



Summary of Financial Highlights for 2015 - 2017

Description			2015	2016	2017
Earnings Performance	Revenue From Sales And Service (Million)		524.32	456.67	448.41
	Total Revenue		531.53	462.91	456.25
	Income (Loss) attributable to Owners of the parent		(50.24)	(65.83)	(77.13)
Balance Sheet	Total Assets (Million)		1,420.66	1,836.09	1,809.81
	Total Liabilities		190.27	448.47	224.52
	Equity attributable to owners of the parent		0.55	(0.03)	0.07
	Shareholders' Equity		1,229.84	1,387.65	1,585.22
Shares or details about ordinary shares	Issued and paid-up ordinary shares (Million Shares)		531.63	644.03	781.63
	Book Value Per Share (Baht)		2.31	2.15	2.03
	Earnings Per Shares (Baht)		(0.09)	(0.11)	(0.11)
	Dividend Per Share (Baht)		N/A	N/A	N/A
Financial Ratios	Net Profit Margin (%)		-9.57	-14.34	-16.89
	Return on Equity (%)		-4.00	-5.07	-5.19
	Return on Assets (%)		-3.49	-4.08	-4.23
	Debt to Equity Ratio (time)		0.15	0.32	0.14

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

Contents

- 1 | Summary of Financial Highlights for 2015-2017
- 4 | Message from the Board
- 5 | Business Overview
- 7 | Type of Business



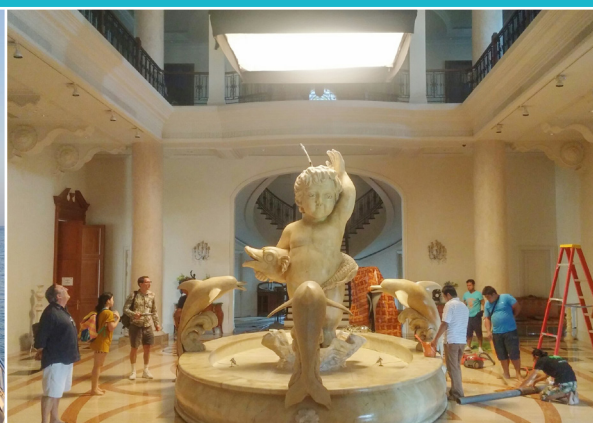
- 18 | Risk Factors
- 21 | Shareholders and Dividend Policy
- 23 | Management Structure
- 30 | Detail of the Board of Director
- 47 | Corporate Governance

69 | Corporate
Social Responsibility

72 | Internal control
and risk management

73 | Connected
Transactions

81 | Summary
of the Consolidated



85 | Discussion and analysis of
Financial position and operation performance

90 | Audit
Committee Report for 2017

93 | Independent
Auditor's Report

164 | General
Information



Dear All shareholders of Matching Maximize Solution Public Company Limited

In 2017, the overall market value of the advertising industry amounted to 101,445 million baht, down by 6,478 million baht or 6% on a year-on-year basis, comparing to 107,923 million baht seen in 2016. In particular, the ad spending through analog TV channels, which captured the biggest market share in 2017, stood at 40,966 million baht, down by 6,185 million baht or 13.12%. The decline was attributable to the economic conditions in some industries, slower purchasing power, the business expansion of some products that missed targets and the changes amid the digital media industry. All these factors prompted product owners either to trim their ad spending budget or opt for other advertising channels.

For fiscal year 2017, the Company posted total revenue of 448.41 million baht, down by 8.26 million baht or 1.81% on a year-on-year basis. The revenue declined because the revenue from TV program production business dropped significantly in line with the slowdown in the industry. In addition, the revenue from equipment rental and services fell in line with the reduction in producers' budgets. Meanwhile, the post production business was so well responded that the revenue from this segment improved. Given the economic slowdown in the past few years, the Company decided to invest "The Studio Park" project to provide international standard studio rental services. Once the construction was completed in mid 2017, the Company launched "The Studio Park" project, which was well responded by clients who provided positive feedback and expressed their satisfaction and interest to come back to use the services. The Company expected "The Studio Park" project to generate good revenue and returns in 2018, with the strategy to focus both on local and international clients, which is line with the government's intensive measures to promote international filming in Thailand.

The Company is committed to organizational enhancement and development in order to offer the best services to clients. The Company has employed strategies to both enhance its competitiveness and develop internal organization, such as applying new Corporate Governance Code (CG Code) and Collective Action Coalition of the Thai private sector on anti-corruption. These factors should add more values to the Company as well as enhancing its competitiveness.

On behalf of the Company's directors, I would like to express my deep gratitude to all shareholders, investors, clients, state organizations, financial institutions, supplies and supporters for their endless trust and support. My sincere gratitude also goes to all employees for their devotion to enhance the Company's potential and pave a firm foundation for the Company's sustainable business growth going forward.

Yours sincerely

(Mr.Somrit Srithongee)

Chairman of the Board of Directors



Business Overview

Policies and Business Overview

Matching Maximize Solution Public Company Limited (formerly known as Matching Studio Public Company Limited) was founded in 1992, with the initial registered capital of 1 million baht by Mr. Somchai Cheewasutthanon and Mr. Thanisaphong Sasinmanop. In 2004, BBTV production Company Limited became a shareholder. At present, the Company operates TV program production business, equipment rental and services business, post production business and studio rental and services business. The latest business was launched in mid 2017.

Vision

To become a leader supporting the entertainment business at an international level

Mission

To maintain the standard and enhance the potential as a professional provider of equipment rental and services; to develop an international standard studio (NC25) serving demand of both local and international clients.

Business Overview

The Company's core businesses consist of TV program production business and subsequent businesses under the group, i.e., equipment rental and services business, post production business and the new business, i.e., studio rental and services business. The new studio rental business is a way of business expansion from the existing core business and this new business will support overall entertainment businesses. The details are as follows:

- **TV program production business**

The Company produces TV programs broadcast in the airtime slots bought from the TV channel and sells commercial timeslots to advertising agencies or directly to product owners. In addition, the Company also provides TV program production service for the TV channel. In 2017, the Company produced one TV program namely "Plod Nee".

- **Equipment rental and services**

The Company provides rental equipment for filming, shooting, producing TV dramas and producing TV commercials, as well as providing skillful personnel who know how to use such equipment. The rental equipment is delivered to filming sites. Examples for such service in 2017 included the services provided for foreign crew from Malaysia, Hong Kong, South Korea and America etc.



- **Studio rental and services business**

In 2016, the Company developed land and constructed The Studio Park (Thailand) project to support film production crew, commercial production crew both domestically and internationally, TV program producers, and event organizers. The construction was completed and the project commenced operation in mid-2017.

- **Post production business**

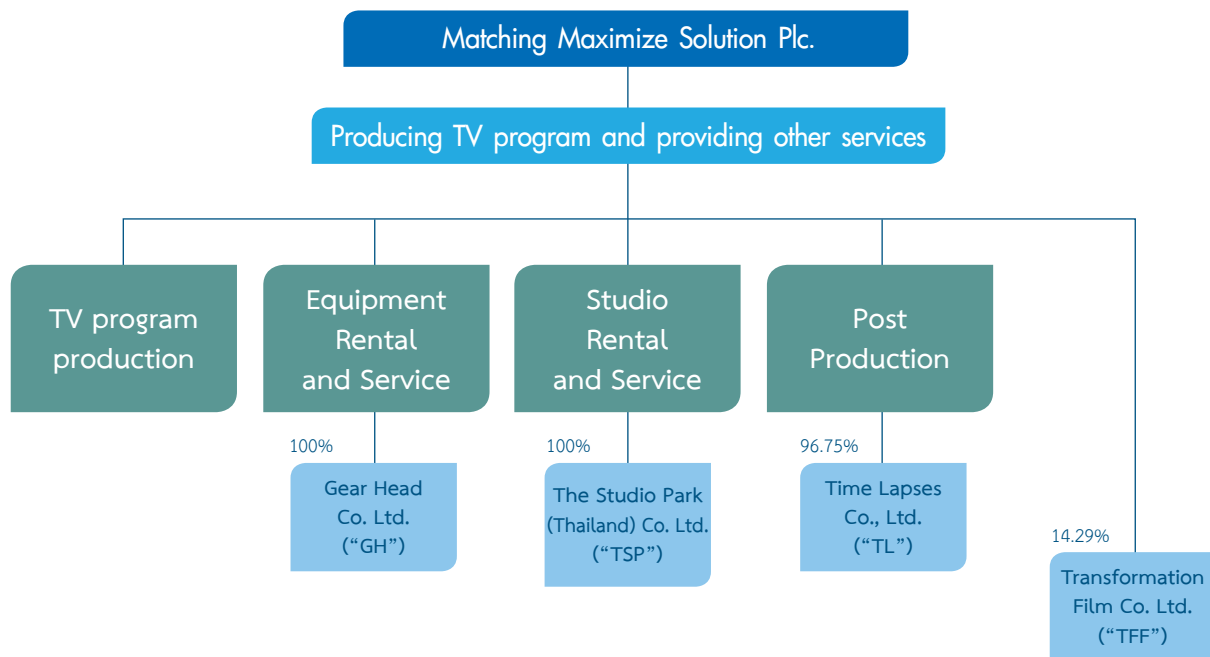
The Company provides post production services for various kinds of films, all kinds of media as well as relevant businesses.

- **Thai Film Production**

The Company formed a joint venture to produce Thai films released on cinemas and sold in various channels. In 2017, there were two films, i.e., Mr.... Hurt Mue Wang An Dab Jeb” and “Premika Pa Rab”.

The Company's group structure

As of January 2018, the Company's structure classified by types of business type were as follows



** Matching Entertainment Co., Ltd. (ME), Matching Studio Plus Co., Ltd. (MP) and Book Maker Co., Ltd. (BM) are under dissolution process





Revenue Structure

Company and its subsidiaries' revenue structure classified by types of business in the consolidated financial statements for 2015-17 is as follows:

Consolidated financial statement	2015		2016		2017	
	Million baht	%	Million baht	%	Million baht	%
Core businesses						
1. Equipment Rental and Services	377.51	71.02	355.58	76.81	351.00	76.93
2. TV program production	124.95	23.51	81.69	17.65	58.45	12.81
3. Post production	9.63	1.81	12.47	2.69	22.43	4.92
4. TV Commercials production	6.54	1.23	2.43	0.53	-	-
5. Studio Rental and services	-	-	-	-	12.17	2.67
6. Product sales	5.69	1.07	4.50	0.97	4.36	0.96
Revenue from core businesses	524.32	98.64	456.67	98.65	448.41	98.28
Other income	7.21	1.36	6.24	1.35	7.84	1.72
Total revenue	531.53	100.00	462.91	100.00	456.25	100.00

Note * The event organizing business and printing business ceased operation in 2H17.

In 2017, the Company and its subsidiaries' core businesses consisted of equipment rental and services business, TV program production business, post production business and studio rental and services business.

1 Equipment Rental and Services business

Service Details

GH offers equipment rental services for shooting movies, serving all groups of clients who want high quality and high definition shooting devices. These client groups include film producers, documentary producers, commercial producers and music video producers both in Thailand and overseas. These customer groups are served by "Gear Head". In addition, the Company also serves demand from clients who are drama producers and TV program producers; the service in this segment is offered under the brand "Handy Gear".



GH's major rental equipment items

Item	Example
Digital cameras	Arriflex cameras, Red, Phantom, Sony, Canon, Go Pro Arri lens, Hawk, Master Prime, Angenieux, Cooke and Drones
Lighting equipment	Tungsten , Daylight , new models of LEDs, Super Silent Generator
Sound equipment	Sound recorders, Mixing consoles, Microphones
Grips	Cranes, Dollies, Stabilizer and Non Stabilizer Remote Head , Telescopic Crane
Rig equipment	Equipment specially designed for filming on clients' demand
Service vehicle	Vans, Beverage vehicles, Mobile toilets and Motor homes

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

Market and Competition

1. Industry

- Film industry

Despite the improvement in overall Thai economy in 2017 especially in terms of export and tourism, the entertainment industry remained rather gloomy due to overall negative sentiment caused by the passing of the late King. In addition, the state sector asked for corporation from the private sector to release only selective entertainment programs amid the grief atmosphere. Meanwhile, cinemas tended to show only blockbuster Hollywood films with only limited room for Thai films and films from other countries, which had significant impact on revenue from Thai films and films from other countries. Furthermore, the fact that only 17 films out of 47 films released in 2016 was able to generate revenue at above one million baht made film producers reluctant to put huge investment on film production. In 2017, a total of 52 films were released. Out of this, there was only one film, i.e., Bad Genius, was able to generate revenue of more than 100 million baht (i.e., 112 million baht) while almost half of them generated revenue of below one million baht. Therefore, film producers attempted to limit production budget, which in terns impacted the budget for renting filming equipment.





Rank	Films	Revenue (Million baht)
1	Bad Genius	112.0
2	Som Pak Sian	74.9
3	Mr. Hurt	66.8
4	The Promise	33.7
5	Thailand Only	23.6
6	Slum Boy Soi Tued	17.5
7	Oversize	14.0
8	Siam Square	9.3
9	Saranae Love You	7.4
10	Thong Dee Fun Khao	6.5

Top-ten films in terms of revenue in 2017

Source : BuggabooMovie

In terms of foreign films and commercials filmed in Thailand, while the volume increased, the product budget declined. Meanwhile, competition expanded to an international level, not just within domestic market. Each government tried to come up with strategies to attract foreign crew to their countries in order to boost revenue from, enhance skills in this industry and crease good country image to attract tourists. The advanced technology that brought high quality equipment with smaller sizes made it easy for foreign crew to bring equipment with them while better transportation system enabled foreign clients to bring their equipment from their countries to film in Thailand more easily. In additions, other factors include politics, exchange rate and loosened regulatory are also key factors impacting producers' decision to choose the country for filming.

The government realized the competition at the international level, so it tried to boost competitiveness. In the cabinet meeting on 24 May 2016, the cabinet approved the proposals proposed by Ministry of Culture, as the details below.

1. Approve the strategy to promote film and video industry phase 3 (2017 – 2021) and the implement plan under this strategy
2. Assign relevant organizations to proceed with the strategy to promote film and video industry phase 3 (2017 - 2021) and the implement plan under this strategy
3. Allow the Budget Bureau to regard the strategy as a guideline for annual budget allocation for relevant organizations

Key messages

The Ministry of Culture reported that the government emphasized the significance of promotion of Thai film and video industry as to drive a policy to use cultural aspects as ways to boost the country's image and develop international collaboration and relation. In addition, the policy is also aimed at recovering of Thai economy, developing Thai products overseas and promoting tourism industry in order to boost revenue for the country. To follow the government's policy and promote Thai film and video industry to be prepared for potential changes in relevant technologies as well as to enhance the competitiveness of the film and video industry, the National Film and Video Committee completed a strategy to promote Thai films and video phase 3 (2017 - 2024) to a guideline to promote Thai films and videos with clear direction and objectives. There is clear management and integration mechanism to put the strategy to concrete implementation. There are five strategies as follows:

Strategy 1: Enhance professional skills for personnel in Thai film and video industry

Strategy 2: Promote and develop Thai films and videos

Strategy 3: Protect intellectual property of Thai films and videos

Strategy 4: Promote international joint venture including the joint venture doing business about filming of foreign crew in Thailand

Strategy 5: Enhance competency of the Thai film and video industry

Other measures to attract foreign producers to Thailand include a 15% return for any crew who spend the budget of at least 50 million baht, plus extra 3% on top for any crew who hire Thai staff in key positions. In addition, another 2% will be returned to any crew who work on promoting good image of Thailand as specified by the Thai authority. All these measures became effective around early 2017.

Number of foreign filming in Thailand (By product type)

Type (Unit/Year)	2010	2011	2012	2013	2014	2015	2016	2017
Commercials	255	296	314	346	294	329	376	371
Documentaries	178	155	122	150	159	176	155	156
Music video	50	34	41	47	44	57	47	54
TV programs	34	67	80	86	74	62	80	93
TV programs with sensitive content	4	8	8	6	6	8	14	35
Games/Reality Show	-	-	3	-	1	9	3	-
Dramas	6	4	6	7	1	1	3	2
Series	2	7	9	8	7	16	16	15
Feature films	49	35	53	67	41	63	50	84
Others	-	-	-	-	4	3	35	-
Total (Units)	578	606	636	717	631	724	779	810
Revenue (Million baht)	1,869.15	1,226.45	1,781.93	2,173.35	1,934.18	3,164.30	2,371.10	3,074.11
Difference (%)	108.19	-34.38	45.29	21.97	-11.00	63.60	-25.07	29.65

Source : Thailand Film Office, Tourism Division

- Advertising Industry

The advertising industry had been in the red for two consecutive years, from 2016 to 2017. Based on the data from Nielsen, in 2015 the advertising market was valued at 122,175 million baht. In 2016 the number fell by 11% to 107,923 million baht. Finally, in 2017 the advertising market was valued at 101,445 million baht, down by 6% from the number seen in 2016 due mainly to economic conditions, the suspension of marketing activities and the transition to the digital media era.

However, the ad spending growth in 2018 is projected to pick up given in part to the projection made by the National Economic and Social Development Board (NESDB) who projected 2018E GDP growth of 3.6 - 4.6%. The growth drivers should include positive factors from the continued expansion in the export sector, leading to the improvement in the manufacturing and tourism sector. These favorable factors are expected to drive the overall economic growth in 2018. Accordingly, product brand owners will come back to spend their ad budget to stimulate spending and their sales growth as a boost to their business growth. This potential favorable trend will have a positive impact on spending on filming equipment rental expenses budget.

2. Competition

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

- 2.1 Prices: The key factor is about prices. As the economy slows down and the competition is high, prices are reduced to gain more work. The price competition has a negative impact on the Company's earnings performance.
- 2.2 Staff teams: Efficient staff teams, both supportive and operating teams, will help smoothen clients' project operation promptly and neatly. This also helps improve the image of the overall production team.
- 2.3 Equipment: Each service provider has similar basic equipment, so those who can offer new equipment with very good condition, more varieties and special specification will enjoy advantages over peers. Clients ask for new equipment very often and if a service provider cannot supply the required items but its competitors can offer such items, the clients may opt for those with available equipment.
- 2.4 Reputation: To create good reputation among clients is a good way to create trust from clients. In particular, foreign crew who never come to film in Thailand often seek comments or feedback from those who used the service before.

2. TV program production business

Service details

The Company's TV program production business is operated in two formats: i) the Company subleases broadcast timeslots from the TV station for its own TV programs and ii) the Company provides TV program production service for the TV station (the client). From this business, the Company gains revenue from selling commercial timeslots for promoting products/services during the programs and from production service revenue. The Company's programs are as follows:

Game shows

The Game show allow participants to play games and win the prizes. The Company's game show focuses both on useful information and entertainment. Knowledge and interesting ideas are also presented in the programs through program participating guests' special abilities or interviews. In 2017, the Company presented one game show as follows.

- "Plod Nee" is a game show presenting both knowledge and entertainment for social benefits. Regarding the program style, guests are invited to demonstrate their special abilities. If they successfully achieve the program's rules, their debts will be settled by the program producer. Viewers can both enjoy the show while learning some useful content. 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.

Market and Competition

1. Industry

- Industry Overview

Ad spending during 2016 -2017

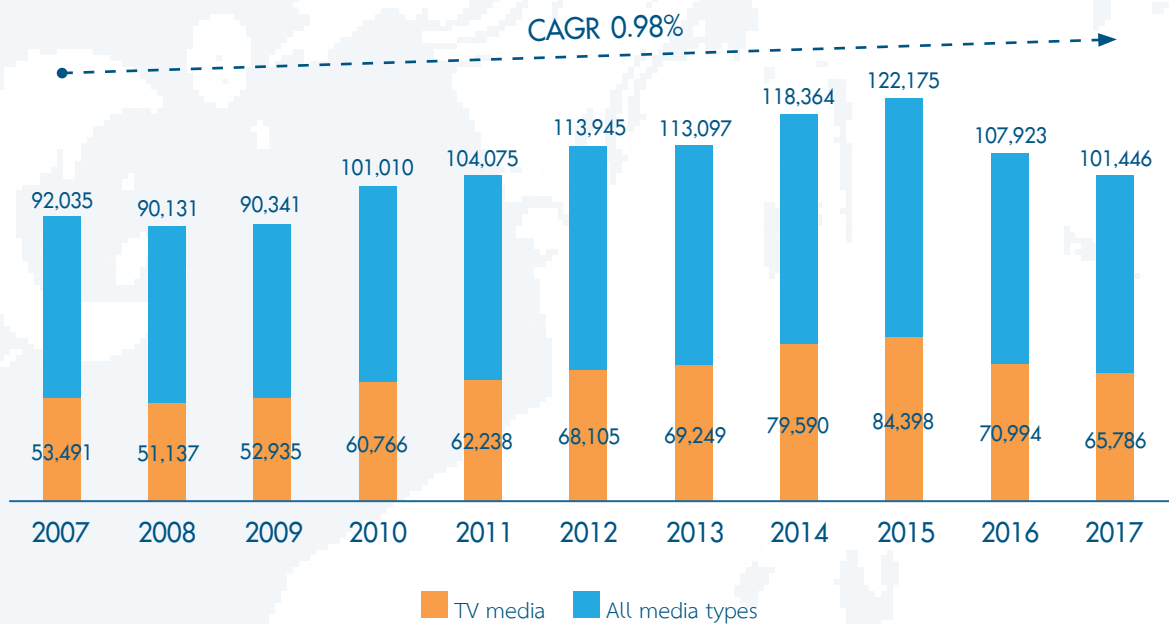
Ad spending by media types	2016	2017	Growth
	(Million baht)	(Million baht)	(%)
TV	70,994	65,786	-7.34
Analog TV	47,151	40,966	-13.12
Cable TV /Satellite TV	3,450	2,913	-15.57
Digital TV	20,393	21,907	7.42
Newspapers	9,857	7,706	-21.82
Cinemas	5,445	6,807	25.01
Radio	5,263	4,476	-14.95
Magazines	2,926	1,943	-33.60
Outdoor media	5,667	6,391	12.78
Transit media	5,337	5,878	10.14
In-store media	703	946	34.57
Internet media	1,731	1,513	-12.59
Total	107,923	101,445	-6.00

Source : Nielsen Media Research



TV remained the major media type with the biggest share, with analog TV still maintaining its top rank and digital TV having continued to grow. On the contrary, magazines, newspapers and radio media has been negatively the most. However, the huge ad spending in the TV media came with higher and higher competition because TV business requires high costs, both in terms of personnel, technology and content. Meanwhile, the ongoing transition to online platforms has resulted in broader spread of ad spending through media channels.

Ad spending in Thailand during 2007-2016 (Million Baht)



2. Competition

TV operators have to introduce new and different content or import content from abroad in order to attract more viewers as there are more stations. In the meantime, the operators should also manage costs as well as serving demand for clients.

3. Post production business

Service details

The Company also engages in postproduction services for feature films and commercials. The production of feature films is done in three steps:

1. Preproduction
2. Production
3. Post production

Post-production is the final step before project completion, either for feature films or TV commercials. Post-production work consists of editing, color grading, visual effects, computer graphics and sound mixing. After all these works, the product will become a complete master piece before releases through various media.

Market and Competition

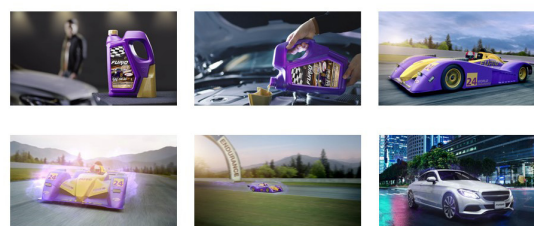
1. Industry Overview

- Post production House Industry

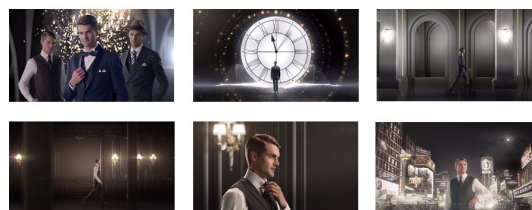
At present, the number of big post production houses has declined as clients tend to spend lower budget. Hence, medium to small postproduction houses have lost some market shares, so they have to make some business adjustment.

2. Competition

The remaining post production houses have to accept medium and small projects instead of just big projects they accepted in the past. This situation caused competitor in the medium to small segments to become intensify. They often dump prices to attract clients, hence, the revenue of post production houses has continued to decline.



Production House : Joyluckclub
Job : FURIO
Service : Color Grading , Online , Sound Recording



Production House : Munk
Job : ARROW
Service : Full Post Processing



Production House : PORJAI FILM
Job : HUGGIES
Service : Editing, Color Grading , Online



Production House : GOODTAKE
Job : ISUZU
Service : Color Grading , Online

4. Studio Rental and Services

The Studio Park (Thailand) is located on a plot of 216 rai of land in Bangbo District, Samutprakan. The project commenced operation in mid-2017.

Product and service details

There are five studios available for rent, as the following details:

Two small studios with the size of 20x30x12 meters

Two medium studios with the size of 30x40x12 meters

One large studio with the size of 40x60x14 meters

Major project functions are as follows:

- Acoustic Design for international standard sound proof system (“NC 25”)
- Practical Design for the structural system that can support heavy weight
- Spacious areas to serve shooting activities for production teams both from Thailand and overseas
- Production Convenience: There are various functional facilities such as dressing rooms, recreation rooms, conference rooms, private VIP rooms and etc.: Inside the studios there are be two VIP lounges (VIP Lounge A and Lounge B) to welcome VIP clients. Especially at Lounge B there are windows overseeing ongoing activities inside the studio and there is Real Time facility at VIP Lounges. In addition, there are buildings for equipment storage and large car park areas to support a large number of production teams.

In 2017, one new building for Production Office (or Tree House) was constructed. The airy building overseeing surround view features four rooms, which can be adapted for shooting activities. In addition, there was a large kitchen where sections for meat, vegetable and Halal food, are separated.

In addition, there are outdoor areas for rent with integrated services, e.g.,

- Backlot: Vacant space for unlimited outdoor setting
- T Lot: Alleys between building that can create walking ways, small alleys where a building is required for setting
- Natural lake within the project
- Natural canal
- Warehouse: Vacant warehouse with beautiful structure suitable for shooting films or commercials or take pictures or produce game shows or even for resting area

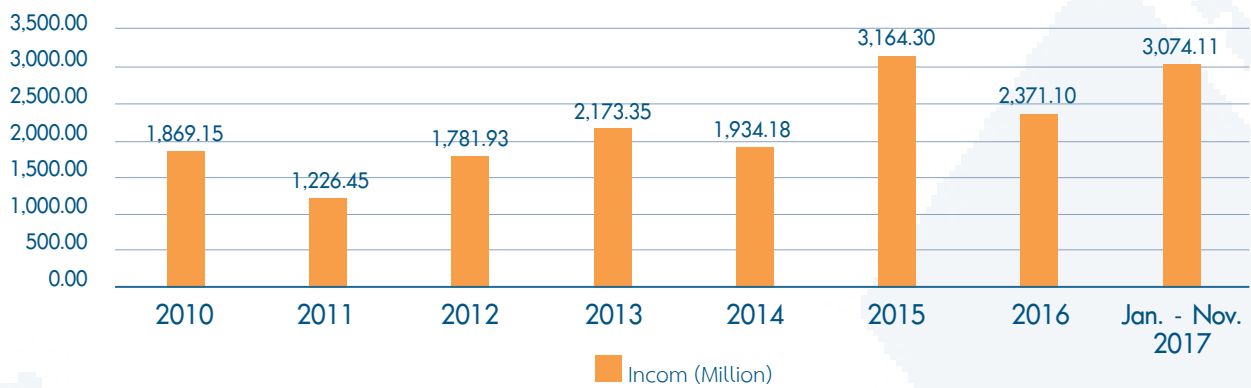


Market and Competition

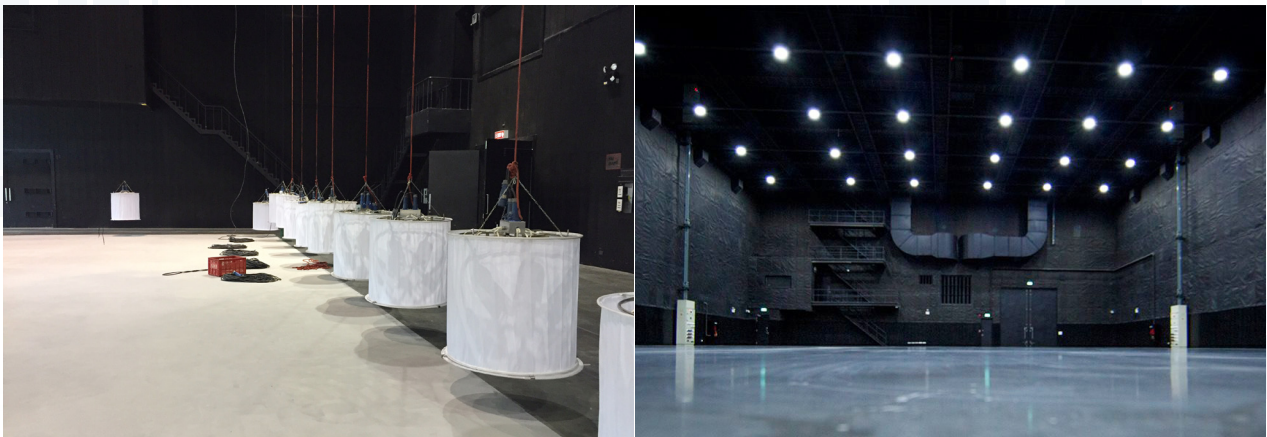
1. Industry Overview

According to the Film Office, Tourism Division, there were 810 foreign movies filmed in Thailand during January to November 2017 for the total value of 3,074.11 million, increasing by 29.65% on a year-on-year basis. The top-three countries/regions were Japan, Europe and India.

