	: 0-2940-0787-90
Fax Number	: 0-2940-0318
Company Registration No.	: 0105537002603
Homepage	: www.matchinggroup.com
Registered capital as of 31 December 2013	: Baht 130,000,000
Paid-up capital as of 31 December 2013	: Baht 130,000,000
Type	: Ordinary shares

Company Name : **Matching Entertainment Company Limited**
Nature of Business : To act as an event organizer
Head Office : No. 305/10 Soi Sukhothai 6, Sukhothai Road,
Dusit Sub-district Dusit District, Bangkok 10300
Telephone Number : 0-2669-4200-9
Fax Number : 0-2243-4124
Company Registration No. : 010554201395
Homepage : www.matchinggroup.com
Registered capital as of 31 December 2013 : Baht 80,000,000
Paid-up capital as of 31 December 2013 : Baht 80,000,000
Type : Ordinary Shares

Company Name : **Book Maker Company Limited**
Nature of Business : Printing Business
Head Office : No. 305/9 Soi Sukhothai 6, Sukhothai Road,
Dusit Sub-district Dusit District, Bangkok 10300
Telephone Number : 0-2669-4200-9
Fax Number : 0-2669-6647
Company Registration No. : 0105546064888
Homepage : www.matchinggroup.com
Registered capital as of 31 December 2013 : Baht 2,000,000
Paid-up capital as of 31 December 2013 : Baht 2,000,000
Type : Ordinary Shares

Company Name : **Matching Movies Town Company Limited**
Nature of Business : To provide studio and shooting services; to be an agent
for media sale; to produce TV programs, and to organize
entertainment activities
Head Office : No. 305/10 Soi Sukhothai 6, Sukhothai Road,
Dusit Sub-district, Dusit District, Bangkok 10300
Telephone Number : 0-2669-4200-9
Fax Number : 0-2669-6647
Company Registration No. : 0105546067381
Homepage : www.matchinggroup.com
Registered capital as of 31 December 2013 : Baht 50,000,000
Paid-up capital as of 31 December 2013 : Baht 50,000,000
Type : Ordinary Shares



Company Name : **Matching Broadcast Company Limited**
Nature of Business : To produce and be hired to produce TV programs
Head Office : No. 305/10 Soi Sukhothai 6, Sukhothai Road,
Dusit Sub-district, Dusit District, Bangkok 10300
Telephone Number : 0-2669-4200-9
Fax Number : 0-2669-6647
Company Registration No. : 0105545108326
Homepage : www.matchinggroup.com
Registered capital as of 31 December 2013 : Baht 10,000,000
Paid-up capital as of 31 December 2013 : Baht 10,000,000
Type : Ordinary Shares

- **Information of Securities Registrar**

Securities Registrar : **Thailand Securities Depository Company Limited**
Nature of Business : Provide depository
Head Office : 62 Stock Exchanges of Thailand, Rachadapisek Road,
Klongtoey, Bangkok 10110
Telephone Number : 0-2229-2800 ,0-229-2872
Fax Number : 0-2654-5645
Homepage : <http://www.tsd.co.th>

- **Information of Auditor**

Company name : **Price Waterhouse Coopers ABAS Ltd**
Head Office : 15th floor, Bangkok City Tower, No. 179/74-80,
South Sathorn Road, Thungmahamek, Sathorn,
Bangkok 10120
Telephone Number : 0-2286-9999
Fax Number : 0-2286-5050
Homepage : www.pwc.com

- **Information of Legal Advisor**

Company name : **Siam Premier International**
Head Office : 26th floor, Central World, No. 999/9, Rama 1,
Phatumwan, Bangkok, 10330
Telephone Number : 0-2646-1888
Fax Number : 0-2646-1919
Homepage : www.siampremier.co.th

2. Other Major Information

- **Future projects**

The Company aims to expand the market shares for the equipment rental services and to coverage its service coverage both in the upper and lower markets. To achieve the goal, the Company will pursue the following investment projects.

New-Home Project: The Company sees high growth potential for the film business, especially foreign films. The future growth should also likely to be underpinned by the launch of ASEAN Economic Commodity in 2015. Hence, the Company plans to seek a location for building a new studio and an integrated movie town, indoor, outdoor and underwater. In addition, the Company will also build a big new state-of-the-art warehouse as well as a new office to replace the old rental building. The project will be funded by the proceeds from the capital increase program and/or borrowing from financial institutions. The company expects to gain the following benefits:

- 1) Revenue from rental fee for shooting sites and rental equipment
- 2) Long-term reduction of cost and expenses
- 3) Better image and better competitiveness

The program is currently under the feasibility study. As this is a big project, the Company will have to wait for the approval from the shareholders' meeting.



Shareholders and Dividend Policy

1. Ordinary Shares

As of 31 December 2013, the Company's registered capital amounted to Baht 535,000,000, for the total ordinary shares of 535,000,000 shares, at a par value of Baht 1.00. The paid-up capital amounted to Baht 469,244,974, for the total ordinary shares of 469,244,974 shares, at a par value of Baht 1.00.

2. Shareholders

The Company's top ten shareholders and the percentage of shareholding out of the total paid-up capital as of 27 December 2013 were as follows:

Name of Shareholders	No. of Shares	Percentage of Paid-up Share Capital
1. BBTV Production Co., Ltd. ^{/1}	200,560,752	42.74
2. Mr.Panumas Mongkholsapaya	13,019,260	2.77
3. The Cheewasutthanon Group ^{/2}	11,090,721	2.36
4. The Sasinmanop Group ^{/3}	9,636,993	2.05
5. Mr.Chatchavan Piyapraphanphong	8,334,600	1.78
6. Mr.Vinai KongPrakit	7,936,300	1.69
7. Mr.Thawat Tantimate	6,294,400	1.34
8. UBS AG HONG KONG BRANCH	5,000,000	1.07
9. Mr.Vera Supattaratid	4,620,000	0.98
10. Mrs.Kunthong Udommahuntisuk	4,000,000	0.85
Total	270,493,026	57.64

Note ^{/1} Production is a group of companies managing Channel 7, consisting of seven shareholders as follows:

Major Shareholders Percentage

1) Bangkok Broadcasting and TV Co., Ltd	30
2) BBTV Asset Management Co., Ltd	25
3) BBTV Sat Television Co., Ltd	25
4) Stronghold Asset Co., Ltd	20

^{/2} The Cheewasutthanon Group composes of:

1. Mr.Somchai Cheewasutthanon	holds	9,880,083	Percentage	2.11
2. Mr.Somboon Cheewasutthanon	holds	359,783	Percentage	0.08
3. Mrs Pantaree Cheewasutthanon	holds	705,000	Percentage	0.15
4. Ms.Supaphun Cheewasutthanon	holds	145,855	Percentage	0.03

^{/3} The Sasinmanop Group composes of:

1. Mr.Thanitsaphong Sasinmanop	holds	9,152,623	Percentage	1.95
2. Mrs.Siripen Sasinmanop	holds	484,370	Percentage	0.10

3. MATCH-W2 Warrants

The Company's 2009 Annual Shareholders Meeting held on 29 April 2009 approved the issuance of 103,431,863 units of warrants for existing shareholders to buy ordinary shares. The warrant life is five years (the issuance date was 29 May 2009). The shareholders shall exercise the rights on the last working days of each quarter, after beginning to exercise the right, throughout the warrant life. The first date for exercising the right was 30 December 2009 and the last date will be 29 May 2014. One unit of MATCH-W2 warrant allows a shareholder to buy 1.082 ordinary shares, at Baht 1.293 pershare.

As of 31 December 2013, 58,165,683 units of MATCH-W2 warrants remained. The Company issued 65,755,026 ordinary shares to support the right to exercise MATCH-W2 warrants.

4. Dividend Policy

The Company's policy is to pay a minimum annual dividend of 40 percent of the net profit in the case that there are no other necessary reasons to use this amount of money. The amount of dividend paid must not significantly affect the Company's normal business operation. Meanwhile, its subsidiaries do not a policy to fix a minimum dividend but the dividend policy at each subsidiary depends on its performance and the needs for capital.

Three-year dividend payment

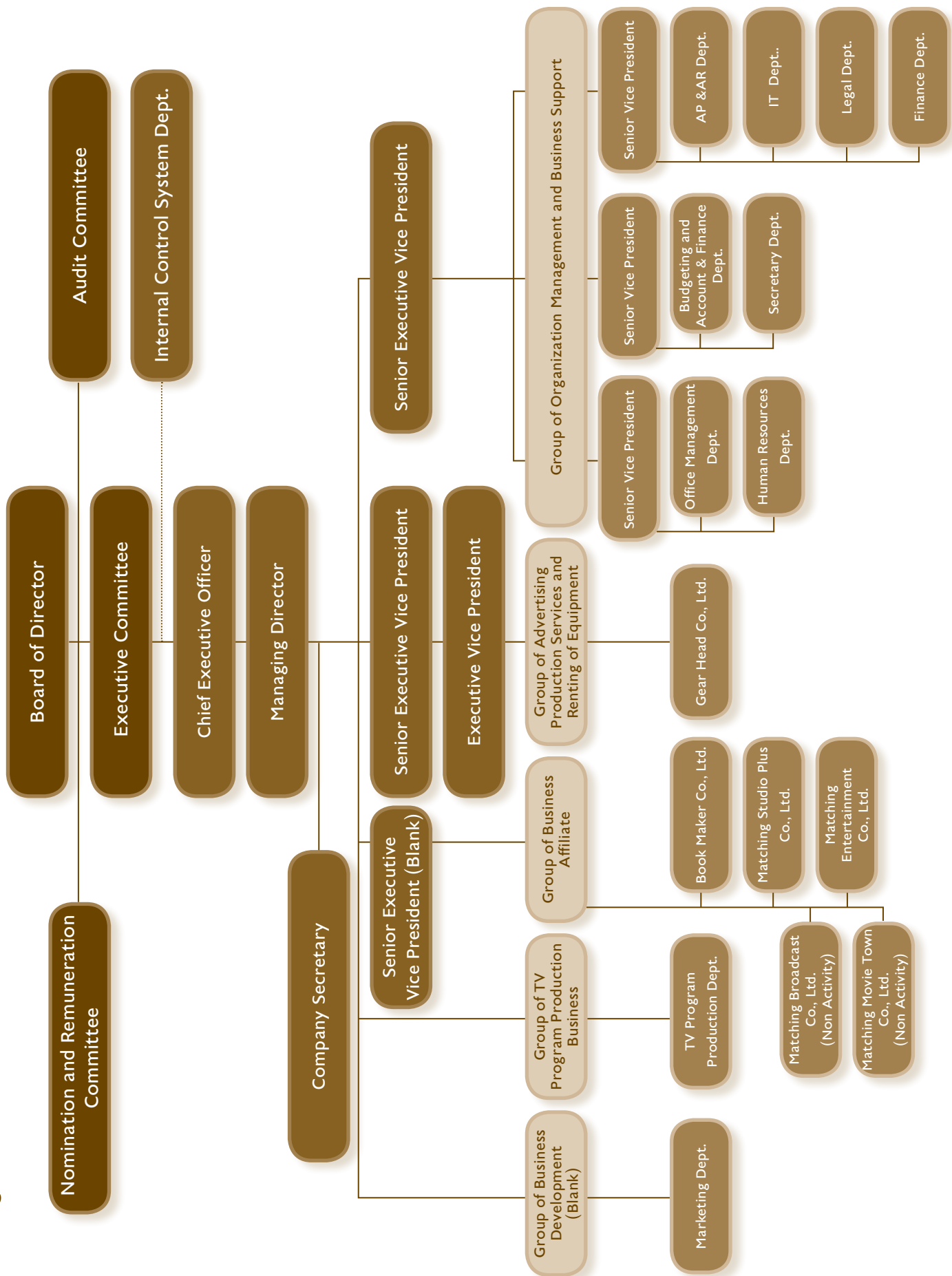
Year	2010	2011	2012
Earnings Per Share	0.13	0.05	0.23
Dividend Per Share	0.02	0.09	0.06
Dividend Payout (%)	18.15	160.22*	26.61*

*Note * After adjustment in 2013*



Management Structure

Management Structure as of 1 March 2014



The Management structure composes of Board of Directors and three committees: the Executive Committee, Audit Committee and Nomination and Remuneration Committee. The details of which are as follows:

- **The Board of Directors**

As of 2 January 2014, the Board of Directors comprised of the following nine members:

No.	Name	Position	2013 meetings	
			Total Meetings	Attendance
1.	Mr.Somrit Srithongdee	Chairman	15	15
2.	Mr.Poomchai ^{/1} ^{/2} Wacharapong	Director	-	-
3.	Mr.Somboon Cheewasutthanon	Director	15	15
4.	Mr.Pattanapong ^{/2} Nuphan	Director	15	14
5.	Mrs.Watchanee ^{/2} Watanathawanwong	Director	15	15
6.	Mr.Chakrapun ^{/2} Leelamasavat	Director	15	15
7.	Mr.Akarat Na Ranong	Director		
		Independent Director and Chairman of Audit Committee	15	13
8.	Mr.Nuttawut PhowBorom	Director		
		Independent Director And member of Audit Committee	15	13
9.	Mr.Kamol Ratanachai	Director		
		Independent Director And member of Audit Committee	15	15

Note ^{/1} Mr.Poomchai Wacharapong was appointed on 2 January 2014 to replace Mr.Thanitsaphong Sasinmanop who resigned on 20 December 2013 (attending 11 meetings in 2013)

^{/2} A representative of BBTV Production Co., Ltd. (Channel 7 bring a major shareholder)

Authorized Directors for the Company's seal

Any Director from Group A can sign his or her name, together with any Director from Group B. Two directors' signatures, together with the Company's seal, are required. Directors from Group A are Mr.Somrit Srithongdee, Mr.Pattanapong Nuphan, Mrs. Watchanee Watanathawanwong and Mr.Chakrapun Leelamasavat and Directors from Group B are Mr.Somboon Cheewasutthanon and Mr.Poomchai Wacharapong

Scope of duties and authority of the Board of Directors

1. To manage and ensure that the Company's business operation conforms to the laws, objectives, and the articles of association including the resolution of the shareholders' meeting with honesty and trustworthiness and to provide utmost benefits to the Company
2. To set objectives, guidance, policies, business plans, and budgets of the Company. The Board of Directors also control and supervise the Executive Committee to ascertain that it follows the assigned policies except for the following matters: The Board of Directors must receive the resolution of the shareholders' meeting regarding the following matters; increases or decreases in shares of registered capital; issuances of debentures; disposition or acquisition of all or parts of the Company's business



to other parties; purchases or transfers of other company's business; and amendments of the letters of memorandum or articles of association, etc.

3. To appoint a number of directors, as deemed appropriate, to be the Executive Committee being responsible for the duties assigned by the Board of Directors
4. To assign any individuals to operate the business of the Company under the Board of Directors' supervision; to authorize such individuals to perform some tasks to a certain degree and within a time period, as deemed appropriate by the Board of Directors; and the Board of Directors may cancel, dismiss, or amend those authorities
5. To apply their knowledge, skills, and experiences to their duties to bring about the utmost benefits to the business operation of the Company, with honesty, morality and responsibility to shareholders; and to disclose investment information to investors accurately, sufficiently and transparently
6. To make sure that the Company's management efficiently performs duties in accordance with the Company's policy; and to advise the management to present significant matters concerning the Company's operation and connected transactions for review in order to be certain that those matters and transactions are conducted in compliance with the rules and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand
7. To appoint the internal audit department to monitor the internal business operation and cooperate with the Audit Committee

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

• The Management

As of 1 March 2014, the Company's management team comprised of eight members

	<u>Name</u>	<u>Position</u>
1.	Mr.Poomchai Wacharapong	Chief Executive Officer
2.	Mr.Somboon Cheewasutthanon	Managing Director
3.	Mr.Thanitsaphong Sasinmanop	Senior Executive Vice President Group of Advertising Production Services and Renting of Equipment
4.	Mr.Wiroj ^{/1} Bunsirirungruang	Senior Executive Vice President Group of Organization Management and Business Support
5.	Mrs.Siripen Sasinmanop	Executive Vice President Group of Advertising Production Services and Renting of Equipment
6.	Mr.Natpatsakorn Jankhod	Senior Vice President Office Management Dept. and Human Resources Dept.
7.	Mrs.Ladawan Khumsap	Senior Vice President Budgeting and Account & Finance Dept.
8.	Miss Usa ^{/2} Wannamolee	Senior Vice President Finance Dept, IT Dept, Legal Dept and AR & AP Dept.

Note ^{/1} Mr.Wiroj Bunsirirungruang was appointed as Senior Executive Vice President, effective from 1 March 2014

^{/2} Miss Usa Wannamolee resumed responsibilities of the position of Senior Vice President on 1 March 2014

Scope of duties and responsibilities of the Chief Executive Officer

1. To manage the Company's normal business operation
2. To carry out operation according to the Company's business policies, business plans, and business strategies approved by the Board of Directors
3. To authorize or assign any other persons under an approval of the Chief Executive Officer to perform duties on behalf of the Chief Executive Officer in some necessary and appropriate matters under the Chief Executive Officers supervision, all of which must be under the principle of laws and the article of association of the Company
4. To perform other duties as assigned by the Board of Directors and / or the Executive Committee on a case-by-case basis
5. To perform and approve employment or acceptances of projects or binding agreements in the Company's normal business operation within a limit of Baht 15,000,000 per transaction or equivalent. This credit limit must conform to the approval by the Company through the Board of Directors. The credit limit is subject to change as found appropriate by the Board of Directors
6. To have authority to issue, revise, add, and adjust regulations, orders and rules regarding the Company's operation, e.g., employment, appointment, and removal of officers and employees as well as setting salaries and other employee benefits

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

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

Scope of duties and responsibilities of the Managing Directors

1. To manage the Company's normal business operation
2. To carry out operation according to the Company's business policies, business plans, and business strategies approved by the Board of Directors
3. To authorize or assign any other persons under an approval of the Managing Director to perform duties on behalf of the Managing Director in some necessary and appropriate matters under the Managing Director supervision, all of which must be under the principle of laws and the article of association of the Company
4. To perform other duties as assigned by the Board of Directors and / or the Executive Committee on a case-by-case basis
5. To perform and approve employment or acceptances of projects or binding agreements in the Company's normal business operation within a limit of Baht 10,000,000 per transaction or equivalent. This credit limit must conform to the approval by the Company through the Board of Directors. The credit limit is subject to change as found appropriate by the Board of Directors
6. To have authority to issue, revise, add, and adjust regulations, orders and rules regarding the Company's operation, e.g., employment, appointment, and removal of officers and employees as well as setting salaries and other employee benefits



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

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

- **Company's Secretary**

The Board of Directors appointed Mr.Wiroj Bunsirirunguang as the Company's secretary, effective from 25 January 2008.

- **Remuneration for Directors and Management**

Cash remuneration

In 2013 the remuneration was carefully calculated by the meetings of the Nomination and Remuneration Committee where the company's business growth was taken into account. The following amounts of remuneration were approved by 2013 Annual General Meeting dated 29 April 2013.

1. Monthly remuneration

Board of Directors

Chairman	Baht 60,000
Directors	Baht 30,000

Committees

Chairman	Baht 30,000
Committee members	Baht 20,000

At present the Company has Board of Directors, Executive Committee, Audit Committee and Nomination and Remuneration Committee. Committee members who also resume responsibilities as directors also receive remuneration for directors.

2. Remuneration for Directors in 2013

The amount did not exceed Baht 3 million. The amount was allocated based on the decision of the Nomination and Remuneration Committee.

A) Directors' remuneration

The remuneration in 2013 consisted of meeting allowances and annual remuneration:

Name	Position	Remuneration (Baht)					
		Directors	Executive Committee	Audit Committee	Nomination and Remuneration Committee	Remuneration	Total
Mr.Somrit Srithongdee	- Chairman - Chairman of Nomination and Remuneration Committee	720,000	-	-	240,000	333,333	1,293,333
Mr.Thanitsaphong Sasinmanop ^{/1}	- Director - Chairman of Executive Committee	360,000	320,000	-	-	333,333	1,013,333
Mr.Somboon Cheewasutthanon	- Director - Executive Committee	360,000	240,000	-	-	333,333	933,333
Mr.Pattanapong Nuphan	- Director - Executive Committee	360,000	240,000	-	-	333,333	933,333
Mrs.Watchanee Watanathawanwong	- Director - Executive Committee	360,000	240,000	-	-	333,333	933,333
Mr.Chakrapun Leelamasavat	- Director - Executive Committee	360,000	240,000	-	-	333,333	933,333
Mr.Akarat Na Ranong	- Independent Director - Chairman of Audit Committee	360,000	-	360,000	-	333,333	1,053,333
Mr.Nuttawut PhowBorom	- Independent Director - Audit Committee - Nomination and Remuneration Committee	360,000	-	240,000	160,000	333,333	1,093,333
Mr.Kamol Ratanachai	- Independent Director - Audit Committee - Nomination and Remuneration Committee	360,000	-	240,000	160,000	333,333	1,093,333

Note ^{/1} Mr.Thanitsaphong Sasinmanop resigned on 20 December 2013

B) Remuneration for the Company's management

The Company and its subsidiaries paid salaries, bonuses and other benefits to the six members of the management for the total amount of Baht 29.05 million in 2013.

Other benefits

Other benefit for management

- Other benefits for management included medical allowances and life insurance premiums for a total of Baht 0.54 million paid in 2013.
- Provident Fund

The Board of Director Meeting No. 14/2013 dated 12 November 2013 approved an establishment of a provident fund for management, starting in January 2014.



- **Personnel**

In 2013, the Company and its subsidiaries had a total of 532 personnel, with the total packages amounting to Baht 38.84 million, including salaries, overtime payment, bonuses, contributions to the social security fund, and etc. The subsidiaries paid the similar personnel remuneration of Baht 82.82 million. The Board of Director Meeting No. 14/2013 dated 12 November 2013 approved an establishment of a provident fund for employees, starting in January 2014.

Total Employees

As of 31 December 2013	TV Program Production	TV Commercial Production	Equipment Rental Service	Event Organizing	Printing Business
Management	-	-	1	-	-
Supervisors	19	1	25	2	8
Operation	59	2	375	8	32
Total	78	3	401	10	40

Detail of the Board of Director, the executive and the Authorized Persons and Secretary the Company

Detail of the Board of Director, the executive and the Authorized Persons and Secretary the Company as of 1 March, 2014

Name-Last Name/ Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Working Experience (5 years)		
					Period	Position	Company
1. Mr. Somrit Srithongdee - Chairman of the Board ^{/1} - Chairman of Nomination and Remuneration Committee • Appointed Date 6 May 2010	64	<ul style="list-style-type: none"> Master's Degree of Public Administration, Chulalongkorn University Bachelor's Degree of Sociology & Anthropology, Chiangmai University Certificate, Director Certifications Program (DCP) ,Thai Institute of Directors Association (IOD) Certificate, Role of the Compensation Committee, Thai Institute of Directors Association (IOD) Certificate, Financial Statements for Directors, Thai Institute of Directors Association (IOD) 	-0-	None	2010-Present	Chairman of the Board of Directors	Matching Maximize Solution PCL.
					2013-Present	Chairman of Nomination and Remuneration Committee	
					2010-Present	Chief Executive Officer and Managing Director	HR Professional Consulting and Services Co., Ltd.
					2010-2012	Human Resources Consultant	Bangkok Broadcasting and Television Co., Ltd.
					2009-Present	Independent Director and Audit Committee	Eastern Star Real Estate PCL.



Name-Last Name/ Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Working Experience (5 years)		
					Period	Position	Company
2. Mr. Poomchai Wacharapong - Director ^{/1} - Chief Executive Officer - Chairman of the Executive Committee • Appointed Date 2 January 2014	55	<ul style="list-style-type: none"> MS. (Economics) North Texas State University, U.S.A. Certificate of Senior Executive Program (SEP), Sasin Graduate Institute of Business Administration of Chulalongkorn University Certificate, Director Certification Program : (IOD) Roles of the Chairman Program : (IOD) 	-0-	None	Jan 2014-Present	Director Chief Executive Officer Chairman of the Executive Committee	Matching Maximize Solution PCL.
					Jan 2014-Present	Director	HR Professional Consulting & Service Co.,Ltd.
					Aug 2013-Present	Director	TV Digital HR Co.,Ltd.
					Dec 2012-Present	Chairman	Aimpack (Thailand) Co.,Ltd.
					Oct 2010-Present	Director	Grand Lanluang Co.,Ltd.
					Apr 2012-Dec 2013	Senior Banker	Bank of Ayudhya PCL
					Jan 2009-June 2012	Credit Committee Member	
					Jun 2007-Feb 2010	Executive Committee Member	
					Jun 2007-June 2012	Risk Management Committee Member	
					Jan 2007-Mar 2012	Head of SME Banking	
					May 2005-Dec 2013	First Executive Vice President	
					Feb 2007-Apr 2009	Director	Krungsri Factoring Co.Ltd. (Formerly Ayudhaya Factoring Co.,Ltd.)
					Dec 2006-Dec 2008	Director	Ayudhya Capital Lease Co.Ltd.
					2001-Dec 2013	Chairman	Ayudhya Development Leasing Co.,Ltd.
						Director	Krungsri Ayudhya AMC Ltd. (Formerly Ayudhya Asset Management Co.,Ltd.)

Name-Last Name/ Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Working Experience (5 years)		
					Period	Position	Company
3. Mr. Somboon Cheewasutthanon - Director ^{/1} - Executive Committee - Managing Director • Appointed Date 24 February 2012	47	• Bachelor of Accountancy - Finance University of the Thai Chamber of Commerce • Certificate, Director Certifications Program (DCP), Thai Institute of Directors Association (IOD) • Certificate, Director Accreditation Program (DAP), Thai Institute of Directors Association (IOD)	0.08%	None	Feb 2012-Present	Director Executive Committee Managing Director	Matching Maximize Solution PCL.
					Feb-June 2012	Chairman of the Executive Committee	
					Nov 2011-Feb 2012	Senior Executive Vice President (Group of business affiliate)	
					June 2010-Nov 2011	Senior Executive Vice President (Group of business affiliate)	
					2002-Mar 2010	Director	
						Senior Executive Vice President (Group of business affiliate)	
					2003-Present	Director	Matching Movie Town Co., Ltd.
					2003-Jan 2014	Director	Book Maker Co., Ltd.
					2002-Present	Director	Goody Film BKK Co., Ltd.
							Matching Studio Plus Co., Ltd.
					1999-Present	Director	Matching Broadcast Co., Ltd.
							Matching Entertainment Co., Ltd.
					1994-Present	Director	Gear Head Co., Ltd.



Name-Last Name/ Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Working Experience (5 years)		
					Period	Position	Company
4. Mr. Pattanapong Nuphan - Director ^{/1} - Executive Committee • Appointed Date 12 February 2008	48	<ul style="list-style-type: none"> MA in Sociology, Thammasat University BBA Finance Bangkok University BA in Political Ramkhamhaeng University Certificate, Director Certifications Program (DCP), Thai Institute of Directors Association (IOD) Certificate, Director Accreditation Program (DAP), Thai Institute of Directors Association (IOD) 	-0-	None	2008-Present	Director and Executive Committee	Matching Maximize Solution PCL.
					Jan 2013-Present	Assistant Managing Director	Bangkok Broadcasting & TV Co., Ltd.
					Nov-Dec 2012	Assistant Managing Director and Acting Human Resource Manager	
					Dec 2011-Oct 2012	Senior Manager and Acting Human Resource Manager	
					Oct 2010-Dec 2011	Senior Manager	
					Sep 2008-Sep 2010	Senior Manager and Acting Manager to office of the Chairman	
					Apr 2012-Present	Director	Razorfish & Partner Co., Ltd.
					2009-Present	Director	BBTV New Media Co., Ltd.

Name-Last Name/ Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Working Experience (5 years)		
					Period	Position	Company
5. Mrs. Watchanee Watanathawanwong - Director ^{/1} - Executive Committee • Appointed Date 27 April 2006	60	<ul style="list-style-type: none"> Master of Business Administration Chulalongkorn University Bachelor Degree of Accountancy Chulalongkorn University Certificate, Director Certification Program (DCP), Thai Institute of Directors Association (IOD) 	0.01%	None	2006-Present	Director and Executive Committee	Matching Maximize Solution PCL.
					Jul 2012-Present	Director	Gear Head Co., Ltd.
							Matching Entertainment Co., Ltd.
							Book Maker Co., LTd.
							Matching Movie Town Co., Ltd.
							Matching Broadcast Co., Ltd.
							Matching Studio Plus Co., Ltd.
					Jul 2012-Jan 2014	Director	Goody Film BKK Co., Ltd.
					2005-Present	Director	V.I.P. Passport Co., Ltd.
					1999-Present	Director and Audit Committee	O.C.C. PCL.
					2009-Present	Director and Executive Committee	Matching Maximize Solution PCL.
6. Mr. Chakrapun Leelamasavat - Director ^{/1} - Executive Committee • Appointed Date 29 April 2009	38	<ul style="list-style-type: none"> Master of Business Administration, Financial Management California State University, USA Business Administration, Information Technology Management California State University, USA Certificate, Director Certifications Program (DCP) ,Thai Institute of Directors Association (IOD) Certificate, Directors Accreditation Program (DAP) ,Thai Institute of Directors Association (IOD) 	-0-	None	2013-Present	Director	TV Digital HR Co., Ltd.
					2012-Present	Chairman of the Board of Directors	ITBC Bussiness Consultan Group Co., Ltd.
					2007-Present	Managing Director	BDTV New Media Co., Ltd.
					2005-2007	Business Director	M Interaction (Mindshare / Group M)



Name-Last Name/ Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Working Experience (5 years)		
					Period	Position	Company
7. Mr. Akarat Na Ranong - Chairman of the Audit Committee - Independent Director • Appointed Date 6 May 2010	60	<ul style="list-style-type: none"> Master's Degree, Business Administration (Management), Marshall University, U.S.A. Bachelor's Degree, Economics, Chulalongkorn University Certificate, Director Accreditation Program (DAP), Thai Institute of Directors Association (IOD) Certificate, Audit Committee Program (ACP), Thai Institute of Directors Association (IOD) Certificate, Role of the Compensation Committee (RCC), Thai Institute of Directors Association (IOD) Certificate, Director Certification Program (DCP), Thai Institute of Directors Association (IOD) 	-0-	None	2010-Present	Chairman of Audit Committee and Independent Director	Matching Maximize Solution PCL.
					2013-Present	Independent Director	Evolution Capital PCL.
					2011-Present	Audit Committee and Independent Director	FINANSA PCL.
							FINANSA Securities Co., Ltd.
							FINANSA Asset Management Co., Ltd.
					2001-Present	Independent Director Chairman of Audit Committee Nominating and Remuneration Committee	Krunghthai Card PCL.
					2011-2013	Lecturer	College of Music / Mahidol University
					2010-2011	Associate Dean for Resources Development	College of Music / Mahidol University

Name-Last Name/ Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Working Experience (5 years)		
					Period	Position	Company
9. Mr.Kamol Ratanachai - Audit Committee - Independent Director - Nomination and Remuneration Committee • Appointed Date 12 November 2010	47	<ul style="list-style-type: none"> Master of Business Administration (MBA), Bangkok University Bachelor Degree of Accounting, Bangkok University Certified Internal Auditor (CIA), The Institute of Internal Auditor USA Certificate, Directors Accreditation Program (DAP), Thai Institute of Directors Association (IOD) Certificate, Audit Committee Program (ACP), Thai Institute of Directors Association (IOD) Successful Formula & Execution of Strategy (SFE)). Thai Institute of Directors Association (IOD) How to Measure the Success of Corporate Strategy (HMS) : (IOD) 	-0-	- ไม่มี -	2013-Present	Nomination and Remuneration Committee	Matching Maximize Solution PCL.
					2010-Present	Audit Committee and Independent Director	
					Jul 2012-Present	Independent Director	Gear Head Co., Ltd.
							Matching Entertainment Co., Ltd.
							Book Maker Co., Ltd.
							Matching Movie Town Co., Ltd.
							Matching Broadcast Co., Ltd.
							Matching Studio Plus Co., Ltd.
					Jul 2012-Jan 2014	Independent Director	Goody Film BKK Co., Ltd.
					2011-Present	Independent Director	Sriracha Construction PCL.
					2011-Present	Director of Audit Committee and Independent Director	Eastern Printing PCL.
					2013-Present	Senior Vice President, Head of Internal Audit	Secondary Mortgage Corporation
					2010-Present	Vice President, Head of Internal Audit	

Name-Last Name/ Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Working Experience (5 years)		
					Period	Position	Company
10. Mr. Thanisaphong Sasinmanop - Senior Executive Vice President • Appointed Date 27 October 1992	56	• Honorary Degree of Technology Major Photography and Cinematography Technology, Faculty of Mass Communication Technology, Rajamangala University of Technology Thanyaburi	2.05% ²	Husband of Mrs. Siripen Sasinmanop	Nov 2011 -Present	Senior Executive Vice President (Services and Renting of Equipment)	Matching Maximize Solution PCL.
					Jul 2012-Dec 2013	Director and Chairman of the Executive Committee	
					2002-Oct 2011	Senior Executive Vice President (TV Commercial)	
					2002-2010	Director	
					2003-Present	Director	Matching Movie Town Co., Ltd.
					2002-Present	Director	Matching Studio Plus Co., Ltd.
					1999-Present	Director	Matching Broadcast Co., Ltd.
					1994-Present	Director	Matching Entertainment Co., Ltd.
					2001-Present	Director	Gear Head Co., Ltd.
					2001-Oct 2012	Director	Fatman and Little boy Co., Ltd.



Name-Last Name/ Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Working Experience (5 years)		
					Period	Position	Company
11.Mr. Wiroj Bunsirungruang - Senior Executive Vice President (Organization Management and Business support) - Secretary the Company • Appointed Date 1 March 2014	46	<ul style="list-style-type: none"> Master of Accounting Thammasat University Bachelor of Accounting Dhurakij Pundit University Certificate, Director Accreditation Program (DAP) Thai Institute of Directors Association (IOD) Certificate, Director Certifications Program (DCP) Thai Institute of Directors Association (IOD) 	0.02%	None	Mar 2014-Present	Senior Executive Vice President (Organization Management and Business support)	Matching Maximize Solution PCL.
					2002-Feb 2014	Executive Vice President (Organization Management and Business support)	
					2002-Mar 2010	Director	
					2003-Present	Director	Matching Movie Town Co., Ltd. Book Maker Co., Ltd.
							Matching Studio Plus Co., Ltd. Matching Broadcast Co., Ltd. Matching Entertainment Co., Ltd Gear Head Co., Ltd.
12.Mrs. Siripen Sasinmanop - Executive Vice President (Services and Renting of Equipment) • Appointed Date 27 October 1992	59	<ul style="list-style-type: none"> Management Development Program Thammasat University Certificate, Directors Accreditation Program (DAP), Thai Institute of Directors Association (IOD) Certificate, Director Certifications Program (DCP) Thai Institute of Directors Association (IOD) 	2.05% ¹²	Wife of Mr. Thanisaphong Sasinmanop	2003-Present	Director	Goody Film BKK Co., Ltd.
					Nov. 2011-Present	Executive Vice President (Services and Renting of Equipment)	Matching Maximize Solution PCL.
					2002-July 2012	Director and Executive Committee	
					2003-Present	Director	Matching Movie Town Co., Ltd.
					2003-Jan 2014	Director	Goody Film BKK Co., Ltd.
					2002-Present	Director	Matching Studio Plus Co., Ltd.
					1999-Present	Director	Matching Broadcast Co., Ltd.
					1994-Present	Director	Matching Entertainment Co., Ltd.
					2004-Nov 2012	Director	Gear Head Co., Ltd.
					2001-Nov 2012	Director	Matching Television Co., Ltd. Fatman and Little boy Co., Ltd.

Name-Last Name/ Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Working Experience (5 years)		
					Period	Position	Company
13.Mrs. Ladawan Khumsap - Senior Vice President of Accounting, Financial and Budgeting Dep., Secretary Dep. • Appointed Date 1 January 2013	46	<ul style="list-style-type: none"> • Master of Accounting Thammasat University • Bachelor of Accounting Ramkhamhaeng University 	0.02%	None	2013-Present	Senior Vice President	Matching Maximize Solution PCL.
					2005-2012	Vice President	
14.Mr. Natpatsakorn Jankhod - Senior Vice President of Office Management Dep. and Human Resource Dep. • Appointed Date 1 January 2013	42	<ul style="list-style-type: none"> • BBA Ramkhamhaeng University 	0.01%	None	2013-Present	Senior Vice President	Matching Maximize Solution PCL.
					Sep 2007-2012	Vice President	
					June-Aug 2007	Purchase Officer	
					Apr 2004-May 2007	Human Resource officer	
15.Miss.Usa Wannamolee - Senior Vice President of Finance Dept, IT Dept, Legal Dept, and AR & AP Dept. • Appointed Date 1 March 2014	52	<ul style="list-style-type: none"> • Master of Business Administration Ramkhamhaeng University • Bachelor Degree of University Thai Chamber of Commerce 	-0-	None	Mar 2014-Present	Senior Vice President	Matching Maximize Solution PCL.
					Feb 2014	Branch Manager Map ta Phut	Bank of Ayudhya PCL.
					Jan 2013-Jan 2014	Branch Manager Central Festival Pattaya Beach	
					Feb 2007-Dec 2013	Branch Manager Chachoengsao	

Note ^{1/} Directors whose signature can bind the Company

^{2/} Including shares held by spouse and minor children (as of March 1,2014)



Duties and responsibilities of Company Secretary

The company secretary is required to perform duties as specified in Section 89/15 and Section 89/16 of Securities and Exchange Act (no. 4) B.E. 2551(2008) effective on August 31st, 2008. The secretary must perform with responsibility caution and honesty including the need to comply with the law, the Company's objectives, resolution of company Board of Directors, and resolution of the shareholders. The legal duties of company secretary are as follows.

1. Prepare and maintain the documents as follow
 - Company director registrations.
 - Invitation to the meeting of company director, Minute of meeting for company director meeting, company annual report.
 - Invitation to the shareholders meeting and Minute of meeting for shareholder meeting.
2. Maintains a list of stakeholders which are reported by directors or management and send a copy of the report (Section 89/14) to the Chairman of the Board and Chairman of the Audit Committee within 7 days after the date that company received the report.
3. Other operations will be assigned according to the Capital Market Supervisory Board.

Also the company secretary has other duties as assigned by the company

- Giving the advice regarding to the relevant laws and regulations and best practices in regulatory action activities of the committee comply with the laws.
- Prepare and serve the Board of Directors' meetings and shareholders' meeting.
- Coordinate with each department to perform follow the resolution of Board of Directors' meetings and shareholders' meetings.
- Coordinate with regulatory agencies, for instance, SET and maintain the information and disclosing information report to the regulatory agencies and public
- Other duties as assigned by company

Corporate Governance

1. Management Structure

The Management structure composes of three committees: Executive Committee, Audit Committee and Nomination and Remuneration Committee.

1.1 The Executive Committee

As of 2 January 2014, the Executive Committee comprised of the following five members:

Name		Position
1. Mr.Poomchai	Wacharapong	Chairman of the Executive Committee
2. Mr. Pattanapong	Nuphan	Executive Committee
3. Mrs. Watchanee	Watanathawanwong	Executive Committee
4. Mr.Chakrapun	Leelamasavat	Executive Committee
5. Mr. Somboon	Cheewasutthanon	Executive Committee

Scope of duties and authorities of the Executive Committee

1. To propose to the Board of Directors to consider approving:
 - goals
 - business policies
 - business plans
 - business strategies
 - management authority
 - annual budge
 - risk management policies
 - scope, authority and responsibilities of managing directors
 - other matters that may have significant impacts on the company's operation
 - other matters that are deemed important to seek approvals as specified by the Company's rules
- 2 To ensure that the Company's operation is in line with the Company's business policies, business plans as well as business strategies approved by the Company's Board of Directors
- 3 To control and oversee the Company's business policies, business plans, business strategies and earnings performance of the subsidiaries
- 4 To approve the loan or credit applications to finance the Company's normal business operation and also to act as a guarantor when taking out some loans: The Executive Committee is also responsible for making any payments so that the Company's normal business operation could be run smoothly. The credit approval per transaction is not more than Baht 20,000,000 or equivalent. Such credit approval limit shall conform to the limit approved by the Board of Directors. However, this credit approval limit is subject to change upon appropriateness under the Board of Directors' consideration.
- 5 To approve the liquidity management for such transactions as deposits, B/Es, government bonds, mutual funds for the amount not exceeding Baht 30,000,000 million; and to review financial transactions done by the financial management department
- 6 To set the Company's management structure including the recruitment, training, the employment and the termination of the employees' contracts
- 7 To consider investment in projects or securities or joint venture deals as approved by the Company's Board of Directors
- 8 To perform other duties as occasionally assigned by the Board of Directors



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

1.2 The Audit Committee

As of 2 January 2014, the Audit Committee comprised the following three members:

Name		Position
1. Mr.Akarat	Na Ranong	Chairman of Audit Committee
2. Mr.Nuttawut	PhowBorom	Audit Committee
3. Mr.Kamol	Ratanachai	Audit Committee

All three directors are highly experienced in the accounting and financial fields; hence, they are capable of reviewing the reliabilities of the Company's financial statements.

Scope of duties and authorities of the Audit Committee

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

1. To review the financial statements and make sure they are correct and adequate
2. To review the Company's internal control system and internal audit system and make sure that they are sufficient and effective; to review and approve the charters of the internal organization, business plans and budget; to ensure the independence of the internal audit department; to give opinions concerning appointments, transfers, and employment termination of the heads of internal audit department or of any other departments overseeing the internal audit procedure
3. To review the Company's operations and make sure that they conform to the rules and regulations of the Stock Exchange of Thailand, and any other laws related to the business operation of the Company
4. To consider proposing an independent person as the Company's Auditor as well as proposing the remuneration of the Company's Auditor and also to join the meetings with the Auditor, without the presence of the management, at least once a year
5. To review connected transactions or some transactions that may cause conflicts of interest in order to ensure that those transactions are in compliance with the regulations of the Stock Exchange of Thailand; and to make sure that those transactions are justified and bring maximum benefits to the Company
6. To prepare the report of the Audit Committee and disclose the report in the Company's annual report. The report must be signed by the Chairman of the Audit Committee and contain the following details:
 - a) Opinions concerning accuracy, adequacy and reliability of the Company's financial reports
 - b) Opinions concerning the sufficiency of the Company's Internal Control
 - c) Opinions whether the Company follows the laws concerning securities and the stock market, regulations of the stock market and the laws that relate to the Company's business
 - d) Opinions concerning the suitability of the Company's Auditor
 - e) Opinions concerning some transactions that may cause conflicts of interest
 - f) Opinions in regard to the numbers of the Audit Committee meetings and the attendance of each member
 - h) Opinions or overall notes that the Audit Committee receives from the charter-based operation
 - g) Other items that should be disclosed to the shareholders and investors under the scope of responsibilities set by Board of Directors

7. To perform other duties as assigned by the Board of Directors and approved by the Audit Committee
8. To ensure the Company's effective risk management
9. To report performances of the Audit Committee to the Board of Director at least four times a year
10. To be authorized to hire advisors or outsiders, as stated by the Company's regulations, to provide opinions or consultancy as necessary
11. To be authorized to invite directors, executives, heads of departments or the Company's employees to discuss or answers the Audit Committee's questions
12. To annually review the scope of responsibilities and evaluate the performance of the Audit Committee
13. Should the Audit Committee find that the following matters may have significant impacts on the Company's financial statement as well as its operating performance, the Audit Committee will report to the Board of Directors in order to reconsider or revise the matters within the timeframe that is found appropriate by the Audit Committee.
 - a) Matters involving conflicts of interests
 - b) Corruptions or unusual matters about the internal control system
 - c) Violation of the laws concerning rules and regulations of the Stock Exchange of Thailand, and any other laws related to the Company's business operation
14. In case the auditor finds some unusual matters that may indicate that some directors, managers or responsible people violate the laws, the auditor should notify the Audit Committee for further scrutiny. The preliminary scrutiny result should be submitted to the Securities and Exchange Commission and the auditor within 30 days, starting from the date the auditor reports such suspicious matters. The suspicious matters and the scrutiny procedures should be in accordance with the regulations of the Capital Market Supervisory Board.
15. To review and amend the charter of the Audit Committee as well as the reference once a year; note that the charter of the Audit Committee can be reviewed and amended only in the Board of Directors' meetings

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

1.3 Nomination and Remuneration Committee

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

As of 2 February 2014 the Nomination and Remuneration Committee consisted of three members:

Name		Position
1. Mr.Somrit	Srithongdee	Chairman of Nomination and Remuneration Committee
2. Mr.Nuttawut	PhowBorom	Nomination and Remuneration Committee
3. Mr.Kamol	Ratanachai	Nomination and Remuneration Committee



Scope of duties and authorities of Nomination and Remuneration Committee

1 Setting of policies, regulations and guidelines

- 1.1 Set policies, regulations, and guidelines for selection and nomination of the Company's directors. Committee members as well as management members, e.g., chief executive officer, managing directors, deputy managing director, and assistant managing director
- 1.2 Set policies, regulations, and guidelines for selection and nomination of the directors or other equivalent positions at the corporate that the Company holds stake at least 50 percent; and/or select suitable persons from that corporate to work as directors or equivalent
- 1.3 Set policies on remuneration and other benefits as well as other packages for directors, committee members and management members of the Company including those in the same positions at the corporate where the Company holds stake at least 50 percent

2. Selection or nomination of persons

The Committee is to select or nominate persons to resume responsibilities, as the following positions, and propose those nominated persons to the Company's Board of Directors

- 2.1 Directors
- 2.2 Members of any committees that report directly to the Board of Directors
- 2.3 Management members, including chief executive office and/or managing director, deputy managing director, assistant managing director, as well as those in the same positions at the corporate where the Company holds stake at least 50 percent

3. Review of remuneration

The Committee is to ensure that the Company's directors, committee members, management members, i.e., chief executive director and/or managing director, deputy managing director, and assistant managing director, receive suitable remuneration packages in accordance with their responsibilities as well as the Company's policies in line with peers in the industry. Any director with greater responsibilities shall receive suitable remuneration packages accordingly.

4 Other responsibilities

- 4.1 To ensure that the size and composition of the Company's Board of Directors are suitable to the organization and the changing environment. The Board of Directors should consist of individuals with knowledge, skills, abilities and board experience in various fields that would benefit the Company's corporate governance and operation.
- 4.2 Set guidelines for appraisal of the performance of directors and management members including chief executive office and/or managing director, deputy managing director, assistant managing director in order to review the annual remuneration, based on scopes of responsibilities and risks. The Committee should also take into account the addition of values for shareholders in the long term when appraising the performance.
- 4.3 Appraise the performance of the Company's directors, chief executive office, and/or managing director
- 4.4 Complete the succession plans for chief executive office and/or managing director as well as other management positions such as deputy managing director and assistant managing director
- 4.5 Disclose the policies and report the performance of the Nomination and Remuneration Committee and include the details on remuneration packages in the Company's annual report
- 4.6 Seek opinions from independent advisers who possess particular expertise with the expenses being responsible by the Company (e.g., surveys on remuneration of the Nomination and Remuneration Committees or management members of other companies in the industry).

2 Nomination and appointment of directors and management

2.1 Independent Directors

Members of the Nomination and Remuneration Committee work together to review regulations and policies on nomination and appointment of the Company's independent directors, based on the qualifications as specified by the Public Limited Company Act, Notifications of the Securities Commission, Notifications of Capital Market as well as other related regulations, e.g., work experience, knowledge and skills. The Company has a policy to appoint at least one-third of the total directors and not less than three directors as the Company's independent directors.

Qualification of Independent Directors

1. Being appointed by the Company's Board of Directors or an annual general meeting
2. Possessing qualifications as specified by the regulation about securities and stock market:
 - 1) Not holding shares in excess of 1 per cent of the total shares with the voting rights of the company, parent company, subsidiary company, associated company or related company, which shall be inclusive of the shares held by related persons
 - 2) or has been a director with management participation on employees, consultant with regular salary or authorized person of the applicant for license, holding company, subsidiary, affiliation, subsidiary in same level, major shareholder or of authorized person of the applicant for license, except relieved from aforesaid characteristic at not less than two years before submitting permission to the Office. However, the prohibited characteristics do not include that of civil service or consultant of government body holding major shareholding or authorized person of the applicant for license.
 - 3) Not being person of whole blood or registration as stated in the law, in the manner of being father or mother, spouse, brotherhood and offspring including spouse of the offspring of the management, major shareholder, authorized person or person designated to be management or authorized person of the applicant for license or subsidiary
 - 4) Not having or having been in business relation with the applicant, holding company, subsidiary, affiliation, major shareholder or authorized person of the applicant for license, in the manner that may obstruct the independent exercise of discretion including in not being or has been a significant shareholder or authorized person of the person with business relation with the applicant, holding company, subsidiary, affiliation, major shareholder or authorized person of the applicant, except relieved from aforesaid characteristics at not less than two years before the date of submission for permission from the Securities and Exchange Commission
 - 5) Not being or having been an auditor of the applicant, holding company, subsidiary, affiliation, major shareholder or authorized person of the applicant and shall not be significant shareholder, authorized person or partner of auditing office with the auditor of the applicant, holding company, subsidiary, affiliation, major shareholder or authorized person of the applicant in attachment, except relieved from such characteristic at not less than two years before the date of submission for permission from the Securities and Exchange Commission
 - 6) Not being or having been any professional provider which includes legal consulting or financial consulting with service fee over two million baht a year from the applicant, holding company, subsidiary, affiliation, major shareholder or authorized person of the applicant, and not being a significant shareholder, authorized person or partner of the professional provider, except relieved from such characteristic at not less than two years before the date of submission for permission from the Office Securities and Exchange Commission
 - 7) Not being a director appointed to be agent of the director of the Company, major shareholder or shareholder with relation with the major shareholder



- 8) Not operating similar or significant competitive business to the business of the applicant or subsidiary or not being significant partner in the partnership or directorship with management participation on employees, consultant with regular salary or holding shares over one percent of the total shares with voting right in other company, operating business similar or competing with business of the Company or subsidiary
- 9) Not having other characteristics that will hinder free independent opinion in relation with the operation of the Company
- 10) Being trusted and accepted in general
- 11) Having sufficient time for working as an independent director

An independent director may be assigned from the company's Board of Directors to make decision on the business operation of the Company, holding company, subsidiary, affiliation, subsidiary of same level, major shareholder or authorized person of the Company under the method of collective decision.

In case a person falls to the aforementioned Item 4 or 6, the Company's Board of Directors may still be able to consider appointing that person as an independent director provided that the Board of Directors views that that the appointment of that person will not have a impact on the performance and free opinion of that person. The following information must be included in the invitation letter of the annual general meeting.

- 1) The details of business relation or profession services that disqualify the person as an independent director
- 2) Reasons and necessity for why the person is needed to be appointed as an independent director
- 3) Opinions of the Board of Directors in regard to the appointment of such person as an independent director

2.2 Nomination of Management

The Nomination and Remuneration Committee set policies and criteria to select and appoint management members and proposes the names for an approval of the Board of Directors/ and or an annual general meeting. A person appointed as the company's director shall possess qualifications as specified by the Public Limited Company Act B.E. 2535, regulations on securities and securities market, notifications of the Stock Exchange Commission, the notification of the Capital Market and other regulations linked other qualifications about knowledge, knowledge, and etc. The Company's regulation states that the Company's Board of Directors consist of at least five members and at least of half of the total members reside in Thailand. In addition, the directors are to be elected by voting in the annual general meeting as the following details.

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

In every annual general meeting one-third of directors have to be out of the position. If the case that the number of directors remaining in the position for the same duration of time is higher than the number of directors that have to leave the position, such directors shall end in a draw. A director who is about to leave the position can be elected in the next term. In addition to completing the term, a director may leave the position by death, resignation, disqualification, prohibition by law, termination by the annual general meeting, or court order.

Moreover, directors are prohibited from operating similar business to compete with the Company's business. They are also prohibited from holding shares in partnership corporate or being directors of any companies doing the same businesses as the Company's and competing with the Company unless they inform such information to the annual general meeting prior to the appointment of directors.

3 Operational Control for the subsidiaries and affiliates

Matching Maximize Solution Co. Ltd. emphasizes the importance of management with the group; hence, it proposed that directors or management members of the Company be appointed as directors of the companies under umbrella in order to control and ensure that those companies run business and employ strategies in line with the Company. This is to maximize benefits and values for all groups of stakeholders. The representative directors report the performance to the Company's Board of Directors. Information is required to be disclosed as guided by the Company. Moreover, the Company also has the internal control and system development department to oversee the overall internal control system and report to management and directors, ensuring that the Company's control system is carried out in accordance with the company's guidance.