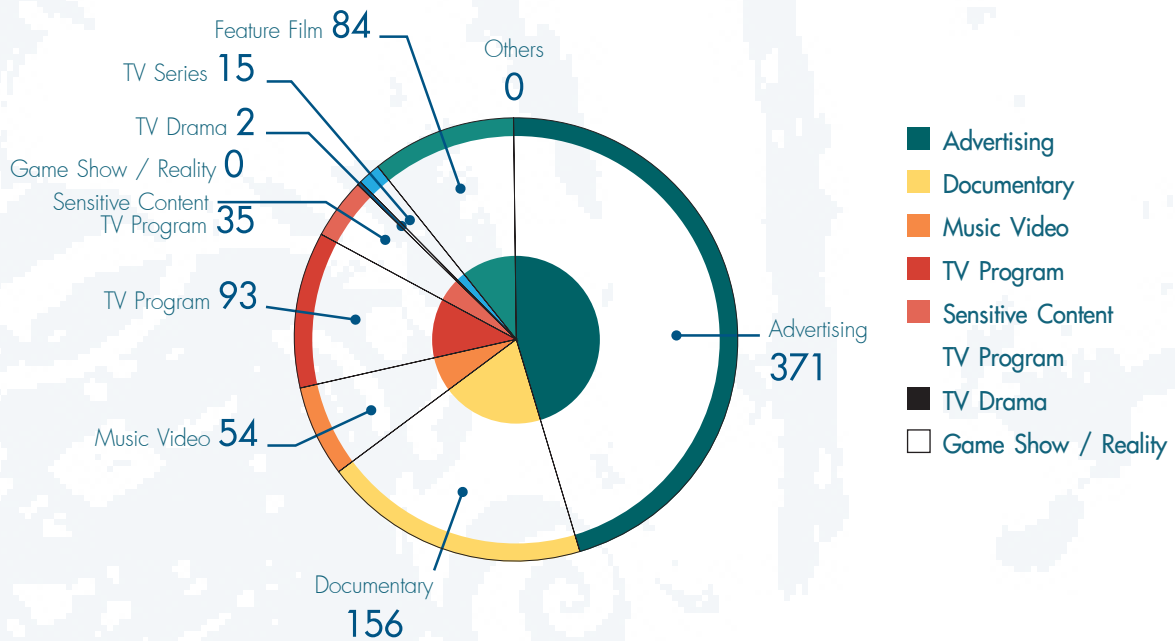
- Revenue from foreign movies filmed in Thailand during 2010 and November 2017



Data as of November 2017



- Number of foreign movies filmed in Thailand during January to November 2017 (by type)



Source <http://www.tourism.go.th> Tourism Division

Data during January to November 2017

2. Competition

As The Studio Park (Thailand) is the first and only international standard studio in Thailand equipped with acoustic design for international standard sound proof system (“NC 25”), the project enjoys more advantages over competitors in terms of quality of products and services. This service is in the same area as the equipment rental services for which the Company had expertise for 20 years; therefore, the Company is ready to provide services covering all aspects to the clients.





Business Operating Risks

The Company's core businesses are equipment rental and services, TV program production, post-production, and studio rental and services. Each business entails risks as discussed below.

Equipment Rental and Service Business

Risks in regard to the changes in technology and obsolete equipment

The Company provides filming equipment rental services for production of feature films, commercials and TV programs and TV dramas. The equipment technology changes rapidly and clients tend to choose companies with new equipment they are familiar with. However, the Company has continued to invest in new equipment to serve clients' demand. In addition, the Company also develops personnel efficiency who can engage in particular equipment with special techniques to serve new clients. The Company also provides personnel training to enhance personnel skills in using equipment in order to facilitate clients.

Risks in regard to investment in equipment and unpopular equipment

The equipment rental and service business requires high cost in continued investment in new equipment. If it turns out that the invested equipment does not satisfy the clients, the Company will see some risks and unable to break even and gain returns from such investment. Nonetheless, when deciding to invest in new equipment, the Company has to take into account clients' needs and demand by preliminarily surveying the clients' preference. The Company analyzes the profitability outlook of an asset before deciding to invest in such asset. The Company's investment project called Studio Park project provide rental service of international standard studio. The project also includes warehousing facility for keeping rental equipment in the same area of the project. The project will enable the Company to promptly and conveniently provide integrated services to clients, reducing transportation cost for clients. With available equipment in-store, the clients can rent additional equipment all the time. Hence, the Company is confident that its rental assets will generate hefty revenue with accelerating return rates.

TV Program Production Business

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

The TV program production business entails risks about the possibility that the TV channel may reshuffle its program line-up in order to maintain its market share or ratings. Also, there is a risk that the TV station may decide to change the terms and conditions in the contract, e.g., hiking the airtime lease rates, lowering revenue sharing, reducing advertising time, and etc., which may impact the continuation of the Company's TV program. Being well aware of such risks, the Company tries to minimize the chances that the TV station will decide not to extend the subleasing contracts or decide to extend the contracts under some unfavorable conditions. In so doing, the Company is committed to comminuted development of its content in order to raise audience share (i.e., boosting the program's rating) as well as attracting

more sponsors given that the rating level and the number of program sponsors are key factors for the TV station to decide whether or not to extend the subleasing contracts. The Company keeps monitoring its popularity and boosting audience shares by enhancing its program content regularly.

Risks in regard to ad spending being distributed more to other media instead of TV media

Currently, the ad spending trend is transforming from the ad spending through analog TV (free TV) to other media channels, especially digital media, online advertising media, Internet media, outdoor media and transit media. New media channels tend to become more influential in consumers' decision making to buy products and service. However, data suggest that analog TV media and digital media remain the most popular media for ad spenders, which means that the two media types still capture the biggest market shares as they can reach mass markets. The competition in ad spending results in high competition as operators try to compete in improving their program quality and content. Realizing this factor, the Company continued to develop the content and present content varieties of both existing programs and potential programs in accordance with consumers' changing behaviors.

Risks in regard to operators' limited ad budget

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

Post production Business

Risks in regard to high competition

In the past, the number of big players in the post production industry was rather small due to high cost; however, the number of operators has increased recently as prices of equipment and software have declined, resulting in higher competition. Nonetheless, despite a larger number of post production houses, some houses are unable to serve clients' demand as they provide only some services, such as editing or coloring, and etc. Hence, the Company can reap benefits as a one-stop service provider and the clients can conveniently access to its service. Also, working duration is shortened and cost about site relocation is also lowered.

Risks in regard to dependence on human resources

The post production business requires highly-skilled personnel with extensive expertise and experience in order to create reputation and gain creditability from clients. Hence, the Company has skillful personnel who have expertise in start-of-the art equipment. The Company realizes the importance of personnel development alongside the company's success. It should also be noted that a major shareholder of this business is a key man overseeing this business and he is willing to push forward the business and continue to produce high quality works.

Studio Rental and Service Business

Risks in regard to inability or failure to attract clients as targeted

There might be some risks that the Studio Park project may fail to yield profits and bring good returns to the Company. However, the Company has tried to keep risks under control and an acceptable level. With extensive experience in the film and broadcast industry, the Company foresees growing demand for rental studios. Furthermore, once completed, the Studio Park will enable the Company to be the first provider of rental studio under the NC 25 International Standard. Moreover, the Company will also provide state-of-the art equipment, attracting production crew. This helps to support the government's policy to attract more foreign film production crew into the country and it should also well respond to the growing competition in the digital TV industry. Therefore, the Company is confident to a certain degree that its Studio Park project will gain positive feedbacks from domestic and international film producers.

Management Risks

Risks in regard to having a sole major shareholder who have influence and control power on management policies

As of 9 February 2018, the major shareholder, BBTB Production, held 63.30% of the total paid-up capital. With this percentage of shareholding, BBTB Production has power to make decisions and determine the management policies to a certain degree. With BBTB Production being the only major shareholder, it is very unlikely that the Company will be taken over by other companies, without approval from BBTB, even though other shareholders may see opportunities to raise the corporate value. Being well aware of this issue, the Company strictly follows the good corporate governance principles and also has the Audit Committee, consisting of three independent directors from the total nine directors. The independent directors can help enhance the management as well as bringing transparency and balancing the power of directors. The independent directors also act as representatives of retail shareholders to examine the performance of the management. Moreover, should there be any significant legal issues, approval from shareholder meetings is required before further procedure. The aforementioned factors help to control management and execution risks well.

Risks in regard to the major shareholders having conflicts of interests and involving competing businesses

BBTB is the Company's indirect major shareholder (i.e. it is the major shareholder of BBTB 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 broadcast only on Channel 7. Hence, Media Studio's business may compete with one of the Company's businesses. However, although both companies are held by the same shareholder, their management teams and employees are separated. Although both companies produce TV programs, the types and presentation styles of the programs are different. In addition, they run other different businesses. 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 in the equipment rental segment as well as studio and location rental services primarily serving all groups of clients.



Shareholders and Dividend Policy

Ordinary Shares

As of 31 December 2017, the Company's registered capital amounted to 781,629,851 baht, consisting of 781,629,851 ordinary shares, at a par value of 1.00 baht apiece; and the paid-up capital amounted to 781,628,733 baht consisting of 781,628,733 ordinary shares at a par value of 1.00 baht.

Shareholders

The Company's top ten shareholders and the percentage of shareholding out of the total paid-up capital as of the latest booking closing date on 9 February 2018 were as follows:

Shareholders		Shareholding	Percentage of paid-up capital
1.	BBTV Production Co., Ltd ^{/1}	494,791,316	63.30
2.	Klongprakit Group	51,114,700	6.54
2.1	Mr.Vinai Klongprakit	22,115,100	2.83
2.2	Miss Rarisa Klongprakit	11,380,600	1.45
2.3	Miss Risara Klongprakit	8,112,800	1.04
2.4	Mrs. Vipa Klongprakit	7,880,800	1.01
2.5	Mr.Virat Klongprakit	1,320,000	0.17
2.6	Miss Rattana Klongprakit	231,400	0.03
2.7	Mrs. Punnee Klongprakit	74,000	0.01
3.	Mongkholsapaya Group	12,066,728	1.54
3.1	Mr.Panumas Mongkholsapaya	12,000,060	1.53
3.2	Mr.Kitchai Mongkholsapaya	65,468	0.01
3.3	Mr.Pinyo Mongkholsapaya	1,200	0.00
4.	Mr.Vera Supattaratid	10,895,000	1.39
5.	Piyapraphanphong Group	10,474,137	1.34
5.1	Mr.Chatchavan Piyapraphanphong	10,324,137	1.32
5.2	Miss Sriprapa Piyapraphanphong	150,000	0.02
6.	Karavawattana Group	7,548,000	0.97
6.1	Mr.Chayawat Karavawattana	3,835,800	0.49
6.2	Mrs.Areewun Karavawattana	1,814,100	0.23
6.3	Mr.Chaipong Karavawattana	1,145,000	0.15
6.4	Mr.Chaiphat Karavawattana	753,100	0.10

Shareholders	Shareholding	Percentage of paid-up capital
7. Tantimate Group	7,167,700	0.92
7.1 Mr.Thawat Tantimate	6,817,700	0.87
7.2 Mr.Thanitlek Tantimate	350,000	0.05
8. Dr.Prasarn Kaemakongkanon	6,650,000	0.85
9. Mr. Pornchai Ariyaratopas	5,876,400	0.75
10. Laawsatienragul Group	5,610,500	0.72
10.1 Mr.Vichit Laawsatienragul	5,555,500	0.71
10.2 Mr.Viboon Laawsatienragul	55,000	0.01
Total	612,194,481	78.32

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

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

Issuance of other securities

- None-

Dividend Policy

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

Five-year-historical dividend payment

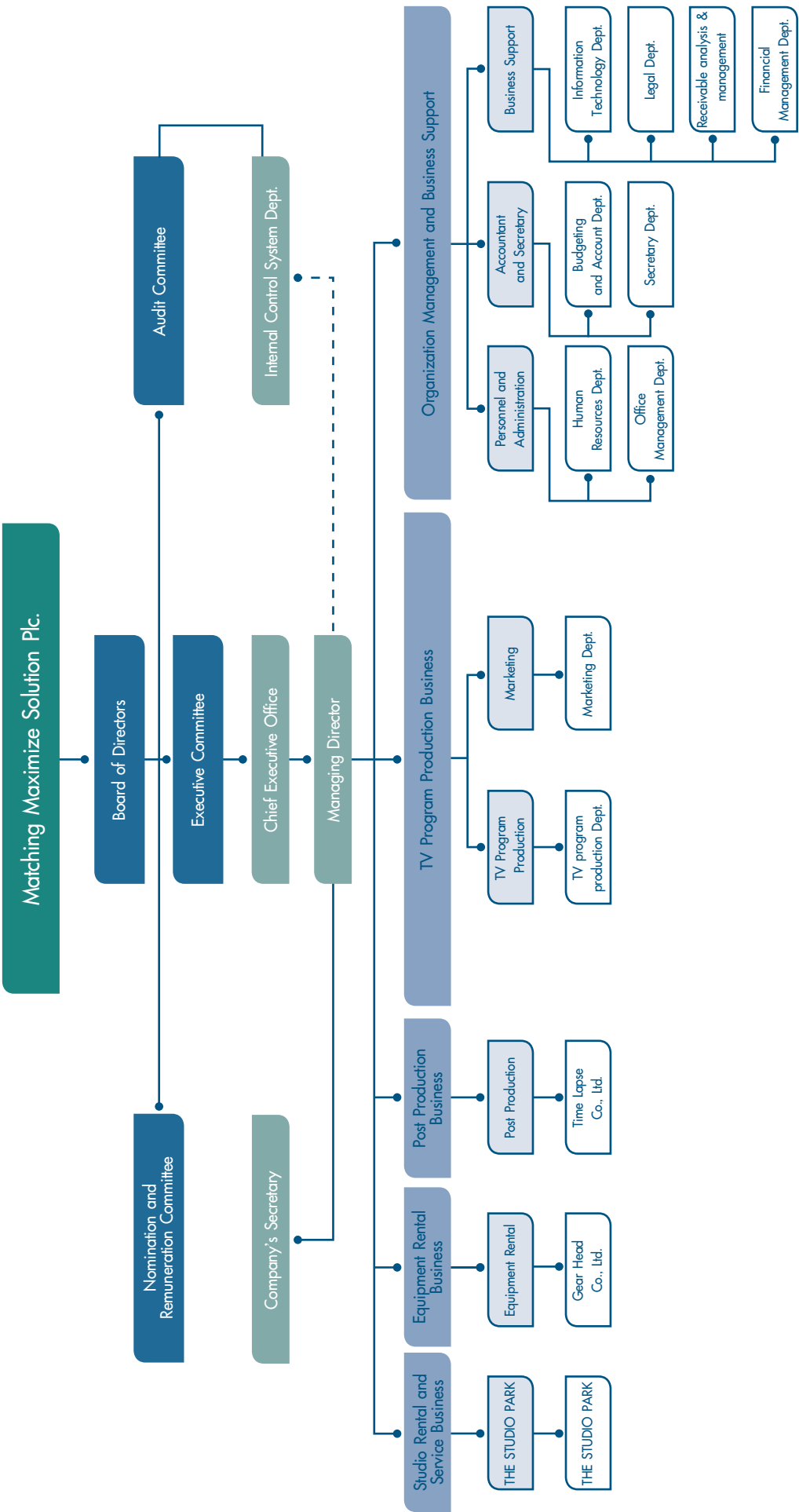
Year	2012	2013	2014	2015	2016
Earnings per share	0.23	0.20	0.06	(0.09)	(0.12)
Dividend per share	0.06	0.10	0.055	-	-
Dividend Payout (%) ***	26.61	60.06	99.58	-	-

Note : *** The ratio was based on the consolidated financial statement





Management Structure



The Management structure consists of Board of Directors and three sub-committees :1) Executive Committee
2) Audit Committee and 3) Nomination and Remuneration Committee. The details are as follows:

Board of Directors

As of 31 December 2017, the Board of Directors consisted of the following nine members:

Name	Position	Meetings in 2017	
		Total meetings	No. of attendance
1. Mr. Somrit ^{/1} Srithongdee	Chairman	11	11
2. Mr. Poomchai ^{/1} Wacharapong	Director	11	10
3. Mr. Somboon Cheewasutthanon	Director	11	10
4. Mr. Pattanapong ^{/1} Nuphan	Director	11	10
5. Mr. Sansrit ^{/1} Yenbamrung	Director	11	8
6. Mr. Nuttawit ^{/1} Boonyawat	Director	11	11
7. Mr. Akarat Na Ranong	Independent Director and Chairman of Audit Committee	11	11
8. Mr. Chatrapee ^{/2} Tantixalerm	Independent Director and Member of Audit Committee	2	2
9. Mr.Kamol Ratanachai	Independent Director and Member of Audit Committee	11	10

Note : ^{/1} Representative of BBTV Production Co., Ltd. (for which Channel 7 is a major shareholder)

^{/2} Mr. Chatrapee Tantixalerm replaced Mr. Nuttawut Phowborom on 27 September 2017; he would be an independent director for the remaining duration of Mr. Nuttawut Phowborom.

Scope of duties and responsibility of the Board of Directors

1. Manage and ensure that the Company's business operation conforms to the laws, objectives, and the articles of association including the resolutions of the shareholders' meetings with honesty and trustworthiness; and maintain benefits of the Company.
2. Determine objectives, guidance, policies, business plans, and budgets of the Company; The Board of Directors also controls and supervises the Executive Committee to ascertain that they follow the assigned policies except for the following matters: The Board of Directors must receive the resolution of the shareholders' meeting regarding the following matters; increases or decreases in shares of registered capital; issuances of debentures; disposition or acquisition of all or parts of the Company's business to other parties; acquisition or transfers of other company's businesses; and amendments of the letters of memorandum or articles of association, and etc.
3. Appoint some directors, as deemed appropriate, to be members of the Executive Committee being responsible for the duties assigned by the Board of Directors.
4. Assign 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 timeframe as deemed appropriate by the Board of Directors; and the Board of Directors may cancel, dismiss, or amend such power.
5. Apply knowledge, skills, and experiences to the duties, bringing about the utmost benefits to the business operation of the Company, with honestly, morality and responsibility to shareholders; and to disclose investment information to investors accurately, sufficiently and transparently.

6. Make sure that the Company's management performs duties efficiently in accordance with the Company's policy; and ask 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. 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 involve in a conflict of interests with the Company and its subsidiaries, such director or authorized individual shall not have a voting right to cast votes for that particular matter.

The Management

As of 31 December 2017, the Company's management consisted of nine members as follows:

Name	Position
1. Mr. Poomchai Wacharapong	Chief Executive Officer
2. Mr. Somboon Cheewasutthanon	Managing Director
3. Mr. Thanitsaphong Sasinmanop	Senior Executive Vice President For Equipment rental and service business
4. Mr. Wiroj Bunsirungruang	Senior Executive Vice President For Organization Management and Business Support
5. Mrs. Siripen Sasinmanop	Executive Vice President For Equipment rental and service business
6. Mr. Natpatsakorn Jankhod	Senior Vice President Office Management Dept. and Human Resources Dept.
7. Mrs. Ladawan Khumsap	Senior Vice President Budgeting and Account Dept.
8. Miss. Usa Wannamolee	Senior Vice President Finance Dept., IT Dept., Legal Dept. and AR Dept.
9. Mr.Chatchai Thaowongsa	Senior Vice President Marketing Dept.

Scope of duties and responsibility of the Chief Executive Officer

1. Manage the Company's normal business operation
2. Carry on operation according to the Company's business policies, business plans, and business strategies already approved by the Board of Directors.
3. Authorize or assign any other individuals under an approval of the Chief Executive Officer to perform duties on behalf of the Chief Executive Officer in some necessary and appropriate matters under the Chief Executive Officers supervision, all of which must be under the principle of laws and the article of association of the Company.

4. Perform other duties as assigned by the Board of Directors and / or the Executive Committee on a case-by-case basis.
5. Proceed with and approve the employment or acceptances of projects or binding agreements in the Company's core business operation within a limit of 15,000,000 baht per transaction or equivalent. This credit limit must conform to the 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. Hold 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 and welfares.

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

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

Scope of duties and responsibilities of the Managing Director

1. Manage the Company's normal business operation.
2. Carry out management and operation according to the Company's business policies, business plans, and business strategies already approved by the Board of Directors.
3. Authorize or assign any other individuals 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's supervision, all of which must be under the principle of laws and the article of association of the Company.
4. Perform other duties as assigned by the Board of Directors and / or the Executive Committee on a case-by-case basis.
5. Perform and approve employment or acceptances of projects or binding agreements in the Company's normal business operation within a limit of 10,000,000 baht 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. Hold 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 Director must be under the laws, rules, and regulations related to the Company's business. In a case where the Managing Director may enter into counter-parties benefits or may involve conflicts 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 Director shall have no authority to approve such case. The Managing Director must propose this matter to the Executive Committee and/or the Board of Directors for further review or approval.

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

Company's Secretary

The Board of Directors appointed Mr.Wiroj Bunsirungruang as the Company's secretary, effective from 25 January 2009.

Remuneration for Directors and Management

Cash remuneration

In 2017, the remuneration was carefully determined by the meetings of the Nomination and Remuneration Committee. The following amounts of remuneration for directors were unanimously approved by 2017 Annual General Meeting of Shareholders held on 3 April 2017.

Monthly remuneration

Board of Directors

Chairman	60,000	baht
Directors	30,000	baht

Sub-committees

Chairman	30,000	baht
Committee members	20,000	baht

At present the Company's sub-committees consist of Executive Committee, Audit Committee and Nomination and Remuneration Committee. Committee members who are also members of the Company's Board of Directors receive remuneration for the position of director as well.

a) Directors' remuneration

In 2017, the remuneration of directors consisted of meeting allowances was followed:

Name	Position	Remuneration (baht)				
		Directors	Executive Committee	Audit Committee	Nomination and Remuneration Committee	Total
Mr. Somrit Srithongdee	- Chairman of Board of Directors - Chairman of Nomination and Remuneration Committee	720,000	-	-	360,000	1,080,000
Mr. Poomchai Wacharapong ^{/1}	- Director - Chairman of Executive Committee	360,000	-	-	-	360,000
Mr. Somboon Cheewasutthanon ^{/1}	- Director - Member of Executive Committee	360,000	-	-	-	360,000
Mr. Pattanapong Nuphan ^{/1}	- Director - Member of Executive Committee	360,000	200,000	-	-	560,000
Mr. Sansrit Yenbamrung ^{/1}	- Director - Member of Executive Committee	360,000	200,000	-	-	560,000
Mr. Nuttawit Boonyawat ^{/1}	- Director - Member of Executive Committee	360,000	200,000	-	-	560,000
Mr. Akarat Na Ranong	- Independent Director - Chairman of Audit Committee	360,000	-	360,000	-	720,000
Mr. Nuttawut Phowborom ^{/2}	- Independent Director - Member of Audit Committee - Member of Nomination and Remuneration Committee	270,000	-	180,000	180,000	630,000
Mr. Chatrapee Tantixalerm ^{/2}	- Independent Director - Member of Audit Committee - Member of Nomination and Remuneration Committee	90,000	-	60,000	60,000	210,000
Mr. Kamol Ratanachai	- Independent Director - Member of Audit Committee - Member of Nomination and Remuneration Committee	360,000	-	240,000	240,000	840,000
Mrs. Siripen Sasinmanop ^{/1}	- Member of Executive Committee	-	-	-	-	-
Mr. Wiroj Bunsirirungruang ^{/1}	- Member of Executive Committee	-	-	-	-	-
Mr. Montri Yoosomboon ^{/1}	- Member of Executive Committee	-	-	-	-	-
Total		3,600,000	600,000	840,000	840,000	5,880,000

Note : ^{/1} Five members of Executive Committee refrained from receiving the meeting allowance in 2017; and three members of Executive Committee refrained from receiving meeting allowance from November 2017.

^{/2} Mr. Chatrapee Tantixalerm replaced Mr. Nuttawut Phowborom on 27 September 2017; he would be an independent director for the remaining duration of Mr. Nuttawut Phowborom.

b) Remuneration for the Company's management

As for the remuneration of the Company's management (based on the definition given by the SEC and the SET, management includes Chief Executive Office, Managing Director, top-four management members and management equivalent to the fourth rank management), in 2017, the Company and its subsidiaries paid remuneration in a form of salaries to a total of 11 management members for the total amount of 40.83 million baht.

Other benefits

- 1) The Company established a provident fund, with the employees' contribution at specified rated and the same portion contributed by the Company. The provident fund was managed by an authorized fund and followed the Provident Fund Act B.E. 2530. In 2017, the Company's contribution for 11 management members totaled 1.28 million baht.
- 2) Other benefits included medical allowances, annual medical check-up, life insurance premiums for the total of 0.96 Million baht.

Personnel

In 2017 the Company and its subsidiaries had a total of 591 personnel, with the total benefit packages amounting to 31.51 million baht, including salaries, overtime payment, bonuses, medical allowance, contributions to the provident fund, life insurance premium contributions to the social security and paid compensation for employees at 1.72 million bath. Moreover, the subsidiaries paid the similar personnel remuneration of 88.64 Million baht and paid compensation for employees at 0.32 million baht.

As of 31 December 2017	Headcounts (person)
Studio rental business – The Studio Park	22
Equipment rental and service business	484
Post production business	11
TV program production and central office	74

Detail of the Board of Director

Detail of the Board of Director, the executive and the Authorized Persons and Secretary the company as of 31 December 2017

Name-Last name / Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Work Experience in the last 5 years		
					Period	Position	Name of Companies / Organizations
1. Mr. Somrit Srithongdee ^{/1} - Chairman of the Board - Chairman of Nomination And Remuneration Committee	68	<ul style="list-style-type: none">• Master’s Degree of Public Administration, Chulalongkorn University• Certificate, Director Certification Program (2008) : IOD• Certificate, Roles of Compensation Committee (2007) : IOD• Certificate, Financial Statements for Directors :IOD	- 0 -	- None -	May 2010-Present	- Chairman of the Board of Director	Matching Maximize Solution PCL.
					Jan 2013-Present	- Chairman of Nomination and Remuneration Committee	
					<u>Other Listed Companies</u>		
					2009-Present	- Independent Director and Audit Committee	Eastern Star Real Estate PCL.
					<u>Other Companies/ Organizations</u>		
					2015-Present	- Chief Executive Officer and President	HR Pro Guard Co., Ltd.
					2010-Present	- Chairman	HR Pro Security and Services Co., Ltd.
					(HR Professional Consulting and Services Co., Ltd. was renamed “HR Pro Security and Service Co., Ltd.”)		