4 Internal Information Control

The Company has a policy not to allow its personnel to disclose internal information and personal benefits to outsiders. The Company's policy to take care of the management, the details of which are as the follows:

1. To educate the directors and the management regarding the information about possession of assets of themselves, their spouses and children who do not reach their majority; to provide information about penalty stated in the Securities and Stock Exchange Act B.E. 2535 as well as regulations set forth by the Stock Exchange of Thailand
2. To require that the management report the changes of their asset holding to the Securities and Exchange Commission and the Stock Exchange of Thailand and submit a copy of the report to the Company on the same day they report to the Securities and Exchange Commission
3. To submit a report informing that the management who is aware of significant internal information (that may result in the change of the share price) shall suspend the trading of the Company's securities one month before the Company's financial statement or the internal information is disclosed to public; such management is not allowed to disclose such significant information to outsiders

5 Audit Fee

1. Audit Fee

The Company and its subsidiaries paid the audit fee amounting Baht 1,600,000 in 2013.

2. Non-Audit Fee

The Company paid non-audit fee, in regard to the capital increase program, for the total amount of Baht 200,000.

6 Corporate Governance

The Company's Board of Directors realize and strongly believe that the good corporate governance principle should be a main factor to add values, enhance its competitiveness and create the highest returns to shareholders and all related parties in the long term. The Company completes and always updates the good corporate governance principles to be in compliance with the regulation of the Stock Exchange of Thailand, which are classified into five categories. The details are as follows.

1. Board of Directors, management, employees shall follow the good corporate governance principles with a clear understanding.
2. Board of Directors, management, employees shall treat stakeholders fairly and work with honesty and transparency for the benefits of the Company. The work of Board of Directors, management, employees can be scrutinized.



The good corporate governance principles for the Company's Board of Directors, management and employees can use as reference are discussed below.

1. Rights of Shareholders

Shareholders have the rights as the owners of the company. They have the right to attend the Company's shareholder meetings that can determine the directions of the Company. The shareholders can make decisions about important matters in the shareholder meeting. The shareholder meetings are thus very important stages for the shareholders to raise questions and opinions as well as making decisions. Thus, they have the right to attend the meeting and be allocated sufficient time to consider and acknowledge any related matters.

In every shareholder's meeting, the Company's policy requires the Chairman of the Board of Directors, Directors and Chief Executive Officer to attend the meeting. Chairman of the meeting shall allow shareholders to have the opportunity to make enquiries, express their opinions and suggestions to the directors in order to create the same understand and subsequent improvement. The minutes of meeting shall be recorded and approved by the Directors and sent to shareholders for approval in the next meeting.

2 Equal Treatment to Stakeholders

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

In every shareholder's meeting all shareholders have the rights and equality of receiving information, expressing opinions and asking questions, in accordance with the meeting agenda and the issues discussed in the meeting. The chairman of the Board of Directors' meetings is responsible for allocating appropriate time to the shareholders to ask questions as well as encouraging them to express their opinions. Normally the shareholders are able to obtain the details of the meeting from the Company's website prior to meeting date. To promote the rights of the shareholders, the Company posts an announcement encouraging the shareholders to nominate a person to assume the role of a director and suggest the additional meeting agenda for the annual general shareholders meeting. In addition, the shareholders are also encouraged to express their ideas about clear operation guidelines. The Company has a policy to hold an annual general meeting once a year within four months after the end of the previous fiscal year. In 2013, the Company held the annual general meeting on 29 April 2013 at Rajdamnern Hall, Royal Princess Lanluang Hotel, No. 269, Lanluang Rd, Pomprab, Bangkok. The meeting agenda was disclosed for the shareholders' review on the company's website within the day that the Board of Directors approved the meeting agenda so that all shareholders had a chance to review the details about the meeting as well as the meeting agenda prior to the meeting. Normally, the Company disclosed all details about the meeting, e.g., the meeting date, the meeting agenda, and etc, 21 days prior to the meeting date. The attendees included Chairman of the Board of Directors, Chairman of Audit Committee, directors and members of Audit Committee. The Board of Directors accommodates in all shareholder meetings by treating all shareholders equally, in terms of their right documentation. The Company appointed Thailand Securities Depository Co., Ltd. as the Company's registrar.

When the Company is about to arrange any annual general meeting, it submits invitation letters that include: the meeting agenda; details of each agenda which clearly states whether it is for acknowledgement, approval or consideration, Board of Directors' opinions on such agenda and relevant information. These details are sent to the shareholders no less than seven days prior to the meeting so that the shareholders

have sufficient time to review the meeting details before exercising their voting rights for each agenda. Moreover, the invitation letters and details about the meeting are also published in the newspapers for three consecutive days at least three days prior to the meeting date. The power of attorney documents are also attached to the invitation letters for the shareholders who may be unable to attend the meeting and who would like to attend the meeting and vote by proxy. Such shareholders may ask any person including the Chairman of the Board of Directors or one of the Independent Directors to act as their proxies. Such shareholders have the full right to ask their proxies to have full votes or partial votes.

The matters to be carried out at an annual general meeting are as follows:

- 1) Consider the Board of Directors' report regarding the Company's performance for the previous year that is to be presented in the meeting
- 2) Consider approving the balance sheet and profit and loss statements
- 3) Consider approving profit distribution and dividend payment
- 4) Consider appointing new directors replacing those who leave after their terms end and determine directors' remuneration
- 5) Consider appointing an authorized auditor and the remuneration for the auditor
- 6) Discuss other matters as deemed appropriate by the Chairman of the meeting

The annual general meeting' resolution shall be comprised of the following votes:

- 1) In a normal case, the majority of votes shall be deemed resolution. In case of an equality of votes, the Chairman of the meeting shall have a casting vote.
- 2) In the following cases, a total number of votes not less than three-fourths of the total number of votes cast by the shareholders present and entitled to vote shall be deemed resolution.
 - Sale or transfer of the Company's business, entirely or partially, to other entities
 - Purchase or acquisition of the business of other companies or private companies by the Company
 - Arrangement, amendment or termination of any contracts with respect to the granting of a lease of the Company's business, entirely or partially, the assignment to any other person(s) to manage the Company or the merging of the Company with any other entity to share profit and loss
 - Additional amendment of the memorandum of association or article of association
 - Capital increases or decreases
 - Debenture issuances
 - Company amalgamation
 - Company dissolution

In case of some urgent matters or extraordinary agenda which may have an effect on shareholders' benefits or have to conform to any rules or regulations that require shareholders' resolution, the Company may reserve the right to ask for an extraordinary general meeting, as the case may be.

3. Taking into account of the roles of stakeholders

The Company realizes the rights of all stakeholders and has policies to appropriately treat the stakeholders including shareholders, employees, management, customers, business partners, creditors, commodity and society in order to create full cooperation amongst the stakeholders in various groups. This in turn leads the Company's operations to go well and stably and ensures that all stakeholders are treated fairly. The directors shall disclose some non-financial information to show proof that the Company is well considerate towards all stakeholders when making any decisions associated with the Company's operational guidelines. In addition, the Company also clearly indicated the groups of shareholders and specified the degrees of importance for each stakeholder group in order to avoid mistakes.



Responsibilities to Shareholders

The Company is committed to effectively running the business and ensuring the shareholders' greatest satisfaction by taking into consideration its long-term growth and sustainable returns. The Company is also determined to operate business in a transparent manner and disclose the financial position as well as the Company's earnings performance or general information. The information should disclose be transparent, accurate, and reliable and equal. To comply with such principles, the Company had set forth the following guidelines:

- Management and all employees shall perform duties with honesty and fairness to every shareholder.
- Managing the Company's business by applying full knowledge and managerial skills and consider any action with care and caution.
- Accurately disclosing the Company's operating results as well as reporting its financial status to shareholders in accordance with the international standard accepted by international financial markets, as specified by the Stock Exchange of Thailand.
- Not proceeding with any actions in a way that may cause conflicts of interests to the Company
- Not seeking benefits for oneself or related parties by using any information of the Company not yet disclosed to the public
- Not disclosing confidential information to outsiders, except for the case that is required by the law

Respecting the rights of other stakeholders

The Company is determined to treat other stakeholders fairly and ethically in order to ensure good relationship with others in doing business. Other stakeholders include management and employees, customers, business partners, creditors, competitors, related government agencies, the society. The Company does not give particular favor to particular people nor treat some people in unfair ways. The Company does not treat other stakeholders based on the personal relation. In addition, the Company treats other stakeholders regardless of their nationalities, races, religion or gender. In particular, the Company puts a great emphasis on responsibilities to the society and communities. The Company's major duty to the society is to create and support activities that are useful to the communities and society. By contrast, the Company does not do or support any activities that are either against the law or damage the image of the country, the natural resources and environment and the actions that might threaten the society and the country's security.

4. Responsibilities of Board of Directors

Structure of the Board of Directors

The Company's Board of Directors consists of nine directors who serve a service term of three years. Two of them are from the management while seven are not members of the management. Out of the total directors, three of them are qualified as independent directors, according to the Securities Exchange Commission's requirement that a SET-listed company have independent directors at the number equivalent to more than one-third of the total directors

The Board of Directors acts as the representatives of the shareholders and oversees the Company's overall management. They shall lead and be involved in determining the Company's targets, directions, policies, work plans and budget. The Board of Directors should honestly make sure that the Company's business is operated in accordance with the laws and regulation as well as the resolutions of the shareholder meetings in order to maintain the benefits of the shareholders. In addition, the Board of Directors should also monitor the management's performance to ensure that the established policy is achieved efficiently and effectively. This would not only increase the maximum economic values to the Company but also bring the most stable returns to shareholders. The Board of Directors set up the internal control system and closely followed the implementation of such on a regular basis. The members of Executive Committee are authorized to approve the investment worth no more than Baht 20 million while the Chief Executive Officer is authorized to approve the investment worth no more than Baht 15

million, and the Managing Director is authorized to approve the investment worth no more than Baht 10 million. The Company's Board of Directors appoints the Audit Committee to strengthen the Company's internal control system and ensure sufficient and appropriate good corporate governance practices.

The Chairman of the Company shall be an independent director. He/She shall not be the managing director. The responsibilities in regard to corporate governance and regular management shall be separated so that the Company can operate business with transparency. There should be slim chance of conflicts of interests and high power in particular persons. Instead, there should be balanced power in the management level for the maximum benefits to the Company and the shareholders

Philosophy for doing business

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

- Enhance its competitiveness as a leader in TV commercial production and service market.
- Become an excellent organization with workforce that is determined to create new things. All employees trust one another, with the aim of building operational standard for the management and employees at all levels. Details of which are as follows:
 - To focus on maximizing benefits for the Company in the long term in order to create maximum values to shareholders
 - To concentrate on equitable treatment for both shareholders and stakeholders
 - To prevent conflicts of interests
 - To operate with care and full responsibility
 - To ensure the transparent operation that can be monitored
 - To set the internal control and internal audit systems that are up to standard, reliable and efficient
 - To set the Code of ethical Business for directors and employees to follow

Committees

The Board of Directors assigns various committees for more effective and transparent operations of the Company. The details are as follows:

- Executive Committee
Company's Board of Directors selects five qualified directors and management to be members of Executive Committee in order to manage and control the Company's operations as assigned by the Board of Directors.
- Audit Committee
The Board of Directors appoints three independent directors to be the members of the Audit Committee. At least one of the three independent directors must have the knowledge and experience in accounting and finance. The members of audit committee must be independent as stated in the rules and regulations concerning qualifications and scope of duties and authorities of the Audit Committee set forth by the Stock Exchange of Thailand. The Audit Committee reports directly to the Board of Directors and their scope of duties and authorities are reviewed at least once annually.
- Nomination and Remuneration Committee
In 2013 the Board of Directors set the Nomination and Remuneration Committee, consisting of members who are not in the management and three independent members. The Committee has policies to set policies, rules and guidelines for nomination and selection of the Company's directors, committee members and management members. The Committee also set the amounts of remuneration and benefits for directors and committee members as well as management members. The Nomination and Remuneration Committee reports performance and propose opinions or suggestions to the Board of Directors.



- Corporate Governance Committee

The Company does not appoint a specific sub-committee as it views that the Board of Directors and Executive Committee are able to efficiently make decisions on various matters. However, in the future, if the Company has larger business size and more complicated organization structure, the Company may consider appointing a particular sub-committee for some specific matters as deemed appropriate.

Board of Directors Meeting

The Board of Directors meets monthly and some special meetings are called for if needed. The invitation letters clearly indicating the meeting date and agenda are sent to the members of Board of Directors at least seven days prior to the scheduled meetings to ensure that the directors have adequate time to consider the information. Normally, each meeting takes not less than two hours. In each meeting, the Chairman of the meeting allows each director to freely express his/her opinions. In 2012 there were 15 Board of Directors meetings, 13 Executive Committee meetings and five Audit Committee meetings. In 2013 there were 15 Board of Directors meetings, 14 Executive Committee meetings, five Audit Committee meetings and six Nomination and Remuneration Committee meetings. The details of each director's attendance are shown in the following table

Name	Position	No. of the times with right to attend the meeting (time)							
		Board of Director		Executive Committee		Nomination and Remuneration Committee		Audit Committee	
		2012	2013	2012	2013	2012	2013	2012	2013
1. Mr. Somrit Srithongdee	Chairman	15/15	15/15	-	-	-	4/4	-	-
	Chairman of Audit Committee								
2. Mr. Somchai ¹	Director	2/2	-	2/2	-	-	-	-	-
	Cheewasutthanon								
3. Mr. Thanitsaphong ²	Director	9/9	11/15	5/5	11/14	-	-	-	-
	Sasinmanop								
4. Mr. Somboon	Director	13/13	15/15	11/11	14/14	-	-	-	-
	Cheewasutthanon								
5. Mr. Akarat Na Ranong	Independent Director	10/15	13/15	-	-	-	-	5/5	6/6
	Chairman of Audit Committee								
6. Mr. Nuttawut PhowBorom	Independent Director	13/15	13/15	-	-	-	3/4	3/5	5/6
	Audit Committee								
	Nomination and Remuneration Committee								
7. Mr. Kamol Ratanachai	Independent Director	14/15	15/15	-	-	-	4/4	5/5	6/6
	Audit Committee								
	Nomination and Remuneration Committee								
8. Mr. Pattanapong Nuphan	Director	15/15	14/15	13/13	14/14	-	-	-	-
	Executive Committee								
9. Mrs. Watchanee	Director	14/15	15/15	13/13	14/14	-	-	-	-
	Watanathawanwong								
10. Mrs. Siripen Sasinmanop ³	Director	6/6	-	8/8	-	-	-	-	-
	Executive Committee								
11. Mr. Chakrapun Leelamasavat	Director	15/15	15/15	12/13	14/14	-	-	-	-
	Executive Committee								

Note ¹ Mr. Somchai Cheewasutthanon resigned, effective from on 24 February 2012

² Mr.Thanitsaphong Sasinmanop resigned, effective from on 20 December 2013

³ Mrs.Siripen Sasinmanop resigned, effective from 1 July 2012

Note that all the minutes of the meetings endorsed by the Board of Directors are properly recorded and filed. They are always available for review and audit by the Board of Directors and concerned parties.

Board of Directors' Reports

The Board of Directors holds responsibility for the Company and its subsidiaries' financial statement (which are already audited) as well as all disclosed financial information. The Board of Directors realizes the importance of the accuracy and reliability of such financial reports and information. Hence, the Board of Directors has a policy to make a report on the responsibility of the Board of Directors in regard to the financial reports and financial information disclosed in the Company's annual report. The financial statement is regularly prepared to conform to the general accepted accounting standards. In preparing such financial reports, appropriate accounting policies are selected and consistently applied while judgment and forecast are carefully used. Moreover, the significant information shall be adequately disclosed in the notes to financial statement covering the guideline suggested by the Stock Exchange of Thailand.

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

Prevention of Conflict of Interests

Realizing potential conflict of interests, the Board of Directors issues guidelines as a part of the Code of Ethical Business for all management and employees to avoid any personal conflicts of interests with the Company and shareholders when dealing with trade partners and other parties.

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

Remuneration for Directors and Management

In 2013 the Board of Directors set the Nomination and Remuneration Committee that set the amounts of remuneration and benefits for directors and committee members as well as management members based on the Company's business scale, responsibilities of each director and member. The Nomination and Remuneration Committee propose the amounts for an approval of the Board of Directors. The remuneration for the Company's directors and committee members is subjected to an approval from the annual general meeting. (The information in regard to the remuneration for the directors and management members is disclosed in the discussion under the Management).



Internal Control and Internal Audit Systems

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

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

Risk Management

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

The Code of Ethical Business

The Company puts in place the Code of Ethical Business for all directors and staff to comply with in order to enhance values of its business. A primary goal of the Code of Ethical Business is to ensure that the management and employees treat the Company, stakeholders and society in professional, honest, transparent, equal and responsible manners. Moreover, the Company also assigns responsible persons to assess the performance and improve such Code of Ethical Business. Finally, the Company also has a policy to communicate to all staff and management constantly to ensure their understandings and publish information for all employees on a regular basis.

5. Information Disclosure and Transparency

The Company's Board of Directors Company realizes the importance of disclosure of information that is accurate, adequate, transparent, reliable, widespread and prompt. Realizing that financial reports along with general information may have an impact on decision making of investors and stakeholders, the Company publishes information for investors, shareholders and public through the following channels:

- 1) The website of the Stock Exchange of Thailand (<http://www.set.or.th>) which includes
 - The company's news
 - Annual report form (56-1)
 - Financial statement (quarterly and annually)
 - Documents about resolutions of Board of Director's meetings
- 2) The website of Securities and Exchange Commission (<http://www.sec.or.th>)
- 3) The website of Ministry of Commerce (<http://www.dbd.go.th>)
- 4) Newspapers
- 5) Company's website <http://www.matchinggroup.com> , www.matchingstudio.com.
- 6) Company Visits/ One-On-One meetings
- 7) Analyst meetings
- 8) Press meetings
- 9) Letters mailed to shareholders

Moreover, to disclose accurate, adequate, and transparent information, the Company sets up the Investor Relations Department to provide the information, news and activities of the Company to investors, analysts, shareholders and other third parties. In addition, the Investor Relation Department also provides efficient services to shareholders, enhancing the Company's credibility and image. Investors are welcomed to contact the Company's Investor Relation Department via telephone at 0-2669-4200-9 or e-mail at investor@mmsbangkok.com



Corporate Social Responsibility

Matching Maximize Solution Plc. is a company under the media and printing sector listed in the Stock Exchange of Thailand. The Company and its subsidiaries operate five main businesses, i.e., the TV production business, the TV commercial production business, the equipment rental business, the event organizing business and the printing business. It conducts business based on the code of ethical business with an emphasis on the right of stakeholders at all groups. Details of CSR-in process are as follows:

- **Operate business with fairness**

Support free trade competition; avoid infringement of intellectual property or copyrights; operation that may cause conflicts of interests

- **Respect of human rights and employees' performance**

Support and respect human right protection; treat employees with fairness; develop employees' efficiency; ensure safety and sanitary at workplace; provide healthcare as necessary and appropriate

- **Responsible for consumers**

Develop goods/services to benefit organizations and society; produce high quality goods/services that are safe for consumers and environment

- **Preserve environment**

Focus on effective use of resources, and technology as well as effective production process and services with emphasis on safety and zero impact on environment

Operation

CSR-In Process	Operation
Operate business with fairness	<ul style="list-style-type: none"> • In terms of purchasing, the Company compares prices with partners and selecting products appropriately and fairly. • The Company is against any practices that may violate or infringe intellectual property or copyrights.
Respect of human rights and treat employees with fairness <ul style="list-style-type: none"> • Treat employees 	<ul style="list-style-type: none"> • The Company's recruitment policies are as follows: <ol style="list-style-type: none"> 1. The Company is against any practices of labor forcing and the Company does not collect money or keep employees' identification documents unless it is allowed by law. 2. The Company pays wages and remuneration in Thai Baht currency at the rates not less than the rate specified by the law and the Company does not deduct employees' remuneration, except for the case allowed by the law. 3. The Company sets working hours at not more than the working hours specified by the law and the overtime hours are also calculated in accordance with the law.

CSR-In Process	Operation
<ul style="list-style-type: none"> Treat employees (Cont.) 	<p>4. The Company is against all forms of discrimination against nationality, race, religion, language, age, gender, marital status, sexual attitude, disabilities, political interest, or other individual attitude. The Company is not against or intervenes with any activities linked to particular beliefs about nationality, national customs, religion, gender, sexual attitudes or political parties.</p> <p>5. The Company allows pregnant employees to work, not terminating their employment contracts or reducing their benefits.</p> <p>6. The Company provides clean restrooms/toilets, infirmary with nurses on duty, canteen and clean food storage.</p> <p>Policies to take care of personnel</p> <p>Employees are the Company's most valuable resources and they are key success factors for the Company. The Company creates favorable values, culture and working environment and also treats employees with politeness. The Company also respects the employees' rights.</p> <p>The Company hires, appoints, transfers employees and offers remuneration based on fairness and facets.</p> <p>The Company resumes responsibility in creating working environment that is safe for employees' lives and their properties.</p>
<p>Responsible for consumers</p> <ul style="list-style-type: none"> Develop goods/services to benefit organizations and society Produce high quality goods/services that are safe for consumers and environment 	<ul style="list-style-type: none"> The Company presents TV programs that not only focus on entertainment and profit but also include useful information, assisting and creating good opportunities for people in communities and thus benefiting society in the future. The Company provides quality services and support clients' need with fairness. For example, the Company produces works or offers services based on the terms stated in the contracts and the works and services are of high quality and standard. The Company keeps clients' information at safe places and does not disclose such information to outsider unless it is allowed by clients.
<p>Preserve environment</p>	<ul style="list-style-type: none"> The Company effectively utilizes resources and follows energy saving policies.

Prevention of Corruption Involvement

The Company has a policy not to involve in any forms of corruption. The Company set a written guide in the code of ethic in regard to gifts and receptions. The guide is conveyed to all levels of employees both at the Company and its subsidiaries and all employees continue to follow the guide seriously. It should be noted that the Company is currently under the process of revisions of the working guide in regard to corruption prevention in order to ensure that all employees at the Companies and the subsidiaries work with honesty and high standard and do not involve in any forms of corruptions.



Internal Control System and Risk Management

1 Directors' opinion concerning the internal control system

According to the Board of Directors' meeting No. 2/2014 held on 21 February 2014 in the presence of all three members of the Audit Committee, the Board of Directors evaluated the Company's internal control system by inquiring the management as well as other concerned officers. The evaluation results shows that the Company's internal control is comprised of five key areas: i) internal organization control, ii) risk assessment, iii) operational control, and v) the monitoring system. The Board of Directors opines that the Company has appropriate and sufficient internal control system. The details are as follows:

1) Organizational environment

- 1) The Company has a clear organization chart and clearly defines chains of command as well as clear roles and responsibilities of each department. The Company has clear and measurable business goals as guideline for doing business. Annual business plans as well as budget plans are completed and sent for the management's review. The Company's expenses are regularly reviewed and controlled to make sure that they are under budget.
- 2) The Company announces the Code of Conduct in a written form. This Code of Conduct covered business principles as well as operational instructions. This Code of Conduct was designed for Management, Directors and all employees to perform their duties with responsibilities and treat all stakeholders in transparency.

2) Risk Management

The Company emphasizes the importance of risk management. In setting strategies and determining business operation guideline, the management takes into account both internal and external risks. To ensure that the Company meets its goal, with an acceptable risk level, the Company sets the principles for risk management at two levels:

1. **The policy level:** The Company requires that all departments manage risks concerned with the work in their departments and report the risk management information to the Management who is responsible for managing and controlling risks at acceptable levels. The risk management report shall be reported to the Company's Executive Committee and the Board of Committee for acknowledgement or review in order to adjust the management policies, according to the changing environment.
2. **The operation level:** Each department has policies to evaluate risks that may cause the Company's business plans not to meet the goals. In addition, each department also sets the guideline to reduce risks and comes up with management process when things do not go as expected, e.g., risks concerning the inability to find sufficient sponsors as specified by laws, and risks concerning insufficient equipment.

3) Operational Control

To ensure that the operation guidelines are fully responded and practiced by everyone in the Company, the Board of Directors declares the following policies to control management's operation.

1. The Company set budget approval limit and responsibilities of each member of management. The Accounting Department is in charge of review and completion of documents based on the Company's rule.

2. The Company's internal control system is done according to the chain of command, led by the Executive Committee, then managing directors and department heads and employees at the operational level.
3. In case the Company engages in a transaction with major shareholders, directors, Management or related parties to such persons, measures were well defined for determining authorities and responsibilities of the Executive Committee. The Audit Committee will also give opinions on these types of transactions. Approval of such transaction shall be done in absence of those who have conflicts of interest in order to maintain the highest benefits for the Company. Such types of transactions shall be treated in the same way as the transactions done with external parties. In general, the Audit Committee shall provide opinions about the necessity and suitability of those particular transactions. In case the Audit Committee does not have expertise in considering those connected transactions, the Company will seek opinions from an independent expert or the Company's auditor. Then, these opinions shall be taken into account for the decision making process of the Board of Directors or the shareholders take, whichever the case may be.

4) Information and Communication System

The Company has the information and communication system linked to operation, reports of the Company's financial statements and operating performance. In addition, the information and communication system is also designed to make sure that the company's policies and regulations concerning the control over activities within the organization are followed. The information and communication system is also used as a channel to convey all outside information to management and users within the organizations. The information and communication system is so effective that those who receive the information could follow the given instructions effectively. This proved that the communication both inside and outside the organization so effective that the Company' is able to achieve its objectives.

The Board of Directors has a policy to provide accurate information for shareholders, investors and relevant parties and also to enhance efficiency of the Company's internal control system. In proposing the agenda for Board of Directors' consideration, the Company always provides sufficient information to assist them in decision making, e.g. details of the meeting agenda, rationales, impacts on the Company and possible options. The members of Board of Directors receive the invitation letters, including necessary and sufficient information for consideration, at least seven days prior to the meeting. Moreover, the minutes of each Board of Directors' meeting are recorded with proper details, e.g. queries, opinions or observation of each director for each agenda as well as contrast opinions and reasons, so that the shareholders can determine whether the Board of Directors appropriately performed their duties in the meeting.

Furthermore, the Company maintains a complete set of the accounting data and related documents by category and regularly monitor whether the accounting policies are in compliance with the general accepted accounting standard and suitable for business operations of the Company. The accounting policies selected by the Company must not present inaccurate operating results. The employees in the operating level shall report the progress to supervisors on a regular basis in order to make sure that the operating results come in line with expectation. In case there are some mistakes, all concerned people should be able to promptly solve the problems. In addition, any measures in regard to the internal control should be distributed to all concerned employees.



5) The monitoring system

The Company arranges monthly meetings to monitor performances and earnings of the companies under the same umbrella. Following the meetings, all Directors are aware of the progress of each company so that they could adjust some strategies to match the changing situation. Budgeting is completed while meetings at related departments are arranged to present the Company's goals. In addition, the Company's earnings performance was reviewed on a monthly basis. The Company also adjusts its business strategies to be in line with the current situation under the supervision of the Company's directors in a quarterly basis.

Moreover, the Company established the internal audit department to review the working procedures and make sure that they are in line with the company's internal control system. Should there be some matters that need improvement, the internal audit department will report to the management.

The Board of Directors has monitored the management's performance to ensure that the business targets are carried out. In case some significant errors are inspected, the management shall directly report to the Board of Directors/the Audit Committee in order to seek a resolution to rectify the situation in a timely manner. The progress of such rectification shall be informed to the Board of Directors/the Audit Committee. Furthermore, the Company's performance shall be closely monitored and adjusted regularly in accordance with current situation.

2. Head of Internal Audit Department and Head of Operational Control Department

The Audit Committee Meeting on 14 December 2012 No. 5/2012 appointed Mr. Chinawat Masrungson as an acting director of the internal audit and system development department and a secretary to the Audit Committee, effective from 14 Decembers 2012. Mr. Chinawat Masrungson possessed four-year experience in internal audit. He attended various trainings on internal audit functions and had good understanding about the Company's activities and operation. The Audit Committee thus regarded him as an appropriate person to resume responsibilities of the position. It should be noted that orders approve, appoint, remove and transfer a director of the internal audit department are subjected to approval of the Audit Committee.

Connected Transactions

The details of connected transactions during 2012 and 2013 are as follows:

Connected Persons/Entities Type of business Relationship	Transactions	Transaction Value (Baht Million)		Necessity/Justification
		2012	2013	
Bangkok Broadcasting & TV. Co., Ltd. ("BBTV") <u>Type of Business</u> Manage Channel 7 <u>Relationship with the Company</u> <ul style="list-style-type: none"> - Being an indirect major shareholder (holding 30 percent of shares in BBTV Production, which is the Company's major shareholder) - The Company's Director, Mr. Pattanapong Nuphan is Assistant Managing Director of BBTV. 	<u>Being hired to produce TV programs</u> <ul style="list-style-type: none"> - Produce TV program called "Ta Lab Lang Ta Lad" on Channel 7 - Service Revenue - Account Receivable 	23.55 1.59	28.51 1.78	The Company was hired to produce the TV program for BBTV, which is a normal business. The service charge was calculated from cost plus profit. Payment conditions were set according to normal business practices. <u>Opinions of the Audit Committee</u> The service was offered in accordance with the Company's normal business. The service charge was calculated from cost plus profit. Payment conditions were according to normal business practices. Hence, the transaction was necessary and justified.
	<u>Being hired to produce a documentary</u> MSP (subsidiary) was hired to produce a documentary "Thai Elephants" broadcast on Channel 7 <ul style="list-style-type: none"> - Deferred income 	-	5.28	MSP was hired to produce the TV program for BBTV, which was a normal business. The service charge was calculated from cost plus profit. Payment conditions were set according to normal business practices. <u>Opinions of the Audit Committee</u> The service was offered in accordance with the Company's normal business. The service charge was calculated from cost plus profit. Payment conditions were according to normal business practices. Hence, the transaction was necessary and justified.



Connected Persons/Entities Type of business Relationship	Transactions	Transaction Value (Baht Million)		Necessity/Justification
		2012	2013	
	Event Organizing ME (subsidiary) acted as an event organizer for BBTv. The firm organized various events including Miss Thailand Universe 2011 and LPGA 2012. - Service Revenue	0.88	5.99	ME acted as an event organizer for BBTv, which was the Company's normal business. The service charge was calculated from cost plus profit, similar to the rate charged to third parties and the rate was normal for this business. <u>Opinions of the Audit Committee</u> The service was offered in accordance with the Company's normal business. The service charge was calculated from cost plus profit and the rate was similar to the rate charged to third parties. Payment conditions were set according to normal business practices. Hence, the transaction was necessary and justified.
	Subleasing the airtime The Company subleased the airtime from BBTv to broadcast its TV program "Kob Dek...Sang Ban" on Channel 7. - Service Cost	8.74	8.41	The Company subleased the airtime from BBTv to broadcast its TV program on Channel 7. The program was a normal program, of the Company and the cost was based on the period of the airtime and the agreements. The transaction was done in accordance with the Company's normal trade practices. <u>Opinions of the Audit Committee</u> The service was offered in accordance with the Company's normal business. The service rate and payment conditions were set according to normal business practices. Hence, the transaction is necessary and justified.

Connected Persons/Entities Type of business Relationship	Transactions	Transaction Value (Baht Million)		Necessity/Justification
		2012	2013	
BBTV Asset Management Co., Ltd. ("BBTVAM") <u>Type of Business</u> Advertising business <u>Relationship with the Company</u> Being an indirect major shareholder of the Company (holding 25 percent of shares in BBTV Production, which is the Company's major shareholder)	<u>Subleasing the airtime</u> The Company subleased the airtime from BBTVAM to broadcast its "Plod Nee" and "Plod Nee on Public Holidays" Programs on Channel 7. - Service Cost	18.80	17.83	The Company subleased the airtime to broadcast its TV programs on Channel 7. The airtime cost was based on the period of the airtime and the agreements. The transaction was done in according to the Company's normal trade practices. <u>Opinions of the Audit Committee</u> The service was offered in accordance with the Company's normal business. The service rate and payment conditions were set according with normal business practices. Hence, the transaction was necessary and justified.
BBTV News Media Co., Ltd. ("BBTVNM") <u>Type of Business</u> Supply information <u>Relationship with the Company</u> - The Company's directors, Mr. Pattanapong Nuphan and Mr. Chakrapan Leelamasavat are also directors of BBTVNM - BBTV, the indirect major shareholder of the Company, indirectly holds all shares of BBTVNM.	<u>Being hired to produce TV Program</u> BM (subsidiary) was hired to produce "Doublecheese" Street Fashion Magazine on TV on Channel 7. The program is produced for BBTVNM. The program was broadcast on Channel 7 - Service Revenue	0.08	-	BM (subsidiary) was hired to produce the TV program for BBTVNM, which was the business supporting its core business (i.e., printing business). The existing contents were adjusted in order to increase revenue. The service rate was calculated from cost plus profit. The payment conditions are set in accordance with normal business practices. <u>Opinions of the Audit Committee</u> The service supported BM's normal business and the service rate was calculated from the cost plus profit. The payment conditions were set in accordance with normal business practices. Hence, the transaction was necessary and justified.



Connected Persons/Entities Type of business Relationship	Transactions	Transaction Value (Baht Million)		Necessity/Justification
		2012	2013	
	<u>Program Development Fee</u> BM (subsidiary) asked BBTVM to: 1. develop and maintain BM's three websites namely Cheese Plaza, Cheese Mag and Looker Mag - Service Cost (Website, IPAD) - Computer System (Website) - Advance Expenses (Website Maintenance) - Deposits (charges for additional website development) - Management Expenses (Website Maintenance) 2. develop applications on IPADs - Account Payable (charges for development of applications on IPAD) - Accrued expenses (Monthly service fees for IPADs)			BBTVNM developed and maintained the Company's websites, with the service fee and payment conditions being based on normal business practices. Hence, the transaction was necessary and justified.
		1.00	0.29	
		0.68	0.44	<u>Opinions of Audit Committee</u>
		0.05	0.001	Website development and maintenance was a way to access the direct targeted clients. The service fee and payment conditions were based on normal business practices. Thus, the transaction was necessary and justified.
		-	0.14	
		-	0.07	
		0.32	-	
		0.27	-	

Connected Persons/Entities Type of business Relationship	Transactions	Transaction Value (Baht Million)		Necessity/Justification
		2012	2013	
Grand Fortune Co., Ltd. (“GRAND”) <u>Type of Business</u> Property Development Business <u>Relationship with the Company</u> BBTV, which is the Company’s indirect major shareholder, is the indirect major shareholder of GRAND.	<u>Being hired to producing TV commercials</u> The Company and MSP (subsidiary) produced were hired to produce TV commercials for GRAND. - Service Revenue	1.47	-	The Company and MSP were hired to produce TV commercials for GRAND, which was the company’s normal business. The service rate was calculated from cost plus profit, similar to the rate charged to third parties, and the payment conditions were set in accordance with normal business practices. <u>Opinions of Audit Committee</u> The service was the Company’s normal business. The service rate was calculated from cost plus profit, similar to the rate charged to third parties, and the payment conditions were set in accordance with normal business practices. Hence, the transaction was necessary and justified.
HR professional Consulting and Service Co., Ltd. (“HRP”) <u>Type of Business</u> Providing human resource-related services <u>Relationship with the Company</u> The Company’s director, Mr. Somrit Srithongdee, is a director of HRP	<u>Service cost for security officers</u> The Company received the service from HRP who supplied security officers for the Company. - Administration Expenses - Accrued expense (service cost for security officers)	1.61 0.16	1.66 0.16	HRP supplied security officers for the Company, with the service rate and payment conditions being set based on the market rate seen from normal business practices. Thus, the transaction was necessary and justified. <u>Opinions of Audit Committee</u> The Company hired outsourced security officers from HRP, instead of recruiting the security officers by itself. This helped simply the Company’s internal management. The service rate and payment conditions were set based on normal business practices. Hence, the transaction was necessary and justified.



Connected Persons/Entities Type of business Relationship	Transactions	Transaction Value (Baht Million)		Necessity/Justification
		2012	2013	
Mr. Somchai Cheewasutthanon <u>Relation with the Company</u> Director : Note that Mr. Somchai Cheewasutthanon resigned on 24 February 2012 and has never held any positions in the Company since then.	<u>Leasing of land and building</u> The Company leased the land and building No. 305/5 Soi Sukhothai 6, Sukhothai Rd, Dusit, Bangkok, to use as the Company's office. The extendable lease contract lasted three. - Administration Expenses	0.86	0.84	The Company leased the building from Mr. Somchai Cheewasutthanon to use as its office. The lease rate was appropriate compared with the rates for leased property nearby. The payment conditions were set in accordance with normal business practices, similar to the rates for third parties. Hence, the transaction was necessary and justified. <u>Opinions of Audit Committee</u> The transaction supported the Company's operation. The rate and the payment conditions were set in accordance with normal business practices. Hence, the transaction was necessary and justified.
Mrs. Siripen Sasinmanop <u>Relationship with the Company</u> Executive Vice President	<u>Leasing a building</u> GH (subsidiary) leased a three-storey town house No. 173/13-14 Soi Paholyothin 44, to use as its office. The extendable lease contract lasted two years. Rental fee - Administration Expenses (Fee for leased building)	0.71	0.72	GH leased the property from Mrs. Siripen Sasinmanop to use as its office. The lease rate was appropriate when compared to the rates for leased property nearby. The payment conditions were set in accordance with the normal business practices, similar to the conditions set for third parties. Hence, the transaction was necessary and justified. <u>Opinions of Audit Committee</u> The transaction supported the Company's operation. The lease rate and the payment conditions were similar to what made with third parties. Hence, the transaction was necessary and justified.

Connected Persons/Entities Type of business Relationship	Transactions	Transaction Value (Baht Million)		Necessity/Justification
		2012	2013	
	<u>Leasing land</u> GH (subsidiary) leased the 405 square wah land, deed title No. 39485 and 39488 to use as a car park and an equipment warehouse. The extenable lease contract lasted two years. - Administration Expense (Land lease fee)	0.39	0.40	GH leased the land from Mrs. Siripen Sasinmanop to use as a car park and an equipment warehouse. The rental rate was appropriate when compared to the rates for leased property nearby. The payment conditions were set in accordance with the normal business practices, similar to the conditions set for third parties. Hence, the transaction was necessary and justified. <u>Opinions of Audit Committee</u> The transaction supported the Company's operation. The lease rate and the payment conditions were similar to what made with third parties. Hence, the transaction was necessary and justified.



1. Necessity and justification of connected transactions

Reviewing the connected transactions done in 2012 and 2013, the Audit Committee opined that the connected transactions were necessary, justified and beneficial to the Company.

2. Measure or procedures to approve the connected transactions

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

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

After the Company engaged in any connected transactions it disclosed the information on such transactions as specified in the regulations of the Stock Exchange of Thailand. Such disclosed information was also reviewed by the Audit Committee. In addition, the Company also disclosed the connected transactions in the note to the financial statement which was reviewed by the Company's Authorized Auditor.

3. Future Policy or Trend of Connected Transactions

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

Summary of the consolidated financial statement during 2011 - 2013

Financial Status	Audited Statement					
	31 December 2011 (newly adjusted)		31 December 2012 (newly adjusted)		31 December 2013	
	million	%	million	%	million	%
Assets						
Cash and cash equivalents	72.08	12.78	137.73	23.65	105.35	7.79
Short - term investments	32.52	5.76	1.00	0.17	713.22	52.72
Restricted cash-current portion	0.64	0.11	-	-	0.20	0.01
Trade and other receivables	175.38	31.09	141.25	24.26	159.66	11.80
Inventories	4.55	0.81	9.22	1.58	9.57	0.71
VAT receivable	1.09	0.19	0.81	0.14	0.20	0.01
Withholding tax deducted at sources, net	19.75	3.50	11.75	2.02	2.97	0.22
Other current assets	2.01	0.36	1.34	0.23	1.37	0.10
Total current assets	308.03	54.60	303.10	52.05	992.54	73.36
Restricted cash - non current portion	2.82	0.50	2.60	0.45	2.60	0.19
Investment properties	10.25	1.82	10.25	1.76	10.25	0.76
Property and equipment, net	96.34	17.08	87.94	15.10	92.67	6.85
Assets for rent, net	140.47	24.90	173.05	29.72	250.60	18.52
Intangible assets-net	1.93	0.34	2.13	0.37	1.31	0.10
Deferred tax assets	2.16	0.38	1.39	0.24	0.21	0.02
Other non-current assets	2.18	0.39	1.83	0.31	2.72	0.20
Total non-current assets	256.16	45.40	279.18	47.95	360.36	26.64
Total assets	564.18	100.00	582.28	100.00	1,352.90	100.00
Liabilities						
Bank overdrafts	0.36	0.06	-	-	4.52	0.33
Trade and other payables	90.61	16.06	63.13	10.84	60.11	4.44
Current portion of long-term borrowing from financial institution	5.00	0.89	5.00	0.86	0.40	0.03
Current portion of liability under finance lease	0.48	0.09	0.51	0.09	0.47	0.03
Accrued income tax	2.00	0.35	4.08	0.70	0.86	0.06
Other current liabilities	12.71	2.25	12.06	2.07	13.52	1.00
Total current liabilities	111.16	19.70	84.78	14.56	79.88	5.90
Long-term borrowing from financial institution	5.40	0.96	0.40	0.07	-	-
Liability under financial lease	0.97	0.17	0.45	0.08	2.34	0.17
Deferred tax liabilities	0.64	0.11	1.54	0.26	2.93	0.22
Employee benefit obligations	13.08	2.32	13.02	2.24	15.52	1.15
Other non-current liabilities	0.23	0.04	-	-	-	-
Total non-current liabilities	20.32	3.60	15.41	2.65	20.79	1.54
Total liabilities	131.48	23.30	100.20	17.21	100.67	7.44



Financial Status	Audited Statement					
	31 December 2011 (newly adjusted)		31 December 2012 (newly adjusted)		31 December 2013	
	million	%	million	%	million	%
Shareholders' equity						
Share capital	324.00		535.00		535.00	
Paid-up share capital	259.14	45.93	259.14	44.51	469.24	34.68
Share premium	141.52	25.08	141.52	24.30	640.04	47.31
Retained earnings						
- Appropriated - legal reserve	2.75	0.49	4.34	0.75	5.01	0.37
- Unappropriated	29.12	5.16	76.93	13.21	136.99	10.13
Equity attributable to owners of the parent	432.53	76.67	481.93	82.77	1,251.29	92.49
Non-controlling interests	0.17	0.03	0.15	0.03	0.93	0.07
Total shareholders' equity	432.70	76.70	482.08	82.79	1,252.22	92.56
Total liabilities and shareholders' equity	564.18	100.00	582.28	100	1,352.90	100.00

Statement of Comprehensive Income	Audited Statement					
	2011		2012		2013	
	million	%	million	%	million	%
Revenue						
Revenues from service	525.39	87.38	516.81	83.79	612.65	88.69
Revenues from sale of goods	70.49	11.72	87.75	14.23	59.74	8.65
Other income	5.42	0.90	12.26	1.99	18.38	2.66
Total revenues	601.30	100.00	616.82	100.00	690.77	100.00
Cost of sales and services						
Cost of services	351.23	58.41	306.69	49.72	377.90	54.71
Cost of sales	47.97	7.98	61.20	9.92	39.85	5.77
Selling and administrative expenses	176.91	29.42	170.74	27.68	171.77	24.87
Other expenses	-	-	-	-	0.92	0.13
Total expenses	576.11	95.81	538.63	87.32	590.44	85.48
Profit (Loss) before financial cost and income tax	25.19	4.19	78.19	12.68	100.33	14.52
Financial cost	2.07	0.34	0.64	0.10	0.31	0.05
Income tax expenses	8.56	1.42	19.11	3.10	21.49	3.11
Net Profit for the year	14.56	2.42	58.44	9.47	78.52	11.37
Other comprehensive profit (loss):						
Actuarial gains (losses) on defined employee benefit plans			1.63		(1.81)	
Income tax relating to components of other comprehensive income for the year			(0.33)		0.35	
Total comprehensive income for the year - net of tax	14.56		59.74		77.07	
Earnings per share						
Earnings per share (Baht)	0.05		0.23		0.20	
Weighted average number of ordinary shares (million shares)	259.14		259.14		393.22	
Diluted earnings per share						
Diluted earnings per share (Baht)	0.05		0.21		0.18	
Weighted average number of ordinary shares for Calculation of diluted earnings per share (million share)	277.42		279.54		422.31	
Par value (Baht)	1.00		1.00		1.00	

	Audited Statement		
	2011 (newly adjusted)	2012 (newly adjusted)	2013
Statement of Cash Flows	million	million	million
Operating Cash Flows			
Profit Before income tax	23.12	77.55	100.01
Adjusted items :-			
Bad debt and doubtful debts (Reversal)	4.47	(3.59)	2.13
Depreciation and impairment of assets	40.77	42.14	55.37
Provision for returned goods (reversal)	0.96	0.81	(1.27)
Loss from obsolete goods	0.82		
Loss from write-off of withholding tax	1.08	1.55	1.69
Provision for withholding tax deducted at sources (reversal)	1.08	(2.39)	(0.86)
Gain from change in fair value of trading securities			(11.81)
Gain from disposal of equipment	(1.11)	(1.72)	(0.28)
Gain from disposal of assets for rent		(0.91)	(0.32)
Loss from write-off of equipment		2.18	0.02
Loss from write-off of assets for rent			1.23
Interest income	(1.09)	(1.93)	(1.93)
Financial cost	2.07	0.64	0.31
	72.17	114.33	144.29
Changes in operating assets and liabilities			
Trade and other receivables	18.16	36.81	(19.27)
Inventories and productions in progress	0.30	(4.67)	(0.35)
VAT receivable	(0.52)	0.28	0.61
Other current assets	4.06	0.68	(0.03)
Restricted cash	0.54	0.86	(0.20)
Other non-current assets	(0.06)	0.36	(0.89)
Trade and other payables	(22.08)	(41.36)	5.90
Other current liabilities	(4.44)	(0.65)	1.46
Non-current liabilities	-	(0.23)	
Employee benefit	1.31	1.57	0.69
Operating cash flows	69.44	107.98	132.21
Interest received	0.81	1.07	0.43
Interest paid	(2.18)	(0.67)	(0.34)
Withholding tax refunded	7.61	10.72	9.29
Corporate income tax paid	(23.01)	(17.56)	(23.12)
Net cash flows provided by operating activities	52.67	101.54	118.47



	Audited Statement		
	2011 (newly adjusted)	2012 (newly adjusted)	2013
Statement of Cash Flows	million	million	million
Cash flows from investing activities			
Cash paid for short-term investment	(30.48)		(700.38)
Cash received short-term investment		31.52	
Cash payment for purchases of assets for rent	(36.21)	(51.29)	(131.24)
Cash payment for purchase of equipment	(7.93)	(4.73)	(13.32)
Proceeds from disposal of assets for rent	1.01	3.03	0.52
Proceeds from disposal of equipment	0.46	1.77	1.33
Cash payment for purchases of intangible assets	(0.32)	(0.94)	(0.07)
Interest received from short-term investments	0.24	0.96	1.47
Net cash generated from (used in) investing activities	(73.23)	(19.68)	(841.69)
Cash flows from financing activities			
Bank overdrafts	(0.56)	(0.36)	4.52
Repayments to long-term borrowing from financial institution	(32.52)	(5.00)	(5.00)
Repayments to liability under finance lease	(0.66)	(0.48)	(1.74)
Issuance of ordinary shares			708.62
Dividends payments	(18.94)	(10.37)	(15.55)
Net cash generated from (used in) financing activities	(52.69)	(16.21)	690.84
Net increase (decrease) in cash and cash equivalents	(73.24)	65.65	(32.38)
Opening balance of cash and cash equivalents	145.32	72.08	137.73
Closing balance of cash and cash equivalents	72.08	137.73	105.35

Financial Ratios	Unit	Audited Statement		
		2011	2012	2013
Liquidity Ratios				
Liquidity ratio	Time	2.77	3.57	12.42
Quick ratio	Time	2.52	3.30	12.25
Cash flow liquidity ratio	Time	0.40	1.04	1.44
Account receivables turnover	Time	3.18	3.82	4.47
Average receivables day	Day	113.07	94.27	80.55
Inventory turnover	Time	78.06	53.41	44.46
Average day sale	Day	4.61	6.74	8.10
Account payables turnover	Time	3.93	4.79	6.78
Credit term	Day	91.55	75.22	53.10
Cash Cycle	Day	26.13	25.79	35.55
Profitability Ratios				
Gross profit margin	%	33.01	39.15	37.87
Operating profit margin	%	3.32	10.90	12.32
Other profit margin	%	0.90	1.99	2.53
Cash to earning capability ratio	%	266.45	154.01	142.96
Net profit margin	%	2.42	9.47	11.37
Return on equity	%	3.35	12.78	9.06
Efficiency Ratios				
Return on assets	%	2.44	10.20	8.12
Return on fixed assets ^{/1}	%	28.14	76.25	100.58
Assets turnover ratio	Time	1.01	1.08	0.71
Financial Policy Ratios				
Debt to equity ratio	Time	0.30	0.21	0.08
Interest coverage ratio ^{/2}	Time	25.46	158.14	377.94
Leverage ratio	Time	0.54	1.41	0.73
Dividend payout ratio	%	160.22	26.61	N/A

Note ^{/1} Return on fixed assets excluding leased assets

^{/2} Interest coverage ratio calculated from operating cash flows / interest expenses



Analysis of Financial Status and Operating Results

1. The overall operating performance in the past year

Under the strategy to drive business growth on a sustainable basis, the Company is engaged in five businesses: i) TV program production, ii) TV commercial, iii) equipment rental, iv) printing; and v) event organizing.

During 2011-2013 the Company's core revenue was generated by its equipment rental services, printing business, and TV commercial production business. The combined revenue from these businesses accounted for 90-93 percent of the total revenue. In 2013, the core revenue increased from 2012 by Baht 67.83 million, for an increase of 11.22 percent. By business, the revenue from the equipment rental business increased by 35.32 percent while the revenue from TV program production business declined by 2.62 percent. Nonetheless, given that the TV program production business earned wide margins and the company was effectively able to well manage cost, the business still general good profit, which can be evidenced by the firm's strong profitability, with continued growth in net profit over the past three years, i.e., from Baht 14.56 million to Baht 58.44 million in 2012 and Baht 78.52 million in 2013, translating into growth of 9.47 percent and 11.37 percent, respectively.

2 Results of Operations

Revenue Structure by Business

Revenue by business	2011		2012		2013	
	million	%	million	%	million	%
Core business :-						
1. Revenue from TV program production	154.43	25.68	186.79	30.28	181.90	26.33
2. Revenue from TV commercial production	158.71	26.40	44.15	7.16	44.53	6.45
3. Revenue from equipment rental services	180.45	30.01	257.43	41.73	348.38	50.43
4. Revenue from printing business	64.17	10.67	65.17	10.57	52.20	7.56
5. Revenue from event organizing	31.79	5.29	28.43	4.61	37.84	5.48
6. Revenue from selling products	6.32	1.05	22.58	3.66	7.55	1.09
Core revenue	595.87	99.10	604.56	98.01	672.39	97.34
Other revenue	5.42	0.90	12.26	1.99	18.38	2.66
Total revenue	601.30	100.00	616.82	100.00	690.77	100.00

The Company's core revenue was still generated by its four major businesses: i) TV program production business; ii) TV commercial production business iii) equipment rental services; and iv) printing business. The combined revenue from these businesses accounted for 90-93 percent of the total revenue. In addition, the Company also earned revenue from organizing events and selling products as well as other revenue.

In the past three years (2011-2013) the Company's major revenue came from the equipment rental services of which revenue exposure continued to expand to 30.01 percent, 41.73 percent, and 50.43 percent in 2011, 2012, and 2013, respectively. The second biggest contributor was TV program production business where revenue accounted for 25-30 percent of the total revenue. This was followed by the revenue contribution from TV commercial production, which accounted for 6-26 percent of the total revenue, and the printing business whose revenue accounted for 8-11 percent of the total revenue. It should be noted that the revenue contribution from TV commercial production declined on the back of economic slowdown, intense competition, and the policy to slow down expansions of the TV commercial business.

Details by business

• TV Program Production

Revenue and cost structure for TV program production business	2011		2012		2013	
	million	%	million	%	million	%
Revenue	154.43	100.00	186.79	100.00	181.90	100.00
Production Cost	69.63	45.09	89.14	47.72	86.51	47.56
Gross Profit Margin	84.80	54.91	97.66	52.28	95.39	52.44

The revenue generated by the TV program production increased from Baht 154.43 million in 2011 to Baht 186.79 million in 2012 but in 2013 the revenue declined by Baht 4.89 million to Baht 181.90 million. This figure represented a drop of 2.62 percent on a year-on-year basis due to the fact that the programs were canceled at the time when the channel wanted the airtime slot for broadcast of special programs or events.

In the past three years, the production cost from the TV program production business accounted to 45-48 percent of the total revenue generated from the TV program production. During 2011-2013 the production cost increased by an average of 11.46 percent per annum. Given positive feedbacks from both audiences and sponsors as well as effective cost management, the gross profit margin from this business widened by 0.16 from the level in 2012 to 52.44 percent in 2013. However, compared to the figure in 2011, the 2013 gross profit margin was narrower than to the figure in 2011 because the Company was hired to produce the TV program “Ta Lob Lang Ta Lad”, starting in the final quarter of 2011, and began to realize the revenue and cost of this program for full year in 2012 and 2013. It should be noted that TV programs that the Company was hired to produce earned narrower margins from the Company’s own programs.