Name-Last name / Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Work Experience in the last 5 years		
					Period	Position	Name of Companies / Organizations
2. Mr. Poomchai Wacharapong^{/1} - Director - Chief Executive Officer - Chairman of the Executive Committee	59	<ul style="list-style-type: none"> • Master (Economics) North Texas State University, U.S.A. • Certificate, Senior Executive Program (SEP) , Sasin Graduate Institute of Business Administration of Chulalongkorn University • Certificate, Director Certification Program (2008) : IOD • Certificate, Roles of the Chairman Program (2008) : IOD 	-0-	- None -	Jan 2014-Present	- Director	Matching Maximize Solution PCL.
						- Chief Executive Officer	
						- Chairman of the Executive Committee	
					<u>Other Listed Companies</u>		
					Apr 2012-Dec 2013	- Senior Banker	Bank of Ayudhya PCL.
					Jan 2009-Jun 2012	- Credit Committee Member	
					Jun 2007-Feb 2010	- Executive Committee Member	
					Jun 2007-Jun 2012	- Risk Management Committee Member	
					Jan 2007-Mar 2012	- Head of SME Banking	
					May 2005-Dec 2013	- First Executive Vice President	
					<u>Other Companies/ Organizations</u>		
					Mar 2015-Present	- Director	Baansuay Group Co., Ltd. (Suratthani)
					Jul 2014-Present	- Director	Time Lapse Co., Ltd.
					Jul 2014-Present	- Director	Transformation Film Co., Ltd.
					Feb 2014-Present	- Director	The Studio Park (Thailand) Co., Ltd.
					Feb 2014-Present	- Director	Gear Head Co., Ltd.
					Feb 2014-Jan 2018	- Director	Book Maker Co., Ltd.
					Feb 2014-Dec 2016	- Director	Matching Studio Plus Co., Ltd.
					Feb 2014-Dec 2016	- Director	Matching Entertainment Co., Ltd.

Name-Last name / Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Work Experience in the last 5 years		
					Period	Position	Name of Companies / Organizations
2. Mr. Poomchai Wacharapong ^{/1} (Continued)					Jun 2016-Present	- Advisor	HR Pro Security and Services
					Jan 2014-May 2016	- Director	Co., Ltd.
					Aug 2013-Present	- Director	TV Digital HR Co., Ltd.
					Dec 2012-May 2015	- Chairman	Airpack (Thailand) Co., Ltd.
					Oct 2010-Present	- Director	Grand Larn Luang Co., Ltd.

Name-Last name / Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Work Experience in the last 5 years		
					Period	Position	Name of Companies / Organizations
3. Mr. Somboon Cheewasutthanon ¹ - Director - Executive Committee - Managing Director	51	<ul style="list-style-type: none"> • Bachelor of Accountancy Finance, University of the Thai Chamber Of Commerce • Certificate, Director Certification Program (2011) : IOD • Certificate, Director Accreditation Program (2005) : IOD 	0.046%	-None-	Feb 2012-Present	- Director - Executive Committee - Managing Director	Matching Maximize Solution PCL.
					Feb-Jun 2012	- Chairman of the Executive Committee	
					Nov 2011-Feb 2012	- Senior Executive Vice President (Group of Business Affiliate)	
					Jun 2010-Nov 2011	- Senior Executive Vice President (Group of Business Support)	
					2002-Mar 2010	- Director - Senior Executive Vice President (Group of Business Support)	
					Other Companies/ Organizations		
					Jul 2014-Present	- Director	Time Lapse Co., Ltd.
					2003-Jan 2018	- Director	Book Maker Co., Ltd.
					2003-Sep 2014	- Director	Matching Movie Town Co., Ltd.
					2003-Jan 2014	- Director	Goody Film BKK Co., Ltd.
					2003-Present	- Director	The Studio Park (Thailand) Co., Ltd.**
					2002-Dec 2016	- Director	Matching Studio Plus Co., Ltd.
					1999-Dec 2016	- Director	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	Work Experience in the last 5 years		
					Period	Position	Name of Companies / Organizations
4. Mr.Pattanapong Nuphan ¹ - Director - Executive Committee	52	<ul style="list-style-type: none"> MA in Sociology Thammasat University Certificate, Director Certification Program : IOD Certificate, Director Accreditation Program : IOD 	-0-	-None-	2008-Present	- Director - Executive Committee	Matching Maximize Solution PCL.
					<u>Other Companies/ Organizations</u>		
					Mar 2018-Present	- Director	Media Studio Co., Ltd.
					Jan 2018-Present	- Executive Director and Deputy Managing Director	Bangkok Broadcasting & TV Co., Ltd.
					Jun 2016-Dec 2017	- Executive Director and Assistant Managing Director	
					2009-Present	- Director	B8TV New Media Co., Ltd.

Name-Last name / Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Work Experience in the last 5 years		
					Period	Position	Name of Companies / Organizations
5. Mr. Sansrit Yenbarmung - Director - Executive Committee	59	<ul style="list-style-type: none"> Master of Business Administration in International Trade University of Texas at Sul Ross, U.S.A. 	-0-	-None-	Apr 2014-Present	- Director - Executive Committee	Matching Maximize Solution PCL.
					<u>Other Listed Companies</u>		
					Dec 2004-Present	- First Executive Vice President	Bank of Ayudhya PCL.
					Sep 2002-Nov 2004	- Executive Vice President	
					<u>Other Companies/ Organizations</u>		
					Aug 2017-Present	- Director	Grand Prime Asset Co., Ltd.
					Jul 2017-Present	- Director	Khao Yai Land Co., Ltd.
					Feb 2015-Present	- Director	Home Sukhumvit Co., Ltd.
					Apr 2014-Present	- Director	Media Studio Co., Ltd.
					Aug 2013-Present	- Chairman - Chief Executive Officer	TV Digital HR Co., Ltd.
					Oct 2010-Present	- Director	Grand Larn Luang Co., Ltd.
					Sep 2002-Present	- Chief Executive Officer	Krungsri Ayudhya AMC Co., Ltd.
					Nov 1997-Present	- Director	K.S. Fortune Co., Ltd.

Name-Last name / Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Work Experience in the last 5 years		
					Period	Position	Name of Companies / Organizations
6. Mr.Nuttawit Boonyawat - Director - Executive Committee	55	<ul style="list-style-type: none"> Master of Science Abilene Christian University Texas, USA. Certificate, Senior Executive Program (SEP), Sasin Graduate Institute of Business administration of Chulalongkorn University Certificate, Director Accreditation Program (2005) : IOD 	-0-	-None-	Apr 2014-Present	- Director	Matching Maximize Solution PCL.
					<u>Other Listed Companies</u>		
					Apr 2015-Present	- Director	Eastern Star Real Estate PCL.
					Jan 2015-Present	- Advisor to the President - Chief Executive Officer	Bank of Ayudhya PCL.
					2013-2015	- First Executive Vice President - Corporate Credit Risk Division - SME Credit Risk Division	
					2010-2013	- First Executive Vice President and Acting Manager, Collateral Valuation Department - Corporate Credit Risk Division - SME Credit Risk Division	
					<u>Other Companies/ Organizations</u>		
					Feb 2015-Present	- Director	Home Sukhumvit Co., Ltd.
					Aug 2013-Present	- Director	TV Digital HR Co., Ltd.
					Oct 2010-Present	- Director	Grand Larn Luang Co., Ltd
					Nov 1997-Present	- Director	K.S.Fortune Co.,Ltd.

Name-Last name / Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Work Experience in the last 5 years		
					Period	Position	Name of Companies / Organizations
7. Mr. Akarat Na Ranong - Independent Director - Chairman of the Audit Committee	63	<ul style="list-style-type: none"> • Master's Degree, Business Administration (Management), Marshall University, USA. • Certificate, Role of the Chairman Program (2017) : IOD • Certificate, Director Certification Program (2013) : IOD • Certificate, Role of the Compensation Committee (2007) : IOD • Certificate, Director Accreditation Program (2007) : IOD • Certificate, Audit Committee Program (2004) : IOD • Certificate, Leader Program, Capital Market Academy (Class 6) (2008) 	-0-	-None-	May 2010-Present	- Independent Director - Chairman of the Audit Committee	Matching Maximize Solution PCL.
					<u>Other Listed Companies</u>		
					Nov 2017-Present	- Independent Director - Audit Committee - Nomination Compensation and Corporate Governance Committee	Symphony Communication PCL.
					Jul 2017-Present	- Audit Committee - Risk Management Committee - Investment Committee	Krungthai AXA Life Insurance PCL.
					Jun 2013-Present	- Chairman	Food Capitals PCL.
					2013-Jun 2016	- Director	Evolution Capital PCL.
					2011-Present	- Independent Director - Audit Committee	FINANSA PCL.
					2001 - Jul 2017	- Independent Director - Chairman of Audit Committee - Nomination and Remuneration Committee - Corporate Governance Committee	Krungthai Card PCL.

Name-Last name / Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Work Experience in the last 5 years		
					Period	Position	Name of Companies / Organizations
7. Mr. Akarat Na Ranong (Continued)							
<u>Other Companies/ Organizations</u>							
2015-Present					- Independent Director	KPN Acedemy Co., Ltd.	
					- Chairman of Audit Committee		
2011-Present					- Independent Director	FINANSA Securities Limited	
					- Audit Committee		
2011-2013					- Lecturer	College of Music	
2010-2011					- Associate Dean for Resources Development		Mahidol University

Name-Last name / Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Work Experience in the last 5 years		
					Period	Position	Name of Companies / Organizations
8. Mr. Chatrapee Tantixalerm - Independent Director - Audit Committee - Nomination and Remuneration Committee	53	<ul style="list-style-type: none"> MBA Finance, Sasin Graduate Institute of Business Administration of Chulalongkorn University Certificate, Corporate Governance for Capital Market Intermediaries (2/2015) : IOD Certificate, Director Accreditation Program (48/2005) : IOD 	-0-	-None-	Sep 2017-Present	- Independent Director - Audit Committee - Nomination and Remuneration Committee	Matching Maximize Solution PCL.
					<u>Other Listed Companies</u>		
					Sep 2009-Present	- Independent Director - Chairman of Audit Committee	TSFC Securities PCL.
					<u>Other Companies/ Organizations</u>		
					Jan 2016-Present	- Director and Chairman of Audit Committee	Singapore International School of Bangkok
					Nov 2015-Present	- Chairman of the Board and Independent Director	Univentures REIT Management Co., Ltd.
					Aug 2015-Present	- Director and Chief Executive Officer	Talis Asset Management Co., Ltd.
					Mar 2012-Jun 2015	- Director and Vice Chairman	Association of Investment Committee (AIMC)
					Aug 2011-Sep 2014	- Executive Board Member	International Chamber of Commerce Thailand
					Dec 2005-Jun 2015	- Director and Chief Executive Officer	Krungsri Asset Management Co., Ltd.

Name-Last name / Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Work Experience in the last 5 years		
					Period	Position	Name of Companies / Organizations
9. Mr. Kamol Ratanachai - Independent Director - Audit Committee - Nomination and Remuneration Committee	51	<ul style="list-style-type: none"> Master of Business Administration (MBA), Bangkok University Certified Internal Auditor (CIA), The Institute of Internal Auditor U.S.A. Certificate, Risk Management Program for Corporate Leaders (2017) : IOD Certificate, Director Certification Program (2016) : IOD Certificate, Anti-Corruption : The Practical Guide (2015) : IOD Certificate, How to Measure the Success of Corporate Strategy (2013) : IOD Certificate, Successful Formulation & Execution of Strategy (2012) : IOD Certificate, Audit Committee Program (2009) : IOD Certificate, Director Accreditation Program (2008) : IOD 	-0-	-None-	Jan 2013-Present	- Nomination and Remuneration Committee	Matching Maximize Solution PCL.
					Nov 2010-Present	- Independent Director	
						- Audit Committee	
					<u>Other Listed Companies</u>		
					May 2014-Present	- Independent Director	Eastern Power Group PCL.
						- Audit Committee	
					2011-Present	- Independent Director	Siracha Construction PCL.
					2011-Apr 2014	- Independent Director	Eastern Printing PCL.
						- Audit Committee	
					<u>Other Companies/ Organizations</u>		
					Jun 2015-Present	- Head of Internal Audit	KPN Academy Co., Ltd.
					Jul 2014-Present	- Independent Director	Time Lapse Co.,Ltd
					Jul 2012-Present	- Independent Director	Gear Head Co., Ltd.
					Jul 2012-Present	- Independent Director	The Studio Park (Thailand) Co., Ltd.
					Jul 2012-Jan 2018	- Independent Director	Book Maker Co., Ltd.
					Jul 2012-Dec 2016	- Independent Director	Matching Studio Plus Co., Ltd
					Jul 2012-Dec 2016	- Independent Director	Matching Entertainment Co., Ltd.
					Jul 2012-Sep 2014	- Independent Director	Matching Movie Town Co., Ltd.
					Jul 2012-Jan 2014	- Independent Director	Goody Film BKK Co., Ltd.
					2013-May 2015	- Senior Vice President, Head of Internal Audit	Secondary Mortgage Corporation
					2010-2013	- Vice President, Head of Internal Audit	

Name-Last name / Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Work Experience in the last 5 years		
					Period	Position	Name of Companies / Organizations
10. Mrs. Siripen Sasinmanop - Executive Committee (As of 31 Jan 2018)	63	<ul style="list-style-type: none"> Management Development Program, Thammasat University Certificate, Director Certification Program (2011) : IOD Certificate, Director Accreditation Program : IOD 	0.518 % ^{1/2} (Including Mr. Sasinmanop And Sister of Mr.Montri Yoosomboon)	Wife of Mr. Thanisaphong Sasinmanop And Sister of Mr.Montri Yoosomboon	Apr 2014-Present	- Executive Committee	Matching Maximize Solution
					Nov 2011-Jan 2018	- Executive Vice President (Services and Renting of Equipment)	PCL.
					2002-Jul 2012	- Director and Executive Committee	
					<u>Other Companies/ Organizations</u>		
					2003-Sep 2014	- Director	Matching Movie Town Co., Ltd.
					2003-Jan 2014	- Director	Goody Film BKK Co., Ltd.
					2002-Present	- Director	The Studio Park (Thailand) Co., Ltd.
					2002-Dec 2016	- Director	Matching Studio Plus Co., Ltd.
					1999-Dec 2016	- Director	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	Work Experience in the last 5 years		
					Period	Position	Name of Companies / Organizations
11. Mr. Montri Yoosomboon - Executive Committee	52	<ul style="list-style-type: none"> Lighting System Training Course, Mole Richardson Co., Ltd. USA Maintenance Training Course,(Cinematography Lenses from Cooke Optics factory England) Lens Maintenance Training Course, Carl Zeiss Factory Co., Ltd., Germany Camera Maintenance Training Course, Arri Factory, Germany Vocational Certification Phitsanulok Technical College Certificate, Director Certification Program (2011) : (IOD) 	0.000%	Brother of Mrs. Siripen Sasinmanop	Dec2015-Present	- Executive Committee	Matching Maximize Solution PCL.
					<u>Other Companies/ Organizations</u>		
					Aug 1997-Present	- Director	Gear Head Co., Ltd.

Name-Last name / Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Work Experience in the last 5 years		
					Period	Position	Name of Companies / Organizations
12. Mr. Wiroj Boonsirirungruang - Executive Committee - Senior Executive Vice President (Organization Management and Business support) - Company Secretary	50	<ul style="list-style-type: none"> • Master of Accounting Thammasat University • Certificate, Company Secretary Program (2011) : IOD • Certificate , Director Certification Program (2005) : IOD • Certificate, Director Accreditation Program (2005) : IOD 	0.014%	- None -	Apr 2014-Present	- Executive Committee	Matching Maximize Solution
					Mar 2014-Present	- Senior Executive Vice President (Organization Management and Business Support)	PCL.
					2002-Feb 2014	- Executive Vice President (Organization Management and Business Support)	
					2002-Mar 2010	- Director	
					Other Companies/ Organizations		
					Jul 2014-Present	- Director	Time Lapse Co., Ltd.
					2003-Present	- Director	The Studio Park (Thailand) Co., Ltd
					2003-Present	- Director	Gear Head Co., Ltd.
					2003-Jan 2018	- Director	Book Maker Co., Ltd.
					2003-Dec 2016	- Director	Matching Studio Plus Co., Ltd.
					2003-Dec 2016	- Director	Matching Entertainment Co., Ltd.
					2003-Sep 2014	- Director	Matching Movie town Co., Ltd.
					2003-Jan 2014	- Director	Goody Film BKK Co., Ltd.

Name-Last name / Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Work Experience in the last 5 years		
					Period	Position	Name of Companies / Organizations
13. Mr. Thanisaphong Sasinmanop - Senior Executive Vice President	60	<ul style="list-style-type: none"> Honorary Degree of Technology Major Photography and Cinematography Technology, Faculty of Mass Communication Technology, Rajamangala University of Technology Thanyaburi 	0.518 % (Including Mrs. Siripen Sasinmanop)	Husband of Mrs. Siripen Sasinmanop	Nov 2011-Present	- Senior Executive Vice President (Service and Renting of Equipment)	Matching Maximize Solution PCL.
					Jul 2012-Dec 2013	- Director	
						- Chairman of Executive Committee	
					2002-Oct 2011	- Senior Executive Vice President (TV Commercial)	
					2002-2010	- Director	
					Other Companies/ Organizations		
					2003-Sep 2014	- Director	Matching Movie Town Co., Ltd.
					2002-Present	- Director	The Studio Park (Thailand) Co., Ltd.
					2002-Dec 2016	- Director	Matching Studio Plus Co., Ltd.
					1999-Dec 2016	- Director	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	Work Experience in the last 5 years		
					Period	Position	Name of Companies / Organizations
14. Miss. Usa Wannamolee - Senior Vice President	56	• Master of Business Administration Ramkhamhaeng University	-0-	-None-	Mar 2014-Present	- Senior Vice President of Finance Dep., IT Dep, Legal Dep. and AR Dep.	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 2012	- Branch Manager Chachoengsao	
15. Mrs. Ladawan Khumsap - Senior Vice President	50	• Master of Accounting Thammasat University	0.013%	-None-	2013-Present	- Senior Vice President	Matching Maximize Solution
					2005-2012	- Vice President Accounting and Budgeting Dep.	PCL.
16. Mr. Natpatsakorn Jankhod - Senior Vice President	46	• BBA Ramkhamhaeng University	0.000%	-None-	2013-Present	- Senior Vice President of Office Management Dep. and Human Resource Dep.	Matching Maximize Solution PCL.
					Sep 2007-2012	- Vice President	
					June-Aug 2007	- Purchase Officer	
					Apr 2004-May 2007	- Human Resource Officer	

Name-Last name / Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Work Experience in the last 5 years		
					Period	Position	Name of Companies / Organizations
17. Mr. Chatchai Thaowongsa - Senior Vice President	48	• Bachelor Degree of Business Administration Ramkhamhaeng University	-0-	-None-	June 2015-Present	- Senior Vice President of Marketing Dep.	Matching Maximize Solution PCL.
					Nov 2003-May 2015	- Manager of Marketing Dep.	
18. Mr. Adtchai Kittiwattananukroj - Vice President	44	• Master of Business Administration Ramkhamhaeng University	-0-	-None-	2008-Present	- Vice President Accounting and Budgeting Dep.	Matching Maximize Solution PCL.
					2004-2016	- Manager Accounting Dep.	Matching Entertainment Co., Ltd.

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

^{/2} Include shares held by spouse and minor children (as of 09 February 2018)

** Matching Broadcast Co., Ltd. was renamed "The Studio Park (Thailand) Co., Ltd."



Sub-Committees

Company's management structure consists of three sub-committees: i) Executive Committee, ii) Audit Committee and iii) Nomination and Remuneration Committee.

Executive Committee

As of 31 December 2017, the Executive Committee was comprised of the following eight members

Name		Position
1.	Mr.Poomchai Wacharapong	Chef Executive Office
2.	Mr.Pattanapong Nuphan	Member of Executive Committee
3.	Mr.Sansrit Yenbamrung	Member of Executive Committee
4.	Mr.Nuttawit Boonyawat	Member of Executive Committee
5.	Mr.Somboon Cheewasutthanon	Member of Executive Committee
6.	Mrs.Siripen Sasinmanop	Member of Executive Committee
7.	Mr.Wiroj Bunsirungruang	Member of Executive Committee
8.	Mr. Montri Yoosomboon	Member of Executive Committee

Scope of duties and responsibilities of the Executive Committee

- Propose to the Board of Directors to consider approving:
 - goals
 - business policies
 - business plans
 - business strategies
 - management power
 - annual budget
 - risk management policies
 - scope, power and responsibilities of the managing director
 - other matters that may have significant impacts on the company's operation
 - other matters that the Executive Committee views that they are necessary to be proposed for approval or that they are relevant to the rules set by the Company's Board of Directors
- Ensure that the Company's operation is in line with the Company's business policies, business plans as well as business strategies already approved by the Company's Board of Directors.
- Control and oversee the Company's business policies, business plans, business strategies as well as earnings performance of the subsidiaries.

4. Be authorized to approve the borrowing 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 to smooth out Company's normal business operation. The credit approval per transaction shall not exceed 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 as appropriate, under the Board of Directors' consideration.
5. Review and approve liquidity management for various transactions including deposits, B/Es, government bonds, mutual funds for the amount not exceeding Baht 30,000,000 million; and review deposit transaction reports prepared by the financial management department.
6. Set the Company's organization and management structure including recruitment, training, employment and termination of employment contracts
7. Consider investment in projects or securities or joint venture deals as approved by the Company's Board of Directors.
8. Perform other duties as occasionally assigned by the Board of Directors

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

The Audit Committee

In 2017, the Audit Committee comprised the following three independent members.

Name		Position
1.	Mr. Akarat Na Ranong	Chairman of Audit Committee
2.	Mr. Chatrapee ^{/1} Tantixalerm	Director and Member of Audit Committee
3.	Mr.Kamol Ratanachai	Director and Member of Audit Committee

^{/1} Mr. Chatrapee Tantixalerm was appointed as an Independent Director and member of Audit Committee replaced Mr. Nuttawut Phowborom on 27 September 2017

Terms and Appointment of members of Audit Committee

The Board of Directors appoints three independent directors to be the members of the Audit Committee. At least one of the three independent directors must possess knowledge and experience in accounting and finance. The members of audit committee must be independent as stated in the rules and regulations concerning qualifications and scope of duties and responsibilities of the Audit Committee set by the Stock Exchange of Thailand. The members of Audit Committee shall serve the term of three years. Once the term is completed, they shall be re-elected but they shall not remain in the position more than two consecutive terms, except for the case that the Company's Boards of Directors view differently. The Audit Committee reports directly to the Board of Directors and their scope of duties and responsibilities, as stated in the charter of the Audit Committee, is reviewed and adjusted at least once annually.

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

Scope of duties and responsibilities of the Audit Committee

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

1. Review the financial statements, ensuring that they are accurate and adequate.
2. Review the Company's internal control system and internal audit system and make sure that they are sufficient and effective; 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 internal audit activities.
3. Review the Company's operations and make sure that they conform to the rules and regulations of the Stock Exchange of Thailand, and any other laws related to the Company's business operation.
4. Consider proposing an independent person as the Company's auditor as well as proposing the auditor fee; and to attend the meetings with the auditor, without the presence of the management, at least once a year.
5. Review connected transactions or some transactions that may cause conflicts of interest in order to ensure that those transactions are in compliance with the regulations of the Stock Exchange of Thailand; and to make sure that those transactions are justified and most beneficial to the Company.
6. Prepare Audit Committee Report, which would be included in the Company's annual report; the report must be signed by the Chairman of the Audit Committee and at least contain the following details:
 - a) Opinions concerning accuracy, adequacy and reliability of the Company's financial reports
 - b) Opinions concerning sufficiency of the Company's Internal Control
 - c) Opinions whether the Company follows the laws related to securities and the stock market, regulations of the stock market and the laws related to the Company's business
 - d) Opinions whether the Company's auditor is qualified
 - e) Opinions concerning some transactions that may cause conflicts of interest
 - f) Opinions in regard to the number of the Audit Committee meetings and the attendance of each member
 - g) Opinions or overall notes that the Audit Committee receives from the charter-based operation
 - h) Other matters that should be disclosed to the shareholders and investors under the scope of responsibilities assigned by the Board of Directors
7. Perform other duties as assigned by the Board of Directors and approved by the Audit Committee.
8. Review the Company's risk management and ensure effective risk management.
9. Report performances of the Audit Committee to the Board of Director at least four times a year.

10. Be empowered to hire advisors or outsiders, as stated by the Company's regulations, to provide opinions or consultancy as necessary.
11. Be empowered to invite directors, management, heads of departments or the Company's employees to discuss or answer the Audit Committee's questions.
12. Review the scope of responsibilities and evaluate the annual performance of the Audit Committee.
13. Should the Audit Committee find that the following matters may have a significant impact on the Company's financial statement as well as its operating performance, the Committee will report to the Board of Directors in order to improve the matters within the set timeframe as found appropriate by the Audit Committee.
 - a) Transactions involving conflicts of interests
 - b) Corruptions or unusual matters or significant mistakes of the internal control system
 - c) Violation of the laws concerning rules and regulations of the Stock Exchange of Thailand, and any other laws related to the Company's business operation
14. In case the auditor finds some unusual matters that may indicate that the Chief Executive Officer, Managing Director or any individuals in charge of the Company's operation violate the laws, the auditor should notify the Audit Committee for immediate scrutiny. The preliminary scrutiny result should be submitted to the Securities and Exchange Commission and the auditor within 30 days, starting from the date the auditor reports such suspicious matters. The suspicious matters and the scrutiny procedures should be in accordance with the regulations of the Capital Market Supervisory Board.
15. Review and amend the charter of the Audit Committee as well as the reference once a year; and to propose the amended charter of the Audit Committee to the Board of Directors for approval.

Note that the aforementioned scope of power of the Audit Committee does not include the power that enables a member of Audit Committee or an authorized representative for that member to express opinions about any cases that the particular member of the representative or the persons with connected transactions (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.

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 has a 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 the responsibility to consider approving the amount of appropriate remuneration for the Company's directors and management.

As of 31 December 2017 the Nomination and Remuneration Committee consisted of three members

Name		Position
1.	Mr. Somrit Srithongdee	Chairman of Nomination and Remuneration Committee
2.	Mr. Chatrapee ^{/1} Tantixalerm	Member of Nomination and Remuneration Committee
3.	Mr. Kamol Ratanachai	Member of Nomination and Remuneration Committee

^{/1} Mr. Chatrapee Tantixalerm was appointed as a member of Nomination and Remuneration Committee replaced Mr. Nuttawut Phowborom on 27 September 2017

Scope of duties and responsibilities of the Nomination and Remuneration Committee

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

The Committee is to ensure that the Company's directors, sub-committee members, management members, i.e., Chief Executive Office 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 Ensure that the size and composition of the Company's Board of Directors are suitable for the organization and the changing environment; The Board of Directors shall consist of individuals with knowledge, skills, abilities and extensive experience in various fields that would benefit the Company's corporate governance and operation.
- 4.2 Set guidelines for appraisal of the performance of Directors and management members including Chief Executive Officer and/or Managing Director, Deputy Managing Director, Assistant Managing Director in order to review the annual remuneration, based on scopes of responsibilities and relevant risks. The Committee shall also take into account the value addition for shareholders in the long term when appraising the performance.
- 4.3 Appraise performance of the Company's Directors, Chief Executive Officer, and/or Managing Director.
- 4.4 Complete succession plans for Chief Executive Officer 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 about 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, and etc).

Nomination and appointment of directors and top management

Independent Directors

The 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 specified by the Public Limited Company Act, Notifications of the Securities Commission, Notifications of Capital Market as well as other related regulations and qualifications, 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. Be appointed by the Company's Board of Directors or the Annual General Meeting of Shareholders
2. Possess qualifications as specified by the regulations about securities and stock market:
 - 1) Not holding shares in excess of one per cent of the total shares with the voting rights of the company, the parent company, subsidiaries, associated companies or related companies, which shall be inclusive of the shares held by related parties;
 - 2) Having never been a director participating in management, an employee, a consultant with regular salary, or a person with power to control the company, except relieved from the aforesaid characteristics at not less than two years before submitting permission to the office. However, the prohibited characteristics do not include independent directors who used to work as civil servants or advisors to any government bodies holding major shareholding or having controlling power;

- 3) Not being a person of whole blood or registration as stated in the law, in the manner of being father or mother, spouse, brotherhood and offspring including spouse of the offspring of the management, other directors, major shareholders, persons with controlling power or persons to be proposed as the Company's directors or management or persons with controlling power on the Company or subsidiaries;
- 4) Not having business relation with the Company, the subsidiaries, the affiliates, the major shareholders or the persons with controlling power, in the manners that may obstruct the independent exercise of discretion; and not having been a significant shareholder;
- 5) Not being or having been an auditor of the Company, the subsidiaries, the affiliates, a major shareholder or a person with controlling power; not being a significant shareholder, an authorized person or partner of auditing offices whose auditors work for the Company, the subsidiary, the affiliates, a major shareholder or a person with controlling power in the Company, except relieved from such characteristic at not less than two years before the date of submission for permission from the Securities and Exchange Commission;
- 6) Not being or having been a professional provider of legal consulting or financial consulting services, with service fee exceeding Baht two million per annum, for the Company, the subsidiaries, the affiliates, major shareholder or a person with controlling power on the Company; not being a significant shareholder, a person with controlling power or a partner of the professional provider, except relieved from such characteristic at not less than two years before the date of submission for permission from the Office Securities and Exchange Commission;
- 7) Not being a director appointed to be a representative of a director of the Company, a major shareholder or shareholders with a relation to the major shareholder;
- 8) Not operating similar business or involving in significant business competition to the applicant or the subsidiary; not being a significant partner in a partnership company or not being a director, an employees, an advisor earnings regular salary; or not holding shares of over one percent of the total shares with the voting right in other companies that operate business similar or competing with business of the Company or subsidiaries;
- 9) Not having other characteristics that will hinder independent opinions about the Company's operation;
- 10) Being a trusted and accepted person in general
- 11) Having sufficient time to perform duties as a member of Audit Committee

An independent director may be assigned by the company's Board of Directors to make decision about matters related to the business operation of the Company, the subsidiaries, the affiliates, the subsidiaries of same level, the major shareholders or the persons with controlling power on 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 be able to consider appointing that person as an independent director provided that the Board of Directors views that the appointment of that person will not have a impact on the performance and independent opinion of that person. The following information must be included in the invitation letter of the Annual General Meeting of Shareholders for the agenda about the appointment of independent directors.

- 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

Nomination of Directors and Top Management

The Nomination and Remuneration Committee set policies and criteria to select and appoint the Company's directors and proposes the names for an approval of the Board of Directors and/or an Annual General Meeting of Shareholders. A person to be appointed as the company's director shall possess qualifications as specified by the Public Limited Company Act B.E. 2535, 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. According to the Company's regulation, the Company's Board of Directors consists of at least five members and at least half of the total members shall reside in the Kingdom of Thailand. In addition, the Company's directors shall be elected by voting in the Annual General Meeting of Shareholders as the following details:

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

In every Annual General Meeting of Shareholders, one-third of directors have to leave the position. In case the number of directors remaining in the position for the same duration 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 a court order.

Moreover, the Company's 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.

Operational Control of the subsidiaries and affiliates

Matching Maximize Solution Co. Ltd. emphasizes the importance of management of 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 guidance determined by the Company's Board of Directors.

Internal Information Control

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

1. Educate the directors and the management in all departments 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. 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. 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 significant information to outsiders

Remuneration for the Auditor

1. Audit Fee

The Company and its subsidiaries paid the audit fee to the audit office of the authorized auditor amounting Baht 2,000,000 in 2017.

2. Non-Audit Fee

-None-

Corporate Governance

The Company's Board of Directors realizes and believes that the good corporate governance principles are a key factor for value addition and enhancement of competitiveness. At present, the Company adapts a new corporate governance principle or Corporate Governance Code (CG Code) as a guideline for corporate governance operation in order to improve the standard of corporate governance to meet the expectations of those from the private sector, investors, capital market and the overall society. The Board of Director, therefore, reviews and improve the existing corporate governance principles in order to complete a guideline and framework in according to the new Corporate Governance Code, which cover eight areas as for all in the Company to follow:

1. Board of Directors, management, and employees shall follow the good corporate governance principle with clear understanding.
2. Board of Directors, management, and employees shall treat stakeholders equally and perform duties with full capability with honesty and transparency for the benefits of the Company. The work of Board of Directors, management, employees can be scrutinized and create corporate value in sustainable ways

The good corporate governance principles for the Company's Board of Directors, management and employees to follow as a guideline are discussed below.

1. Establish Clear Leadership Role and Responsibilities of the Board

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

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

2. Define Objective that Promote Sustainable Value Creation

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

Philosophy of doing business

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

- Enhance its competitiveness as a leader in TV commercial production and service market;
- Become an excellent organization with the working teams committed to creation of new things. All employees trust one another and operational standard is created for the management and employees at all levels, details of which are as follows:
 - Focus on maximizing benefits for the Company in the long term in order to create maximum values to shareholders;
 - Focus on equitable treatment for both shareholders and stakeholders;
 - Concentrate on equitable treatment for both shareholders and stakeholders;
 - Manage the business carefully, cautiously and responsibly
 - Ensure transparent operation that can be scrutinized.
 - Ensure that the Company's internal control and internal audit systems are up to standard, reliable and efficient.
 - Announce the Code of ethical Business for directors and employees to follow

The Board of Directors complete the annual plans and strategies that are relevant to the set corporate vision and objectives, taking into account of potential, factors and circumstances at particular periods as well as opportunities and acceptable risks. This point can be evidenced by the Company's services about filming equipment, which often changes rapidly. Clients often prefer service providers who can offer new equipment. Note that the Company continues to invest in new equipment in order to meet clients' demand and enhance personnel's skills that they can invent some special equipment to serve clients. In addition, the Company also provides training for personnel in order to enhance their technical skills to serve clients.

The work plans and strategies are reviewed regularly to cope with any changes that may occur in the future. The Company completes long-term operation plans to ensure that it focuses on long-term businesses and strategies and can somewhat project what may happen in the future.

The Company conveys its visions, missions or major objectives to employees and external individuals through the announcement on its website.

3. Strengthen Board Effectiveness

The Company's Board of Directors consists of nine directors who serve a service term of three years. Two of them are management members while seven are not. 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 shall have independent directors at the number equivalent to or more than one-third of the total directors.

The Board of Directors acts as the representatives of the shareholders and oversees the Company's overall management. They shall lead and be involved in determining the Company's objectives, 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 regulations as well as the resolutions of the shareholder meetings in order to maintain the benefits of the shareholders and other stakeholders. In addition, the Board of Directors should also monitor the management's performance to ensure that the established policy is achieved efficiently and effectively in order to maximize the economic values to the Company and also secure returns to shareholders. The Board of Directors sets up the internal control system and closely follow the implementation of such system on a regular basis. In addition, the Board of Director appoints members of Executive Committee to oversee the overall management and ensure that the management is carried on in accordance with the set policies. The members of Executive Committees are authorized to approve the investment worth not more than 20 million baht while the Chief Executive Officer is authorized to approve the investment worth no more than 15 million baht and the Managing Director has authority to approve the investment worth no more than 10 million baht. The Company's Board of Directors also appoints the Audit Committee to strengthen the Company's internal control system and ensure sufficient and appropriate good corporate governance practices.

The Chairman of the Company's Board of Directors shall not be the same person as Chief Executive Officer and Managing Director. The responsibilities in regard to corporate governance and regular management shall be separated so that the Company can operate business with transparency. The chances that of conflicts of interests may occur and particular persons hold too much power shall be at a minimum. Instead, there should be balanced power in the management level for maximum benefits to the Company and the shareholders.

Sub-Committees

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

- **Executive Committee**

Company's Board of Directors selects eight qualified directors and management members 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 possess knowledge and experience in accounting and finance. The members of the Audit Committee must be independent as stated in the rules and regulations concerning qualifications and scope of duties and responsibilities of the Audit Committee set by the Stock Exchange of Thailand. The Audit Committee reports directly to the Board of Directors and their scope of duties and responsibilities, as stated in the charter of the Audit Committee, is reviewed at least once annually.

In 2017, one member of Audit Committee passed the training program and acquired the Certificate of Role of the Chairman Program (RCP) organized by IOD and one member completed the Risk Management Program for Corporate Leaders : RCL Class 9/2017 : IOD.

- **Nomination and Remuneration Committee**

In 2013 the Board of Directors set the Nomination and Remuneration Committee, consisting of members who were not in the management and three of them were independent directors. The Committee has policies to set policies, rules and guidelines for nomination and selection of the Company's directors, sub-committees and management members. The Committee also sets the amounts of remuneration and benefits for directors and sub-committee members as well as management members. The Nomination and Remuneration Committee reports performance and proposes opinions or suggestions to the Board of Directors.

- **Corporate Governance Committee**

The Company does not appoint a specific sub-committee for particular matters as it views that the Board of Directors and Executive Committee are able to make decisions on various matters effectively. However, in the future, when 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 express his/her opinions freely. In 2016 there were 12 Board of Directors meetings, 11 Executive Committee meetings and six Audit Committee meetings, and two Nomination and Remuneration Committee meeting. In 2017, there were 11 Board of Directors meetings, 11 Executive Committee meetings, six Audit Committee meeting and four 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		Audit Committee		Nomination and Remuneration Committee	
		2016	2017	2016	2017	2016	2017	2016	2017
1. Mr. Somrit Srithongdee	- Chairman of Board of Directors - Chairman of Nomination and Remuneration Committee	12/12	11/11	-	-	-	-	2/2	4/4
2. Mr. Poomchai Wacharapong	- Director - Chairman of Executive Committee	11/12	10/11	11/11	11/11	-	-	-	-
3. Mr. Somboon Cheewasutthanon	- Director - Member of Executive Committee	12/12	10/11	11/11	11/11	-	-	-	-
4. Mr. Akarat Na Ranong	- Independent Director - Chairman of Audit Committee	11/12	11/11	-	-	6/6	6/6	-	-
5. Mr. Nuttawut Phowborom ^{/1}	- Independent Director - Member of Audit Committee - Member of Nomination and Remuneration Committee	6/12	4/9	-	-	4/6	3/4	1/2	2/2
6. Mr. Chatrapee Tantixalerm ^{/1}	- Independent Director - Member of Audit Committee - Member of Nomination and Remuneration Committee	-	2/2	-	-	-	2/2	-	2/2
7. Mr. Kamol Ratanachai	- Independent Director - Member of Audit Committee - Member of Nomination and Remuneration Committee	12/12	10/11	-	-	6/6	6/6	2/2	4/4
8. Mr. Pattanapong Nuphan	- Director - Member of Executive Committee	12/12	10/11	11/11	10/11	-	-	-	-
9. Mr. Nuttawit Boonyawat	- Director - Member of Executive Committee	11/12	11/11	11/11	11/11	-	-	-	-
10. Mr. Sansrit Yenbamrung	- Director - Member of Executive Committee	11/12	8/11	10/11	10/11	-	-	-	-
11. Mr. Wiroj Bunsirungruang	- Member of Executive Committee - Senior Executive Vice President - Company Secretary	-	-	11/11	10/11	-	-	-	-
12. Mrs. Siripen Sasinmanop	- Member of Executive Committee - Executive Vice President	-	-	11/11	10/11	-	-	-	-
13. Mr. Montri Yoosomboon	- Member of Executive Committee	-	-	10/11	10/11	-	-	-	-

Note : ^{/1} Mr. Nuttawut Phowborom resigned from the positions of member of Audit Committee and Member of Remuneration Committee Remuneration on 27 September 2017.

^{/1} Mr. Chatrapee Tantixalerm was appointed as a member of Audit Committee and Nomination and Remuneration Committee on 27 September 2017

The written 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 related parties.

Board of Directors' Reports

The Board of Directors holds responsibility for the Company and its subsidiaries' financial statement (already audited by the auditor) as well as all disclosed financial information. The Board of Directors realizes the importance of the accuracy and reliability of such financial reports and information. Hence, the Board of Directors has a policy to complete a report on the responsibility of the Board of Directors in regard to the financial reports and financial information disclosed in the Company's annual report. The financial statement is regularly prepared to conform to the generally accepted accounting standards. In preparing such financial reports, appropriate accounting policies are selected and consistently applied while judgment and forecast are carefully used. Moreover, the significant information shall be adequately disclosed in the footnotes to financial statement covering the guideline for directors of SET-listed companies announced 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, the internal control system and the internal audit system. Comments from the Audit Committee are reported in the Annual Report Form. All members of the Audit Committee and the management attend meetings in order to review the adequacy of the Company's internal audit system in various areas set by the Company's management. The minutes of every Board of Directors' meeting are recorded and contain proper details, e.g. questions and opinions of each director for each agenda and opposite opinion along with the rationales, so that the shareholders can examine the appropriateness of the directors in performing their duties. Meanwhile, the Board of Directors continuously and firmly focuses on applying the good corporate governance policies to the management and operation to create a good image and reliability of the Company among the investors and the public.

Prevention of Conflict of Interests

Realizing possible conflicts of interests, the Board of Directors issues guidelines as a part of the Code of Ethical Business for all management and employees to avoid any personal conflicts of interests with the Company and shareholders when dealing with trade partners and third 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 power). In addition, pricing and conditions of the connected transactions shall be conducted in the same manner as normal business practices done with third parties. If 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, 56-1 Form and financial statements.

Remuneration for Directors and Management

In 2013 the Board of Directors set the Nomination and Remuneration Committee who determined the amounts of remuneration and benefits for directors and management members for the fiscal year 2017 based on the Company's business scale, responsibilities of each director and management member, taking into account of business expansion and Company's business growth. The Nomination and Remuneration Committee proposed the amounts for an approval by the Board of Directors. The remuneration for the Company's directors and sub-committee members is subjected to an approval from the Annual General Meeting of Shareholders. (Note: The information in regard to the remuneration for the directors and management members is disclosed in the Management section)

The Code of Ethical Business

The Company puts in place the Code of Ethical Business for all directors and employees to comply with in order to enhance 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.

4. Ensure Effective CEO and People Management

The Nomination and Remuneration Committee determines the criteria and principles for select members of the Company's directors and chief executive and propose the nominated individuals to the Board of Directors and/or shareholders meetings. A person appointed to be a director must possess sufficient qualifications as stated in the Public Limited Companies Act B.E. 2535 about the laws on securities and stock exchange, announcement of Securities and Exchange Commission of Thailand, announcements of Capital Market Supervisory Board and/or other relevant regulations about qualifications, such as work experience, ability and etc. According to the Company's regulations, the Board of Directors must consist of at least five members and not less than half of the total directors must reside in the Kingdom of Thailand. The shareholder meetings select the directors with the following criteria:

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

The Company's directors monitor the management's performance and personnel development. The directors ensure that the human resource management is in accordance with the company's vision, goals and strategies and that the Company provides trainings to enhance knowledge and skills and offer appropriate benefits to motivate employees. The directors also see that the Company set up a provident fund as pensions for employees after retirement.

5. Nurture Innovation and Responsible Business

The directors promote innovation and responsible business in order to add corporate values in accordance with economic and environmental conditions, which change continuously. The Company creates organizational culture, principles and conceptual methods, work procedure, view for program design, and services. The directors make sure that the departments in charge of business management and operator work with responsibility to society and environment. The directors also see that the Company operates business with ethics, not violating rights of the stakeholders, in order that everyone in the organization can achieve major objectives and goals as the following guideline.

1. Responsibility to directors, management and employees

- 1.1 The Company has a policy to determine appropriate and fair remuneration for directors, management and employees
- 1.2 The Company emphasizes safety, security and career advance of employees.
- 1.3 The Company has policy to have directors, management and employees protected by laws.

2. Responsibility to clients

The Company complies with the laws and relevant standard, taking into account the health, safety and fairness. The Company keeps clients' information confidential and offers after-sale service during the goods and service life. Clients' satisfaction is surveyed in order to improve the Company's goods and services. The promotions and sale conducts must be performed with responsibility, not misleading clients.

3. Responsibility to partners

The Company wishes to provide goods and services with standards and ethics. Suppliers are invited to offer the bids and the selection process is appropriately carried out. There are appropriate criteria for selection of trade partners with proper contracts being signed. The Company also ensures that the conditions state in the contracts are strictly followed in order to prevent corruption in the procurement process. The Company has a policy to keep clients' and partners' secrets confidential and run business with fairness and independence. There is no wrongdoing in business between trade partners and contract partners. There are no acts of bribery or provision of presents for other people for business benefits.

The upholds fair business practice under the decision principles based on comparison of conditions, prices and quality. In addition, services are provided with transparency and can be securitized. Under any circumstances, the Company is strongly prohibited from offering or gaining improper business benefits. The Company is committed to sustaining long-term relation with partners and contract partners with clear objectives about maintaining values of goods and services, worthwhile services, technical quality and trust between each party. The Company makes payments to trade partners and contact partners in accordance with the agreed payment terms and conditions.

4. Responsibility to communities, society, environment and government

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

- 4.1 Operate business under laws and the Company's regulations.
- 4.2 Operate business under laws and the state orders and regulations.
- 4.3 Take into account environmental aspects and good custom and culture.
- 4.4 Encourage directors, management and employees to act as good citizens who contribute benefits to communities and society.
- 4.5 Respect virtuous national culture when doing business.

5. Anticorruption

To demonstrate the strong intension for anticorruption practices, on 19 May 2017, the Company became a member of Collective Action Coalition, a coalition of many agencies in the Thai private sector who campaigns against corruption. The coalition was formed by Thai Institute of Directors, Thai Chamber of Commerce, Foreign Chamber of Commerce, Thai Listed Companies Association, Thai Banks Association, Federation of Thai Industries, Federation of Thai Capital Market Organizations and Tourism Council of Thailand. The coalition has objectives to create standards for transparent business and enhance business ethical standards. Accordingly, the Company announced an anti-corruption policy aimed at tightening internal control measures and preventing corruption practices, e.g., offering gifts, special service compensation, and other expenses to officials or any individuals that may involve conflict of interests; receiving gifts or assets from outsiders: if the values or gifts are high and it is believed that receiving of such gifts is not appropriate, such items shall be returned to senders. Regarding work transparency, all budget disbursement transactions must be done in accordance with the Company's regulation. Regarding a procedure to choose a supplier, the purchasing department has to follow bidding process. Finally, the Company conducted whistle blowing and protected employees who reported clues of corruptions, which was done under the legal framework.

6. Strengthen Effective Risk Management and Internal Control

Risk Management

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

Internal Control and Internal Audit

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, and power of the employees both in the operation level and the management level in a written form. Uses of the Company's assets are controlled to maximize benefits to the Company. In addition, the duties of employees in the operation, inspection and evaluation sectors are clearly separated in order that an appropriate balance of work is created. Moreover, the Company also 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 report under the "Internal Control" section.

To ensure the efficiency in production of important documents and the internal control and to ensure that the internal control is improved regularly, the Company set up the internal audit department in 2008. This department is assigned to review the internal operation as well as 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 perform their duties independently, the Board of Directors requires that the internal audit department report directly to the Audit Committee. The internal audit department is also assigned to carry out inspection duties, in accordance with the Company's annual business plan approved by the Audit Committee. The internal audit department is required to make regular reports of inspection results and send some suggestions to the management and Audit Committee in a prompt manner.

7. Ensure Disclosure and Financial Integrity

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

The Board of Directors ensures that the management monitors and assess the Company's financial position. The management is required to report operating results to the directors on a regular basis. Once any signs of financial liquidity or any signs linked the Company's ability to settle debts are found, the directors and management shall work together to find justified solutions in a prompt manner.

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

8. Ensure Engagement and Communication with Shareholders

Although the voting right of shareholders depends on the portion of stakeholders, 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 shareholders meeting all shareholders have the rights and equality of receiving information, expressing opinions and asking questions, in accordance with the meeting agenda and the issues discussed in the meeting. The chairman of the meeting is responsible for allocating appropriate time to the shareholders to ask questions as well as encouraging them to express their opinions. Normally the shareholders are able to obtain the details of the meeting details and agendas from the Company's website prior to the meeting date. To promote the rights of the shareholders, the Company posts an announcement encouraging the shareholders to nominate a person to take the role of a director and suggest the additional meeting agendas for the Annual General Meetings of shareholders. In addition, the shareholders are also encouraged to express their ideas about clear operation guidelines.

The Company has a policy to hold an Annual General Meeting of Shareholders once a year within four months after the end of the previous fiscal year. In 2017, the Company held the Annual General Meeting of Shareholders on 3 April 2017 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 a shareholder 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 proxy 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 meetings are as follows:

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

The shareholder 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, no less than three-fourth of the total number of votes cast by the present shareholders shall be deemed resolution:

- Sale or transfer of the Company's business, entirely or partially, to other parties
- Purchase or receive the transfer of the business from other companies or private companies to the Company
- Arrangement, amendment or termination of any contracts with respect to the granting of a lease of the Company's business, entirely or partially, the assignment to any other person(s) to manage the Company or the merge of the Company with any other parties in order to share profit and loss
- Additional amendment of the memorandum of association or article of association
- Capital increases or decreases
- Debenture issuances
- Company amalgamation
- Company dissolution

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



Corporate Social Responsibility

The Company operates its business, based on the relevant laws as well as the code of ethical business with an emphasis on the right of all groups of stakeholders. Details of CSR-in- process guidelines are as follows:

1. Operate business with fairness

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

- In terms of purchasing and recruiting, when choosing operators or contractors the Company takes into account of equality and fairness. No special favor is given to any particular individuals or entities to ensure fair competition.
- The Company has a policy against any activities that involve in infringement of intellectual property or copyrights.

2. Respect human rights

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

3. Treat employees with fairness

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

- **Recruitment policies**
 - Be against any practices of labor forcing; not collect money or keep employees' identification documents unless required by law;
 - Support and respect the protection of human rights, e.g., against labor forcing, against child labor and etc.
 - Make payment of wages and remuneration in Thai baht currency at the rates not less than what specified by law; not withhold employees' remuneration, except for the case specified by law;

- Set working hours at not more than the working hours specified by law and calculate overtime hours in accordance with what specified by law;
- Provide safe workplace for pregnant employees; neither terminate their employment contracts nor reduce their benefits due to their pregnancy;
- Support employees' efficiency enhancement by allowing them to participate in public trainings and in-house trainings;
- Provides safe and hygienic workplace as well as necessary healthcare facilities
- **Personnel policies**
 - Employees are the Company's most valuable resources and they are key success factors for the Company. The Company creates favorable values, culture and working environment and also treats employees with politeness, also with respects of their rights and freedom. The Company also tries to tighten relationship and bond among employees.
 - Employment, appointments, transfer, remuneration and benefits of employees are based on fairness and facets.
 - Safety is also another key issue. It's the Company's responsibility in creating working environment that is safe for employees' lives and their properties. The Company also provides necessary and appropriate welfare items, e.g., certificate for free-drug workplace from the Department of Labor Protection and Welfare, an annual test of alarm system, annual check-up, group life insurance and accident insurance policies, OPD allowance, and other benefit packages.

4. Responsibility for consumers

The Company is committed to development of goods/services to benefit organizations and society. The Company is also determined to produce high quality goods/services that are safe for consumers and environment.

- 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 and conditions stated in the contracts, with high quality and standard being taken into account.
- The Company keeps clients' information at safe places and does not disclose such information unless it is allowed by clients.

5. Preserve environment

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

6. Help develop communities and society

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

Prevention of Corruption Involvement

- (See details in Section : Good Corporate Governance, Part 5: Promoting innovations and operating business with responsibility)



Board of Directors' opinions about the internal control system

According to the Board of Directors' meeting No 2/2018 held on 23 February 2018 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 related staff and completing the valuation form aimed at assessing the adequacy of the internal control system based on the evaluation form of the Securities and Exchange Commission. Five key elements of the internal control system are i) Control of Environment; ii) Risk Assessment; iii) Control of Activities; iv) Information & Communication and v) Monitoring Activities. The Directors opined that the Company's internal control system was appropriate and sufficient for business operation under the current circumstances and that the Company's internal control system could prevent the Company's assets from being damaged or used for wrongly seeking benefits by particular individuals

Head of Internal Audit Department and Head of Corporate Governance

The Audit Committee Meeting on 14 December 2012 No. 5/2012 appointed Mr. Chinawat Masrangsang as an acting director of the internal audit and system development department and a secretary to the Audit Committee, effective from 14 December 2012. Mr. Chinawat Masrangsang possessed five-year experience in internal audit. He attended various trainings on internal audit functions, e.g., Audit Program 1 Class 43 and Audit Program 2 Class 38 provided by the Federation of Accounting Professions. In 2017, he passed the training and obtained a certificate on Risk Management Program for Control Program organized by Thai Institute of Directors. Mr. Chinawat Masrangsang had good understanding about the Company's activities and operation. The he was thus regarded him as a qualified person for the position.

Note that to consider appointing, removing and transferring the head of the internal audit department is subject to approval of the Audit Committee.