• TV commercial production business

Revenue and cost structure for TV commercial production	2011		2012		2013	
	million	%	million	%	million	%
Revenue	158.71	100.00	44.15	100.00	44.53	100.00
Production Cost	117.23	73.83	28.56	64.68	29.85	67.04
Gross Profit Margin	41.48	26.14	15.59	35.32	14.67	32.96

The gross profit margin earned by the TV commercial production business narrowed on the back of three major factors. First, the economic slowdown prompted clients to reduce their spending on marketing promotion and public relation activities. Second, the clients’ behaviors changed as they opted to other advertising channels, e.g., Internet, and below the line. Finally, the price competition intensified as many experienced personnel decided to launch their own production houses. The narrower gross profit margin earned by this business thus prompted the Company to adjust its business strategy, i.e., changing from a big production house to an agent providing integrated services. Hence, the revenue from the TV commercial production business ranged between Baht 44-45 million during 2012-2013 while the gross profit margin widened to 33-35 percent during the same period.

• Equipment rental services

Revenue and cost structure for equipment rental services	2011		2012		2013	
	million	%	million	%	million	%
Rental revenue	120.07	66.54	170.65	66.29	244.32	70.13
Service revenue	60.38	33.46	86.78	33.71	104.06	29.87
Total revenue from equipment rental services	180.45	100.00	257.43	100.00	348.38	100.00
Cost	131.16	72.68	160.44	62.33	224.12	64.33
Gross Profit Margin	49.29	27.32	96.99	37.67	124.26	35.67



The revenue from the equipment rental business came mainly from renting filming equipment and supplying experienced technicians. The Company had a policy to ensure service quality and service efficiency as well as start-of-the-art equipment meeting demand of both domestic and international clients. Hence, the revenue from this business continued to expand well. The revenue continued to increase from Baht 180.45 million in 2011 to Baht 257.43 million and Baht 348.38 million in 2012 and 2013, respectively. The 2012 revenue increased by Baht 76.98 million from the figure reported for 2011, equivalent to an increase of 42.66 percent. Going forward, the 2013 revenue grew by Baht 90.95 million from the revenue in 2012, growing by 35.32 percent. The revenue exposure from the equipment rental service in 2013 accounted for 70.13 percent of the total revenue from this business, higher than the exposure of 66.29 percent in 2011. Meanwhile, the service revenue accounted for 29.87 percent of the total revenue from this business. This reflects that the Company's equipment well matched clients' demand.

The cost for the equipment rental business stood at 62-73 percent of the total revenue from the business. Core cost consisted of: i) allowance for personnel in charge of rental equipment, for which the Company could charge to its clients, ii) depreciation cost, and iii) salaries, wages and other benefits. Both depreciation cost and salaries were fixed cost. Meanwhile the personnel allowance varied in accordance with equipment rental revenue. To elaborate, when the Company gained an increase in number of works, as experienced in 2013, the number of wage hours for technicians also increased accordingly. In regard to the depreciation cost, during 2012 - 2013 the depreciation cost increased given that the Company invested in new start-of-the-art equipment to support small to medium markets. Despite higher depreciation cost, the rental and service revenue increased and the gross profit margin in 2013 narrowed very slightly to 35.67 percent from 37.67 percent in 2012 and widened from 27.32 percent in 2011.

- **Printing business**

Revenue and cost structure for the printing business	2011		2012		2013	
	million	%	million	%	million	%
Revenue from the printing media	64.17	100.00	65.17	100.00	52.20	100.00
Sales cost	41.44	64.38	43.25	66.36	33.85	64.86
Gross profit margin	22.73	35.42	21.93	33.64	18.34	35.14

The core revenue from the printing business was generated mainly from sale of magazines as well as advertising spaces in the magazines, accounting for 98 percent of the total revenue from the printing business. Other revenue came from sale of pocket books and other income, accounting for 1-2 percent of the total revenue from this business. The Company produced two magazines namely "CHEEZE" and "CHEEZE LOOKER" and one free copy called "Snack" launched in December 2013. The revenue from this business declined to Baht 52.20 million in 2013, declining by Baht 12.97 million or 19.90 percent from the previous year. The decline can be blamed on the slowdown in the entire industry: in 2013 the sales of the industry's printing media dropped by 20 percent on the back of economic slowdown, political instability, competition from other media channels, especially IT or social network media or cable TV, which caused Thai people to spend less time reading.

During 2011-2013, the cost for the printing business accounted for 64-66 percent of the total revenue. The major cost consisted of production cost, e.g., remuneration for journalists, photographers, and printing cost. The printing cost had a direct correlation with the sales. All in all, the cost for the printing

business during 2011-2013 decreased by an average of 9.61 percent per annum. In 2013 the cost figure declined by Baht 9.4 million or 21.71 percent on a year-on-year basis due to the fact that the Company reduced the copies of “Cheeze” magazine to match the decline in sales. Note, however, that the sales of “CHEZEE LOOKER” launched in 2010 continued to grow well.

- **Revenue from other businesses**

Revenue structure from other businesses	2011		2012		2013	
	million	%	million	%	million	%
Revenue from other businesses :-						
Revenue from event organizing	31.79	83.41	28.43	55.74	37.84	83.37
Revenue from product sales	6.32	16.59	22.58	44.26	7.55	16.63
Total revenue from other businesses	38.11	100.00	51.01	100.00	45.39	100.00
Percentage of other revenue out of the total revenue		6.34		8.27		6.57

Apart from the aforementioned core revenue from four major businesses, the Company also earned revenue from organizing events and selling products that amounted to Baht 38 - 51 million, accounting for 6-8 percent of total revenue during 2011 - 2013.

- **Other revenue**

During 2011 – 2013, the Company earned other revenue amounting to Baht 5.4 – 18.38 million, accounting for 0.90 – 2.66 percent of total other revenue. In 2013, other revenue amounted to Baht 18.38 million, including the gain from the change of fair value of temporary investment – assets for trade amounting to Baht 11.81 million as well as the interests from deposit accounts.

Overall cost of sales and gross profit margin

Cost structure and gross profit margin	2011		2012		2013	
	million	%	million	%	million	%
Revenue from core businesses	595.87	100.00	604.56	100.00	672.39	100.00
Cost of sales and services	399.20	66.99	367.89	60.85	417.75	62.13
Gross Profit Margin	196.68	33.01	236.66	39.15	254.64	37.87

The cost of sales and services was comprised of salaries, wages and employees’ benefits, airtime lease for the TV program production business, the depreciation cost for the equipment rental service business, printing cost for the printing business, production cost for the TV commercial production business and other expenses. These items accounted for 60-67 percent of the total revenue from core businesses. As a result, the Company’s overall gross profit margin accounted for 33-39 percent of the total revenue from core businesses. In 2013, the gross profit margin stood at Baht 254.46 million, increasing by Baht 17.98 million or 7.60 percent on a year-on-year basis.

- **Selling General and Administration Expenses (SG&A)**

SG&A Structure	2011		2012		2013	
	million	%	million	%	million	%
Selling expenses	28.65	16.19	24.27	14.22	25.73	14.90
Administration Expenses	148.26	83.81	146.46	85.78	146.04	84.57
Other expenses	-	-	-	-	0.92	0.53
Total SG&A	176.91	100.00	170.73	100.00	172.69	100.00
Percentage out of the total revenue		29.42		27.68		25.00



During 2011-2013 the SG&A expensed averaged at Baht 173 million per annum, accounting for 27 percent of the total revenue. In 2012 the figure declined to Baht 170.73 million (vs. Baht 176.91 million in 2011) accounting for 27.68 percent of the total revenue. The decline was made possible by effective management on personnel expenses. In 2013, the Company's SG&A expenses amounted to Baht 172.69 million, accounting for 25.00 percent of the total revenue. The 2013 figure increased by Baht 1.96 million or 1.15 percent on a year-on-year basis as selling expenses increased on par with growing revenue and some other expenses were booked as a result of loss from discontinuation of asset utilization.

- **Operating profit and net profit**

	2011		2012		2013	
	million	%	million	%	million	%
Core revenue ^{/1}	595.87	100.00	604.56	100.00	672.39	100.00
Operating profit ^{/2}	19.77	3.32	65.93	10.90	82.87	12.32
Total revenue	601.30	100.00	616.82	100.00	690.77	100.00
Net profit	14.56	2.42	58.44	9.47	78.52	11.37
No. of weighting shares (mn) (million shares)	259.14		259.14		393.22	
Earnings per share (Baht)	0.05		0.23		0.20	

Note: ^{/1} Core revenue is operate revenue, excluding other revenue

^{/2} Operating profit is profit before deduction of interests and tax, excluding other revenue

The Company's operating profit excluding other revenue continued to grow well. In 2011 - 2013 the operating profit amounted to Baht 19.77 million, Baht 65.93 million and Baht 82.87 million, respectively. Meanwhile, the gross margins for the years stood at 3.32 percent, 10.90 percent, and 12.32 percent, respectively. In 2013 the operating profit increased by Baht 16.95 million or 25.70 percent. During 2011 - 2013 the Company booked net profit margins of 2.42 percent, 9.47 percent, and 11.37 percent, respectively. In 2013, the net profit margin widened by 20.08 percent or 34.36 percent on the back of the following factors:

- 1) The equipment rental service generated larger revenue and gross profit margin by 35 percent and 28 percent, respectively, on a year-on-year basis. The improvement was made possible by the Company's ability to repay loans to financial institutions. As a result, the loan amount fell to a mere Baht 0.40 million and the interest expenses thus decreased accordingly.
- 2) The TV program production business, which earned a gross profit margin of over 50 percent, reported a revenue decline of 2.62 percent on a year-on-year basis. As the cost declined at a larger pace than the drop in revenue, the gross profit margin to revenue in 2013 widened by 0.16 percent from the level seen in 2012.
- 3) The SG&A expenses were effectively managed.

The earnings per share in 2011-2013 stood at Baht 0.05, Baht 0.23 and Baht 0.20, respectively. Despite the improvement in overall performance in 2013, the earnings per share for the year dropped from the level reported for 2012 because the number of weight average number of common shares in 2013 increased from 259.14 million shares to 393.22 million shares. In 2013 the Company offered common capital increase shares and received the payment of 210 million shares. The offering price was Baht 3.50 per share. Also, the higher volume of right exercise on warrants by shareholders resulted had an impact on returns on equity. The returns on equity during 2011 to 2013 stood at 3.35 percent, 12.78 percent and 9.06 percent, respectively.

- **Dividends and Dividend Payout Policy**

Dividend payment: Details of the Company's dividend payments in 2011, 2012, and 2013 are as follows:

Annual Dividend	Unit	2011	2012	2013
No. of shares eligible for dividend payment	million	259.14	259.14	469.24 -532.18
Dividend per share	baht	0.09	0.06	0.10
Annual dividend	million	23.33	15.55	46.92-53.22
After-tax net profit (Separate financial statement)	million	*** 33.56	*** 11.51	65.94
Dividend payout	%	69.49	135.12	N/A
After-tax net profit (Consolidated financial statement)	Million baht	*** 14.56	*** 58.44	78.52
Dividend payout	%	160.22	26.61	N/A

*Note *** After-tax net profits in 2011-2012 represented the figures after adjustment*

The Company had a policy to pay a dividend at not less than 40 percent of the total after-tax net profit as stated in the Company's separate financial statement and after deduction of reserves, provided that the Company did not have any necessity to spend the money and that the dividend payment did not have a significant impact on the Company' normal operation.

- Regarding the dividend payment for 2011 performance, the Company's Board of Director meeting approved an interim payment for 1H'11 performances at Baht 0.05/share, translating into Baht 12.96 million. In addition, the 2012 Annual General Meeting approved an additional dividend payment at Baht 0.04/share for a total dividend amount of Baht 10.37 million. In total, the dividend payment for the entire 2011 performance was at Baht 23.33 million, for a dividend payout of 160.22 percent of the net profit in the consolidated financial statement.
- As for the 2012 dividend payment, the Annual General Meeting dated 29 April 2013 approved a dividend per share of Baht 0.06, translating into a total dividend payment of Baht 15.55 million, and a dividend payout ratio of 26.61 percent of the net profit from the consolidated financial statement.
- In regard to the 2013 dividend payment, the Company's Board of Director Meeting approved a dividend per share of Baht 0.10. Including the dividend from the number of sold shares as of 17 March 2014, the total dividends stood at Baht 46.92 million. It should be noted that the total of dividends may increase if some shareholders decide to exercise their right to convert MATCH-W2 to common shares during 24-28 March 2014, which is before the record date for determining the rights to receive dividends. The total amount of dividends will increase in accordance with the number of shares sold according to the second right exercise of warrants. In case the holders of MATCH-W2 warrant decide to exercise their rights for the full amount, the total dividend would be Baht 53.22 million. However, the rights to gain dividends remain uncertain until the Company gains an approval from the 2013 Annual General Meeting scheduled for 28 April 2014.

Analysis of Financial Status of the Company and its subsidiaries as of 31 December 2013

Assets

In 2011, 2012, 2013 the Company and its subsidiaries booked total assets of Baht 564.18 million, Baht 582.28, and Baht 1,352.90 million, respectively. In 2013 the assets increased by Baht 770.62 million or 132.35 percent to Baht 1,352.90 million from the amount booked for the same period of the previous year. The total assets in 2013 consisted of non-current assets accounting for 26.64 percent of the total assets. Details of the Company's assets are as follows:



- Cash and cash equivalent and temporary investment in 2013 amounted to Baht 818.57 million, increasing by Baht 679.84 million or 490.06 percent on a year-on-year basis. The jump was owing to the fact that the Company launched IPO shares of 210 million shares at Baht 3.50 per share.
- Account receivables and other receivables

The Company's account receivables consisted of general receivables, and receivables from relevant corporate. Most of clients were receivables from irrelevant corporate. In 2011-2013, the account receivables and other receivables totaled Baht 175.38 million, Baht 141.25 million, and Baht 159.66 million, respectively. In 2013, the average credit term was 80.55 days vs. 94.27 days and 113.07 days in 2012 and 2011, respectively.

Structure of trade account receivables	2011	2012	2013
	Million	Million	Million
General account receivables	144.39	135.59	157.65
Account receivables from irrelevant corporate	0.86	1.59	1.78
Trade account receivables	145.25	137.18	159.43
Accrued income	38.34	4.43	2.84
Total account receivables and accrued income	183.59	141.61	162.27
<u>Deduction of</u>			
Deferred income	(4.28)	(2.21)	(5.65)
Allowance for doubtful debts	(7.11)	(3.52)	(5.64)
Allowance for returned goods	(1.75)	(2.56)	(1.29)
Deposits under the contracts	(0.66)	-	-
Trade account receivables and accrued income-net	169.79	133.33	149.70
Pre-paid expenses	3.61	4.26	3.81
Other receivables	7.25	3.66	6.15
<u>Deduction</u>			
Allowance for doubtful debts	(5.28)	-	-
Total trade account receivables * net	175.38	141.25	159.66

During 2011 – 2013 most of account receivables were those remaining undue, which accounted for 57.76- 66.18 percent of general account receivables and the account receivables from relevant corporate. Meanwhile, the account receivables with not more than three month due were equivalent to 25.61- 27.82 percent of the total general receivables and receivables from relevant corporate. The Company began to set aside allowances for doubtful debts at a 25 percent of the total value when the receivables remained unpaid for over five consecutive months. In addition, the Company set aside allowances at 50 percent of the total value of receivables that remained unpaid for six consecutive months. Finally, for those receivables that remained unpaid for at least seven consecutive months, the Company set aside full allowances for such doubtful debts.

Structure of account receivables classified by duration

Items	2011		2012		2013	
	million	%	million	%	million	%
Account Receivables						
Not yet due	93.60	64.44	90.79	66.18	92.08	57.76
Due not longer than three months	38.57	26.56	35.14	25.61	44.35	27.82
Due longer than three months but not longer than six months	5.08	3.50	6.16	4.49	11.21	7.03
Due longer than six months but not longer than twelve months	4.17	2.87	1.99	1.45	5.81	3.64
Due longer than twelve months	3.83	2.64	3.11	2.27	5.98	3.75
Account receivables	145.25	100.00	137.18	100.00	159.43	100.00

- Assets for lease - net

During 2011 - 2013 the Company's assets for leases accounted for around 18.52 - 29.72 percent of the total assets. The assets for leases included Gear Head's equipment, i.e., equipment for production crew, properties of scenes, and vehicles. The Company calculated the depreciation for equipment for production crew at 33.33 percent per annum and the depreciation cost for properties of scenes was calculated at 10-20 percent per annum and the depreciation cost for vehicles was based on 10 percent per annum. In 2012, the Company put additional investment in rental equipment assets worth Baht 65.01 million. Meanwhile, the depreciation for the year was recorded at Baht 30.33 million and there was an amortization of the assets valued at Baht 2.11 million. Hence, the Company had assets for leases valued at Baht 173.05 million. In 2013, the Company invested in new rental properties worth Baht 122.04 million, with the depreciation cost for the year at Baht 43.07 million and the amortization of Baht 1.42 million. Hence, the Company had total assets for leases valued at Baht 250.60 million for the year. This could support clients' demand and boosted the revenue by 35 percent compared to the revenue in 2012.

- Buildings and equipment - net

During 2011 - 2013 the Company owned buildings and equipment valued at approximately Baht 87.94 - 96.34 million, accounting for 6.85 - 17.08 percent of the total assets. In 2013 the net book value of the buildings and equipment amounted to Baht 92.67 million. The major buildings and equipment included: i) the Company's head office valued at Baht 45.61 million, for which the Company signed a 30-year lease contract with the Crown Property Bureau with the depreciation and lease right for 20 years; and ii) the Company's studio valued at Baht 9.63 million, for which the Company signed an 8-year lease contract with a third party with the depreciation and the lease right for 20 years. Note that the contract states that the Company, as a tenant, is entitled to an extension of three years each time. The current ratios in the past three years were 1.01 times, 1.08 times, and 0.71 times, respectively, changing slightly.

- Liabilities

As of the ends of 2011 - 2013, the liabilities ranged from Baht 100.20 to Baht 131.48 million. As of 31 December 2013, the liabilities stood at Baht 100.67 million, increasing by Baht 0.48 million or 0.48 percent on a year-on-year basis. The current liabilities amounted to Baht 79.88 million, accounting for 79.35 percent of the total liabilities. Meanwhile, the non-current liabilities stood at Baht 20.79 million, equivalent to 20.65 percent of the total liabilities.

- Account Payables

The Company's account payables consisted of general account payables, deferred revenue, other payables and accrued expenses.

Account Payable Structure

Items	2011		2012		2013	
	million	%	million	%	million	%
Account payables						
General payables - irreverent corporate	53.47	59.01	20.71	32.81	14.18	23.59
Account payables - relevant corporate	-	-	0.32	0.51	-	-
Deferred income	8.52	9.40	0.52	0.82	5.33	8.86
Other payables	1.59	1.75	15.82	25.06	8.07	13.42
Accrued expense	27.03	29.83	25.75	40.80	32.54	54.12
Account Payables	90.61	100.00	63.12	100.00	60.12	100.00



- Interest bearing debts

The Company's interest bearing debts were comprised of overdrafts, short-term loans, long-term loans from financial institutions, and debts under financial leases. The Company saw its interest bearing debts steadily decline as it continued to repay long-term debts to financial institutions. In 2013 the Company repaid debts amounting to Baht 5 million; hence, as of 31 December 2013 its long-term loans stood at Baht 0.40 million. Meanwhile, the debts under financial leases continued to increase as the Company purchased assets with the value increasing by Baht 3.59 million.

Structure of interest bearing debts

Items	2011		2012		2013	
	million	%	million	%	million	%
Interest Bearing Debts						
Overdrafts and short-term loans from financial institutions	0.36	2.96	-	-	4.52	58.47
Long-term debts from financial institutions	10.41	85.19	5.40	84.82	0.40	5.14
Debts under the financial lease contracts	1.45	11.85	0.97	15.18	2.81	36.39
Total Interest Bearing Debts	12.21	100.00	6.37	100.00	7.26	100.00

Shareholders' equity

In 2013 the shareholders' equity totaled Baht 1,252.22 million, jumping by Baht 770.14 million or 159.75 percent on a year-on-year basis. The jump was due to the fact that during 8-10 May 2013 the Company issued public offering shares of 210 million shares at Baht 3.50 per share. The transaction generated proceeds of Baht 735 million. Following the transaction, the Company's registered and paid-up capital increased from 259,143,807 shares to 469,143,807 common shares and the share premiums increased from Baht 141.52 million to Baht 640.01 million. In 2013, warrant holders exercised their right to buy common shares of 93,500 units at 1 unit per 1.082 common shares at Baht 1.293 per share, translating into proceeds of Baht 0.13 million. Hence, the registered and paid-up capital stood at 469,244,974 shares and in 2013 the Company paid dividends of Baht 15.55 million (based on the 2012 earnings performance at Baht 0.06 per share). In addition, the Company had a net profit of Baht 78.52 million and book value per share as of the end of 2013 at Baht 2.67 per share.

Liquidity and capital adequacy

Liquidity

- Cash flow

Item	2011	2012	2013
Net cash provided by (used in) operating activities	52.67	101.54	118.47
Net cash provided by (used in) investing activities	(73.23)	(19.68)	(841.69)
Net cash provided by (used in) financing activities	(52.69)	(16.21)	690.84
Cash and cash equivalent increase (decrease)-net	(73.24)	65.65	(32.38)

In 2013 the Company reported net cash provided by operating activities at Baht 118.47 million, which included the pre-tax operating profit of Baht 100.01. After the adjustment of non-cash items, the Company had operating profit before changes of assets and operating liabilities amounting to Baht 144.29 million. The Company repaid Baht 5.91 account payables and paid corporate income tax of Baht 23.12 million. Hence, its operating cash flow amounted to Baht 118.47 million.

The Company had cash flow from financing activities amounting to Baht 690.84 million as it received proceeds from the capital increase program of Baht 708.62 million after expense deduction. The Company paid dividends for the 2012 performance at Baht 15.55 million.

The Company had cash flow from investing activities for the total amount of Baht 841.69 million: the Company invested in mutual funds, which generated fixed revenue, for a total of Baht 700 million and purchased rental assets valued at Baht 131.24 million.

Liquidity Ratio

Liquidity Ratio	Unit	2011	2012	2013
Liquidity ratio	time	2.77	3.57	12.42
Quick ratio	time	2.52	3.30	12.25

During 2011 and 2013, the Company's liquidity remained strong. The liquidity ratio and the quick ratio continued to improve and exceeded 1 time. In the past three years, the Company's current liabilities continued to decline, while current assets decreased only slightly in 2012 before increasing in 2013. This suggested that the Company had sufficient working capital for business operation and that it also had adequate current assets to settle existing current liabilities.

Cash Cycle

Cash cycle	Unit	2011	2012	2013
Average collection period	Day	113.07	94.27	80.55
Average day sale	Day	4.61	6.74	8.10
Credit term	Day	91.55	75.22	53.10
Cash Cycle	Day	26.13	25.79	35.55

The Company's average collection period was 96 days, higher than the credit term (60 – 90 days) because the average collection period depended on how long advertising agencies, who hired the Company, gave the credit terms to product owners. In other words, the Company received money only when the advertising agencies were paid by product owners. Nonetheless, the average collection period declined due to the slowdown in the TV commercial production business. Meanwhile, the average day sale was 4-8 days. The Company's credit terms declined to 53-75 days, in line with the credit term the Company was given by creditors.



Debt repayment ability

Item	Unit	2011	2012	2013
Operating cash flow	million	52.67	101.54	118.47
Interest bearing debts	million	12.21	6.37	7.26
Financial cost (interest)	million	2.07	0.64	0.31
(CFO/Debt)	time	4.31	15.95	15.33
CFO/I	time	25.46	158.14	377.94

The Company had been well positioned to settled interest bearing debts and pay interest payment during 2011-2013. Its interest bearing debt coverage ratio and debt coverage ratio continued to increase each year. As of 31 December 2013, the Company saw interest bearing debts amounting to Baht 7.26 million, with financial cost (interest) of a mere Baht 0.31 million. Meanwhile, the Company's operating cash flow stood at Baht 118.47 million.

Sources of funds

The major sources of fund included registered capital, and retained earnings. As of 31 December 2013, the Company's paid-up capital amounted to Baht 469.24 million and the premium on shares was valued at Baht 640.04 million. The retained earnings stood at Baht 142.00 million. In regard to liabilities, the Company's had slight interest bearing debts. During 2011 and 2013, the Company's interest bearing debts declined to Baht 7.26 million and the net interest bearing debt to equity ratio was at 0.01 time and the debt to equity declined to 0.08 time. It should be noted that both ratios were below 1 time.

Appropriateness of capital structure

Item	Unit	2011	2012	2013
Total liabilities	million	131.48	100.20	100.67
Interest bearing debts	million	12.21	6.37	7.26
Shareholders' equity	million	432.70	482.08	1,252.22
Interest bearing debt to equity ratio	time	0.03	0.01	0.01
Debt to Equity Ratio	time	0.30	0.21	0.08

Off Balance Sheet Obligations

As of 31 December 2013 the Company and its subsidiaries had the off-balance sheet obligations linked to the long-term leases for land and laded property (1-30 year- term) and the guarantee for the leased contracts to broadcast TV programs, such as Plod Nee, Kob Dek Sarng Ban, and etc, and the guarantee to cover possible damages arising for TV commercial production and power usage of the Company and its subsidiaries.

Off balance sheet obligations	2011		2012		2013	
	million	%	million	%	million	%
Long-term lease contract						
Note later than one year	6.45	17.12	8.82	22.77	8.95	24.64
Later than 1 years but not later than 5 years	10.15	26.94	11.30	29.17	10.17	28.00
Later than 5 years	17.63	46.79	15.94	41.15	14.20	39.10
Total obligation based on lease contracts	34.23	90.84	36.06	93.08	33.33	91.74
Guarantee obligations	3.45	9.16	2.68	6.92	3.00	8.26
Off balance sheet obligations	37.68	100.00	38.74	100.00	36.66	100.00

Factors impacting the Company's future performance

Future project

The Company has planned to invest in the New-Home project, for which it built a studio supporting indoor, outdoor, and sub-water filming activities. The Company sees high growth potential to capture bigger market shares in the equipment rental business both in the upper and lower markets. The Company is currently conducting a preliminary feasibility study and seeking suitable location for building the new studio as well as a warehouse and office. Once the feasibility study results are obtained, the project will be proposed for an approval from the shareholders' meeting later.



Auditor's Report

To the Shareholders of Matching Maximize Solution Public Company Limited

I have audited the accompanying consolidated and company financial statements of Matching Maximize Solution Public Company Limited and its subsidiaries and of Matching Maximize Solution Public Company Limited, which comprise the consolidated and company statements of financial position as at 31 December 2013, and the related consolidated and company statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated and company financial statements referred to above present fairly, in all material respects, the consolidated and company financial position of Matching Maximize Solution Public Company Limited and its subsidiaries and of Matching Maximize Solution Public Company Limited as at 31 December 2013, and the consolidated and company results of operations and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.



Kajornkiet Aroonpirodkul

Certified Public Accountant (Thailand) No. 3445

PricewaterhouseCoopers ABAS Ltd.

Bangkok

21 February 2014

Matching Maximize Solution Public Company Limited

Statements of Financial Position

As at 31 December 2013

	Notes	Consolidated			Company		
		31 December 2013	Restated		31 December 2013	Restated	
			31 December 2012	1 January 2012		31 December 2012	1 January 2012
		Baht	Baht	Baht	Baht	Baht	Baht
Assets							
Current assets							
Cash and cash equivalents	7	105,352,231	137,726,513	72,081,520	27,803,094	66,430,124	33,022,085
Short-term investments	8	713,218,845	999,936	32,523,313	712,194,093	-	20,000,000
Restricted cash - current portion	9	200,000	-	639,700	-	-	639,700
Trade and other receivables	10	159,658,956	141,248,423	175,378,399	52,103,418	53,869,119	79,142,810
Short-term loans to subsidiaries, net	31.5	-	-	-	144,574,011	53,164,011	56,584,011
Inventories	11	9,571,859	9,220,382	4,554,771	3,165,009	3,851,328	2,925,524
VAT receivable		202,094	809,969	1,087,251	-	-	522,511
Withholding tax deducted at sources, net		2,963,517	11,752,959	19,746,003	1,674,102	4,174,702	6,645,679
Other current assets		1,367,386	1,338,194	2,014,847	89,019	204,413	554,411
Total current assets		992,534,888	303,096,376	308,025,804	941,602,746	181,693,697	200,036,731
Non-current assets							
Investments in subsidiaries	12	-	-	-	186,959,063	186,959,063	193,959,063
Restricted cash - non current portion	9	2,598,471	2,598,471	2,816,353	2,502,471	2,502,471	2,720,353
Investment properties	13	10,249,564	10,249,564	10,249,564	-	-	-
Property and equipment, net	14	92,673,640	87,936,058	96,335,874	78,419,685	74,059,708	83,757,908
Assets for rent, net	15	250,599,295	173,049,461	140,471,423	-	-	-
Intangible assets, net	16	1,306,118	2,130,838	1,934,647	148,666	383,940	576,051
Deferred tax assets	17	213,113	1,389,234	2,164,981	-	1,040,211	1,839,991
Other non-current assets		2,720,278	1,826,768	2,183,464	1,451,784	551,224	761,604
Total non-current assets		360,360,479	279,180,394	256,156,306	269,481,669	265,496,617	283,614,970
Total assets		1,352,895,367	582,276,770	564,182,110	1,211,084,415	447,190,314	483,651,701



Matching Maximize Solution Public Company Limited

Statements of Financial Position (Cont'd)

As at 31 December 2013

	Notes	Consolidated			Company	
		31 December 2013	Restated		31 December 2012	1 January 2012
			31 December 2012	1 January 2012		
		Baht	Baht	Baht	Baht	Baht
Liabilities and shareholders' equity						
Current liabilities						
Bank overdrafts		4,518,806	-	361,688	-	351,988
Trade and other payables	18	60,116,740	63,128,201	90,608,390	15,279,933	43,938,903
Current portion of long-term borrowing from financial institution	19	397,000	5,004,000	5,004,000	-	-
Current portion of liability under finance lease	19	472,242	512,908	480,571	472,242	512,908
Short-term loan from subsidiary	31.6	-	-	-	-	7,000,000
Accrued income tax		857,579	4,076,850	2,000,945	-	-
Other current liabilities		13,520,262	12,061,012	12,708,105	4,803,546	4,861,589
Total current liabilities		79,882,629	84,782,971	111,163,699	20,555,721	56,633,051
Non-current liabilities						
Long-term borrowing from financial institution	19	-	397,000	5,401,000	-	-
Liability under finance lease	19	2,340,060	453,692	966,600	2,340,060	966,600
Deferred tax liabilities	17	2,931,621	1,539,108	638,622	1,147,520	-
Employee benefit obligations	20	15,519,802	13,024,332	13,082,385	3,528,677	3,741,921
Other non-current liabilities		-	-	226,543	-	-
Total non-current liabilities		20,791,483	15,414,132	20,315,150	7,016,257	4,708,521
Total liabilities		100,674,112	100,197,103	131,478,849	27,571,978	61,341,572

Matching Maximize Solution Public Company Limited

Statements of Financial Position (Cont'd)

As at 31 December 2013

	Notes	Consolidated			Company	
		Restated			Restated	
		31 December 2013	31 December 2012	1 January 2012	31 December 2013	1 January 2012
		Baht	Baht	Baht	Baht	Baht
Liabilities and shareholders' equity (Cont'd)						
Shareholders' equity						
Share capital						
Authorised share capital						
Ordinary shares, 535 million shares at par value of Baht 1 each (1 January 2012: ordinary shares, 324 million shares at par value of Baht 1 each)	21	535,000,000	535,000,000	324,000,000	535,000,000	324,000,000
Issued and fully paid-up share capital						
Ordinary shares, 469.24 million shares paid-up of Baht 1 each (2012: ordinary shares, 259.14 million shares paid-up of Baht 1 each)	21	469,244,974	259,143,807	259,143,807	469,244,974	259,143,807
Share premium	21	640,039,105	141,516,103	141,516,103	640,039,105	141,516,103
Retained earnings						
Appropriated - legal reserve	22	5,012,705	4,339,324	2,753,084	5,012,705	2,753,084
Unappropriated		136,990,502	76,931,261	29,117,414	69,215,653	19,612,971
Equity attributable to owners of the parent		1,251,287,286	481,930,495	432,530,408	1,183,512,437	424,612,205
Non-controlling interests		933,969	149,172	172,853	-	-
Total shareholders' equity		1,252,221,255	482,079,667	432,703,261	1,183,512,437	424,612,205
Total liabilities and shareholders' equity		1,352,895,367	582,276,770	564,182,110	1,211,084,415	447,190,314



Matching Maximize Solution Public Company Limited

Statements of Comprehensive Income

For the year ended 31 December 2013

	Notes	Consolidated		Company	
		2013	Restated	2013	Restated
			2012		2012
		Baht	Baht	Baht	Baht
Revenue					
Services income		612,646,487	516,805,315	187,403,403	193,855,899
Sales		59,745,768	87,751,439	-	-
Total revenue		672,392,255	604,556,754	187,403,403	193,855,899
Cost of sales and services					
Cost of providing services		(377,898,285)	(306,690,280)	(95,906,092)	(99,155,862)
Cost of sales		(39,849,932)	(61,203,436)	-	-
Total cost of sales and services		(417,748,217)	(367,893,716)	(95,906,092)	(99,155,862)
Gross profit		254,644,038	236,663,038	91,497,311	94,700,037
Other income	24	18,375,265	12,263,940	62,182,741	11,827,601
Selling expenses		(25,733,667)	(24,271,989)	(5,974,734)	(6,742,331)
Administrative expenses		(146,038,629)	(146,464,773)	(74,430,398)	(84,270,087)
Other expenses	26	(920,713)	-	-	-
Finance costs		(313,471)	(642,055)	(61,570)	(107,901)
Profit before income tax expense		100,012,823	77,548,161	73,213,350	15,407,319
Income tax expense	27	(21,488,974)	(19,106,833)	(7,271,836)	(3,899,621)
Net profit for the year		78,523,849	58,441,328	65,941,514	11,507,698
Other comprehensive income (loss):					
Actuarial gains (losses) on defined employee benefit plans		(1,808,676)	1,626,037	(146,029)	1,450,163
Income tax relating to components of other comprehensive income for the year		351,963	(325,207)	29,206	(290,033)
Total comprehensive income for the year, net of tax		77,067,136	59,742,158	65,824,691	12,667,828
Net profit attributable to:					
Owners of the parent		77,739,052	58,465,009	65,941,514	11,507,698
Non-controlling interest in subsidiaries		784,797	(23,681)	-	-
		78,523,849	58,441,328	65,941,514	11,507,698
Total comprehensive income attributable to:					
Owners of the parent		76,282,339	59,765,839	65,824,691	12,667,828
Non-controlling interest in subsidiaries		784,797	(23,681)	-	-
		77,067,136	59,742,158	65,824,691	12,667,828
Earnings per share	28				
Basic earnings per share		0.20	0.23	0.17	0.04
Diluted earnings per share		0.18	0.21	0.16	0.04

Matching Maximize Solution Public Company Limited

Statements of Changes in Shareholders' Equity

For the year ended 31 December 2013

Consolidated												
Attributable to owners of the parent												
	Notes	Retained earnings								Total owners of the parent	Non-controlling interests	Total
		Issued and paid-up share capital	Share premium	Appropriated - legal reserve		Unappropriated		Other comprehensive income				
				Baht	Baht	Baht	Baht		Baht			
Balance as at 1 January 2012		259,143,807	141,516,103	2,753,084	27,656,649	-		431,069,643	107,259	431,176,902		
Retrospective adjustment from changes in accounting policy												
- Deferred income tax	2.19	-	-	-	1,460,765	-		1,460,765	65,594	1,526,359		
Balance after adjustment		259,143,807	141,516,103	2,753,084	29,117,414	-		432,530,408	172,853	432,703,261		
Changes in equity for year 2012												
Legal reserv	22	-	-	1,586,240	(1,586,240)	-		-	-	-		
Dividends	29	-	-	-	(10,365,752)	-		(10,365,752)	-	(10,365,752)		
Total comprehensive income (loss) for the year (restated)		-	-	-	59,765,839	-		59,765,839	(23,681)	59,742,158		
Closing balance as at 31 December 2012		259,143,807	141,516,103	4,339,324	76,931,261	-		481,930,495	149,172	482,079,667		
Changes in equity for year 2013												
Shares issuance	21	210,000,000	498,493,360	-	-	-		708,493,360	-	708,493,360		
Warrant exercised	23	101,167	29,642	-	-	-		130,809	-	130,809		
Legal reserve	22	-	-	673,381	(673,381)	-		-	-	-		
Dividends	29	-	-	-	(15,549,717)	-		(15,549,717)	-	(15,549,717)		
Total comprehensive income for the year		-	-	-	76,282,339	-		76,282,339	784,797	77,067,136		
Closing balance as at 31 December		469,244,974	640,039,105	5,012,705	136,990,502	-		1,251,287,286	933,969	1,252,221,255		



Matching Maximize Solution Public Company Limited

Statements of Changes in Shareholders' Equity

For the year ended 31 December 2013

	Notes	Company					
		Issued and paid-up share capital	Share premium	Retained earnings			Other comprehensive income
				Appropriated - legal reserve	Unappropriated		
		Baht	Baht	Baht	Baht	Baht	Baht
Balance as at 1 January 2012		259,143,807	141,516,103	2,753,084	17,057,144	-	420,470,138
Retrospective adjustment from changes in accounting policy							
- Deferred income tax	2.19	-	-	-	1,839,991	-	1,839,991
Balance after adjustment		259,143,807	141,516,103	2,753,084	18,897,135	-	422,310,129
Changes in equity for the year 2012							
Legal reserve	22	-	-	1,586,240	(1,586,240)	-	-
Dividends	29	-	-	-	(10,365,752)	-	(10,365,752)
Total comprehensive income for the year (restated)		-	-	-	12,667,828	-	12,667,828
Closing balance as at 31 December 2012		259,143,807	141,516,103	4,339,324	19,612,971	-	424,612,205
Changes in equity for the year 2013							
Shares issuance	21	210,000,000	498,493,360	-	-	-	708,493,360
Warrant exercised	23	101,167	29,642	-	-	-	130,809
Legal reserve	22	-	-	673,381	(673,381)	-	-
Dividends	29	-	-	-	(15,548,628)	-	(15,548,628)
Total comprehensive income for the year		-	-	-	65,824,691	-	65,824,691
Closing balance as at 31 December 2013		469,244,974	640,039,105	5,012,705	69,215,653	-	1,183,512,437

Matching Maximize Solution Public Company Limited

Statements of Cash Flows

For the year ended 31 December 2013

	Notes	Consolidated		Company	
		2013	2012	2013	2012
		Baht	Baht	Baht	Baht
Cash flows from operating activities					
Profit before income tax expense		100,012,823	77,548,161	73,213,350	15,407,319
Adjustments for:					
Bad debt expenses and doubtful accounts (reversal)	10	2,126,201	(3,593,534)	161,117	(2,313,000)
Depreciation and amortisation charge	25	55,368,160	42,139,753	8,880,783	8,881,171
Provision of goods returns (reversal)	4.2	(1,271,050)	810,550	-	-
Loss from write-off of withholding tax		1,694,094	1,546,348	585,234	941,200
Provision for withholding tax deducted at sources (reversal)		(864,088)	(2,393,824)	250,000	(942,894)
Gain from change in fair value of trading securities	24	(11,813,403)	-	(11,813,403)	-
Dividends income	24	-	-	(38,098,911)	(626,975)
Gain from disposal of equipment		(279,547)	(1,716,435)	(269,527)	(214,114)
Gain from disposal of assets for rent		(323,641)	(913,445)	-	-
Loss from write-off of equipment		24,717	2,183,373	-	2,168,594
Loss from write-off of assets for rent		1,229,657	-	-	-
Interest income	24	(1,928,451)	(1,925,380)	(9,667,794)	(6,336,496)
Finance costs		313,471	642,055	61,570	107,901
		144,288,943	114,327,622	23,302,419	17,072,706
Change in operating assets and liabilities:					
- Trade and other receivables	10	(19,265,684)	36,812,942	1,604,584	27,608,053
- Inventories and productions in progress	11	(351,477)	(4,665,611)	686,319	(925,804)
- VAT receivable		607,875	277,282	-	522,511
- Other current assets		(29,192)	676,653	115,394	349,998
- Restricted cash	9	(200,000)	857,582	-	857,582
- Other non-current assets		(893,510)	356,696	(900,560)	210,380
- Trade and other payables	18	5,905,481	(41,358,360)	921,894	(29,903,713)
- Other current liabilities		1,459,250	(647,093)	51,319	(109,362)
- Non-current liabilities		-	(226,543)	-	-
- Employee benefit		686,794	1,567,984	614,710	476,180
Cash flows from operating activities		132,208,480	107,979,154	26,396,079	16,158,531
Interest received		432,178	1,066,113	221,544	239,146
Interest paid		(339,419)	(669,890)	(61,570)	(107,901)
Withholding tax refunded		9,295,077	10,717,900	2,288,870	3,773,269
Corporate income tax paid		(23,123,289)	(17,557,282)	(5,678,403)	(4,690,472)
Net cash generated from operating activities		118,473,027	101,535,995	23,166,520	15,372,573



Matching Maximize Solution Public Company Limited

Statements of Cash Flows (Cont'd)

For the year ended 31 December 2013

	Notes	Consolidated		Company	
		2013	2012	2013	2012
		Baht	Baht	Baht	Baht
Cash flows from investing activities					
Cash payment for short-term investments		(700,380,690)	-	(700,380,690)	-
Cash received from short-term investments		-	31,523,377	-	20,000,000
Cash payment for short-term loans to subsidiaries	31.5	-	-	(129,950,000)	(23,770,000)
Cash received from short-term loans to subsidiaries	31.5	-	-	38,300,000	26,950,000
Proceeds from dissolution of a subsidiary	12	-	-	-	7,000,000
Cash payment for purchases of assets for rent		(131,237,405)	(51,287,839)	-	-
Cash payment for purchases of equipment		(13,320,627)	(4,729,995)	(10,192,520)	(1,063,413)
Proceeds from disposal of assets for rent		515,630	3,024,079	-	-
Proceeds from disposal of equipment		1,325,966	1,773,402	1,313,256	243,027
Cash payment for purchases of intangible assets	16	(66,600)	(941,300)	-	(68,800)
Interest received from short-term investments		1,471,457	959,285	212,571	509,537
Interest received from short-term loans to subsidiaries		-	-	9,473,679	5,806,451
Dividends received from subsidiaries		-	-	38,098,911	626,975
Net cash generated from (used in) investing activities		(841,692,269)	(19,678,991)	(753,124,793)	36,233,777
Cash flows from financing activities					
Bank overdrafts		4,518,806	(361,688)	-	(351,988)
Repayments to long-term borrowing from financial institution	19	(5,004,000)	(5,004,000)	-	-
Repayments to short-term loan from subsidiary	31.6	-	-	-	(7,000,000)
Repayments to liability under finance lease	19	(1,744,298)	(480,571)	(1,744,298)	(480,571)
Issuance of ordinary shares		708,624,169	-	708,624,169	-
Dividends payments	29	(15,549,717)	(10,365,752)	(15,548,628)	(10,365,752)
Net cash generated from (used in) financing activities		690,844,960	(16,212,011)	691,331,243	(18,198,311)
Net increase (decrease) in cash and cash equivalents		(32,374,282)	65,644,993	(38,627,030)	33,408,039
Opening balance of cash and cash equivalents		137,726,513	72,081,520	66,430,124	33,022,085
Closing balance of cash and cash equivalents		105,352,231	137,726,513	27,803,094	66,430,124
Non-cash transactions					
Outstanding payable arising from purchases of equipment		486,818	178,072	322,849	56,154
Outstanding payable arising from purchases of assets for rent		5,423,373	14,623,113	-	-

Matching Maximize Solution Public Company Limited

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

1 General information

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

Head office: located 305/10 Soi Sukhothai 6, Sukhothai Road, Dusit, Bangkok.

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

The Group is principally engaged in the business of advertisement films production, providing film production equipment for rent and providing related services, production and distribution of magazines.

The Group consolidated and company financial statements were authorised for issue by the Board of Directors on 21 February 2014.

2 Accounting policies

The principal accounting policies applied in the preparation of these consolidated and company financial statements are set out below:

2.1 Basis of preparation

The consolidated and company financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act.

The consolidated and company financial statements have been prepared under the historical cost convention, except for short-term investments as described in Note 2.8.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

Change in accounting policies

At the Board of Directors Meeting held on 21 February 2014, the Board passed a resolution to approve change in accounting policy for employee benefit obligations in order to be consistent with the revised standard which will become effective in the near term. The previous policy for defined benefit pension plans which is to recognise actuarial gain and loss in full in profit and loss, will be changed to recognise gain and loss in other comprehensive income in the period which they arise. The resolution will apply to the financial statements for the year 2013.



The Group also changes in accounting policy regarding income taxes because new accounting standard becomes effective on 1 January 2013.

The Group adjusted the impact of these changes in accounting policy retrospectively. The effects of changes to the statement of financial position, the statements of comprehensive income, earnings per share, and the statements of changes in equity are presented as below:

	Consolidated		Company			
	Baht		Baht			
Statement of financial position as at 1 January 2012						
Increase in deferred tax assets	2,164,981		1,839,991			
Increase in deferred tax liabilities	(638,622)		-			
	1,526,359		1,839,991			
Increase in non-controlling interest	65,594		-			
Statement of financial position as at 31 December 2012						
Increase in deferred tax assets	1,389,234		1,040,211			
Increase in deferred tax liabilities	(1,539,108)		-			
	(149,874)		1,040,211			
Increase in non-controlling interest	76,098		-			
	Previous presentation		Increase/(decrease)		Current presentation	
	Consolidated	Company	Consolidated	Company	Consolidated	Company
	Baht	Baht	Baht	Baht	Baht	Baht
Statements of comprehensive income for the year ended 31 December 2012						
Administrative expenses	(144,838,736)	(82,819,924)	(1,626,037)	(1,450,163)	(146,464,773)	(84,270,087)
Income taxes expense	(17,755,807)	(3,389,874)	-	-	(17,755,807)	(3,389,874)
Impact of change in accounting policy						
- Income taxes (Note 2.19)	-	-	(1,676,233)	(799,780)	(1,676,233)	(799,780)
- Income tax relating to components of other comprehensive income	-	-	325,207	290,033	325,207	290,033
Income taxes expenses	(17,755,807)	(3,389,874)	(1,351,026)	(509,747)	(19,106,833)	(3,899,621)
Profit for the year	61,418,391	13,467,608	(2,977,063)	(1,959,910)	58,441,328	11,507,698
Other comprehensive income	-	-	1,300,830	1,160,130	1,300,830	1,160,130
Comprehensive income for the year, net of tax	61,418,391	13,467,608	(1,676,233)	(799,780)	59,742,158	12,667,828
Basic earnings per share	0.24	0.05	(0.01)	(0.01)	0.23	0.04
Dilute earnings per share	0.22	0.05	(0.01)	(0.01)	0.21	0.04

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

2.2 New accounting standards, amendments to accounting standards, and new interpretations

New accounting standards and amendments to accounting standards which are effective on 1 January 2013 and are relevant to the Group are:

TAS 12	Income Taxes
TAS 21 (Revised 2009)	The Effects of Changes in Foreign Exchange Rates
TFRS 8 Operating	Segments

TAS 12 requires tax expenses to be recognised for current and deferred tax. New accounting policy of income taxes and the significant impact to the consolidated and Company financial statements are described in Note 2.1.

TAS 21 (Revised 2009) requires the Group to determine the functional currency which is the currency of the primary economic environment in which the entity operates. The Group assessed and concluded that Thai Baht is the Group's functional currency. As a consequence, applying TAS 21 (Revised 2009) has no impact to assets, liabilities and retained earnings. New accounting policy is described in Note 2.4.

TFRS 8 requires the operating segment to be described in the same manner as internal reporting used by the chief operating decision-maker. New accounting policy is described in Note 2.21. The impact to the Group in applying TFRS 8 is only on a disclosure.

Revised accounting standards, revised financial reporting standards, and new interpretations which are effective for the periods begin on or after 1 January 2014 and are relevant and have not been adopted by the Group:

TAS 1 (Revised 2012)	Presentation of Financial Statements
TAS 7 (Revised 2012)	Statement of Cash Flows
TAS 12 (Revised 2012)	Income Taxes
TAS 17 (Revised 2012)	Leases
TAS 18 (Revised 2012)	Revenue
TAS 34 (Revised 2012)	Interim Financial Reporting
TAS 36 (Revised 2012)	Impairment of assets
TFRS 8 (Revised 2012)	Operating Segments
TFRIC 4	Determining Whether an Arrangement Contains a Lease
TFRIC 10	Interim Financial Reporting and Impairment
TSIC 15	Operating Leases - Incentives
TSIC 27	Evaluating the Substance of Transactions in the Legal form of a Lease
TSIC 32	Intangible assets - Web Site Costs



TAS 1 (revised 2012) clarifies that conversion features that are at the holder's discretion do not impact the classification of the liability component of the convertible instrument. TAS 1 also explains that, for each component of equity, an entity may present the breakdown of other comprehensive income either in the statement of changes in equity or in the notes to the financial statements. This standard has no impact to the Group.

TAS 7 (revised 2012) clarifies that only expenditures that result in a recognised asset in the statement of financial position are eligible for classification as investing activities. This standard has no impact to the Group.

New accounting standards and amendments to accounting standards which are effective on 1 January 2013 and are relevant to the Group are: (Cont'd)

TAS 12 (revised 2012) amends an exception to the existing principle for the measurement of deferred tax assets or liabilities on investment property measured at fair value. TAS 12 currently requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale. This amendment therefore adds the rebuttable presumption that the carrying amount of an investment property measured at fair value is entirely recovered through sale. As the result of the amendment, TSIC 21 - Income tax - recovery of revalued non-depreciable assets is incorporated in to TAS 12 (revised 2012). This standard has no impact to the Group.

TAS 17 (revised 2012) deletes the guidance for a lease of land with an indefinite useful life to be classified as an operating lease. The standard has been amended to clarify that when a lease includes both land and buildings, classification as a finance or operating lease is performed separately in accordance with TAS 17's general principles. This standard has no impact to the Group.

TAS 18 (revised 2012) removes the appendix to TAS 18. This standard has no impact to the Group.

TAS 34 (revised 2012) emphasises the existing disclosure principles for significant event and transactions. Additional requirements cover disclosure of changes in fair value measurements (if significant), and the need to update relevant information from the most recent annual report. This standard has no impact to the Group.

TAS 36 (revised 2012) clarifies that goodwill being allocated to cash-generating units shall not be larger than an operating segment before aggregation as defined under TFRS 8 - Operating Segments. This standard has no impact to the Group.

TFRS 8 (revised 2012) clarifies that an entity is required to disclose a measure of segment assets only if the measure is regularly reported to the chief operating decision-maker. The management is currently assessing the impact of applying this standard.

TFRIC 4 requires the determination of whether an arrangement is or contains a lease to be based on the substance of the arrangement. It requires an assessment of whether: (a) fulfilment of the arrangement is dependent on the use of a specific asset or assets (the asset); and (b) the arrangement conveys a right to use the asset. TFRIC 4 is not relevant to the Group's operations.

TFRIC 10 prohibits reversal of an impairment losses recognised in a previous interim period in respect of goodwill. This interpretation has no impact to the Group.

TSIC 15 sets out the accounting for the recognition of incentive that a lessor provides to a lessee in an operating lease. This interpretation has no impact to the Group.

TSIC 27 provides guidance on evaluating the substance of transactions in the legal form of a lease between the entity and the investor whether a series of transactions is linked and should be accounted for as one transaction and whether the arrangement meets the definition of a lease under TAS 17 “Leases”. The accounting shall reflect the substance of the arrangement. This interpretation has no impact to the Group.

TSIC 32 provides guidance on the internal expenditure on the development and operation of the entity web site for internal or external access. The entity shall comply with the requirements described in TAS38 “Intangible Assets”. This interpretation has no impact to the Group.

2.3 Group Accounting - Investments in subsidiaries

(1) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition- by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

Investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Intercompany transactions, balances and unrealised gains or loss on transactions between Group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

A list of the Group's subsidiaries and the effects from disposals of subsidiaries are shown in Note 12.



(2) Transactions and non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control or significant influence, any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

2.4 Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using Thai Baht. The consolidated financial statements are presented in Thai Baht.

Foreign currency transactions are translated into Thai Baht using the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated to Thai Baht at the exchange rate prevailing at the statement of financial position date. Gains and losses resulting from the settlement of foreign currency transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognised in the profit or loss.