Connected Transactions

Connected transactions during 2016- 2017 are as followed

Persons with possible conflicts of interest/ Relationship nature	Transactions	Transaction Value (Million Baht)		Necessity and Justification
		2016	2017	
<p>Bangkok Broadcasting & TV. Co. Ltd. (BBTV")</p> <p><u>Nature of Business</u> Operate TV Channel 7</p> <p><u>Relationship with the Company</u> - Being an indirect major shareholder (holding 30 % of shares in BBTV Production, which is the Company's major shareholder) - Mr. Pattanapong Nuphan, the Company's director, held a director position in BBTV.</p>	<p>Event Organizing ME (a subsidiary) provided event organizing service for BBTV. The firm organized various events including Honda LPGA. - Service Revenue</p>	1.85	-	<p>ME acted as an event organizer for BBTV, which was the Company's core business. The service rate was based on the cost plus profit, similar to the rate charged to external operators. Payment conditions were set according to normal business practices.</p> <p><u>Comments of the Audit Committee</u> The service was for the Company's core business. The service rate was based on the cost plus profit and similar to the rate charged to external operators. Payment conditions were set according to normal business practice. Hence, the transaction was necessary and justified.</p>
	<p><u>Subleasing the airtime</u> The Company subleased the airtime from BBTV to broadcast its TV programs on Channel 7, which were "Plod Nee" and "Plod Nee on Public Holidays". - Cost of service</p>	15.42	15.02	<p>The Company subleased the airtime from BBTV to broadcast its TV program on Channel 7. The program was the Company's core business and the service cost was based on the airtime slots and the agreements. The transaction was done in accordance with the general trade practice.</p> <p><u>Comments of the Audit Committee</u> The service was for the Company's core business. The service rate and payment conditions were acceptable. Hence, the transaction was found necessary and justified.</p>

Persons with possible conflicts of interest/ Relationship nature	Transactions	Transaction Value (Million Baht)		Necessity and Justification
		2016	2017	
<p>BBTV News Media Co. Ltd. (“BBTVNM”)</p> <p>Nature of Business Information Supply Service</p> <p>Relationship with the Company</p> <ul style="list-style-type: none"> - The Company’s director, Mr.Pattanapong Nuphan was also a director of BBTVNM. - BBTV, the indirect major shareholder of the Company, indirectly held all shares in BBTVNM. 	<p><u>Program Development Fee</u> BM (the subsidiary) hired BBTVNM to develop and maintain BM’s three websites namely Cheeze Plaza, Cheeze Mag and Looker Mag.</p> <ul style="list-style-type: none"> - Deposit (Deposit for additional website development) - Other expenses 	-	-	<p>BBTVNM developed and maintained the websites, with the service rate and payment conditions based on normal rates for general business operation. The transaction was necessary and justified.</p> <p><u>Comments of the Audit Committee</u> Website development and maintenance was another channel to communicate with the targeted clients. The service charge rate and payment conditions were based on normal business practice. Thus, the transaction was necessary and justified.</p>
	<p><u>Website Development fee</u> MMS hired BBTVNM to develop and improve the website.</p> <ul style="list-style-type: none"> - Administration expenses - Account Payable 	0.14	-	
		0.09	0.10	
		0.90	0.03	<p><u>Comments of the Audit Committee</u> Website development and maintenance was another channel to communicate with targeted clients. The service charge rate and payment conditions were based on normal business practice. Thus, the transaction was necessary and justified.</p>
	<p><u>Website Development and maintenance fee</u> The Studio Park Co., Ltd. (TSP) hired BBTVNM to develop its website.</p> <ul style="list-style-type: none"> - Administration expenses 	0.31	-	<p>BBTVNM developed and maintained the website, with the service rate and payment conditions based on normal rates for general business operation.</p> <p><u>Comments of the Audit Committee</u> Website development and maintenance was another channel to communicate with targeted clients. The service charge rate and payment conditions were based on normal business practice. Thus, the transaction was necessary and justified.</p>

Persons with possible conflicts of interest/ Relationship nature	Transactions	Transaction Value (Million Baht)		Necessity and Justification
		2016	2017	
<p>Media Studio Co., Ltd. <u>Nature of Business</u> Production of news, entertainment programs, and dramas broadcast on Channel 7.</p> <p><u>Relation with the Company</u> The Company's director, Mr. Sansrit Yenbamrung was also a director for Media Studio Co., Ltd</p>	<p><u>Service</u> MMS</p> <ul style="list-style-type: none"> - Administration expenses - Accrued expenses (advisory fee) 	-	0.15	<p>The transaction was about the advisory fee involved by MMS and Media Studio Co., Ltd.. It was for the Company's core business operation with the service rates and payment conditions based on normal rates for general business practice.</p> <p><u>Comments of the Audit Committee</u> The service was for the Company's core business operation with the service rates and payment conditions based on normal business practice. Hence, the transaction was necessary and justified.</p>
		-	0.15	
	<p><u>Rental of equipment for film and commercials production</u> Gear Head Co., Ltd. (a subsidiary) rented out filming equipment for production of scoop programs and "The Cover" program.</p> <ul style="list-style-type: none"> - Rental and service 			<p>Media Studio Co., Ltd. Used services provided by Gear Head Co., Ltd for filming its programs; this was for the Company's core business operation. The service charge was calculated from cost plus profit and the payment conditions were based on normal business practice.</p> <p><u>Comments of the Audit Committee</u> The transaction was for the Company's core business operation and the service charge was calculated from cost plus profit with the payment conditions based on normal business practice. Hence, the transaction was necessary and justified.</p>
		-	0.03	

Persons with possible conflicts of interest/ Relationship nature	Transactions	Transaction Value (Million Baht)		Necessity and Justification
		2016	2017	
Media Studio Co., Ltd. (Continued)	<p><u>Production of Channel 7 Entertainment Book</u></p> <p>BM (a subsidiary) produced Channel 7 Entertainment Book for Media Studio Co., Ltd.</p> <ul style="list-style-type: none"> - Revenue from advertising media sales and management 	0.73	-	<p>Media Studio hired BM to produce Channel 7 Entertainment Book, which was a form of normal business operation. The service fee was calculated from cost plus profit. The payment conditions were set in accordance with normal business operation.</p> <p><u>Comments of the Audit Committee</u></p> <p>The transaction was for the Company's core business operation. The service rate calculation was based on cost plus profit. The payment conditions were based on normal business practice. Thus, the transaction was necessary and justified.</p>
<p>HR Pro Security and Services Co., Ltd. (“HRP”)</p> <p><u>Nature of Business</u></p> <p>Human Resource Services</p> <p><u>Relation with the Company</u></p> <p>The Company's director,</p> <ul style="list-style-type: none"> - Mr. Somrit Srithongdee was a president of HRP. - Mr. Sansrit Yenbamrung was a Chief Advisor to HRP. - Mr. Poomchai Wacharapong and - Mr. Nuttawit Boonyawat were advisors to HRP. 	<p><u>Service fee for security officers</u></p> <p>MMS received the service from HRP who supplied security officers for the company.</p> <ul style="list-style-type: none"> - Administration expenses - Accrued expense (security fee) 	1.57	1.33	<p>HRP supplied security officers for MMS, with the service rate and payment conditions being set based on the market rates for normal business practice. Thus, the transaction was necessary and justified.</p> <p><u>Comments of the Audit Committee</u></p> <p>The company hired outsourced security officers from HRP, instead of recruiting the security officers by itself. This helped to facilitate 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.</p>

Note : HR professional Consulting and Service Co., Ltd was renamed “HR Pro Security and Service Co. Ltd.”

Persons with possible conflicts of interest/ Relationship nature	Transactions	Transaction Value (Million Baht)		Necessity and Justification
		2016	2017	
HR Pro Security and Services Co., Ltd. ("HRP") (continued)	<u>Service fee for security officers</u> The Studio Park Co., Ltd. (TSP) received the service from HRP who supplied security officers for the company.			HRP supplied security officers for TSP, with the service rate and payment conditions being set based on the market rates for normal business practice. Thus, the transaction was necessary and justified.
	- Cost of service	-	0.09	
	- Administration expenses	0.53	1.48	<u>Comments of the Audit Committee</u> The company hired outsourced security officers from a professional firm with high expertise in the field, instead of recruiting the security officers by itself. This helped to facilitate 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.
	- Accrued expense (security fee)	0.04	0.17	
	<u>Cleaning service fee</u> Time Lapse (TL) (a subsidiary) received the service from HRP who supplied cleaners for the company.			HRP supplied cleaners for TL, with the service rate and payment conditions being in line with normal rates in normal business practice. The transaction was thus necessary and justified.
	- Administration expenses	0.41	-	
	- Accrued expenses (cleaner service fee)	0.02	-	<u>Comments of the Audit Committee</u> The company hired outsourced cleaners provided by a professional firm with high expertise, instead of recruiting the cleaners by itself. This helped to facilitate 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.

Persons with possible conflicts of interest/ Relationship nature	Transactions	Transaction Value (Million Baht)		Necessity and Justification
		2016	2017	
<p>Media Scene Co., Ltd <u>Nature of Business</u> Production of TV programs and sell advertising time slots</p> <p><u>Relation with the Company</u> Media Studio Co., Ltd. Held 100% shared in Media Scene Co., Ltd.</p>	<p><u>Revenue from Prop rental</u> MMS</p> <ul style="list-style-type: none"> - Revenue from Prop rental 	-	0.003	<p>Media Scene Co., Ltd used MMS' s Prop services.</p> <p><u>Comments of the Audit Committee</u> The transaction was for the company's normal business operation with service rates calculated from profit plus cost. The payment conditions were based on normal business practice. The transaction was hence necessary and justified.</p>
	<p><u>Equipment rental for film and commercials production</u> Gear Head (a subsidiary) rented out shorting equipment for production of dramas "Sakawduen", "Nangtip", and "Hiso Sa-on"</p> <ul style="list-style-type: none"> - Rental and service revenue - Trade receivables 	- -	1.30 0.12	<p>Media Scene Co., Ltd used Gear Head's service for its drama production.</p> <p><u>Comments of the Audit Committee</u> The transaction was for the company's normal business operation with service rates calculated from profit plus cost. The payment conditions were based on normal business practice. The transaction was therefore necessary and justified.</p>
	<p><u>Renting Studio for filming</u> The Studio Park Co., Ltd. (TSP) provided studio rental service for production of drama "Sakawduen".</p> <ul style="list-style-type: none"> - Rental and service revenue 	-	0.06	<p>Media Scene Co., Ltd used services provided by The Studio Park Co., Ltd.</p> <p><u>Comments of the Audit Committee</u> The transaction was for the company's normal business operation with service rates calculated from profit plus cost. The payment conditions were based on normal business practice. The transaction was therefore necessary and justified.</p>

Persons with possible conflicts of interest/ Relationship nature	Transactions	Transaction Value (Million Baht)		Necessity and Justification
		2016	2017	
<p>Grand Lam Luang Co., Ltd.</p> <p><u>Nature of Business</u> Operate hotel, resort and condominium business</p> <p><u>Relation with the Company</u> - Mr. Poomchai Wacharapong, Mr. Sansrit Yenbamrung and Mr. Nuttawit Boonyawat were directors of Grand Lam Luang Co., Ltd.</p>	<p><u>Conference room, food and beverage fee</u> MMS - Administration expenses</p>	0.19	0.11	<p>MMS used conference room and gathering service from Grand Lam Luang Co., Ltd. for shareholders' meeting.</p> <p><u>Comments of the Audit Committee</u> The transaction was for the company's normal business operation with service rates calculated from profit plus cost. The payment conditions were based on normal business practice. The transaction was therefore necessary and justified.</p>
<p>Transformation Film Co. Ltd.</p> <p><u>Nature of Business</u> Production of Thai films</p> <p><u>Relation with the Company</u> The Company's director, i.e., Mr. Phoomchai Wacharapong was also a director at Transformation Film Co. Ltd.</p>	<p><u>Hiring MSP to produce films</u> Transformation Film Co. Ltd. hired Matching Studio Plus (MSP) (a subsidiary) to produce films. - Film production service revenue</p>	0.08	-	<p>Transformation Film Co. Ltd. hired MSP to produce films. This was core business operation, with service rate being based on cost plus profit. The payment condition was based on the rates seen in normal business operation.</p> <p><u>Comments of the Audit Committee</u> This transaction supported the Company's core business operation and the service rate and payment conditions were based on normal business practices. Hence, the transaction was necessary and justified.</p>

Persons with possible conflicts of interest/ Relationship nature	Transactions	Transaction Value (Million Baht)		Necessity and Justification
		2016	2017	
Mrs. Siripen Sasinmanop <u>Relationship with the Company</u> Member of Executive Committee and Executive Vice President	<u>Building Lease</u> GH (a subsidiary) leased a three-storey town house No. 173/13-14 Soi Paholyothin 44, to use as its office. Each lease contract lasted one year. - Administration Expenses (Building lease expense)	0.72	0.70	GH leased the property from Mrs. Siripen Sasinmanop to use as its office. The lease rate was appropriate when compared to the rates for leased property nearby. The payment conditions were set in accordance with the normal business practice, similar to the conditions set for outsiders. Hence, the transaction was necessary and justified. <u>Comments of the Audit Committee</u> The transaction supported the Company's operation. The lease rate and the payment conditions were similar to what made with third parties. Hence, the transaction was necessary and justified.
	<u>Land Lease</u> GH (a subsidiary) leased the 405 square wah land, with a deed title No. 39485 and 39488 to use as a car park and an equipment warehouse. Each lease contract lasted one year. - Administration expenses (Land lease expenses)	0.40	0.38	GH leased the land from Mrs. Siripen Sasinmanop to use as a car park and an equipment warehouse. The rental rate was appropriate when compared to the rates for leased property nearby. The payment conditions were set in accordance with the normal business practice, similar to the conditions set for outsiders. Hence, the transaction was necessary and justified. <u>Comments of the Audit Committee</u> The transaction supported the Company's operation. The lease rate and the payment conditions were similar to what made with third parties. Hence, the transaction was necessary and justified.



Summary of the Consolidated

Financial Statement During Y'2015-2017

Statements of Financial Position	Audited Statement					
	31 December 2015		31 December 2016		31 December 2017	
	Million Baht	%	Million Baht	%	Million Baht	%
Assets						
Cash and cash equivalents	210.16	14.79	157.48	8.58	22.75	1.26
Short-term investments	40.73	2.87	150.34	8.19	0.05	-
Restricted cash – current portion	1.46	0.10	-	-	-	-
Trade and other receivables, net	151.71	10.68	100.20	5.46	116.63	6.44
Inventories	11.85	0.83	10.87	0.59	10.83	0.60
VAT refund	3.05	0.21	23.71	1.29	22.22	1.23
Withholding tax deducted at sources, net	15.31	1.08	20.81	1.13	22.62	1.25
Other current assets	3.46	0.24	3.15	0.17	0.79	0.04
Total current assets	437.73	30.81	466.56	25.41	195.89	10.82
Investment in joint venture	8.42	0.59	5.20	0.28	4.87	0.27
Restricted deposit at bank	1.87	0.13	1.73	0.09	-	-
Investment properties, net	10.25	0.72	10.25	0.56	10.25	0.57
Property, plant and equipment, net	629.15	44.29	1,020.06	55.56	1,282.14	70.84
Assets for rent, net	326.93	23.01	321.42	17.51	307.42	16.99
Intangible assets, net	0.61	0.04	4.14	0.23	4.00	0.22
Deferred tax assets, net	3.16	0.22	4.63	0.25	3.53	0.20
Other non-current assets	2.54	0.18	2.10	0.11	1.70	0.09
Total non-current assets	982.93	69.19	1,369.53	74.59	1,613.91	89.18
Total assets	1,420.66	100.00	1,836.09	100.00	1,809.81	100.00
Liabilities						
Bank overdrafts	12.77	0.90	-	-	1.96	0.11
Trade and other payables	41.56	2.93	101.74	5.54	35.98	1.99
Current portion of long-term bank borrowing, net	19.13	1.35	42.28	2.30	28.79	1.59
Current portion of liability under finance lease, net	3.76	0.26	4.01	0.22	4.23	0.23
Other current liabilities	17.35	1.22	12.51	0.68	11.89	0.66
Total current liabilities	94.57	6.66	160.54	8.74	82.86	4.58
Long-term borrowing from bank, net	51.45	3.62	245.18	13.35	101.14	5.59
Liability under finance lease, net	14.97	1.05	10.95	0.60	6.71	0.37
Deferred tax liabilities, net	-	-	-	-	0.69	0.04
Employee benefit obligations	27.95	1.97	30.77	1.68	32.68	1.81
Deferred income from sales and leaseback, net	1.33	0.09	1.03	0.06	0.44	0.02
Total non-current liabilities	95.70	6.74	287.93	15.68	141.66	7.83
Total liabilities	190.27	13.39	448.47	24.43	224.52	12.41

Statements of Financial Position	Audited Statement					
	31 December 2015		31 December 2016		31 December 2017	
	Million Baht	%	Million Baht	%	Million Baht	%
Equity						
Share capital	535.00		781.63		781.63	
Issued and paid-up share capital	531.63	37.42	644.03	35.08	781.63	43.19
Share premium	658.32	46.34	769.56	41.91	906.21	50.07
Retained earnings :						
Appropriated - legal reserve	10.66	0.75	10.66	0.58	10.66	0.59
Unappropriated	29.23	2.06	(36.60)	(1.99)	(113.28)	(6.26)
Equity attributable to owners of the parent	1,229.84	86.57	1,387.65	75.58	1,585.22	87.59
Non-controlling interests	0.55	0.04	(0.03)	0.00	0.07	0.00
Total equity	1,230.39	86.61	1,387.62	75.57	1,585.29	87.59
Total liabilities and equity	1,420.66	100.00	1,836.09	100.00	1,809.81	100.00

Statements of Comprehensive Income	Audited Statement					
	31 December 2015		31 December 2016		31 December 2017	
	Million Baht	%	Million Baht	%	Million Baht	%
Services income	518.63	98.91	452.17	99.01	444.05	99.03
Sales	5.69	1.09	4.50	0.99	4.36	0.97
Total revenue	524.32	100.00	456.67	100.00	448.41	100.00
Cost of services	(363.03)	-69.24	(328.95)	-72.03	(341.21)	-76.09
Cost of sales	(3.26)	-0.62	(2.57)	-0.56	(2.44)	-0.54
Total cost of sales and services	(366.29)	-69.86	(331.52)	-72.60	(343.65)	-76.64
Gross profit	158.03	30.14	125.15	27.40	104.76	23.36
Other income	7.21	1.38	6.25	1.37	7.84	1.75
Net Profit before expense	165.24	31.52	131.40	28.77	112.60	25.11
Selling and Administrative expenses	(181.86)	-34.69	(181.44)	-39.73	(174.80)	-38.98
Other expenses	(5.61)	-1.07	(2.46)	-0.54	-	0.00
Finance costs	(6.36)	-1.21	(6.09)	-1.33	(12.88)	-2.87
Share of loss on investment in joint venture	(9.79)	-1.87	(3.22)	-0.71	(0.33)	-0.07
Total Expenses	(203.62)	-38.84	(193.21)	-42.31	(188.01)	-41.93
Net loss before income tax	(38.38)	-7.32	(61.81)	-13.53	(75.41)	-16.82
(Income tax expenses) Tax income	(6.24)	-1.19	(1.15)	-0.25	(1.67)	-0.37
Loss for the year from continuing operations	(44.62)	-8.51	(62.96)	-13.79	(77.08)	-17.19
Loss for the year from discontinued operations	(6.27)	-1.20	(3.44)	-0.75	-	0.00
Net loss for the year	(50.89)	-9.71	(66.40)	-14.54	(77.08)	-17.19

Statements of Comprehensive Income	Audited Statement					
	31 December 2015		31 December 2016		31 December 2017	
	Million Baht	%	Million Baht	%	Million Baht	%

Other comprehensive income (loss):

Item that will not be reclassified to profit or loss:

Remeasurement of post-employment

benefit obligations	(4.95)	-0.94	-	-	0.61	0.14
---------------------	--------	-------	---	---	------	------

Income tax on items that will not

be reclassified	-	-	-	-	(0.12)	-0.03
-----------------	---	---	---	---	--------	-------

Total comprehensive loss for the year	(55.84)	-10.65	(66.40)	-14.54	(76.59)	-17.08
--	----------------	---------------	----------------	---------------	----------------	---------------

Income (loss) attributable to:

Owners of the parent	(50.24)	-9.58	(65.83)	-14.42	(77.13)	-17.20
----------------------	---------	-------	---------	--------	---------	--------

Non-controlling interest	(0.65)	-0.13	(0.57)	-0.12	0.05	0.01
--------------------------	--------	-------	--------	-------	------	------

	(50.89)	-9.71	(66.40)	-14.54	(77.08)	-17.19
--	----------------	--------------	----------------	---------------	----------------	---------------

Total comprehensive income (loss)

attributable to:

Owners of the parent	(55.19)	-10.53	(65.83)	-14.42	(76.68)	-17.10
----------------------	---------	--------	---------	--------	---------	--------

Non-controlling interest	(0.65)	-0.12	(0.57)	-0.12	0.09	0.02
--------------------------	--------	-------	--------	-------	------	------

	(55.84)	-10.65	(66.40)	-14.52	(76.59)	-17.08
--	----------------	---------------	----------------	---------------	----------------	---------------

Loss per share

Basic loss per share -From continued operations	(0.09)		(0.11)		(0.11)	
---	--------	--	--------	--	--------	--

Par Value Of Baht 1 each	1.00		1.00		1.00	
--------------------------	------	--	------	--	------	--

Statements of Cash Flows	Audit Statement		
	2015	2016	2017
Net cash generated from (used in) operating activities	27.01	54.60	(12.11)
Net cash used in investing activities	(119.84)	(531.25)	(237.29)
Net cash generated from financing activities	(13.78)	423.97	114.67
Net decrease in cash and cash equivalents	(106.61)	(52.68)	(134.73)
Opening balance of cash and cash equivalents	316.77	210.16	157.48
Closing balance of cash and cash equivalents	210.16	157.48	22.75

Financial Ratios	Unit	Audited Statement		
		2015	2016	2017
Liquidity Ratios				
Liquidity ratio	Time	4.63	2.91	2.36
Quick ratio	Time	4.27	2.54	1.68
Cash flow liquidity ratio	Time	0.29	0.43	-0.10
Account receivables turnover	Time	3.29	3.63	4.14
Average receivables day	Day	109.56	99.29	87.04
Inventory turnover	Time	38.12	29.18	31.67
Average day sale	Day	9.44	12.34	11.37
Account payables turnover	Time	7.66	4.63	4.99
Credit term	Day	47.02	77.81	72.14
Cash Cycle	Day	71.99	33.82	26.27
Profitability Ratios				
Gross profit margin	%	30.14	27.40	23.36
Operating profit margin	%	-7.30	-12.96	-13.95
Cash to earning capability ratio	%	-85.12	-101.60	19.36
Net Profit margin	%	-9.57	-14.34	-16.89
Return on equity	%	-4.00	-5.07	-5.19
Efficiency Ratios				
Return on assets	%	-3.49	-4.08	-4.23
Return on fixed assets ^{/1}	%	-5.51	-5.84	-3.66
Assets turnover ratio	Time	0.36	0.28	0.25
Financial Policy Ratios				
Debt to Equity ratio	Time	0.15	0.32	0.14
Interest coverage ratio ^{/2}	Time	5.12	9.88	-0.94
Leverage ratio	Time	0.16	0.13	-0.01

Notes : ^{/1} Return on fixed assets excluding leased assets

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



Discussion and analysis of Financial position and operation performance

Overall operating performance in the past year

The Thai economy in 2017 expanded by 3.9% versus 3.3% in 2016; however, the expansion did not occur across the board as growth in some industries or sectors, such as state investment, agribusiness and construction sectors declined due to floods and unfavorable weather conditions in some areas. According to the ad spending surveyed by Nielsen Media Research, ad spending for the entire advertising industry in 2017 amounted to 101,445 million baht, declining by 6.48 million baht or 6.00 % on a year-on-year basis, compared to 107,923 million baht in 2016. The slowdown may have been attributable to the fact that both private and state sectors slowed down their ad spending through media channels given that their sales did not meet targets on the back of the consumers' purchasing power had not recovered. This situation prompted product owners to reduce their ad budget. The ad media channel that was negatively impacted the most was magazines where ad spending declined by approximately 33.60%. As for TV channels where ad spending was the biggest at about 64.85% of the total advertising value or around 65,786 million baht, the ad spending through TV channels also drop by 7.34%.

Results of Operations

The Company's core businesses in 2017 were equipment rental and service business, TV program production business, post production business and studio rental and services business. In the 2017 consolidated financial statement, the Company booked total revenue of 448.41 million baht, down by 8.26 million baht or 1.81% YoY versus 456.67 million baht booked in 2016. The parent Company reported a loss of Baht 77.13 million baht in 2017, representing a larger loss of 11.30 million baht or 17.17% YoY. The details are as follows:

Revenue Breakdown by Business

Business	2015		2016		2017	
	Million baht	%	Million baht	%	Million baht	%
1. Revenue from equipment rental and services	377.51	71.02	355.58	76.81	351.00	76.93
2. Revenue from TV program production	124.95	23.51	81.69	17.65	58.45	12.81
3. Revenue from post production business	9.63	1.81	12.47	2.69	22.43	4.92
4. Revenue from studio rental and services	-	-	-	-	12.17	2.67
5. Revenue from TV commercials production	6.54	1.23	2.43	0.53	-	-
6. Revenue from product sales	5.69	1.07	4.50	0.97	4.36	0.95
Revenue from core business	524.32	98.64	456.67	98.65	448.41	98.28
Other revenue	7.21	1.36	6.24	1.35	7.84	1.72
Total revenue	531.53	100.00	462.91	100.00	456.25	100.00

Equipment rental and services

The revenue from equipment rental and services business was generated by the services provided for both local and international production crew of feature films as well as commercials. This business segment is operated under the brand “Gear Head”. In addition, the Company also provides equipment rental and services for producers of TV programs and dramas, under the brand “Handy Gear”. In 2017, the Company booked total revenue from this business amounting to 351.00 million baht, down by 4.58 million baht or 1.29% YoY versus 355.58 million baht booked for 2016. The revenue from this business accounted for 76.93% of the Company’s total revenue

TV program production

Given the aforementioned decline in ad spending in the entire industry as well as through TV channels in 2017, the Company’s revenue from this business was also negatively impacted. Hence in 2017, the Company’s revenue from its TV program production business amounted to 58.45 million baht, declining by 23.24 million baht or 28.45% YoY versus 81.69 million baht booked in 2016. The 2017 revenue from this business accounted for 12.81% of the total revenue.

Post production business

The post production business in 2017 generated revenue of 22.43 million baht, up by 9.96 million baht or 79.87% YoY versus 12.17 million baht realized in 2016. The revenue from this segment accounted for 2.67% of the total revenue.

Studio rental and service business

The studio rental and services brought the company revenue of 12.17 million baht in 2017. It should be noted that the Studio Park project just launched operation and began to realize revenue in mid-2017 when clients were offered special service rates during its introduction period.

Other income

In 2017, the Company booked other income amounting to 7.84 million baht, accounting for 1.72% of the total revenue. This consisted of interest income and other income.

Costs of sales and services

In 2017, the Company and subsidiaries’ cost of sales and services stood at 343.65 million baht, increasing by 12.13 million baht or 3.66% YoY versus 331.52 million baht booked in 2016. The increase was due to the booking of depreciation cost from the Studio Park project; as a result, the gross profit margin for 2017 stood at 23.36%.

Gross Profit Margin

Cost structure and gross profit margin	2015		2016		2017	
	Million baht	%	Million baht	%	Million baht	%
Revenue from core businesses	524.32	100.00	456.67	100.00	448.41	100.00
Cost of sales and services	366.29	69.86	331.52	72.60	343.65	76.64
Gross Profit Margin	158.03	30.14	125.15	27.40	104.76	23.36

Selling General and Administration (SG&A) and other Expenses

SG&A and other expenses	2015		2016		2017	
	Million baht	%	Million baht	%	Million baht	%
Selling expense	14.71	7.84	13.75	7.48	15.18	8.68
Administration expenses	167.15	89.17	167.69	91.18	159.62	91.32
Other expenses	5.61	2.99	2.46	1.34	-	-
Total SG&A and other expenses	187.47	100.00	183.90	100.00	174.80	100.00
Percentage of SG&A expenses to sales		35.75		40.27		38.98

In 2017, the Company and its subsidiaries booked SG&A and other expenses amounting to 174.80 million baht, down by 9.10 million baht or 4.95% YoY versus 183.90 million baht seen in 2016. In addition, the Company also realized loss contribution from a joint venture amounting to 0.33 million. Meanwhile, the financial cost rose to 12.88 million baht, up by 6.79 million baht or 111.54% YoY because of the borrowing to fund investment expansion plan.

Net profit

In 2017, the parent company booked a net loss of 77.13 million baht, representing a larger loss of 11.30 million baht or 17.17% YoY versus the net loss of 65.83 million that the parent company booked in 2016.

Analysis of financial position for 2017 and 2016

Assets

As of 31 December 2017, the Company's total assets amounted to 1,809.81 million baht, decreasing by 26.28 million baht, equivalent to a decrease of 1.43% on a year-on-year basis versus 1,836.09 million baht in 2016.

The total assets consisted of: i) current assets worth 195.89 million baht, accounting for 10.82% of the total assets and ii) non-current assets valued at 1,613.91 million baht accounting for 89.18% of the total asset. Major details are as follows:

- Cash and cash equipment amounted to 22.75 million baht, down by 134.73 million baht or 85.55 % and short-term investment stood at 0.01 million baht, decreasing by Baht 150.29 million baht or 99.97% because the investment in the Studio Park project caused the net land, building and equipment item rose to 1,282.14 million baht, up by 262.08 million baht or 25.69%.
- Net receivables and other receivables amounted to 116.63 million baht, up by 16.43 million baht or 16.39% on a year-on-year basis. Most receivables were not due yet and remained unpaid not more than three months, which was a normal credit term offered to general clients.

Liabilities

As of 31 December 2017, the total liabilities stood at 224.52 million baht, decreasing by 223.95 million baht or 49.94% on a year-on-year basis. The total liabilities consisted of current liabilities amounting to 82.86 million baht and non-current liabilities of 141.66 million baht. The decrease in liabilities was because the Company repaid long-term loans to financial institutions. The company's debt to equity ratio stood at 0.14 times, down from 0.32 times seen in 2016.

Interest bearing debt

Details	2015		2016		2017	
	Million baht	%	Million baht	%	Million baht	%
Interest bearing debt :-						
Overdrafts	12.78	12.51	-	-	1.96	1.37
Long-term loans from financial institutions	70.58	69.14	287.45	95.05	129.93	90.97
Loans under financial leases	18.73	18.35	14.96	4.95	10.94	7.66
Total interest bearing liabilities	102.09	100.00	302.42	100.00	142.83	100.00

Shareholders' equities

As of 31 December 2017, the shareholders' equities increased by 197.66 million baht or 14.24% on a year-on-year basis to 1,585.29 million baht because of the right offering, according to the Extraordinary Meeting No. 1/2016, for the remaining newly-issued shares of 137.60 million shares at the offering price of 2 baht apiece. Post-right offering, the Company's issued and fully paid-up shares amounted to 781.63 million shares and as of 31 December 2017, the book value per share stood at 2.03 baht.

Liquidity and capital adequacy

In 2017, the Company saw operating cash flow from financing activities by a capital increase amount to 114.67 million. The cash used for operating activities amounted to 12.11 million baht and that for investing stood at 237.29 million baht, most of which was for funding the Studio Park project. Therefore, as of the end of 2017, the Company's cash and cash equivalent stood at 22.75 million baht.

Items	2015	2016	2017
Net cash received from (used in) operating activities	27.01	54.60	(12.11)
Net cash received from (used in) investing activities	(119.84)	(531.25)	(237.29)
Net cash received from (used in) financing activities	(13.78)	423.97	114.67
Net increase (decrease) in cash and cash equivalents	(106.61)	(52.68)	(134.73)
Opening balance of cash and cash equivalents	316.77	210.16	157.48
Closing balance of cash and cash equivalents	210.16	157.48	22.75

Liquidity Ratio

In 2017, the Company's liquidity ratio stood at 2.36 times and the quick ratio was 1.68 times. The liquidity ratios remained sound as the current assets still exceeded the current liabilities

Capital Structure

Items	Unit	2015	2016	2017
Total liabilities	Million baht	190.27	448.47	224.52
Interest bearing debts	Million baht	102.09	302.42	142.83
Shareholder's equity	Million baht	1,230.39	1,387.62	1,585.29
Interest bearing debt to equity ratio	time	0.08	0.22	0.09
Debt to equity ratio	time	0.15	0.32	0.14

The major sources of funds were shareholder' equities and liabilities. As of 31 December 2017, the Company's paid-up capital amounted to 781.63 million baht and the premium on shares was valued at 906.21 million baht. The liabilities totaled 224.52 million baht, with interest bearing debts amounting to Baht 142.83 million baht; this borrowing was aimed at funding the investment in the Studio Park project. During 2017, the Company repaid some loans to the financial institutions; hence, the Company's interest bearing debt to equity ratio stood at 0.09 times and the debt to equity was at 0.14 time, down from the levels seen in 2016.

Off- balance Sheet Obligations

As of 31 December 2017, the Company and its subsidiaries had off-balance sheet obligations mostly from core business operation, such as long-term leases for land and premises signed with third parties, the obligation for capital expenses, and the guarantee obligations. All aforementioned obligations were already disclosed in Item 31 of the note to financial statement for fiscal year 2017.

Factors impacting the Company's future performance

As the construction of five studio buildings for the Studio Park project has been completed, the Company is confident that the project will promptly serve demand from the market. All agencies projected better economic growth in 2018 with recovering purchasing power and restored confidence given the more certainty about the general election and state investment plans as well as better private investment. The Company expects that the Studio Park project will service both local and international clients and continue to generate income and boost the Company's operation performance going forwards.



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 rules and regulations of the Stock Exchange of Thailand.

During the year 2017, 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 reviewed in the meetings:

1. Good Corporate Governance

The Audit Committee reviewed and examined whether Company's business operation was in compliance with good corporate governance principles by meeting with the Company's management and the internal auditor to acknowledge the guidelines of good corporate governance principles as well as creating the same understanding among the directors, the management and the employees, ensuring they followed the set policies. The Company reviewed the good corporate governance principles and the code of conduct at least once annually. In 2017 the Company started to study and implement the new set of corporate governance principles or Corporate Governance Code as a key framework for corporate governance practice. In addition, the Company also conducted self evaluation about anti-corruption measures and carried out Whistle Blower operation to ensure that the Company's corporate governance policies were appropriate and adequate in accordance with the current circumstances.

2. Review of Financial Information

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

3. Internal control and internal audit

The Audit Committee reviewed the work of the Company's internal control and internal audit affairs in order to evaluate the efficiency and effectiveness of the internal audit department. The Audit Committee examined the independence, the audit work plans, budgets, human resource development of the internal audit department. The Committee reported the audit results as well as the results of the follow-up observation on the progress on improvement of the internal audit system, based on the audit review. 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 made comments and provided additional suggestions for the Company to improve its internal control system in order to prevent operational risks and ensure that the mechanism of the Company's internal control and audit systems were appropriate and sufficient under the current circumstance and nature of business.

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

The Audit Committee examined whether the Company followed relevant laws and policies set forth by the Board of Directors through the internal audit process of the Company's internal 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 all involved parties were aware of the relevant laws and the policies set by the Company's Board of Directors. The Audit Committee also provided additional suggestions for the Company to enhance the efficiency and effectiveness in terms of corporate governance, thus leading to continued business development.

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

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

6. Consideration to select and appoint the authorized auditor and determine annual audit fee

The Audit Committee considered selecting and appointing an authorized auditor and determining annual audit fee, taking into account the independence, qualifications and experience of the appointed authorized auditor. In addition, the Audit Committee, together with the management, also appraised the performance of the authorized auditor in the previous fiscal. The Audit Committee suggested that the Board of Directors propose to the shareholders' meeting to appoint PricewaterhouseCoopers ABAS Ltd. as the Company's authorized auditor for the fiscal year of 2018.

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

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 made additional suggestions and expressed opinions that would benefit the Company's management and administration as a mechanism to boost confidence among shareholders, investors, and all stakeholders of the Company.

The Audit Committee performed duties independently under the scope of its responsibilities and continued to emphasize the significance of the Company's internal control. For the year 2017, the Audit Committee opined that Matching Maximize Solution Plc. and its subsidiaries had effective internal control system, which was adequate and appropriate to the Company's business operation. The Committee did not find any 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. In addition, the authorized auditor and internal auditors were found to have worked independently. Finally, the Company's corporate governance and internal control system were found sufficient and appropriate under the current business circumstances.



(Mr. Akarat Na Ranong)

Chairman of Audit Committee



Independent Auditor's Report

To the shareholders of Matching Maximize Solution Public Company Limited

My opinion

In my opinion, the consolidated financial statements of Matching Maximize Solution Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial statements of the Company present fairly, in all material respects, the consolidated and separate financial position of the Group and of the Company as at 31 December 2017, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2017;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include a summary of significant accounting policies.

Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and Company in accordance with the Federation of Accounting Professions under the Royal Patronage of His Majesty the King's Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. I determine one key audit matter: Impairment of investments. The matter was addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on the matter.

Key audit matter	How my audit addressed the key audit matter
<p><i>Impairment of investments</i></p> <p>Refer to notes to the separate financial statements : note 12 Investments in subsidiaries and note 13 Investment in joint venture.</p> <p>The Company has invested in six subsidiaries with a total investment cost of Baht 1,245.75 million. It has also invested in one joint venture with a total investment cost of Baht 5.20 million. During 2017, the Company recognised loss from the impairment of investment in subsidiaries, which are included in the comprehensive income of Baht 4.97 million. As at 31 December 2017, there was a provision for impairment of investments in subsidiaries totalling Baht 271.45 million.</p> <p>There was no impairment of investment in joint venture.</p> <p>I focused on this area because the carrying value of investments is material to the financial statements and the provision for impairment of investments based on management's judgement such as revenue, revenue growth and profit margin.</p>	<p>I tested the impairment of investments to evaluate whether the provision for impairment of investment in subsidiaries and joint venture was appropriate by the following procedures ;</p> <ul style="list-style-type: none"> • evaluating the operations and financial positions of all subsidiaries and joint venture for the year ended 31 December 2017, • considering the historical performance of each subsidiaries and joint venture, • understanding and evaluating the process of the cash flow forecasts preparation, including test key assumptions used in the cash flow forecasts such as revenue, revenue growth and profit margin. • inquiring with management for reasonableness of impairment of investment, and • reviewing the minutes of shareholders' meetings regarding the approval of resolutions to liquidate the subsidiaries. <p>In addition, I also tested supporting evidence and tested the mathematical accuracy of the impairment of investments.</p> <p>From the procedures performed above, I found the assumptions made by management in impairment calculations to be reasonable based on the available evidence.</p>

Other information

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

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

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

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

Responsibilities of the directors for the consolidated and separate financial statements

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

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

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

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

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

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

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

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

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

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

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

PricewaterhouseCoopers ABAS Ltd.



Sa-nga Chokenitisawat

Certified Public Accountant (Thailand) No. 11251

Bangkok

23 February 2018

Statements of Financial Position

Matching Maximize Solution Public Company Limited

As at 31 December 2017

	Notes	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	7	22,752,388	157,477,908	12,289,745	32,918,391
Short-term investments	8	47,252	150,336,056	-	150,290,104
Trade and other receivables, net	9	116,628,515	100,204,116	16,251,354	12,425,016
Short-term loans to subsidiaries, net	32.4	-	-	546,000,000	132,000,000
Inventories	10	10,828,703	10,873,726	1,165,901	1,797,829
VAT refund		22,221,911	23,705,056	-	-
Withholding tax deducted at sources, net		22,624,056	20,811,968	4,045,796	5,622,804
Other current assets		791,025	3,147,070	190,756	195,491
Total current assets		195,893,850	466,555,900	579,943,552	335,249,635
Non-current assets					
Investments in subsidiaries, net	12	-	-	974,302,562	982,726,736
Investment in joint venture	13	4,872,189	5,199,563	5,199,563	-
Restricted deposit at bank		-	1,729,271	-	1,729,271
Investment properties, net	14	10,249,564	10,249,564	-	-
Property, plant and equipment, net	15	1,282,139,186	1,020,063,690	41,039,564	49,203,520
Assets for rent, net	16	307,419,665	321,422,127	-	-
Intangible assets, net	17	4,002,924	4,140,946	336,059	424,555
Deferred tax assets, net	18	3,533,405	4,631,277	3,397,822	3,128,051
Other non-current assets		1,695,238	2,101,330	245,420	245,420
Total non-current assets		1,613,912,171	1,369,537,768	1,024,520,990	1,037,457,553
Total assets		1,809,806,021	1,836,093,668	1,604,464,542	1,372,707,188

The accompanying notes on pages 107 to 163 are an integral part of these consolidated and separate financial statements.

Statements of Financial Position (cont'd)

Matching Maximize Solution Public Company Limited

As at 31 December 2017

		Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
	Notes	Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Bank overdrafts		1,961,902	-	-	-
Trade and other payables	19	35,981,368	101,740,746	7,112,476	7,117,026
Short-term borrowing from subsidiary	32.5	-	-	7,000,000	-
Current portion of long-term					
bank borrowing, net	21 (a)	28,790,000	42,278,000	-	-
Current portion of liability					
under finance lease, net	21 (b)	4,230,055	4,014,832	626,860	625,243
Other current liabilities	20	11,894,746	12,508,065	1,891,534	2,359,695
Total current liabilities		82,858,071	160,541,643	16,630,870	10,101,964
Non-current liabilities					
Long-term borrowing from bank, net	21 (a)	101,140,000	245,176,000	-	-
Liability under finance lease, net	21 (b)	6,708,652	10,948,198	-	626,860
Deferred tax liabilities, net	18	693,928	-	-	-
Employee benefit obligations	22	32,675,730	30,770,938	14,176,373	12,396,041
Deferred income from sales and leaseback, net		442,977	1,031,588	-	-
Total non-current liabilities		141,661,287	287,926,724	14,176,373	13,022,901
Total liabilities		224,519,358	448,468,367	30,807,243	23,124,865

The accompanying notes on pages 107 to 163 are an integral part of these consolidated and separate financial statements.

Statements of Financial Position (cont'd)

Matching Maximize Solution Public Company Limited

As at 31 December 2017

		Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
	Notes	Baht	Baht	Baht	Baht
Liabilities and equity (Cont'd)					
Equity					
Share capital					
Authorised share capital					
Ordinary shares, 781.63 million shares					
at par value of Baht 1 each	23	781,629,851	781,629,851	781,629,851	781,629,851
Issued and paid-up share capital					
Ordinary shares, 781.63 million shares					
paid-up of Baht 1 each					
(2016: Ordinary shares, 644.03 million shares					
paid-up of Baht 1 each)	23	781,628,733	644,028,952	781,628,733	644,028,952
Share premium	23	906,214,683	769,560,520	906,214,683	769,560,520
Retained earnings					
Appropriated - legal reserve	24	10,658,657	10,658,657	10,658,657	10,658,657
Unappropriated		(113,280,517)	(36,596,762)	(124,844,774)	(74,665,806)
Equity attributable to owners of the parent		1,585,221,556	1,387,651,367	1,573,657,299	1,349,582,323
Non-controlling interests		65,107	(26,066)	-	-
Total equity		1,585,286,663	1,387,625,301	1,573,657,299	1,349,582,323
Total liabilities and equity		1,809,806,021	1,836,093,668	1,604,464,542	1,372,707,188

The accompanying notes on pages 107 to 163 are an integral part of these consolidated and separate financial statements.

Statements of Comprehensive Income

Matching Maximize Solution Public Company Limited

For the year ended 31 December 2017

		Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
	Notes	Baht	Baht	Baht	Baht
Revenue					
Services income		444,050,041	452,166,756	58,546,711	81,867,240
Sales		4,360,479	4,499,189	-	-
Total revenue		448,410,520	456,665,945	58,546,711	81,867,240
Cost of sales and services					
Cost of services		(341,211,896)	(328,954,475)	(47,223,981)	(54,309,194)
Cost of sales		(2,442,363)	(2,566,636)	-	-
Total cost of sales and services		(343,654,259)	(331,521,111)	(47,223,981)	(54,309,194)
Gross profit					
		104,756,261	125,144,834	11,322,730	27,558,046
Other income	25	7,836,720	6,246,714	26,171,562	10,542,964
Selling expenses		(15,175,458)	(13,753,084)	(1,930,680)	(2,388,346)
Administrative expenses		(159,622,252)	(167,689,760)	(80,482,307)	(80,568,802)
Other expenses	28	(2,664)	(2,456,001)	(4,974,561)	(53,074,003)
Finance costs	26	(12,876,589)	(6,087,181)	(106,571)	(146,972)
Share of loss on investment in joint venture	13	(327,374)	(3,220,833)	-	-
Net loss before income tax					
		(75,411,356)	(61,815,311)	(49,999,827)	(98,077,113)
(Income tax expenses) Tax income	29	(1,669,685)	(1,145,232)	179,989	572,883
Loss for the year from continuing operations		(77,081,041)	(62,960,543)	(49,819,838)	(97,504,230)
Loss for the year from discontinued operations	11	-	(3,442,277)	-	-
Net loss for the year		(77,081,041)	(66,402,820)	(49,819,838)	(97,504,230)

The accompanying notes on pages 107 to 163 are an integral part of these consolidated and separate financial statements.

Statements of Comprehensive Income (cont'd)

Matching Maximize Solution Public Company Limited

For the year ended 31 December 2017

		Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
	Notes	Baht	Baht	Baht	Baht
Other comprehensive income (loss):					
Item that will not be reclassified to profit or loss:					
Remeasurement of post-employment					
benefit obligations		610,574	-	(448,912)	-
Income tax on items that will not be reclassified	18	(122,115)	-	89,782	-
Other comprehensive income (loss)					
for the year, net of tax		488,459	-	(359,130)	-
Total comprehensive loss for the year		(76,592,582)	(66,402,820)	(50,178,968)	(97,504,230)
Income (loss) attributable to:					
Owners of the parent		(77,134,344)	(65,828,501)	(49,819,838)	(97,504,230)
Non-controlling interest		53,303	(574,319)	-	-
		(77,081,041)	(66,402,820)	(49,819,838)	(97,504,230)
Total comprehensive income (loss) attributable to:					
Owners of the parent		(76,683,755)	(65,828,501)	(50,178,968)	(97,504,230)
Non-controlling interest		91,173	(574,319)	-	-
		(76,592,582)	(66,402,820)	(50,178,968)	(97,504,230)
Loss per share					
30					
Basic loss per share					
From continued operations		(0.11)	(0.11)	(0.07)	(0.18)
From discontinued operations		-	(0.01)	-	-

The accompanying notes on pages 107 to 163 are an integral part of these consolidated and separate financial statements.

Statements of Changes in Equity

Matching Maximize Solution Public Company Limited
For the year ended 31 December 2017

		Consolidated financial statements							
	Note	Attributable to owners of the parent						Non-controlling interests	Total equity
		Issued and paid-up share capital	Share premium	Retained earnings		Total owners of the parent			
				Appropriated - legal reserve	Unappropriated				
		Baht	Baht	Baht	Baht	Baht	Baht		
Balance as at 1 January 2016		531,629,851	658,317,844	10,658,657	29,231,739	1,229,838,091	548,253	1,230,386,344	
Changes in equity for the year 2016									
Shares issuance	23	112,399,101	111,242,676	-	-	223,641,777	-	223,641,777	
Total comprehensive loss for the year		-	-	-	(65,828,501)	(65,828,501)	(574,319)	(66,402,820)	
Closing balance as at 31 December 2016		644,028,952	769,560,520	10,658,657	(36,596,762)	1,387,651,367	(26,066)	1,387,625,301	
Changes in equity for the year 2017									
Shares issuance	23	137,599,781	136,654,163	-	-	274,253,944	-	274,253,944	
Total comprehensive income (loss) for the year		-	-	-	(76,683,755)	(76,683,755)	91,173	(76,592,582)	
Closing balance as at 31 December 2017		781,628,733	906,214,683	10,658,657	(113,280,517)	1,585,221,556	65,107	1,585,286,663	

The accompanying notes on pages 107 to 163 are an integral part of these consolidated and separate financial statements.

Statements of Changes in Equity (cont'd)

Matching Maximize Solution Public Company Limited
For the year ended 31 December 2017

		Separate financial statements				
	Note	Issued and paid-up share capital	Share premium	Retained earnings		Total equity
				Appropriated - legal reserve	Unappropriated	
		Baht	Baht	Baht	Baht	Baht
Balance as at 1 January 2016		531,629,851	658,317,844	10,658,657	22,838,424	1,223,444,776
Changes in equity for the year 2016						
Shares issuance	23	112,399,101	111,242,676	-	-	223,641,777
Total comprehensive loss for the year		-	-	-	(97,504,230)	(97,504,230)
Closing balance as at 31 December 2016		644,028,952	769,560,520	10,658,657	(74,665,806)	1,349,582,323
Changes in equity for the year 2017						
Shares issuance	23	137,599,781	136,654,163	-	-	274,253,944
Total comprehensive loss for the year		-	-	-	(50,178,968)	(50,178,968)
Closing balance as at 31 December 2017		781,628,733	906,214,683	10,658,657	(124,844,774)	1,573,657,299

The accompanying notes on pages 107 to 163 are an integral part of these consolidated and separate financial statements.

Statements of Cash Flows

Matching Maximize Solution Public Company Limited

For the year ended 31 December 2017

	Notes	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
		Baht	Baht	Baht	Baht
Cash flows from operating activities					
From continuing operations					
Net loss before income tax		(75,411,356)	(61,815,311)	(49,999,827)	(98,077,113)
Adjustments for:					
Bad debt and doubtful accounts (reversal)		3,002,502	4,839,074	(431,478)	852,522
Depreciation and amortisation charge	27	97,239,814	77,032,642	8,465,650	9,365,430
Employee benefit obligations	22	2,515,366	3,226,685	1,331,420	2,029,116
Provision of goods returns (Reversal)		-	(238,875)	-	-
Allowance for doubtful of loan to subsidiary (Reversal)	32.4	-	-	(6,250,000)	6,250,000
Allowance for impairment of investments in subsidiaries	12	-	-	4,974,174	45,029,301
Write-off of VAT		76,234	-	-	-
Write-off of withholding tax deducted at source		139,809	54,044	3,717	27,885
Provision for withholding tax deducted					
at sources (Reversal)		(456,608)	1,526,539	(456,608)	727,777
Share of loss of investments in joint venture	13	327,374	3,220,833	-	-
(Gain) loss from disposal of equipment		(131,356)	(103,307)	-	51,211
(Gain) from disposal of assets for rent		(413,348)	(302,499)	-	-
Realised deferred (income) from sale and lease back		(294,306)	(295,110)	-	-
Loss from write-off of equipment		512,702	2,544,909	387	1,743,489
Loss from write-off of assets for rent		224,664	780	-	-
Loss from write-off intangible assets	17	4,407	4,946	-	2
(Gain) from insurance compensation for assets for rent	25	(50,060)	(924,891)	-	-
Provision for impairment of assets (reversal)	15	(533,504)	533,504	-	-
Interest income	25	(2,326,595)	(2,403,370)	(19,909,144)	(10,077,663)
Finance costs	26	12,876,589	6,087,181	106,571	146,972
Cash flow before change in operating assets and liabilities		37,302,328	32,987,774	(62,165,138)	(41,931,071)
Change in operating assets and liabilities:					
- Trade and other receivables		(19,519,860)	41,628,707	(3,862,819)	23,558,225
- Inventories		45,023	585,047	631,928	317,602
- VAT receivable		1,406,911	(20,657,942)	-	-
- Other current assets		2,356,045	255,815	4,735	(128,898)
- Other non-current assets		406,092	108,923	-	176,100
- Trade and other payables		(22,065,281)	20,158,634	13,733	(1,098,017)
- Other current liabilities		(907,624)	(3,976,687)	(468,161)	(2,484,667)
- Employee benefit obligations	22	-	(337,300)	-	-

The accompanying notes on pages 107 to 163 are an integral part of these consolidated and separate financial statements.

Statements of Cash Flows (cont'd)

Matching Maximize Solution Public Company Limited

For the year ended 31 December 2017

	Notes	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
		Baht	Baht	Baht	Baht
Cash flows from operating activities		(976,366)	70,752,971	(65,845,722)	(21,590,726)
Interest received		2,793,254	2,229,874	2,463,882	1,287,202
Interest paid		(12,428,014)	(6,102,222)	(106,571)	(146,972)
Tax received		9,373,569	4,021,521	3,635,169	4,021,521
Tax paid		(10,868,858)	(13,035,668)	(1,605,270)	(2,711,695)
From discontinued operations	11	-	(3,265,625)	-	-
Net cash generated from (used in) operating activities		(12,106,415)	54,600,851	(61,458,512)	(19,140,670)
Cash flows from investing activities					
From continuing operations					
Cash received from restricted deposit at bank		1,729,271	1,596,800	1,729,271	1,500,800
Cash payment for short-term investments		-	(150,290,104)	-	(150,290,104)
Cash received from short-term investments		150,290,104	40,693,919	150,290,104	40,693,920
Cash payment for short-term loans to subsidiaries	32.4	-	-	(421,000,000)	(8,450,000)
Cash received from short-term loans to subsidiaries	32.4	-	-	13,250,000	17,150,000
Cash payment for investment in subsidiaries	12	-	-	(5,000,000)	(212,500,000)
Cash received from decrease in share capital of a subsidiaries	12	-	-	8,450,000	20,000,000
Cash payment for investment in joint venture	13	-	-	(5,199,563)	-
Cash payment for purchases of assets		(338,490,523)	(372,873,179)	(231,868)	(1,575,999)
Cash payment for purchases of assets for rent		(51,898,223)	(52,461,415)	-	-
Cash payment for purchases of intangible assets		(1,174,615)	(384,942)	-	(104,500)
Proceeds from disposal of equipment		642,416	228,540	-	65,515
Proceeds from disposal of assets for rent		1,564,882	706,266	-	-
Cash received from insurance compensation for assets for rent		50,060	1,542,399	-	-
Interest received from short-term loans to subsidiaries	32.4	-	-	17,913,221	8,597,121
From discontinued operations	11	-	(12,812)	-	-
Net cash used in investing activities		(237,286,628)	(531,254,528)	(239,798,835)	(284,913,247)

The accompanying notes on pages 107 to 163 are an integral part of these consolidated and separate financial statements.

Statements of Cash Flows (cont'd)

Matching Maximize Solution Public Company Limited

For the year ended 31 December 2017

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Notes	Baht	Baht	Baht	Baht
Cash flows from financing activities				
From continuing operations				
Bank overdrafts	1,961,902	(12,775,471)	-	-
Cash received from Short-term borrowing				
from subsidiary	32.5	-	-	7,000,000
Repayments to long-term borrowing from bank	21 (a)	(421,524,000)	(19,128,000)	-
Cash received from long-term borrowing from bank	21 (a)	264,000,000	236,000,000	-
Repayments to liability under finance lease		(4,024,323)	(3,766,983)	(625,243)
Cash received from issuance of ordinary shares	23	274,253,944	223,641,777	274,253,944
From discontinued operations	11	-	-	-
Net cash generated from financing activities		114,667,523	423,971,323	280,628,701
Net decrease in cash and cash equivalents		(134,725,520)	(52,682,354)	(20,628,646)
Opening balance of cash and cash equivalents		157,477,908	210,160,262	32,918,391
Closing balance of cash and cash equivalents		22,752,388	157,477,908	12,289,745
Non-cash transactions				
Outstanding payable arising from purchases of assets		2,205,369	43,044,117	3,317
Outstanding payable arising from purchases of assets for rent		18,559	2,270,182	-
Accrued interest expenses from purchases of assets		-	1,052,301	-
Receivable arising from disposal of equipment		375,000	-	-

The accompanying notes on pages 107 to 163 are an integral part of these consolidated and separate financial statements.

Notes to the Consolidated and Separate Financial Statements

Matching Maximize Solution Public Company Limited
For the year ended 31 December 2017

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 305/12 Soi Sukhothai 6, Sukhothai Road, Dusit, Bangkok.

Branch: located 23/3 Moo 2 Nong Khang Phlu, Nong Khaem Bangkok.

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

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

The Group consolidated and separate financial statements were authorised for issue by the Board of Directors on 23 February 2018.

2 Accounting policies

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

2.1 Basis of preparation

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

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.

2 Accounting policies (Cont'd)

2.1 Basis of preparation (Cont'd)

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

2.2 Revised financial reporting standards, and related interpretations

2.2.1 Revised financial reporting standards and interpretations are effective on 1 January 2017 which are relevant and have a significant impact to the Group:

TAS 27 (revised 2016)	Separate financial statements
TAS 28 (revised 2016)	Investments in associates and joint ventures
TAS 38 (revised 2016)	Intangible assets

TAS 27 (revised 2016), the amendments allow an entity a policy choice to account for investments in subsidiaries, joint ventures and associates in its separate financial statements using the equity method as described in TAS 28 (revise 2016) in addition to measurement at cost or at fair value (when announced) previously allowed. The election can be made independently for each category of investment (subsidiaries, joint ventures and associates). Entities wishing to change to the equity method must do so retrospectively.

TAS 28 (revised 2016), the significant change is the amendments allow an entity which is not an investment entity, but has an interest in an associate or joint venture which is an investment entity, a policy choice when applying the equity method of accounting. The entity may choose to retain the fair value measurement applied by the investment entity associate or joint venture, or to unwind the fair value measurement and perform a consolidation at the level of the investment entity associate or joint venture.

TAS 38 (revised 2016), the amendments include a rebuttable presumption that the amortisation of intangible assets based on revenue is inappropriate. This presumption can be overcome if either the intangible asset is expressed as a measure of revenue (i.e. where a measure of revenue is the limiting factor on the value that can be derived from the asset), or it can be shown that revenue and the consumption of economic benefits generated by the asset are highly correlated.