2.5 Cash and cash equivalents

In the consolidated and Company statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

2.6 Trade accounts receivable

Trade accounts receivable are carried at the original invoice amount and subsequently measured at the remaining amount less any allowance for doubtful receivables based on a review of all outstanding amounts at the year-end. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written-off during the year in which they are identified and recognised in profit or loss within selling and administrative expenses.

2.7 Inventories and productions in progress

a) Camera for production and accessories

Camera for production and accessories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, allowances or rebates. Net realizable value is the estimate of the selling price in the ordinary course of business less applicable variable selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

b) TV programs and event production

TV programs ready for broadcasts or sales and TV programs and event production in progress are stated at production cost which is directly attributable to the program production. The cost will be recognised in the income statement when broadcast or sale and show has been performed.

c) Pocketbook and magazines in progress

Pocketbook and magazines in progress are stated at the lower of cost and net realisable value. Cost is determined by specific identification. The cost of pocketbook and magazines in progress comprises design costs, raw materials, direct labour, other direct costs and related production overhead (based on normal capacity). Net realisable value is the estimate of the selling price in the ordinary course of business, less applicable variable selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

2.8 Investments

Investments other than investments in subsidiaries are classified into trading investments. The classification is dependent on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

Investments that are acquired principally for the purpose of generating a profit from short-term fluctuations in price are classified as trading investments and included in current assets.

Trading investment is initially recognised at cost, which is equal to the fair value of consideration paid plus transaction cost.

Trading investments are subsequently measured at fair value. The fair value of investments is based on quoted bid price at the close of business on the statement of financial position date by reference to the Thai Bond Dealing Centre. The unrealised gains and losses of trading investments are recognised in income statement.

A test for impairment is carried out when there is a factor indicating that an investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, impairment loss is charged to the income statement.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit or loss. When disposing of part of the Company's holding of a particular investment in debt or equity securities, the carrying amount of the disposed part is determined by the weighted average carrying amount of the total holding of the investment.

2.9 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Land is classified and accounted for by the Group as investment property when the definition of investment property is met.



Investment property is measured initially at its cost, including related transaction costs and borrowing costs. Borrowing costs are incurred for the purpose of acquiring, constructing or producing a qualifying investment property are capitalised as part of its cost. Borrowing costs are capitalised while acquisition or construction is actively underway and cease once the asset is substantially complete, or suspended if the development of the asset is suspended.

After initial recognition, investment property is carried at cost less any accumulated impairment loss.

2.10 Building and equipment and assets for rent

Building and equipment and assets for rent are measured initially at their cost less any accumulated depreciation. Depreciation is calculated using the straight line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Building and equipment

Production equipment	5 years
Computers	5 years
Furniture fixture and office equipment	5 years
Vehicles	5 years
Office building, studio building and leasehold building improvement	20 years
Leasehold studio building improvement	20 years

Asset for rent

Production equipment	5, 10 years
Supply for film production	3 years
Vehicles	10 years

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.12).

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other (losses)/gains - net' in profit or loss.

2.11 Intangible assets

Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives 5 years.

Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with identifiable and unique software products controlled by the Group and will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include staff costs of the software development team and an appropriate portion of relevant overheads.

Other intangible assets

Cost incurred on web-site development are recognised as intangible asset and are amortised using the straight-line method over their estimated useful lives of 3 - 5 years.

2.12 Impairment of assets

Assets that have an indefinite useful life, are not subject to amortisation and are tested annually for impairment. Building and equipment, assets for rent, and non-financial assets including intangible assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.13 Leases - where a Group company is the lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

Leases of equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to profit or loss over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The equipment acquired under finance leases is depreciated over the shorter period of the useful life of the asset and the lease term.

Leases - where a Group company is the lessor

Assets leased out under operating leases are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with other similar property, plant and equipment owned by the Group. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

2.14 Borrowings

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of reporting date.

2.15 Employee Benefits

Pension obligations

Group companies operate various pension which is defined benefit plan and is determined by periodic actuarial calculations schemes. The A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.



The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, together with adjustments for unrecognised past-service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in profit or loss, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period).

In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

2.16 Provision

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.17 Provision for goods returns

Provision for goods returns is estimated based on historical experience and other relevant market factors. Provision for goods returns are provided for the sales profit margins and presented netting of sales.

2.18 Revenue recognition

Revenue of the Group consist principally revenue from advertising, television program, advertising films production, concerts and event organising, rental of equipment, sales of pocket book, magazines and other goods.

Revenue from advertising and television program are recognised when the advertisement or program is broadcasted.

Revenue from advertising films production is recognised based on percentage of completion which is the proportion of services rendered over the total estimated cost to be incurred for the whole production. Revenue from altering tape and sound recording are recognised when completed.

Revenue from concerts and events organising are recognised when the shows are completed.

Revenue from rental of equipment is recognised when services are rendered. Rental with inclusive of service revenues are recognised based on portion of service rendered.

Revenue from sales of pocket books and magazines are shown net of returns and discounts. Revenue from sales of pocket books and magazines are recognised when significant risks and rewards of ownership of goods are transferred to the buyer. Revenue from barter service is revenues from the exchange of a dissimilar nature. The revenue is measured at the fair value of service received, adjusted by the amount of any cash or cash equivalents received or paid. Revenue from advertising in magazines and publishing media are recognised when advertisements are published.

Revenue from sales of other goods comprised the fair value of the consideration received or receivable for the sales of goods net of value-added tax, returns and discounts. Revenue from sales of other goods is recognised when significant risks and rewards of ownership of goods are transferred to the buyer.

Other income

Interest income is amortisation on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the Group.

Dividend income is recognised when the right to receive payment is established.

2.19 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising from investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.



Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.20 Dividend payment

Dividend payment is recorded in the consolidated and company financial statements in the period in which they are approved by the shareholders.

2.21 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Board of Directors committee that makes strategic decisions.

3 Financial risk management

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: credit risk, interest rate risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

3.1.1 Credit risk

The Group has no significant concentrations of credit risks due to the large number of customer from which the income is charged in cash. The Group has policies in place to ensure that sales of products and services are made to customers with appropriate credit history. Cash transactions are limited to high credit quality financial institutions.

3.1.2 Interest rate risk

The Group's income and operating cash flows are not substantially independent of changes in market interest rates. Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows. The loan interest rates of the Group are mainly floated. The Group does not use the interest rate derivative to manage exposure from fluctuation in interest rate on specific borrowing.

3.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying business, Group Treasury aims at maintaining flexibility in funding by keeping committed credit lines available.

3.2 Fair value

The book values of financial assets and financial liabilities with a maturity of less than one year are approximate their fair values. Long-term borrowings and loans made with related parties carried an interest at the market interest rate. Management believe that their net book values are assumed to approximate their fair value.

4 Critical accounting estimates, assumptions and judgements

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

4.1 Impairment of receivables

The Group maintains an allowance for doubtful accounts to reflect impairment of trade receivables relating to estimated losses resulting from the inability of customers to make required payments. The allowance for doubtful accounts is significantly impacted by the Group's assessment of future cash flows, such assessment being based on consideration of historical collection experience, known and identified instances of default and consideration of market trends.

4.2 Provision for goods returns

The management has estimated the provision for goods returns in relation to magazines. The percentage of goods returned is estimated based on historical information, experiences and existing business models.

4.3 Property and equipment, and intangible assets

Management determines the estimated useful lives and residual values for the Group's property and equipment, and intangible assets. Management will revise the depreciation charge where useful lives and residual values are different from previously estimation, or it will write off or write down technically obsolete or assets that have been abandoned or sold.

4.4 Employee benefit obligations

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will have an impact on the carrying amount of pension obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group considers the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Other key assumptions for pension obligations are based in part on current market conditions. Additional information is disclosed in Note 20.

5 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts.



6 Segment information

Financial statements by business segment

	Advertisement films production						Sales of products magazines						Total	
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
For the year ended 31 December 2013														
Revenues														
Gross segment revenues	49,328,652	181,897,498	38,579,594	355,337,468	8,403,530	52,196,950	685,743,692							
Inter-segment revenues	(4,800,000)	-	(738,300)	(6,958,425)	(854,712)	-	(13,351,437)							
Net revenues	44,528,652	181,897,498	37,841,294	348,379,043	7,548,818	52,196,950	672,392,255							
Segment result	9,230,501	75,265,461	(1,930,982)	56,278,064	2,380,626	5,266,977	146,490,647							
Other income							18,375,265							
Interest paid							(313,471)							
Unallocated cost/expenses							(65,324,415)							
Income tax expense							(21,488,974)							
Profit attributable to owners of the parent							77,739,052							
Gain attributable to non-controlling interests							784,797							
Profit for the year							78,523,849							
Segment for assets														
Building and equipment, net	790,413	78,220,051	284,071	11,418,895	-	1,960,210	92,673,640							
Assets for rent, net	-	-	-	250,599,295	-	-	250,599,295							
Other assets	59,187,392	815,093,063	3,098,026	103,796,862	2,048,404	26,398,685	1,009,622,432							
Segment for liabilities														
Outstanding payable arising from purchases of fixed assets	-	322,849	-	5,587,342	-	-	5,910,191							
Long-term loan	-	-	-	397,000	-	-	397,000							
Other liabilities	7,665,581	27,381,221	556,011	49,382,060	-	9,382,048	94,366,921							
Depreciation and amortisation	175,155	8,802,966	88,557	45,310,108	-	991,374	55,368,160							
Capital expenditure	78,433	10,192,519	174,420	133,543,164	-	569,496	144,558,032							

6 Segment information (Cont'd)

Financial statements by business segment (Cont'd)

	Advertisement films production	Television programs	Show/events organizing	Rental and service	Sales of products	Sales of magazines	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht
For the year ended 31 December 2012							
Revenues							
Gross segment revenues	47,065,660	186,811,271	29,872,232	262,297,021	23,093,779	65,173,542	614,313,505
Inter-segment revenues	(2,915,616)	(17,500)	(1,437,600)	(4,870,152)	(515,883)	-	(9,756,751)
Net revenues	44,150,044	186,793,771	28,434,632	257,426,869	22,577,896	65,173,542	604,556,754
Segment result	5,608,105	70,586,190	(4,515,822)	45,697,680	4,756,320	7,279,467	129,411,940
Other income							12,263,940
Interest paid							(642,055)
Unallocated cost/expenses							(63,461,983)
Income tax expense							(19,106,833)
Profit attributable to owners of the parent							58,465,009
Loss attributable to non-controlling interests							(23,681)
Profit for the year							58,441,328



Unallocated costs represent corporate expenses. Segment assets consist primarily property and equipment, assets for rent, short-term investments, and operating cash.

Liabilities mainly are trade and other payables purposed to be used for operating of all segments and for the Group's liquidity.

7 Cash and cash equivalents

	Consolidated		Company	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Cash on hand	636,000	951,000	420,000	420,000
Deposits held at call with banks	60,855,458	73,876,426	27,151,248	45,859,621
Fixed deposit accounts	31,360,773	50,399,087	231,846	20,150,503
Bill of exchange - 3 months	12,500,000	12,500,000	-	-
Cash and cash equivalents	105,352,231	137,726,513	27,803,094	66,430,124

As at 31 December 2013, deposits held at call with banks carry interest at the rates of 0.40% and 0.50% per annum (2012: 0.625% per annum). Fixed deposit accounts carry interest at the rates of 1.50% and 2.85% per annum (2012: 2.75% per annum). Bill of exchange carries interest at the rate of 2.95% per annum (2012: 3.00% per annum).

8 Short-term investments

	Consolidated		Company	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Fixed deposit - 6 months	380,690	-	380,690	-
Fixed deposit - 12 months	1,024,752	999,936	-	-
Temporary investment - trading securities	711,813,403	-	711,813,403	-
Investments	713,218,845	999,936	712,194,093	-

The interest rates on fixed deposit are 2.00% and 3.00% per annum (2012: 2.50% per annum).

Temporary investment is an investment in a Fixed Income Fund investing in debt securities, with a cost of Baht 700 million, and is stated at fair value of Baht 711.81 million. The unrealised gain of Baht 11.81 million are recognised in income statement.

During the year, movement of trading securities is as follows:

	Consolidated	Company
	Baht	Baht
Trading securities		
Beginning balance	-	-
Addition	700,000,000	700,000,000
Change in fair value of trading securities	11,813,403	11,813,403
Ending balance	711,813,403	711,813,403

9 Restricted cash

	Consolidated		Company	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Restricted cash - current portion	200,000	-	-	-
Restricted cash - non-current portion	2,598,471	2,598,471	2,502,471	2,502,471

The Group has pledged the deposits with local banks as collateral for letters of bank guarantee issued by those banks in respect of project compliance and electricity usage. The restricted cash for project which is expected to complete within one year will be classified as current portion.

10 Trade and other receivables

	Consolidated		Company	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Trade accounts receivable				
Other companies	157,649,806	135,591,008	52,557,722	52,909,500
Related companies (Note 31.4)	1,781,550	1,588,950	1,781,550	1,738,750
Total trade accounts receivable	159,431,356	137,179,958	54,339,272	54,648,250
Accrued income	2,844,335	4,433,315	778,250	-
<u>Less</u> Advances receipt	(5,645,362)	(2,206,587)	(2,803,500)	(845,000)
Allowance for doubtful accounts	(5,643,416)	(3,518,956)	(2,594,236)	(2,433,119)
Provision for goods returns	(1,285,700)	(2,556,750)	-	-
Trade accounts receivable and accrued income, net	149,701,213	133,330,980	49,719,786	51,370,131
Prepaid expenses	3,811,546	4,257,911	928,315	1,644,297
Other receivables	6,146,197	3,659,532	1,455,317	854,691
Trade and other receivables	159,658,956	141,248,423	52,103,418	53,869,119

Outstanding trade accounts receivable and accrued income can be analysed as follows:

	Consolidated		Company	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Account receivables				
Current	92,083,562	90,787,381	41,377,937	38,755,281
Overdue less than 3 months	44,349,780	35,138,412	10,397,996	13,628,376
Overdue 3 to 6 months	11,212,938	6,158,382	449,400	337,050
Overdue 6 to 12 months	5,809,647	1,986,477	686,396	-
Overdue over 12 months	5,975,429	3,109,306	1,427,543	1,927,543
Trade accounts receivable	159,431,356	137,179,958	54,339,272	54,648,250



11 Inventories, net

	Consolidated		Company	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Camera for production and accessories	2,048,404	2,415,475	-	-
TV programs production in progress	3,226,865	3,803,578	3,165,009	3,851,328
Advertisement film in progress	3,001,074	2,381,242	-	-
Magazines in progress	100,503	72,283	-	-
Event production in progress	200,000	-	-	-
Pocketbook	894,383	848,891	-	-
Others	100,630	26,096	-	-
	9,571,859	9,547,565	3,165,009	3,851,328
<u>Less</u> Allowance for diminution in value of inventories	-	(815,870)	-	-
	9,571,859	8,731,695	3,165,009	3,851,328
Advances for purchases of inventory	-	488,687	-	-
	9,571,859	9,220,382	3,165,009	3,851,328

During 2013, the Group wrote off inventory amounting to Baht 0.8 million which allowance for diminution in value was recognised in full (2012: nil).

12 Investment in subsidiaries

	Company	
	2013	2012
	Baht	Baht
Investment in subsidiaries	430,600,000	430,600,000
<u>Less</u> Allowance for impairment	(243,640,937)	(243,640,937)
Investment in subsidiaries, net	186,959,063	186,959,063
For the year ended 31 December		
Opening net book amount	186,959,063	193,959,063
Disposal	-	(7,000,000)
Closing net book amount	186,959,063	186,959,063

12 Investment in subsidiaries (Cont'd)

The details of investments in subsidiaries are as follows:

Subsidiaries company	Type of business	Relationship	Paid up Share capital ('000)		% Ownership Interest		31 December 2013				31 December 2012			
							Cost		Allowance for impairment		Cost		Allowance for impairment	
			31	31	31	31	Method	Baht	Net	Baht	Method	Baht	Net	Baht
			December 2013	December 2012	December 2013	December 2012								
Matching Entertainment Co., Ltd.	Events organiser	Direct shareholder	80,000	80,000	99.99	99.99		80,000,000	(80,000,000)	-	80,000,000	(80,000,000)	-	-
Gear Head Co., Ltd.	Provide services and renting of advertisement Production equipments	Direct shareholder	130,000	130,000	99.99	99.99		130,000,000	-	130,000,000	130,000,000	-	-	130,000,000
Matching Studio Plus Co., Ltd.	Production of films	Direct shareholder	158,000	158,000	99.99	99.99		158,000,000	(113,640,937)	44,359,063	158,000,000	(113,640,937)	44,359,063	44,359,063
Matching Broadcast Co., Ltd.	Production of TV programs	Direct shareholder	10,000	10,000	99.99	99.99		10,000,000	-	10,000,000	10,000,000	-	-	10,000,000
Matching Movie Town Co., Ltd.	Photographic studio service, media broker, production of TV programs and entertainment events organiser	Direct shareholder	50,000	50,000	99.99	99.99		50,000,000	(50,000,000)	-	50,000,000	(50,000,000)	-	-
Book Maker Co., Ltd.	Production and distribution of magazines	Direct shareholder	2,000	2,000	99.99	99.99		2,000,000	-	2,000,000	2,000,000	-	-	2,000,000
Goody Film BKK Co., Ltd.	Production of advertisement films for domestic and overseas	Direct shareholder	1,000	1,000	60.00	60.00		600,000	-	600,000	600,000	-	-	600,000
								430,600,000	(243,640,937)	186,959,063	430,600,000	(243,640,937)	186,959,063	186,959,063



All subsidiaries are incorporated in Thailand. All holdings are investments in ordinary shares.

On 9 September 2013, the Extraordinary Shareholders' Meeting of Goody Flim BKK Co., Ltd., had approved the resolution to liquidate the subsidiary. The liquidation was registered with the Ministry of Commerce on 10 September 2013 and is currently being processed.

2012

Fatman and Little Boy Co., Ltd. and Matching Television Co., Ltd., had registered for liquidation with the Ministry of Commerce on 25 July 2012 and were dissolved in October 2012. The Company received the capital return from Fatman and Little Boy Co., Ltd. amounting to Baht 7 million.

13 Investment properties

	Consolidated	
	2013	2012
	Baht	Baht
As at 31 December		
Land - Prachuap Khiri Khan Province	10,249,564	10,249,564
Land and building - Kanchanaburi Province	1,960,000	1,960,000
Total investment property	12,209,564	12,209,564
<u>Less</u> Allowance for impairment	(1,960,000)	(1,960,000)
Net book amount	10,249,564	10,249,564
Fair value		
Land - Prachuap Khiri Khan Province	20,400,000	20,400,000
Land and building - Kanchanaburi Province	-	-
Total fair value	20,400,000	20,400,000

A subsidiary owns two pieces of properties that are not utilised, with total cost of Baht 12.21 million, comprising land at Prachuap Khiri Khan Province of Baht 10.25 million, and land and building at Kanchanaburi Province of Baht 1.96 million.

Investment property of Baht 10.25 million (2012: Baht 10.25 million) was pledged as a security for long-term bank borrowing. As at 31 December 2013, the borrowing was settled but the title to such land has not yet been redeemed from bank.

Fair value of land was appraised at 31 December 2012 by independent professionally qualified valuer who holds a recognised relevant professional qualification and has recent experience in the locations and categories of the investment properties valued. Land at Prachuap Khiri Khan Province valued by applying market approach. Land and building at Kanchanaburi Province valued by applying cost approach.

For the year ended 31 December 2013 and 2012, there is no income or expense that are related to investment properties recognised in profit and loss.

14 Property and equipment, net

	Consolidated									
	Production equipment		Computer		Furniture fixtures and office equipment		Vehicles		Building and land improvement equipment	
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
At 1 January 2012										
Cost	27,624,117	28,501,001	50,698,310	21,133,895	115,540,108	16,321,171	-	-	259,818,602	
Less Accumulated depreciation	(26,325,389)	(24,514,411)	(47,220,388)	(17,215,950)	(38,588,661)	(9,530,020)	-	-	(163,394,819)	
Allowance for impairment	(19,240)	(67,546)	(1,123)	-	-	-	-	-	(87,909)	
Net book value	1,279,488	3,919,044	3,476,799	3,917,945	76,951,447	6,791,151	-	-	96,335,874	
For the year ended 31 December 2012										
Opening net book value	1,279,488	3,919,044	3,476,799	3,917,945	76,951,447	6,791,151	-	-	96,335,874	
Additions	694,843	1,965,122	977,102	1,000,000	-	-	271,000	4,908,067		
Disposals and write-off, net	(4,581)	(56,174)	(101,950)	(9)	-	(2,077,626)	-	(2,240,340)		
Depreciation (Note 25)	(566,162)	(1,275,039)	(1,556,588)	(1,100,550)	(5,709,674)	(859,530)	-	(11,067,543)		
Closing net book value	1,403,588	4,552,953	2,795,363	3,817,386	71,241,773	3,853,995	271,000	87,936,058		
At 31 December 2012										
Cost	25,393,060	27,988,389	49,875,412	12,710,650	115,540,108	14,075,204	271,000	245,853,823		
Less Accumulated depreciation	(23,970,232)	(23,367,890)	(47,078,926)	(8,893,264)	(44,298,335)	(10,221,209)	-	(157,829,856)		
Allowance for impairment	(19,240)	(67,546)	(1,123)	-	-	-	-	(87,909)		
Net book value	1,403,588	4,552,953	2,795,363	3,817,386	71,241,773	3,853,995	271,000	87,936,058		



14 Property and equipment, net (Cont'd)

	Consolidated									
	Production equipment		Computer		fixtures and office equipment		Vehicles		Furniture Building and land improvement	
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
For the year ended 31 December 2013										
Opening net book value	1,403,588	4,552,953	2,795,363	3,817,386	71,241,773	3,853,995	271,000	87,936,058		
Additions	1,364,872	2,394,552	2,005,450	9,457,776	906,125	-	1,090,598	17,219,373		
Disposals and write-off, net	(1,559)	(21,148)	(19,484)	(1,028,945)	-	-	-	(1,071,136)		
Transfer-in (out)	-	-	58,096	-	542,002	211,500	(811,598)	-		
Depreciation (Note 25)	(602,571)	(1,614,408)	(1,211,401)	(1,450,169)	(5,771,413)	(760,694)	-	(11,410,655)		
Closing net book value	2,164,330	5,311,949	3,628,024	10,796,049	66,918,487	3,304,801	550,000	92,673,640		
At 31 December 2013										
Cost	25,523,785	27,174,164	49,407,854	15,563,539	116,988,233	14,286,705	550,000	249,494,280		
Less Accumulated depreciation	(23,340,215)	(21,794,669)	(45,778,707)	(4,767,490)	(50,069,746)	(10,981,904)	-	(156,732,731)		
Allowance for impairment	(19,240)	(67,546)	(1,123)	-	-	-	-	(87,909)		
Net book value	2,164,330	5,311,949	3,628,024	10,796,049	66,918,487	3,304,801	550,000	92,673,640		

14 Property and equipment, net (Cont'd)

	Company									
	Production equipment		Computer		Furniture fixtures and office equipment		Vehicles		Building and land improvement	
	Baht		Baht		Baht		Baht		Baht	
At 1 January 2012										
Cost	25,169,226	12,827,593	33,911,599	9,107,809	94,024,985	17,849,230	-	-	192,890,442	
Less Accumulated depreciation	(24,146,489)	(10,206,321)	(32,018,021)	(5,130,699)	(28,246,474)	(9,384,530)	-	-	(109,132,534)	
Net book value	1,022,737	2,621,272	1,893,578	3,977,110	65,778,511	8,464,700	-	-	83,757,908	
For the year ended 31 December 2012										
Opening net book value	1,022,737	2,621,272	1,893,578	3,977,110	65,778,511	8,464,700	-	-	83,757,908	
Additions	51,763	717,777	350,027	-	-	-	-	-	1,119,567	
Disposals and write-off, net	(4,581)	(17,262)	(98,033)	(5)	-	(2,077,626)	-	-	(2,197,507)	
Depreciation (Note 25)	(376,914)	(791,613)	(815,416)	(1,098,038)	(4,701,249)	(837,030)	-	-	(8,620,260)	
Closing net book value	693,005	2,530,174	1,330,156	2,879,067	61,077,262	5,550,044	-	-	74,059,708	
At 31 December 2012										
Cost	22,295,089	11,477,922	32,610,185	8,324,304	94,024,985	15,603,264	-	-	184,335,749	
Less Accumulated depreciation	(21,602,084)	(8,947,748)	(31,280,029)	(5,445,237)	(32,947,723)	(10,053,220)	-	-	(110,276,041)	
Net book value	693,005	2,530,174	1,330,156	2,879,067	61,077,262	5,550,044	-	-	74,059,708	



14 Property and equipment, net (Cont'd)

	Company									
	Production equipment		Furniture fixtures and office equipment		Vehicles		Building and land improvement		Construction in progress	
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
For the year ended 31 December 2013										
Opening net book value	693,005	2,530,174	1,330,156	2,879,067	61,077,262	5,550,044	-	-	-	74,059,708
Additions	1,342,001	1,138,205	799,636	9,457,775	492,000	-	819,598	14,049,215	-	-
Disposals and write-off, net	(1,520)	(9,204)	(4,061)	(1,028,944)	-	-	-	(1,043,729)	-	-
Transfer-in (out)	-	-	58,098	-	-	211,500	(269,598)	-	-	-
Depreciation (Note 25)	(410,822)	(883,148)	(530,815)	(1,363,609)	(4,718,920)	(738,195)	-	(8,645,509)	-	-
Closing net book value	1,622,664	2,776,027	1,653,014	9,944,289	56,850,342	5,023,349	550,000	78,419,685	-	-
At 31 December 2013										
Cost	23,396,847	12,567,638	32,224,046	11,333,495	94,516,985	15,814,763	550,000	190,403,774	-	-
Less Accumulated depreciation	(21,774,183)	(9,791,611)	(30,571,032)	(1,389,206)	(37,666,643)	(10,791,414)	-	(111,984,089)	-	-
Net book value	1,622,664	2,776,027	1,653,014	9,944,289	56,850,342	5,023,349	550,000	78,419,685	-	-

As at 31 December 2013, costs of assets which are fully depreciated but still in use are amounting to Baht 83.81 million (2012: Baht 84.20 million) and Baht 61.31 million (2012: Baht 69.27 million) in the consolidated and company financial statements, respectively.