The Group's management assessed and considered that the above revised standards will not have a material impact on the Group.

2 Accounting policies (Cont'd)

2.2 Revised financial reporting standards, and related interpretations (Cont'd)

2.2.2 Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2018 which have significant changes and are relevant to the Group. The Group has not yet adopted these revised standards.

TAS 7 (revised 2017)	Statement of cash Flows
TAS 12 (revised 2017)	Income taxes
TFRS 12 (revised 2017)	Disclosure of interests in other entities

TAS 7 (revised 2017), the amendments require additional disclosure of changes in liabilities arising from financing activities. This includes changes arising from cash and non-cash.

TAS 12 (revised 2017), the amendments clarify the accounting for deferred tax where an asset is measured at fair value and that fair value is below the asset's tax base. Specifically, the amendments confirm that:

- A temporary difference exists whenever the carrying amount of an asset is less than its tax base at the end of the reporting period.
- An entity can assume that it will recover an amount higher than the carrying amount of an asset to estimate its future taxable profit.
- Where the tax law restricts the source of taxable profits against which particular types of deferred tax assets can be recovered, the recoverability of the deferred tax assets can only be assessed in combination with other deferred tax assets of the same type.
- Tax deductions resulting from the reversal of deferred tax assets are excluded from the estimated future taxable profits.

TFRS 12 (revised 2017), the amendments clarify that the disclosure requirements of TFRS 12 apply to interests in entities that are classified as held for sale in the scope of TFRS 5 (revised 2017), except for the summarised financial information.

The Group's management assessed and considered that the above revised standards will not have a material impact on the Group except for disclosure.

2.3 Group Accounting - Investments in subsidiaries

(1) Subsidiaries

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

2 Accounting policies (Cont'd)

2.3 Group Accounting - Investments in subsidiaries (Cont'd)

(1) Subsidiaries (Cont'd)

The Group applies the acquisition method to account for business combinations except business combination under common control. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of acquiree 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.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

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 identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured 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. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

2 Accounting policies (Cont'd)

2.3 Group Accounting - Investments in subsidiaries (Cont'd)

(1) Subsidiaries (Cont'd)

In the company's separated financial statements, 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.

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

(2) Transactions with 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 and gains or losses on disposals to non-controlling interests are recorded in equity.

(3) Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangements. The company has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in joint ventures includes goodwill identified on acquisition.

If the ownership interest in joint ventures 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. Profit or loss from reduction of the ownership interest in joint ventures is recognised in profit or loss.

The Group's share of its joint ventures' post-acquisition profits or losses is recognised in the profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in joint ventures equals or exceeds its interest in the joint ventures, together with any long-term interests that, in substance, form part of the entity's net investment in the joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

2 Accounting policies (Cont'd)

2.3 Group Accounting - Investments in subsidiaries (Cont'd)

(3) Joint arrangements (Cont'd)

The Group determines at each reporting date whether there is any objective evidence that the investments in the joint ventures are impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the investments and its carrying value and recognises the amount adjacent to share of profit (loss) of joint ventures in profit or loss.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the separate financial statements, investments in joint ventures are accounted for at cost less impairment.

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 and separate 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 statements 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 Accounting policies (Cont'd)

2.7 Inventories and TV programs production in progress

a) Equipment and accessories for film production

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

TV programs production in progress, post production in progress and TV programs ready for broadcasts or sales 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 has been performed.

2.8 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 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.

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

Land is not depreciated.

Fair value of the Group's investment properties was appraised by independent professional qualified valuer every 3 years.

2.9 Land, building and equipment and assets for rent

Land, building and equipment and assets for rent are measured initially at their cost less any accumulated depreciation. Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost to their residual values over their estimated useful lives, as follows:

2 Accounting policies (Cont'd)

2.9 Land, building and equipment and assets for rent (Cont'd)

Building and equipment

Land improvement and leasehold studio building improvement	5, 10, 20 years
Office building and office building improvement	5, 20 years
Studio building and studio building improvement	5, 20, 60 years
Utility system	20 years
Production equipment	5 years
Furniture fixture and office equipment	5, 10 years
Motor vehicles	5, 10 years

Asset for rent

Production equipment	5, 10 years
Supply for film production	3 years
Motor 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 2.11).

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.

2.10 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.

2 Accounting policies (Cont'd)

2.11 Impairment of assets

Assets that have an indefinite useful life, are not subject to amortisation and are tested annually for impairment. Land, 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.

2.12 Leases

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.

2.13 Borrowings

Borrowings are recognised initially at the fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective yield method.

2 Accounting policies (Cont'd)

2.13 Borrowings (Cont'd)

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

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.

(a) Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.14 Employee benefits

Post-employment

The Group operates various post-employment benefits schemes. The Group has both defined benefit and defined contribution plans.

2.14.1 Defined contribution

A defined contribution plan is a retirement plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions once the contributions have been paid even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The Group pays contributions to a separate fund which is managed by an external fund manager in accordance with the provident fund Act. B.E. 2530. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2.14.2 Retirement benefits

A defined benefit plan is a retirement plan that is not a defined contribution plan. Typically defined benefit plans define an amount of retirement benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

2 Accounting policies (Cont'd)

2.14 Employee benefits (Cont'd)

2.14.2 Retirement benefits (Cont'd)

The liability recognised in the statement of financial position in respect of defined benefit retirement plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. 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 retirement liability.

Remeasurement 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.

2.15 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.

2.16 Revenue recognition

Revenue of the Group consist principally revenue from television program and commercial production, post production and edition of visual and audio effect of film, advertising films production, rental and service of advertisement production equipment, sales of goods, and service and rental of studio.

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

2 Accounting policies (Cont'd)

2.16 Revenue recognition (Cont'd)

Revenue from post production and edition of visual and audio effect of film is recognised when significant risks and rewards of ownership of the post production and edition are transferred to the buyer. Revenue from altering and additional production are recognised when completed.

Revenue from advertising films production is recognised when significant risks and rewards of ownership of the advertising production are transferred to the buyer. Revenue from altering tape and sound recording are recognised when 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 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.

Revenue from providing service and renting of studio is recognised when services are rendered.

Other income

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

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

2.17 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 and its subsidiaries 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.

2 Accounting policies (Cont'd)

2.17 Current and deferred income taxes (Cont'd)

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 joint arrangements, 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.

2.18 Dividend payment

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

2.19 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 Financial risk management (Cont'd)

3.1 Financial risk factors (Cont'd)

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 estimation

Analysis of assets and liabilities carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

See note 14 and note 21 for disclosure of the investment properties and borrowings that are disclosed at fair value.

4 Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The result of accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

4 Critical accounting estimates and assumptions (Cont'd)

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 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.

4.3 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 22.

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.

Financial statements by business segment

	Television programs	Equipment rental and service	Studio rental and service	Sales of products	Post production	Total
	Baht	Baht	Baht	Baht	Baht	Baht
For the year ended 31 December 2017						
Revenues						
Gross segment revenues	58,446,534	354,476,950	21,803,383	4,389,322	22,453,808	461,569,997
Inter-segment revenues	-	(3,476,615)	(9,634,019)	(28,843)	(20,000)	(13,159,477)
Net revenues from third parties	58,446,534	351,000,335	12,169,364	4,360,479	22,433,808	448,410,520
Segment result	784,179	22,610,278	(27,678,053)	1,918,115	1,171,816	(1,193,655)
Other income						7,836,720
Interest paid						(12,876,589)
Unallocated cost/expenses						(68,903,761)
Share of loss of investment in joint ventures						(327,374)
Income tax						(1,669,685)
Loss attributable to owners of the parent						(77,134,344)
Gain attributable to non-controlling interests						53,303
Net loss for the year						(77,081,041)

6 Segment information (Cont'd)

Financial statements by business segment (Cont'd)

	Television programs	Equipment rental and service	Studio rental and service	Sales of products	Post production	Total
	Baht	Baht	Baht	Baht	Baht	Baht
As at 31 December 2017						
Segment for assets						
Property, plant, and equipment, net	41,039,326	16,127,641	1,215,115,177	-	9,857,042	1,282,139,186
Assets for rent, net	-	307,419,665	-	-	-	307,419,665
Other assets	43,068,893	121,703,054	33,539,509	9,664,627	8,244,366	216,220,449
Unallocated assets						4,026,721
						1,809,806,021
Segment for liabilities						
Outstanding payable arising from purchases of fixed assets	3,317	107,423	1,905,155	-	208,033	2,223,928
Bank borrowings	-	29,930,000	100,000,000	-	-	129,930,000
Other liabilities	23,267,827	58,113,510	8,219,618	-	2,489,053	92,090,008
Unallocated liabilities						275,422
						224,519,358
Depreciation and amortisation						
	8,465,650	66,045,260	17,387,977	-	5,234,762	97,133,649
Capital expenditure						
	231,868	60,229,174	330,249,385	-	852,934	391,563,361

6 Segment information (Cont'd)

Financial statements by business segment (Cont'd)

		Television programs	Equipment rental and service	Studio rental and service	Sales of products	Post production	Total
		Baht	Baht	Baht	Baht	Baht	Baht
For the year ended 31 December 2016							
Revenues							
Gross segment revenues		2,429,250	81,686,897	359,354,602	4,529,965	12,560,096	460,560,810
Inter-segment revenues		-	-	(3,779,089)	(30,776)	(85,000)	(3,894,865)
Net revenues from third parties		2,429,250	81,686,897	355,575,513	4,499,189	12,475,096	456,665,945
Segment result		(3,963,331)	17,804,729	4,281,135	1,946,794	(6,950,585)	13,118,742
Other income							6,246,714
Interest paid							(6,087,181)
Unallocated cost/expenses							(71,298,434)
Share of loss of investment in joint ventures							(3,220,833)
Income tax							(1,145,232)
Loss for the year from continuing operations							(62,386,224)
Loss for the year from discontinued operations							(3,442,277)
Loss attributable to owners of the parent							(65,828,501)
Loss attributable to non-controlling interests							(574,319)
Net loss for the year							(66,402,820)

6 Segment information (Cont'd)

Financial statements by business segment (Cont'd)

	Advertisement films production	Television programs	Equipment rental and service	Studio rental and service	Sales of products	Post production	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht
As at 31 December 2016							
Segment for assets							
Property, plant, and equipment, net	-	49,203,520	11,834,862	945,031,510	-	13,002,753	1,019,072,645
Assets for rent, net	-	-	321,422,127	-	-	-	321,422,127
Other assets	6,477,556	208,775,395	122,850,189	125,716,029	8,765,124	13,952,286	486,536,579
Unallocated assets							9,062,317
							1,836,093,668
Segment for liabilities							
Outstanding payable arising from purchases of fixed assets	-	21,600	2,330,851	42,961,848	-	-	45,314,299
Bank borrowings	-	-	48,050,000	236,000,000	-	3,404,000	287,454,000
Other liabilities	1,062,551	22,436,033	66,575,557	21,420,790	-	3,952,063	115,446,994
Unallocated liabilities							253,074
							448,468,367
Depreciation and amortisation							
	117,745	9,365,430	62,158,944	-	-	5,017,852	76,659,971
Capital expenditure							
	3,000	1,680,499	54,745,477	368,610,448	-	680,110	425,719,534

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 financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Cash on hand	490,000	650,000	190,000	390,000
Deposits held at call with banks	22,262,388	156,761,538	12,099,745	32,462,021
Fixed deposit accounts	-	66,370	-	66,370
	22,752,388	157,477,908	12,289,745	32,918,391

As at 31 December 2017, deposits held at call with banks carry interest at the rate ranging from 0.50% to 0.75% per annum (2016: from 0.50% to 1.40% per annum). Fixed deposit accounts carry interest at the rate ranging from 0.88% to 1.40% per annum (2016: from 1.25% to 1.50% per annum).

8 Short-term investments

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Fixed deposit - due after 3 months but not later than 6 months	-	150,290,104	-	150,290,104
Fixed deposit - due after 6 months but not later than 12 months	47,252	45,952	-	-
	47,252	150,336,056	-	150,290,104

The interest rates on fixed deposit is 1.50% per annum (2016: from 1.25% to 1.65% per annum).

9 Trade and other receivables, net

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Trade accounts receivable				
Other companies	135,002,963	121,327,795	17,982,691	17,740,248
Related companies (Note 32.3)	123,029	-	-	-
Accrued income	596,281	158,000	-	-
<u>Less</u> Advances received	(1,418,148)	(4,955,954)	(1,120,000)	(4,658,332)
Allowance for doubtful accounts	(26,956,090)	(23,953,588)	(2,787,385)	(3,218,863)
Trade accounts receivable and accrued income, net	107,348,035	92,576,253	14,075,306	9,863,053
Prepaid expenses	4,942,553	4,217,799	1,308,168	977,657
Other receivables	4,337,927	3,410,064	867,880	1,584,306
	116,628,515	100,204,116	16,251,354	12,425,016

9 Trade and other receivables, net (Cont'd)

Outstanding trade accounts receivable and accrued income as at 31 December 2017 and 2016 can be analysed as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Trade accounts receivable and accrued income				
Current	77,829,414	59,011,521	9,649,518	4,347,247
Overdue less than 3 months	24,191,291	27,736,769	4,846,832	6,322,853
Overdue 3 to 6 months	4,216,219	4,906,468	-	-
Overdue 6 to 12 months	5,117,635	4,861,427	-	-
Overdue over 12 months	22,949,566	20,013,656	2,366,341	2,411,816
	134,304,125	116,529,841	16,682,691	13,081,916
Less Allowance for doubtful accounts	(26,956,090)	(23,953,588)	(2,787,385)	(3,218,863)
Trade accounts receivable and accrued income, net	107,348,035	92,576,253	14,075,306	9,863,053

10 Inventories

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Equipment and accessories for film production	9,664,627	8,765,124	-	-
TV programs production in progress	1,112,378	1,797,829	1,165,901	1,797,829
Post production in progress	51,698	310,773	-	-
	10,828,703	10,873,726	1,165,901	1,797,829

During 2016, fully provided inventory was written off amounting to Baht 563,094 in the consolidated financial statements.

11 Discontinued operations

During 2016, trademarks and copyrights of magazines operation were sold for cash consideration of Baht 5,807,000. In addition, show/events organizing operation is discontinued.

11 Discontinued operations (Cont'd)

Information relating to magazines and show/events organizing operations is summarised as follows:

Operating results	For the period ended 30 June
	2016
	Baht
Revenue	18,156,110
Cost	(15,725,939)
Gross profit	2,430,171
Other income	1,004,233
Selling and administrative expenses	(12,699,757)
Loss before income tax	(9,265,353)
Income tax	16,076
Loss from operation	(9,249,277)
Disposal price	5,807,000
Loss for the year/period from discontinued operations	(3,442,277)

Cash flows	For the period ended 30 June
	2016
	Baht
Net cash flows from operating activities	(3,265,625)
Net cash flows from investing activities	(12,812)
Net cash flows from financing activities	-
Total cash flows	(3,252,813)

Financial position	For the period ended 30 June
	2016
	Baht
Total assets	13,688,420
Total liabilities	(10,739,938)
Net assets	2,948,482

12 Investments in subsidiaries, net

	Separate financial statements	
	2017	2016
	Baht	Baht
Investments in subsidiaries	1,245,750,000	1,249,200,000
Less Allowance for impairment	(271,447,438)	(266,473,264)
Investments in subsidiaries, net	974,302,562	982,726,736

Movements of investments in subsidiaries are summarised as follows:

	Separate financial statements	
	2017	2016
	Baht	Baht
For the year ended 31 December		
Opening net book amount	982,726,736	835,256,037
Acquisition	5,000,000	212,500,000
Decrease in capital of a subsidiary	(8,450,000)	(20,000,000)
Impairment	(4,974,174)	(45,029,301)
Closing net book amount	974,302,562	982,726,736

12 Investment in subsidiaries (Cont'd)

The details of investments in subsidiaries are as follows:

Subsidiaries company	Nature of business	Relationship	2017					2016				
			Share capital ('000)		% Ownership interest	Baht		Baht		Cost Method	Baht	
			31 December 2017	31 December 2016		31 December 2017	31 December 2016	Allowance for impairment	Net		Allowance for impairment	Net
Matching Entertainment Co., Ltd.	Events organiser	Direct shareholder	111,000	115,000	99.99	99.99	99.99	(110,522,480)	477,520	115,000,000	(110,522,480)	4,477,520
Gear Head Co., Ltd.	Provide film production equipment for rent and related services	Direct shareholder	175,500	175,500	99.99	99.99	99.99	-	175,500,000	175,500,000	-	175,500,000
Matching Studio Plus Co., Ltd.	Production of advertisement films	Direct shareholder	133,550	138,000	99.99	99.99	99.99	(133,550,000)	-	138,000,000	(133,575,826)	4,424,174
The Studio Park (Thailand) Co., Ltd. (formerly Matching Broadcast Co., Ltd.)	Provide services and renting of studio	Direct shareholder	780,000	780,000	99.99	99.99	99.99	-	780,000,000	780,000,000	-	780,000,000
Book Maker Co., Ltd.	Production and distribution of magazines	Direct shareholder	7,000	2,000	99.99	99.99	99.99	(7,000,000)	-	2,000,000	(2,000,000)	-
Time Lapse Co., Ltd.	Post production	Direct shareholder	40,000	40,000	96.75	96.75	96.75	(20,374,958)	18,325,042	38,700,000	(20,374,958)	18,325,042
			1,245,750,000					(271,447,438)	974,302,562	1,249,200,000	(266,473,264)	982,726,736

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

12 Investment in subsidiaries (Cont'd)

All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of ordinary shares held.

The total non-controlling interest as at 31 December 2017 of Baht 65,107 is of an individual shareholder under Time Lapse Co., Ltd. which is not material.

2017

On 30 March 2017, the Company received a refund capital from Matching Studio Plus Co., Ltd. for capital reduction of 44,500 shares at Baht 100 per value, totalling Baht 4.45 million.

On 16 November 2017, the shareholders of Book Maker Co., Ltd. approved to increase the authorised share capital from 20,000 ordinary shares with par value of Baht 100 each to 70,000 ordinary shares with par value of Baht 100 each. The Company has subscribed all the newly issued shares, totaling Baht 5 million.

On 21 December 2017, the Company received a refund capital from Matching Entertainment Co., Ltd. for capital reduction of 40,000 shares at Baht 100 per value, totalling Baht 4 million.

2016

During the year, The Studio Park (Thailand) Co., Ltd. called-up additional capital of 7,700,000 shares at Baht 25 per share, totaling Baht 192.50 million.

On 16 February 2016, the Company received a capital return from Matching Studio Plus Co., Ltd. for the capital reduction of 200,000 shares at Baht 100 par value, totaling Baht 20 million.

On 23 December 2016, the shareholders of Matching Entertainment Co., Ltd. approved the liquidation of the Company. The liquidation was registered with the Ministry of Commerce on 27 December 2016 and is currently being processed.

On 26 December 2016, the shareholders of Time Lapse Co., Ltd. approved to increase the authorised share capital from 200,000 ordinary shares with par value of Baht 100 each to 400,000 ordinary shares with par value of Baht 100 each. The Company has subscribed all the newly issued shares, totalling Baht 20 million.

On 28 December 2016, the shareholders of Matching Studio Plus Co., Ltd. approved the liquidation of the company. The liquidation was registered with the Ministry of Commerce on 28 December 2016 and is currently being processed.

13 Investment in joint venture, net

The Company invested in 125,000 shares, representing 14.29% of issued and fully paid-up share capital in Transformation Film Co., Ltd. which is jointly controlled with other 3 parties.

Details of Transformation Film Co., Ltd. are as follows:

Joint venture	Nature of business	Nature of relationship	% Ownership interest	
			31 December 2017	31 December 2016
Transformation Film Co., Ltd.	Production of film, advertisement, television programmes, and providing entertainment services in all forms	Direct shareholder	14.29	14.29

Joint venture is incorporated in Thailand. Holdings are investments in ordinary shares.

Movements of investments in joint venture are as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Opening net book amount	5,199,563	8,420,396	-	-
Investment during the year	-	-	5,199,563	-
Share of loss	(327,374)	(3,220,833)	-	-
Closing net book amount	4,872,189	5,199,563	5,199,563	-

On 24 March 2017, the Company acquired the share capital of Transformation Film Co., Ltd. from Matching Studio Plus Co., Ltd., a subsidiary, for 250,000 shares at Baht 100 per share, totalling Baht 5.20 million. The Company recognised the investment as joint venture at cost method in the separate financial information.

Summarised financial information for joint ventures

Set out below are the summarised financial information of Transformation Film Co., Ltd. which is accounted for using the equity method.

13 Investment in joint venture, net (Cont'd)

Summarised statement of financial position

	As at 31 December	
	2017	2016
	Baht	Baht
Assets		
Current assets	55,594,474	72,488,022
Non-current assets	4,986,978	1,099,275
Total assets	60,581,452	73,587,297
Liabilities		
Current liabilities	26,121,223	36,976,208
Non-current liabilities	354,906	214,150
Total liabilities	26,476,129	37,190,358
Net assets	34,105,323	36,396,939

Summarised statement of comprehensive income

	For the year ended 31 December	
	2017	2016
	Baht	Baht
Revenue	86,719,156	19,166,464
Cost	(43,380,234)	(19,944,438)
Other income	2,130	994,541
Interest income	28,857	66,542
Selling and administrative expenses	(44,840,582)	(22,028,906)
Depreciation and amortisation	(638,065)	(824,499)
Interest expense	(182,878)	(10,340)
Loss from operations	(2,291,616)	(22,580,636)
Income tax expense	-	-
Post-tax loss from operations	(2,291,616)	(22,580,636)
Other comprehensive income	-	-
Total comprehensive loss	(2,291,616)	(22,580,636)

The information above reflects the amounts presented in the financial statements of the joint venture adjusted for differences in accounting policies between the group and the joint venture (and not the group's share of those amounts).

13 Investment in joint venture, net (Cont'd)

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of its interest in joint ventures.

	For the year ended 31 December	
	2017	2016
	Baht	Baht
Opening net assets 1 January	36,396,939	58,977,575
Loss for the year	(2,291,616)	(22,580,636)
Closing net assets	34,105,323	36,396,939
Interest in joint venture (14.29%)	4,872,189	5,199,563
Carrying value	4,872,189	5,199,563

14 Investment properties, net

	Consolidated financial statements	
	2017	2016
	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

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.

For the years ended 31 December 2017 and 2016, there is no income or expense that is related to investment properties recognised in profit and loss.

14 Investment properties, net (Cont'd)

Fair value hierarchy

The fair value measurement information in accordance with TFRS 13 are given below.

- Quoted prices in active markets for identical assets (level 1).
- Significant other observable inputs (level 2).
- Significant unobservable inputs (level 3).

	Consolidated financial statements	
	2017	2016
	Baht	Baht
Fair value hierarchy		
Land - Prachuap Khiri Khan Province (level 2)	25,500,000	25,500,000
Land and building - Kanchanaburi Province (level 2)	-	-
Total fair value	25,500,000	25,500,000

Valuation techniques used to derive Level 2 fair value

Level 2 fair value of the Group's investment properties was appraised by independent professional qualified valuer who holds a recognised relevant professional qualification and has experience in the location and categories of the investment properties valued. Fair value of land at Prachuap Khiri Khan Province valued by applying market approach and fair value of land and building at Kanchanaburi Province valued by applying cost approach. Under both approaches, sales prices of comparable properties in the close proximity are adjusted for differences in key attributes such as width of land and beachfront area. The most significant input into this valuation approach is price per square wah.

15 Property, plant and equipment, net

	Consolidated financial statements									
	Land	Land improvement and leasehold studio building improvement	Office building and office building improvement	Studio building and studio building improvement	Utility system	Production equipment	Furniture fixtures and office equipment	Motor vehicles	Construction in progress	Total
At 1 January 2016	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Cost	487,796,271	9,539,394	78,580,078	26,274,092	1,570,771	40,564,392	87,525,963	14,784,897	44,916,996	791,552,854
Less Accumulated depreciation	-	(6,931,177)	(35,470,251)	(17,044,217)	(1,414,747)	(24,308,809)	(69,732,846)	(7,501,256)	-	(162,403,303)
Net book amount	487,796,271	2,608,217	43,109,827	9,229,875	156,024	16,255,583	17,793,117	7,283,641	44,916,996	629,149,551
For the year ended 31 December 2016										
Opening net book amount	487,796,271	2,608,217	43,109,827	9,229,875	156,024	16,255,583	17,793,117	7,283,641	44,916,996	629,149,551
Additions	3,189,666	-	151,300	50,600	-	574,383	2,557,914	17,285	409,453,377	415,994,525
Transfer to intangible asset (Note 17)	-	-	-	-	-	(4,429,296)	-	-	-	(4,429,296)
Transfer-in (out)	-	-	218,000	-	-	174,910	464,680	-	(857,590)	-
Disposals and write-off, net	-	(1,729,578)	-	(234,990)	-	(45,208)	(660,365)	-	-	(2,670,141)
Depreciation	-	(241,866)	(4,574,127)	(1,192,082)	(63,488)	(3,197,962)	(5,623,734)	(2,554,186)	-	(17,447,445)
Impairment charge	-	(28)	(533,474)	-	(2)	-	-	-	-	(533,504)
Closing net book amount	490,985,937	636,745	38,371,526	7,853,403	92,534	9,332,410	14,531,612	4,746,740	453,512,783	1,020,063,690
At 31 December 2016										
Cost	490,985,937	4,417,791	78,949,378	20,856,423	1,570,771	29,659,601	70,070,167	14,321,987	453,512,783	1,164,344,838
Less Accumulated depreciation	-	(3,781,018)	(40,044,378)	(13,003,020)	(1,478,235)	(20,327,191)	(55,538,555)	(9,575,247)	-	(143,747,644)
Provision for impairment	-	(28)	(533,474)	-	(2)	-	-	-	-	(533,504)
Net book amount	490,985,937	636,745	38,371,526	7,853,403	92,534	9,332,410	14,531,612	4,746,740	453,512,783	1,020,063,690

15 Property, plant and equipment, net (Cont'd)

	Consolidated financial statements									
	Land	Land improvement and leasehold studio building improvement	Office building and office building improvement	Studio building and studio building improvement	Utility system	Production equipment	Furniture fixtures and office equipment	Motor vehicles	Construction in progress	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
For the year ended 31 December 2017										
Opening net book amount	490,985,937	636,745	38,371,526	7,853,403	92,534	9,332,410	14,531,612	4,746,740	453,512,783	1,020,063,690
Additions	664,878	2,901,354	2,865,776	695,000	1,572,832	436,125	10,806,836	403,360	277,009,091	297,355,252
Transfer to intangible assets (Note 17)	-	-	-	-	-	-	-	-	(755,778)	(755,778)
Transfer from assets for rent (Note 16)	-	-	-	-	-	-	11,529	-	-	11,529
Transfer-in (out)	-	15,420,465	137,688,050	307,725,801	245,129,640	115,140	21,845,634	-	(727,924,730)	-
Disposals and write-off, net	-	(28)	(512,284)	-	(3)	(176,436)	(710,011)	-	-	(1,398,762)
Depreciation (Note 27)	-	(821,569)	(6,172,606)	(4,910,383)	(8,644,222)	(3,106,707)	(7,682,645)	(2,332,117)	-	(33,670,249)
Reversal of impairment charge	-	28	533,474	-	2	-	-	-	-	533,504
Closing net book amount	491,650,815	18,136,995	172,773,936	311,363,821	238,150,783	6,600,532	38,802,955	2,817,983	1,841,366	1,282,139,186
At 31 December 2017										
Cost	491,650,815	20,776,600	217,821,864	329,277,224	248,042,855	28,844,532	98,116,954	14,725,347	1,841,366	1,451,097,557
Less Accumulated depreciation	-	(2,639,605)	(45,047,928)	(17,913,403)	(9,892,072)	(22,244,000)	(59,313,999)	(11,907,364)	-	(168,958,371)
Net book amount	491,650,815	18,136,995	172,773,936	311,363,821	238,150,783	6,600,532	38,802,955	2,817,983	1,841,366	1,282,139,186

Depreciation of Baht 20,888,959 (2016: Baht 4,471,446) and Baht 12,781,290 (2016: Baht 12,975,999) are included in cost of providing services and administrative expenses, respectively, in the consolidated financial statements.