Leased assets included above, where the Group and the Company are lessees under finance lease comprise motor vehicle as follows:

	Consolidated		Company	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Cost	3,590,000	3,200,000	3,590,000	3,200,000
<u>Less</u> Accumulated depreciation	(15,737)	(1,995,397)	(15,737)	(1,995,397)
Net book amount	3,574,263	1,204,603	3,574,263	1,204,603

During 2013, the Group disposed assets under finance lease having net book value of Baht 748,713.

15 Assets for rent, net

	Consolidated				
	Production equipment	Supplies for film production	Vehicles	Construction in progress	Total
	Baht	Baht	Baht	Baht	Baht
At 1 January 2012					
Cost	423,394,609	9,830,311	97,781,990	2,078,340	533,085,250
<u>Less</u> Accumulated depreciation	(306,694,541)	(6,301,739)	(79,617,547)	-	(392,613,827)
Net book value	116,700,068	3,528,572	18,164,443	2,078,340	140,471,423
For the year ended 31 December 2012					
Opening net book value	116,700,068	3,528,572	18,164,443	2,078,340	140,471,423
Additions	33,025,586	3,098,216	4,933,046	23,958,925	65,015,773
Transfer in (out)	1,366,558	-	-	(1,366,558)	-
Disposal and write-off, net	(100,724)	(1,142,616)	(867,294)	-	(2,110,634)
Depreciation (Note 25)	(25,676,584)	(2,254,181)	(2,396,336)	-	(30,327,101)
Closing net book value	125,314,904	3,229,991	19,833,859	24,670,707	173,049,461
At 31 December 2012					
Cost	455,102,193	9,257,589	97,571,088	24,670,707	586,601,577
<u>Less</u> Accumulated depreciation	(329,787,289)	(6,027,598)	(77,737,229)	-	(413,552,116)
Net book value	125,314,904	3,229,991	19,833,859	24,670,707	173,049,461



	Consolidated				
	Production equipment	Supplies for film production	Vehicles	Construction in progress	Total
	Baht	Baht	Baht	Baht	Baht
For the year ended 31 December 2013					
Opening net book value	125,314,904	3,229,991	19,833,859	24,670,707	173,049,461
Additions	82,256,858	4,948,348	11,662,074	23,170,386	122,037,665
Transfer in (out)	15,990,027	221,404	13,340,633	(29,552,064)	-
Disposal and write-off, net	(481,045)	(939,145)	(1,457)	-	(1,421,646)
Depreciation (Note 25)	(35,334,226)	(2,604,358)	(5,127,601)	-	(43,066,185)
Closing net book value	187,746,518	4,856,240	39,707,508	18,289,029	250,599,295
At 31 December 2013					
Cost	552,975,561	9,835,479	121,228,561	18,289,029	702,328,630
<u>Less</u> Accumulated depreciation	(365,229,043)	(4,979,239)	(81,521,053)	-	(451,729,335)
Net book value	187,746,518	4,856,240	39,707,508	18,289,029	250,599,295

A subsidiary owns assets for rent which is not for long-term lease.

As at 31 December 2013, costs of assets for rent which are fully depreciated but still in use, are amounting to Baht 190.81 million (2012: Baht 185.76 million).

16 Intangible assets, net

	Consolidated		
	Software	Copyright	Total
	Baht	Baht	Baht
At 1 January 2012			
Cost	6,210,945	45,500	6,256,445
<u>Less</u> Accumulated amortisation	(4,321,798)	-	(4,321,798)
Net book value	1,889,147	45,500	1,934,647
For the year ended 31 December 2012			
Opening net book value	1,889,147	45,500	1,934,647
Additions	941,300	-	941,300
Amortisation (Note 25)	(745,109)	-	(745,109)
Closing net book value	2,085,338	45,500	2,130,838
At 31 December 2012			
Cost	7,152,245	45,500	7,197,745
<u>Less</u> Accumulated amortisation	(5,066,907)	-	(5,066,907)
Net book value	2,085,338	45,500	2,130,838
For the year ended 31 December 2013			
Opening net book value	2,085,338	45,500	2,130,838
Additions	66,600	-	66,600
Amortisation (Note 25)	(891,320)	-	(891,320)
Closing net book value	1,260,618	45,500	1,306,118

	Consolidated		
	Software	Copyright	Total
	Baht	Baht	Baht
At 31 December 2013			
Cost	7,218,845	45,500	7,264,345
<u>Less</u> Accumulated amortisation	(5,958,227)	-	(5,958,227)
Net book value	1,260,618	45,500	1,306,118

Amortisation of Baht 253,561 (2012: Baht 161,917) and Baht 637,759 (2012: Baht 583,192) are included in cost of providing services and administrative expenses, respectively, in the consolidated financial statements.

	Company		
	Software	Copyright	Total
	Baht	Baht	Baht
At 1 January 2012			
Cost	3,228,148	45,500	3,273,648
<u>Less</u> Accumulated amortisation	(2,697,597)	-	(2,697,597)
Net book value	530,551	45,500	576,051

For the year ended 31 December 2012

Opening net book value	530,551	45,500	576,051
Additions	68,800	-	68,800
Amortisation (Note 25)	(260,911)	-	(260,911)
Closing net book value	338,440	45,500	383,940

At 31 December 2012

Cost	3,296,948	45,500	3,342,448
<u>Less</u> Accumulated amortisation	(2,958,508)	-	(2,958,508)
Net book value	338,440	45,500	383,940

For the year ended 31 December 2013

Opening net book value	338,440	45,500	383,940
Amortisation (Note 25)	(235,274)	-	(235,274)
Closing net book value	103,166	45,500	148,666

At 31 December 2013

Cost	3,296,948	45,500	3,342,448
<u>Less</u> Accumulated amortisation	(3,193,782)	-	(3,193,782)
Net book value	103,166	45,500	148,666

Amortisation of Baht 235,274 (2012: Baht 260,911) is included in administrative expenses in the Company financial statements.



17 Deferred income taxes

Deferred income taxes are calculated in full on temporary differences, using the liability method and using a principal tax rate of 20% for 2013 onwards (2012: 23%). The deferred taxation related to the temporary differences between the carrying amounts and the tax bases of assets and liabilities of the Group are summarised below:

	Consolidated		Company	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Deferred tax assets:				
Deferred tax asset to be recovered within 12 months	650,928	152,178	518,847	-
Deferred tax asset to be recovered after 12 months	3,603,663	3,451,289	705,736	1,040,211
Deferred tax liabilities:				
Deferred tax liabilities to be settled within 12 months	(2,637,958)	(304,883)	(2,362,681)	-
Deferred tax liabilities to be settled after more than 12 months	(4,335,141)	(3,448,458)	(9,422)	-
Deferred income tax (net)	(2,718,508)	(149,874)	(1,147,520)	1,040,211

The gross movement and the deferred income tax account is as follows:

	Consolidated		Company	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Opening net book value	(149,874)	1,526,359	1,040,211	1,839,991
Charge to profit or loss (Note 27)	(2,920,597)	(1,351,026)	(2,216,937)	(509,747)
Other comprehensive income	351,963	(325,207)	29,206	(290,033)
Closing net book value	(2,718,508)	(149,874)	(1,147,520)	1,040,211

Deferred income tax assets and liabilities are offset when the income taxes related to the same fiscal authority.

Deferred tax assets and deferred tax liabilities in the consolidated financial positions are presented at net amount of assets and liabilities incurred in each subsidiary.

The movement in deferred tax asset and liabilities during the year is as follows:

	Consolidated			
	31 December 2012	Credit (debit) to profit or loss	Credit to other comprehensive Income	31 December 2013
	Baht	Baht	Baht	Baht
Deferred income tax assets				
Allowance for doubtful account	703,791	424,894	-	1,128,685
Depreciation	70,821	(70,821)	-	-
Allowance for diminution in value of inventories	163,174	(163,174)	-	-
Employee benefit obligations	2,596,620	135,868	351,963	3,084,451
Gain on sales of fixed assets within the Group	57,642	(17,690)	-	39,952
Inventories and work in process	11,419	(9,916)	-	1,503
	3,603,467	299,161	351,963	4,254,591

	Consolidated			
	31 December 2012	Credit (debit) to profit or loss	Credit to other comprehensive Income	31 December 2013
	Baht	Baht	Baht	Baht
Deferred income tax liabilities				
Depreciation	(3,753,341)	(847,655)	-	(4,600,996)
Investment in trading securities	-	(2,362,681)	-	(2,362,681)
Leased assets under finance lease	-	(9,422)	-	(9,422)
	(3,753,341)	(3,219,758)	-	(6,973,099)
Deferred income taxes, net	(149,874)	(2,920,597)	351,963	(2,718,508)

	Company			
	31 December 2012	Credit (debit) to profit or loss	Credit to other comprehensive Income	31 December 2013
	Baht	Baht	Baht	Baht
Deferred income tax assets				
Allowance for doubtful account	486,623	32,224	-	518,847
Employee benefit obligations	553,588	122,942	29,206	705,736
	1,040,211	155,166	29,206	1,224,583
Deferred income tax liabilities				
Investment in trading securities	-	(2,362,681)	-	(2,362,681)
Leased assets under finance lease	-	(9,422)	-	(9,422)
	-	(2,372,103)	-	(2,372,103)
Deferred income taxes, net	1,040,211	(2,216,937)	29,206	(1,147,520)

18 Trade and other payables

	Consolidated		Company	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Trade payable				
- Other companies	14,181,582	20,714,306	2,775,382	2,988,634
- Related companies (Note 31.4)	-	321,000	36,054	36,960
Advance received	5,327,790	520,701	-	-
Other payables	8,069,397	15,819,066	422,849	56,154
Accrued expenses	32,537,971	25,753,128	12,045,648	11,009,596
Trade and other payables	60,116,740	63,128,201	15,279,933	14,091,344



19 Borrowing

a) Long-term borrowing from financial institution

	Consolidated		Company	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Repayable within 1 year	397,000	5,004,000	-	-
Later than 1 year but not later than 2 years	-	397,000	-	-
	397,000	5,401,000	-	-

Long-term borrowing is guaranteed by the Company (Note 31.8) and carry interest at the rate of 6.875% per annum (2012: 7.00% per annum).

The interest rate exposure on the borrowings of the Group and company (except finance lease liabilities) is as follows:

	Consolidated		Company	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Borrowings:				
- at fixed rates	-	-	-	-
- at floating rates	397,000	5,401,000	-	-
	397,000	5,401,000	-	-

The effective interest rates at the statement of financial position date were as follows:

	Consolidated		Company	
	2013	2012	2013	2012
	%	%	%	%
- Bank overdrafts	7.375	-	-	-
- Bank borrowing	6.875	7.00	-	-

The carrying amounts of bank borrowing and lease obligation approximate their fair value.

The movements in borrowing from financial institution (exclude bank overdrafts) can be analysed as follows:

	Consolidated		Company	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Opening balance	5,401,000	10,405,000	-	-
Repayments during the year	(5,004,000)	(5,004,000)	-	-
Closing balance	397,000	5,401,000	-	-

b) Finance lease liabilities

Finance lease liabilities - minimum lease payments:

	Consolidated		Company	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Repayable within 1 year	716,376	560,856	716,376	560,856
Later than 1 year but not later than 5 years	2,805,806	467,380	2,805,806	467,380
<u>Less</u> Future finance charges on finance leases	(709,880)	(61,636)	(709,880)	(61,636)
Present value of finance lease liabilities	2,812,302	966,600	2,812,302	966,600
Representing lease liabilities:				
- Short-term	472,242	512,908	472,242	512,908
- Long-term	2,340,060	453,692	2,340,060	453,692
	2,812,302	966,600	2,812,302	966,600

The movements in finance lease liabilities can be analysed as follows:

	Consolidated		Company	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
At 1 January	966,600	1,447,171	966,600	1,447,171
Addition	3,590,000	-	3,590,000	-
Repayments	(1,744,298)	(480,571)	(1,744,298)	(480,571)
At 31 December	2,812,302	966,600	2,812,302	966,600

20 Employee benefit obligations

Retirement benefits

	Consolidated		Company	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Statement of financial position				
Retirement benefit obligation	15,519,802	13,024,332	3,528,677	2,767,938
Present value of unfunded obligation	15,519,802	13,024,332	3,528,677	2,767,938



The movements in the defined benefit obligation over the year are as follows:

	Consolidated		Company	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
At 1 January	13,024,332	13,082,385	2,767,938	3,741,921
Current service cost	1,174,437	1,066,949	501,227	341,202
Interest cost	533,998	501,035	113,483	134,978
Actuarial losses (gains)	1,808,676	(1,626,037)	146,029	(1,450,163)
Benefit paid	(1,021,641)	-	-	-
At 31 December	15,519,802	13,024,332	3,528,677	2,767,938

The amounts recognised in the income statement are as follows:

	Consolidated		Company	
	(Restated)		(Restated)	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Current service cost	1,174,437	1,066,949	501,227	341,202
Interest cost	533,998	501,035	113,483	134,978
Total	1,708,435	1,567,984	614,710	476,180

Charges that were included in cost of providing services and administrative expense are as follows:

	Consolidated		Company	
	(Restated)		(Restated)	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Amounts included in cost of providing services	169,672	162,720	71,023	68,151
Amounts included in administrative expenses	1,538,763	1,405,264	543,687	408,029
	1,708,435	1,567,984	614,710	476,180

The principal actuarial assumptions used were as follows:

	2013	2012
	%	%
Discount rate	4.20	4.10
Inflation rate	3	3
Future salary increases	3, 4, 6	3, 5

21 Share capital and premium on share capital

	Issued and fully paid-up				
	Authorised number of shares	Number of shares	Ordinary shares	Share premium	Total
	Shares	Shares	Baht	Baht	Baht
At 1 January 2012	324,000,000	259,143,807	259,143,807	141,516,103	400,659,910
Decrease in authorised shares	(6,538,571)	-	-	-	-
Increase in authorised shares	217,538,571	-	-	-	-
At 31 December 2012	535,000,000	259,143,807	259,143,807	141,516,103	400,659,910
Issue of shares	-	210,000,000	210,000,000	498,493,360	708,493,360
Warrants exercised	-	101,167	101,167	29,642	130,809
At 31 December 2013	535,000,000	469,244,974	469,244,974	640,039,105	1,109,284,079

As at 31 December 2013, the total authorised number of ordinary shares is 535,000,000 shares (2012: 535,000,000 shares) with a par value of Baht 1 per share (2012: Baht 1 per share). The issued and fully paid-up ordinary share is 469,244,974 shares (2012: 259,143,807 shares).

On 27 December 2012, at the Extraordinary General Meeting of Shareholders No. 1/2012 of the Company, the shareholders approved the allotment and offering of 210,000,000 newly issued ordinary shares at the par value of Baht 1 per share for offering to the public (Public Offering) in accordance with the Notification of the Capital Market Supervision Board No. Tor Chor. 28/2551 Re: Application for and Approval of Offer for Sale of Newly Issued Shares (and any amendment to such Notification), and has authorized the Board of Directors and/or the person designated by the Board of Directors to have the power to determine and fix the details and conditions necessary for and in connection with the offering of the newly issued ordinary shares via the Public Offering in all respects.

During 8 to 10 May 2013, the Company public offered its ordinary shares of 210,000,000 shares, with the par value of Baht 1 per share. The offering price of these shares was Baht 3.5 per share totally to Baht 735 million. The Company recorded direct expenses in respect of shares issuance amounting to Baht 26.5 millions as a deduction to the share premium. As a result, the number of registered shares and paid-up shares increased from 259,143,807 shares to 469,143,807 shares, with share premium increased from Baht 141,516,103 to Baht 640,009,463.

During 2013, 93,500 units of warrants have been exercised for a total of capital amounting to Baht 130,809 which includes share premium of Baht 29,642 (Note 23).

22 Legal reserve

	Consolidated		Company	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
At 1 January	4,339,324	2,753,084	4,339,324	2,753,084
Appropriate during the year	673,381	1,586,240	673,381	1,586,240
At 31 December	5,012,705	4,339,324	5,012,705	4,339,324

Under the Public Limited Company Act., B.E. 2535, the Company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10 percent of the registered capital. The legal reserve is non-distributable.



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During 2013, 93,500 units of warrants have been exercised for a total of capital (2012: nil) and the outstanding warrants as at 31 December 2013 are 58,165,863 units (2012: 58,259,363 units).

24 Other income

	Consolidated		Company	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Dividends income	-	-	38,098,911	626,975
Unrealised gain on trading investment	11,813,403	-	11,813,403	-
Interest income from short-term loans to subsidiaries	-	-	9,233,679	5,566,451
Management fee income	-	-	1,488,000	1,592,000
Gains on disposals of property and equipment	269,527	2,625,968	269,527	214,114
Interest income	1,928,451	1,925,380	434,115	770,045
Reversal of allowance for doubtful accounts	-	3,651,126	-	2,313,000
Gains on exchange rate	404,615	-	-	-
Reversal of provision for withholding tax deducted at sources	928,231	1,086,966	-	-
Others	3,031,038	2,974,500	845,106	745,016
	18,375,265	12,263,940	62,182,741	11,827,601

25 Expenses by nature

	Consolidated		Company	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Depreciation - building and equipment (Note 14)	11,410,655	11,067,543	8,645,509	8,620,260
Depreciation - assets for rent (Note 15)	43,066,185	30,327,101	-	-
Amortisation - intangible assets (Note 16)	891,320	745,109	235,274	260,911
Staff costs	221,578,306	180,668,110	42,152,226	38,276,498
Employee severance pay	-	10,000,000	-	10,000,000
Employee benefit expense (Note 20)	1,708,435	1,567,984	614,710	476,180
Director and executive remuneration	34,547,853	37,014,595	23,282,853	24,682,095
Outsourcing service fee	64,099,457	78,488,826	9,695,250	10,848,000
Operating leases	65,928,582	54,855,382	36,995,870	38,133,596
Commission	4,526,156	3,307,211	1,461,495	1,330,300

26 Other expense

	Consolidated		Company	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Loss from disposal of property and equipment	920,713	-	-	-



27 Income tax

	Consolidated		Company	
	(Restated)		(Restated)	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Current income tax	18,426,751	17,755,807	5,054,899	3,389,874
Adjustments in respect of prior year	141,626	-	-	-
Deferred income tax (Note 17)	2,920,597	1,351,026	2,216,937	509,747
Income tax	21,488,974	19,106,833	7,271,836	3,899,621

Tax on the Company's profit before tax differs from the theoretical amount that would arise using the tax rate of 20% (2012: 23%) of the company as follows:

	Consolidated		Company	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Profit before income tax	100,012,823	77,548,161	73,213,350	15,407,319
Tax calculated at a tax rate of 20% (2012: 23%)	20,002,565	17,836,077	14,642,670	3,543,683
The effect of :				
Income not subject to tax	(72,500)	(409,609)	(7,619,782)	(144,204)
Expenses not deductible for tax purposes	1,736,490	1,873,108	369,569	529,675
Expenses that can be double deductible	(319,207)	(330,445)	(120,621)	(116,811)
Impact of change in tax rate	-	137,702	-	87,278
Adjustments in respect of prior year	141,626	-	-	-
Income tax	21,488,974	19,106,833	7,271,836	3,899,621

Further information about deferred income tax is presented in Note 17.

28 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to shareholders by the weighted average number of paid-up ordinary shares in issue during the year.

For the calculation of the diluted earnings per share, the net profit adjusted for weighted average number of ordinary shares are assumed for conversion of all dilutive potential ordinary shares, being warrants as detailed in Note 23.

The basic earnings per share and the diluted earnings per share are as follows:

	Consolidated		Company	
	(Restated)		(Restated)	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Weighted average number of shares (Shares)	393,224,378	259,143,807	393,224,378	259,143,807
Effect of dilutive potential shares (Shares)	29,088,244	20,397,605	29,088,244	20,397,605
Weighted average number of shares for diluted earnings (Shares)	422,312,622	279,541,412	422,312,622	279,541,412
Net profit (loss) for the period attributable to ordinary shareholders (Baht)	77,739,052	58,465,009	65,941,514	11,507,698
Basic earnings (loss) per share (Baht)	0.20	0.23	0.17	0.04
Diluted earnings (loss) per share (Baht)	0.18	0.21	0.16	0.04

29 Dividends

Company

At the 2013 Annual General Shareholder's Meeting held on 29 April 2013, it was resolved that dividends in respect of 2012 be paid at Baht 0.06 per share, totalling Baht 15.5 million (2012: Baht 0.04 per share, totalling Baht 10.37 million). The dividends were distributed to shareholders on 17 May 2013.

Subsidiaries company

At the 2013 Annual General Shareholder's Meeting of Gear Head Co., Ltd. held on 25 April 2013, it was resolved that dividends in respect of 2012 be paid at Baht 27 per share, totalling Baht 35.1 million. The dividends were paid on 23 May 2013.

At the 2013 Annual General Shareholder's Meeting of Book Maker Co., Ltd. held on 25 April 2013, it was resolved that dividends in respect of 2012 be paid at Baht 150 per share, totalling Baht 3.0 million. The dividends were paid on 25 May 2013.

30 Commitments and contingencies

30.1 Letter of guarantee

As at 31 December 2013, there are letters of guarantee issued by a commercial bank in respect of television air time contracts, performance, and electricity usage, on behalf of the Company and a subsidiary totalling Baht 3.00 million (31 December 2012: Baht 2.68 million). The Group used their fixed and saving deposits of Baht 2.80 million as collateral for those letters of guarantee.

30.2 Operating leases - where the Group is the lessee

As at 31 December 2013, the Group has commitment obligations in respect of long-term lease of land and building contracts. The future aggregate minimum lease payments under non-cancellable operating leases are as follows:



	Consolidated		Company	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Not later than 1 year	8,953,381	8,819,658	3,153,684	3,269,474
Later than 1 year but not later than 5 years	10,172,579	11,300,487	6,843,947	8,267,105
Later than 5 years	14,204,737	15,935,263	14,204,737	15,935,263
	33,330,697	36,055,408	24,202,368	27,471,842

31 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The Company is controlled by The BBTV Productions Co., Ltd. (incorporated in Thailand), which owns 42.74% of the Company's shares. The remaining 57.26% of the shares are widely held. The significant investments in subsidiaries is set out in Note 12.

Transactions with the companies and parties under The BBTV Productions Co., Ltd. group are considered related parties transactions. In addition, companies and parties relating to directors and directors' family are also considered related parties.

The following material transactions were carried out with related parties:

31.1 Revenue from sales and services

For the years ended 31 December	Consolidated		Company	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Revenues from advertising film production				
Subsidiaries	-	-	-	516,116
Related company	-	1,471,800	-	478,000
	-	1,471,800	-	994,116
Revenues from television programs				
Subsidiaries	-	-	-	17,500
Related company	28,510,000	23,622,500	28,510,000	23,547,500
	28,510,000	23,622,500	28,510,000	23,565,000
Revenues from concert/events organising				
Related company	5,990,340	880,000	-	-
Revenue from rental and services				
Subsidiaries	-	-	1,982	-

For the years ended 31 December	Consolidated		Company	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Interest income				
Subsidiaries	-	-	9,233,679	5,566,451
Others				
Subsidiaries	-	-	1,539,000	1,606,000

31.2 Cost and service

For the years ended 31 December	Consolidated		Company	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Cost of services				
Subsidiaries	-	-	4,315,125	2,485,914
Related companies	26,525,685	28,529,952	26,235,685	27,533,389
	26,525,685	28,529,952	30,550,810	30,019,303
Selling expenses (reversal)				
Subsidiaries	-	-	(5,000)	1,750
Operating expenses (reversal)				
Subsidiaries	-	-	(883,241)	10,869
Related companies	1,729,849	1,613,131	1,656,000	1,613,131
	1,729,849	1,613,131	772,759	1,624,000
Interest expense				
Subsidiaries	-	-	-	27,616
Building rental				
Director of the company	1,962,395	1,950,671	840,000	855,000

31.3 Purchase of asset

For the years ended 31 December	Consolidated		Company	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Purchase intangible asset				
Related companies	437,003	683,437	-	-



31.4 Outstanding balances arising from sales/purchases of goods/services

As at 31 December	Consolidated		Company	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Trade accounts receivable				
(included in Note 10				
“Trade and other receivables”)				
Subsidiaries	-	-	-	149,800
Related companies	1,781,550	1,588,950	1,781,550	1,588,950
Total receivable from related parties	1,781,550	1,588,950	1,781,550	1,738,750
Prepaid expenses				
Related companies	1,151	45,000	-	-
Deposit				
Related companies	138,000	-	-	-
Trade accounts payable				
(included in Note 18				
“Trade and other payables”)				
Subsidiaries	-	-	36,054	36,960
Related companies	-	321,000	-	-
	-	321,000	36,054	36,960
Advance received				
Related companies	5,280,000	-	-	-
Accrued expense				
Related companies	159,000	431,550	159,000	162,000

31.5 Short-term loans to subsidiaries, net

For the years ended 31 December	Consolidated		Company	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Subsidiaries				
Beginning balance	-	-	88,940,000	92,360,000
<u>Less</u> Allowance for doubtful	-	-	(35,775,989)	(35,775,989)
Beginning balance, net	-	-	53,164,011	56,584,011
Loans granted during the year	-	-	129,950,000	23,770,000
Interest income (Note 31.1)	-	-	9,233,679	5,566,451
Repayments received during the year	-	-	(38,300,000)	(26,950,000)
Interest received during the year	-	-	(9,473,679)	(5,806,451)
Ending balance, net	-	-	144,574,011	53,164,011

Loans to subsidiaries are in form of promissory notes, carry interest at the rate of 6.00% per annum (31 December 2012: 6.00% per annum) and are due at call. Loans are unsecured.

31.6 Short-term borrowing from subsidiary, net

For the years ended 31 December	Consolidated		Company	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Subsidiaries				
Beginning balance	-	-	-	7,000,000
Repayments during the year	-	-	-	(7,000,000)
Ending balance	-	-	-	-

Loans from subsidiaries are unsecured and carry interest at the rate of 6.00% per annum and are due at call.

31.7 Directors and executive remuneration

For the years ended 31 December	Consolidated		Company	
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Short-term benefit				
Directors	34,547,853	37,014,595	23,282,853	24,682,095
Other benefits				
Directors	-	10,000,000	-	10,000,000

31.8 Guarantees

The Company has provided guarantees for bank loans in subsidiaries for a total of Baht 25 million (Note 19).





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บริษัท แม็กซิม โซลูชั่น จำกัด (มหาชน)
Matching Maximize Solution Public Company Limited

305/10 ซอยสุโขทัย 6 ถนนสุโขทัย แขวงดุสิต เขตดุสิต กรุงเทพฯ 10300

305/10 Soi Sukhothai 6, Sukhothai Rd. Dusit, Bangkok 10300

Tel. 0-2244-6543-6, 0-2669-4200-9

Fax : 0-2243-1494, 0-2243-4124