Land of a subsidiary with book value of Baht 278.24 million (2016: Baht 278.24 million) was pledged as a collateral for loan acquired by subsidiary.

15 Property, plant and equipment, net (Cont'd)

	Separate financial statements						
	Land improvement and leasehold studio building improvement	Office building and office building improvement	Studio building and studio building improvement	Production equipment	Furniture fixtures and office equipment	Motor vehicles	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht
At 1 January 2016							
Cost	5,480,890	60,087,145	26,274,092	22,203,788	46,219,308	12,899,510	173,164,733
Less Accumulated depreciation	(3,212,184)	(25,668,810)	(17,044,217)	(19,775,441)	(41,696,024)	(6,294,196)	(113,690,872)
Net book amount	2,268,706	34,418,335	9,229,875	2,428,347	4,523,284	6,605,314	59,473,861
For the year ended 31 December 2016							
Opening net book amount	2,268,706	34,418,335	9,229,875	2,428,347	4,523,284	6,605,314	59,473,861
Additions	-	-	50,600	73,868	731,065	-	855,533
Disposals and write-off, net	(1,415,626)	-	(234,990)	(4,772)	(204,827)	-	(1,860,215)
Depreciation (Note 27)	(216,336)	(3,004,357)	(1,192,082)	(763,759)	(1,621,602)	(2,467,523)	(9,265,659)
Closing net book amount	636,744	31,413,978	7,853,403	1,733,684	3,427,920	4,137,791	49,203,520
At 31 December 2016							
Cost	931,229	60,087,145	20,856,423	16,274,861	35,793,180	12,899,510	146,842,348
Less Accumulated depreciation	(294,485)	(28,673,167)	(13,003,020)	(14,541,177)	(32,365,260)	(8,761,719)	(97,638,828)
Net book amount	636,744	31,413,978	7,853,403	1,733,684	3,427,920	4,137,791	49,203,520

15 Property, plant and equipment, net (Cont'd)

	Separate financial statements						
	Land improvement and leasehold studio building improvement	Office building and office building improvement	Studio building and studio building improvement	Production equipment	Furniture fixtures and office equipment	Motor vehicles	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht
For the year ended 31 December 2017							
Opening net book amount	636,744	31,413,978	7,853,403	1,733,684	3,427,920	4,137,791	49,203,520
Additions	-	-	-	23,354	190,231	-	213,585
Disposals and write-off, net	-	-	-	-	(387)	-	(387)
Depreciation	(46,561)	(3,004,356)	(1,042,822)	(724,110)	(1,354,546)	(2,204,759)	(8,377,154)
Closing net book amount	590,183	28,409,622	6,810,581	1,032,928	2,263,218	1,933,032	41,039,564
At 31 December 2017							
Cost	931,229	60,087,145	20,856,423	16,298,215	35,979,098	12,899,510	147,051,620
Less: Accumulated depreciation	(341,046)	(31,677,523)	(14,045,842)	(15,265,287)	(33,715,880)	(10,966,478)	(106,012,056)
Net book amount	590,183	28,409,622	6,810,581	1,032,928	2,263,218	1,933,032	41,039,564

Depreciation of Baht 1,766,932 (2016: Baht 1,955,841) and Baht 6,610,222 (2016: Baht 7,309,818) are included in cost of providing services and administrative expenses, respectively, in the separate financial statements.

15 Property, plant and equipment, net (Cont'd)

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

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Cost of leased assets	3,590,000	3,590,000	3,590,000	3,590,000
Less Accumulated depreciation	(2,887,737)	(2,169,737)	(2,887,737)	(2,169,737)
Net book amount	702,263	1,420,263	702,263	1,420,263

16 Assets for rent, net

	Consolidated financial statements				
	Production equipment	Supplies for film production	Motor vehicles	Construction in transit	Total
	Baht	Baht	Baht	Baht	Baht
At 1 January 2016					
Cost	698,160,160	6,365,089	156,666,659	1,937,197	863,129,105
Less Accumulated depreciation	(439,454,714)	(4,833,464)	(91,908,764)	-	(536,196,942)
Net book amount	258,705,446	1,531,625	64,757,895	1,937,197	326,932,163
For the year ended 31 December 2016					
Opening net book amount	258,705,446	1,531,625	64,757,895	1,937,197	326,932,163
Additions	41,933,154	-	9,941,503	2,420,107	54,294,764
Transfer in (out)	168,436	-	2,099,683	(2,268,119)	-
Disposal and write-off, net	(881,052)	(746)	(140,257)	-	(1,022,055)
Depreciation (Note 27)	(47,540,386)	(1,338,025)	(9,904,334)	-	(58,782,745)
Closing net book amount	252,385,598	192,854	66,754,490	2,089,185	321,422,127
At 31 December 2016					
Cost	736,908,929	2,088,565	164,937,063	2,089,185	906,023,742
Less Accumulated depreciation	(484,523,331)	(1,895,711)	(98,182,573)	-	(584,601,615)
Net book amount	252,385,598	192,854	66,754,490	2,089,185	321,422,127

16 Assets for rent, net (Cont'd)

	Consolidated financial statements				
	Production equipment	Supplies for film production	Motor vehicles	Construction in transit	Total
	Baht	Baht	Baht	Baht	Baht
For the year ended 31 December 2017					
Opening net book amount	252,385,598	192,854	66,754,490	2,089,185	321,422,127
Additions	42,077,047	-	7,316,673	252,880	49,646,600
Transfer in (out)	2,089,184	-	-	(2,089,184)	-
Transfer to property, plant and equipment (Note 15)	(11,529)	-	-	-	(11,529)
Disposal and write-off, net	(1,056,201)	(135)	(319,862)	-	(1,376,198)
Depreciation (Note 27)	(51,204,565)	(192,719)	(10,864,051)	-	(62,261,335)
Closing net book amount	244,279,534	-	62,887,250	252,881	307,419,665
At 31 December 2017					
Cost	774,767,118	-	170,121,324	252,881	945,141,323
Less Accumulated depreciation	(530,487,584)	-	(107,234,074)	-	(637,721,658)
Net book amount	244,279,534	-	62,887,250	252,881	307,419,665

Depreciation of Baht 62,261,335 (2016: Baht 58,782,745) is included in cost of providing services in the consolidated financial statements.

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

Leased assets included above, where the Group is a lessee under finance lease comprise production equipment as follows:

	Consolidated financial statements	
	2017	2016
	Baht	Baht
Cost of leased assets	19,730,755	19,730,755
Less Accumulated depreciation	(4,095,483)	(2,368,864)
Net book amount	15,635,272	17,361,891

17 Intangible assets, net

	Consolidated financial statements			
	Software	Construction in progress	Copyright	Total
	Baht	Baht	Baht	Baht
At 1 January 2016				
Cost	7,599,175	-	45,500	7,644,675
Less Accumulated amortisation	(7,039,018)	-	-	(7,039,018)
Net book amount	560,157	-	45,500	605,657
For the year ended 31 December 2016				
Opening net book amount	560,157	-	45,500	605,657
Additions	292,942	92,000	-	384,942
Transfer from property, plant and equipment (Note 15)	4,429,296	-	-	4,429,296
Write-off, net	(4,946)	-	-	(4,946)
Amortisation	(1,274,003)	-	-	(1,274,003)
Closing net book amount	4,003,446	92,000	45,500	4,140,946
At 31 December 2016				
Cost	12,734,572	92,000	45,500	12,872,072
Less Accumulated amortisation	(8,731,126)	-	-	(8,731,126)
Net book amount	4,003,446	92,000	45,500	4,140,946
For the year ended 31 December 2017				
Opening net book amount	4,003,446	92,000	45,500	4,140,946
Additions	418,837	-	-	418,837
Transfer from property, plant and equipment (Note 15)	450,453	-	305,325	755,778
Write-off, net	(4,407)	-	-	(4,407)
Amortisation (Note 27)	(1,308,230)	-	-	(1,308,230)
Closing net book amount	3,560,099	92,000	350,825	4,002,924
At 31 December 2017				
Cost	12,318,962	92,000	350,825	12,761,787
Less Accumulated amortisation	(8,758,863)	-	-	(8,758,863)
Net book amount	3,560,099	92,000	350,825	4,002,924

Amortisation of Baht 1,085,777 (2016: Baht 1,079,017) and Baht 222,453 (2016: Baht 194,986) are included in cost of providing services and administrative expenses, respectively, in the consolidated financial statements.

17 Intangible assets, net (Cont'd)

	Separate financial statements			
	Software	Construction in progress	Copyright	Total
	Baht	Baht	Baht	Baht
At 1 January 2016				
Cost	3,706,498	-	45,500	3,751,998
Less Accumulated amortisation	(3,332,170)	-	-	(3,332,170)
Net book amount	374,328	-	45,500	419,828
For the year ended 31 December 2016				
Opening net book amount	374,328	-	45,500	419,828
Additions	12,500	92,000	-	104,500
Disposal and write-off, net	(2)	-	-	(2)
Amortisation (Note 27)	(99,771)	-	-	(99,771)
Closing net book amount	287,055	92,000	45,500	424,555
At 31 December 2016				
Cost	3,551,522	92,000	45,500	3,689,022
Less Accumulated amortisation	(3,264,467)	-	-	(3,264,467)
Net book amount	287,055	92,000	45,500	424,555
For the year ended 31 December 2017				
Opening net book amount	287,055	92,000	45,500	424,555
Amortisation (Note 27)	(88,496)	-	-	(88,496)
Closing net book amount	198,559	92,000	45,500	336,059
At 31 December 2017				
Cost	3,551,522	92,000	45,500	3,689,022
Less Accumulated amortisation	(3,352,963)	-	-	(3,352,963)
Net book amount	198,559	92,000	45,500	336,059

Amortisation of Baht 88,496 (2016: Baht 99,771) is included in administrative expenses in the separate financial statements.

18 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% (2016: 20%). The deferred taxation related to the temporary differences between the carrying amounts and the tax bases of assets and liabilities of the Group are summarised below:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Deferred tax assets:				
Deferred tax asset to be recovered within 12 months	5,396,288	6,138,624	562,547	648,843
Deferred tax asset to be recovered after more than 12 months	6,345,344	5,918,808	2,835,275	2,479,208
Deferred tax liabilities:				
Deferred tax liabilities to be settled after more than 12 months	(8,902,155)	(7,426,155)	-	-
Deferred income tax, net	2,839,477	4,631,277	3,397,822	3,128,051

The gross movement of deferred income tax account is as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
At 1 January	4,631,277	3,163,950	3,128,051	2,555,168
Charged/(credited) to profit or loss (Note 29)	(1,669,685)	1,467,327	179,989	572,883
Tax charged/(credited) relation to components				
of other comprehensive income	(122,115)	-	89,782	-
At 31 December	2,839,477	4,631,277	3,397,822	3,128,051

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.

18 Deferred income taxes (Cont'd)

The movements in deferred tax asset and liabilities during the year are as follows:

	Consolidated financial statements			
	1 January 2017	Charged/ (credited) to profit or loss	Charged/ (credited) to other comprehensive income	31 December 2017
	Baht	Baht	Baht	Baht
Deferred income tax assets				
Allowance for doubtful account	4,680,043	711,175	-	5,391,218
Employee benefit obligations	5,918,807	548,653	(122,115)	6,345,345
Gain on sales of fixed assets within the Group	1,549	(1,549)	-	-
Leased assets under finance lease	5,070	-	-	5,070
Provision for compensation cost	1,086,110	(1,086,110)	-	-
Provision for decommission cost	262,000	(262,000)	-	-
Provision for impairment of assets	106,701	(106,701)	-	-
	12,060,280	(196,532)	(122,115)	11,741,633
Deferred income tax liabilities				
Inventories and work in process	(2,848)	2,848	-	-
Leased assets under finance lease	(129,260)	(393,354)	-	(522,614)
Depreciation	(7,296,895)	(1,082,647)	-	(8,379,542)
	(7,429,003)	(1,473,153)	-	(8,902,156)
Deferred income taxes, net	4,631,277	(1,669,685)	(122,115)	2,839,477

18 Deferred income taxes (Cont'd)

The gross movement of deferred income tax account is as follows (Cont'd):

	Consolidated financial statements			
	1 January 2016	Charged/ (credited) to profit or loss	Charged/ (credited) to other comprehensive income	31 December 2016
	Baht	Baht	Baht	Baht
Deferred income tax assets				
Allowance for doubtful account	3,895,606	784,477	-	4,680,043
Employee benefit obligations	5,449,233	469,574	-	5,918,807
Gain on sales of fixed assets within the Group	1,549	-	-	1,549
Leased assets under finance lease	229,260	(224,190)	-	5,070
Provision for compensation cost	-	1,086,110	-	1,086,110
Provision for decommission cost	-	262,000	-	262,000
Provision for impairment of assets	-	106,701	-	106,701
	9,575,648	2,484,632	-	12,060,280
Deferred income tax liabilities				
Inventories and work in process	(2,848)	-	-	(2,848)
Leased assets under finance lease	-	(129,260)	-	(129,260)
Depreciation	(6,408,850)	(888,045)	-	(7,296,895)
	(6,411,698)	(1,017,305)	-	(7,429,003)
Deferred income taxes, net	3,163,950	1,467,327	-	4,631,277

	Separate financial statements			
	1 January 2017	Charged/ (credited) to profit or loss	Charged/ (credited) to other comprehensive income	31 December 2017
	Baht	Baht	Baht	Baht
Deferred income tax assets				
Allowance for doubtful account	643,773	(86,296)	-	557,477
Employee benefit obligations	2,479,208	266,285	89,782	2,835,275
Leased assets under finance lease	5,070	-	-	5,070
	3,128,051	179,989	89,782	3,397,822
Deferred income tax liabilities	-	-	-	-
Deferred income taxes, net	3,128,051	179,989	89,782	3,397,822

18 Deferred income taxes (Cont'd)

The gross movement of deferred income tax account is as follows (Cont'd):

	Separate financial statements			
	1 January 2016	Charged/ (credited) to profit or loss	Charged/ (credited) to other comprehensive income	31 December 2016
	Baht	Baht	Baht	Baht
Deferred income tax assets				
Allowance for doubtful account	476,477	167,296	-	643,773
Employee benefit obligations	2,073,385	405,823	-	2,479,208
Leased assets under finance lease	5,306	(236)	-	5,070
	2,555,168	572,883	-	3,128,051
Deferred income tax liabilities	-	-	-	-
Deferred income taxes, net	2,555,168	572,883	-	3,128,051

Deferred income tax assets are recognised for tax loss and carry forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable.

The Group and the Company did not recognise deferred income tax assets of Baht 63,690,263 and Baht 49,340,774 (2016: Baht 46,192,210 and Baht 39,460,241), respectively, in respect of losses amounting to Baht 318,451,316 and Baht 246,703,868 (2016: Baht 230,961,050 and Baht 197,301,204), respectively, that can be carried forward against future taxable income.

19 Trade and other payables

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Trade payable				
- Other companies	9,724,443	7,930,191	2,203,634	741,372
- Related companies (Note 32.3)	27,446	899,984	563,545	1,567,216
Advance received	1,536,744	3,689,169	663,083	2,610,874
Fixed assets payables	2,223,928	45,314,299	3,317	21,600
Deposit	1,760,367	18,282,158	-	-
Other payables	4,401,114	2,234,739	1,379,063	32,949
Accrued expenses	16,307,326	23,390,206	2,299,834	2,143,015
	35,981,368	101,740,746	7,112,476	7,117,026

20 Other current liabilities

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Withholding tax payable	1,788,507	3,616,882	633,143	888,109
Value added tax payable	9,811,934	8,891,183	1,258,391	1,471,586
Deferred income from sales and leaseback	294,305	-	-	-
	11,894,746	12,508,065	1,891,534	2,359,695

21 Borrowings

a) Long-term bank borrowing, net

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Current portion of long-term borrowings	28,790,000	42,278,000	-	-
Long-term borrowings payable between 1 to 5 years	101,140,000	245,176,000	-	-
	129,930,000	287,454,000	-	-

Movements in long-term borrowings from bank for the years ended 31 December 2017 and 2016 are analysed as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Opening amount as at 1 January	287,454,000	70,582,000	-	-
Additional borrowings	264,000,000	236,000,000	-	-
Repayment of borrowings	(421,524,000)	(19,128,000)	-	-
Closing amount as at 31 December	129,930,000	287,454,000	-	-

As at 31 December 2017, long-term borrowings from bank amounting to Baht 129.93 million (2016: Baht 287.45 million) comprised of Gear Head Co., Ltd. amounting to Baht 29.93 million (2016: Baht 48.05 million) and The Studio Park (Thailand) Co., Ltd. amounting to Baht 100 million (2016: Baht 236 million).

21 Borrowings (Cont'd)

a) Long-term bank borrowing, net (Cont'd)

Gear Head Co., Ltd. (Subsidiary) entered into long-term loan agreements with a local commercial bank amounting to Baht 90 million to improve liquidity and expand rental and service business. These long-term loans carried interest at Minimum Loan Rate (MLR) per annum. The long-term loans of Baht 50 million are repayable in monthly installments from July 2014 to June 2019, at the percentage specified in the loan agreements. The long-term loans of Baht 40 million is repayable in monthly installments from December 2014 to November 2019, at the percentage specified in the loan agreements. The loans are guaranteed by Matching Maximize Solution Public Company Limited.

The Studio Park (Thailand) Co., Ltd. (Subsidiary) entered into long-term loan agreements with a local commercial bank amounting to Baht 500 million for The Studio Park project. This long-term loan carried interest at Minimum Loan Rate minus a stipulated margin (MLR - margin) per annum. The long-term loan is repayable in monthly installments from February 2018 to August 2026, at the percentage specified in the loan agreement. The loan is secured by the mortgage of the Company's land.

The loan agreement contains covenants imposed on the Group as specified in the agreement, related to such matters as maintenance of certain debt to equity and maintenance of shareholder status.

Borrowing facilities

The Group and the Company have the following undrawn committed borrowing facilities:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Floating rate				
Expiring beyond one year	-	284,000,000	-	-

The carrying amounts and fair values of certain long-term borrowings are as follows:

	Consolidated financial statements			
	Carrying amounts		Fair values	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Long-term bank borrowings	129,930,000	287,454,000	129,930,000	287,454,000

The fair value of current borrowings equal their carrying amount, as the impact of discounting is not significant.

Fair value of non-current borrowings are based on discounted cash flows using a discount rate based upon the borrowing rate of 5.75% to 6.25% (2016: 5.25% to 6.25%) and are within level 2 of the fair value hierarchy.

21 Borrowings (Cont'd)

b) Finance lease liabilities, net

The present value of finance lease liabilities is as follow:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Not later than 1 year	4,230,055	4,014,832	626,860	625,243
Later than 1 year but not later than 5 years	6,708,652	10,948,198	-	626,860
	10,938,707	14,963,030	626,860	1,252,103

c) Interest rate

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

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Bank overdrafts	7.13%	-	-	-
Bank borrowings	5.99% and 6.25%	5.91% and 6.25%	-	-
Financial lease liabilities	6.00%, 6.25% and 9.39%	6.00%, 6.25% and 9.39%	9.39%	9.39%

22 Employee benefit obligations

Retirement benefits plan

The plans are final salary retirement plans. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement.

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Statement of financial position				
Retirement benefits	32,675,730	30,770,938	14,176,373	12,396,041
Profit or loss charge included in operating profit for:				
Retirement benefits (Note 27)	2,515,366	3,161,333	1,331,420	2,029,116
Remeasurement for:				
Retirement benefits	(610,574)	-	448,912	-

22 Employee benefit obligations (Cont'd)

Retirement benefits plan (Cont'd)

The movement in the defined benefit obligation over the year is as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
At 1 January	30,770,938	27,946,905	12,396,041	10,366,925
Current service cost	3,550,809	3,560,511	1,797,462	1,738,841
Past service cost	(1,652,184)	-	-	-
Interest expense	616,741	709,793	347,096	290,275
Transfer to subsidiary	-	-	(813,138)	-
Reversal of employee benefit	-	(1,108,971)	-	-
	33,286,304	31,108,238	13,727,461	12,396,041
Remeasurements:				
Loss from change in assumptions				
Loss from change in demographic assumptions	321,518	-	167,995	-
Loss from change in financial assumptions	252,678	-	194,325	-
Experience (gain)/loss	(1,184,770)	-	86,592	-
	(610,574)	-	448,912	-
Benefit payment	-	(337,300)	-	-
At 31 December	32,675,730	30,770,938	14,176,373	12,396,041

During 2017, the Company accepted the transfer of a group of employees to a subsidiary; and therefore, the related employee benefit obligations has been transferred to a subsidiary.

The principal actuarial assumptions used were as follows:

	Consolidated and Separate financial statements	
	2017	2016
	%	%
Discount rate	2.67	2.80
Inflation rate	2.50	3
Salary growth rate		
- Aged below 40 years	6	6
- 40 - 55 years	4	4
- Above 55 year	3	3
Voluntary redundancy rate		
- Aged below 30 year	24	24
- 30 - 40 years	14	14
- 40 - 55 years	9	9
- Above 55 years	0	0

22 Employee benefit obligations (Cont'd)

Retirement benefits plan (Cont'd)

Sensitivity analysis for each significant assumption

	Consolidated financial statements					
	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption	2016	2017	2016
Discount rate	1%	1%	Decrease by 5.85%	Decrease by 6.46%	Increase by 6.67%	Increase by 7.41%
Salary growth rate	1%	1%	Increase by 6.54%	Increase by 8.31%	Decrease by 5.86%	Decrease by 7.37%
Turnover rate	20%	20%	Decrease by 6.01%	Decrease by 7.93%	Increase by 7.35%	Increase by 9.95%
Mortality change rate	1%	1%	Increase by 0.18%	Increase by 0.42%	Decrease by 0.20%	Decrease by 0.46%

	Separate financial statements					
	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption	2016	2017	2016
Discount rate	1%	1%	Decrease by 6.77%	Decrease by 7.32%	Increase by 7.62%	Increase by 8.25%
Salary growth rate	1%	1%	Increase by 7.47%	Increase by 9.15%	Decrease by 6.78%	Decrease by 8.23%
Turnover rate	20%	20%	Decrease by 6.66%	Decrease by 8.33%	Increase by 7.71%	Increase by 9.91%
Mortality change rate	1%	1%	Increase by 0.20%	Increase by 0.47%	Decrease by 0.22%	Decrease by 0.51%

22 Employee benefit obligations (Cont'd)

Retirement benefits plan (Cont'd)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method has been applied as when calculating the retirement benefits recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

Through its defined benefit retirement benefit plans the group is exposed to a number of risks, the most significant of which are detailed below:

- Changes in bond yields : Decrease in Government bond yields will increase plan liabilities.
- Inflation risk : Some of the Group retirement benefit obligations are linked to inflation, and higher inflation will lead to higher liabilities.

The weighted average time of retirement benefit plan is 10.6 years (2016: 11 years).

Expected maturity analysis of undiscounted retirement benefits:

	Consolidated financial statements				
	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
	Baht	Baht	Baht	Baht	Baht
At 2017					
Retirement benefits	15,565,081	1,182,202	5,774,621	51,319,033	73,840,937
Total	15,565,081	1,182,202	5,774,621	51,319,033	73,840,937

	Consolidated financial statements				
	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
	Baht	Baht	Baht	Baht	Baht
At 2016					
Retirement benefits	6,092,581	8,464,286	2,918,122	50,415,050	67,890,039
Total	6,092,581	8,464,286	2,918,122	50,415,050	67,890,039

	Separate financial statements				
	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
	Baht	Baht	Baht	Baht	Baht
At 2017					
Retirement benefits	4,645,234	166,507	3,290,294	21,263,528	29,365,563
Total	4,645,234	166,507	3,290,294	21,263,528	29,365,563

22 Employee benefit obligations (Cont'd)

Retirement benefits plan (Cont'd)

	Separate financial statements				
	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
	Baht	Baht	Baht	Baht	Baht
At 2016					
Retirement benefits	-	5,123,483	1,537,092	22,533,246	29,193,821
Total	-	5,123,483	1,537,092	22,533,246	29,193,821

23 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 2016	535,000,000	531,629,851	531,629,851	658,317,844	1,189,947,695
Decrease in share capital	(3,370,149)	-	-	-	-
Shares issuance	250,000,000	112,399,101	112,399,101	111,242,676	223,641,777
At 31 December 2016	781,629,851	644,028,952	644,028,952	769,560,520	1,413,589,472
Shares issuance	-	137,599,781	137,599,781	136,654,163	274,253,944
At 31 December 2017	781,629,851	781,628,733	781,628,733	906,214,683	1,687,843,416

As at 31 December 2017, the number of authorised ordinary shares is 781,629,851 shares (2016: 781,629,851 shares) with a par value of Baht 1 each (2016: Baht 1 each). The number of issued and fully paid-up ordinary share is 781,628,733 shares (2016: 644,028,952 shares).

2017

On 3 April 2017, the Annual General Meeting of Shareholders approved the allotment and issuance of ordinary shares remaining from previous Right Offering as per the resolution of the Extraordinary Shareholders' Meeting No. 1/2016, totalling 137.60 million shares at a par value of Baht 1 each, to offer to the existing shareholders in proportion to their respective shareholding (Right Offering) at offering price of Baht 2 per share, at a ratio of 1 existing ordinary share to 0.213656 newly issued share.

During 11 to 17 May 2017, the Company offered its remaining ordinary shares to the existing shareholders and on 19 May 2017, received the proceeding of 137.60 million shares subscription with the par value of Baht 1 per share, with the offering price of Baht 2 per share, totalling to Baht 275.20 million. The Company registered the paid-up shares with the Ministry of Commerce on 23 May 2017. The Company recorded direct expenses in respect of shares issuance amounting to Baht 0.95 million as a deduction to the share premium. As a result, the number of registered and paid-up shares increased from 644.03 million shares to 781.63 million shares, with share premium increased from Baht 769.56 million to Baht 906.22 million.

23 Share capital and premium on share capital (Cont'd)

2016

On 7 September 2016, the shareholders at the Extraordinary Shareholders' Meeting No.1/2016 approved the reduction of registered capital of the Company by cancelling the unissued ordinary shares of 3.37 million shares at a par value of Baht 1 each, and approved the increase of registered capital by issuing 250 million shares at a par value of Baht 1 each to offer to the existing shareholders in proportion to their respective shareholding (Right Offering) at offering price of Baht 2 per share, at a ratio of 1 existing ordinary share to 0.4702 newly issued share. The Company registered the decrease and increase in share capital with the Ministry of Commerce on 14 September 2016 and on 15 September 2016, respectively.

During 3 to 7 October 2016, the Company offered its ordinary shares to the existing shareholders, received the proceeding of 112.40 million shares subscription with the par value of Baht 1 each with the offering price of Baht 2 per share, totalling to Baht 224.80 million. The Company registered the paid-up shares with the Ministry of Commerce on 12 October 2016. The Company recorded direct expenses in respect of shares issuance amounting to Baht 1.16 million as a deduction to the share premium. As a result, the issued and paid-up shares capital increased from Baht 531.63 million to Baht 644.03 million, with share premium increased from Baht 658.32 million to Baht 769.56 million.

24 Legal reserve

	Consolidated and Separate financial statements	
	2017	2016
	Baht	Baht
At 1 January	10,658,657	10,658,657
Appropriate during the year	-	-
At 31 December	10,658,657	10,658,657

Under the Public 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% of the registered capital. The legal reserve is non-distributable.

25 Other income

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Interest income from short-term loans to subsidiaries (Note 32.4)	-	-	17,913,221	8,597,121
Interest income	2,326,595	2,403,370	1,995,923	1,480,542
Management fee income	-	-	-	360,000
Reversal of allowance for doubtful of loan to subsidiary (Note 32.4)	-	-	6,250,000	-
Gain from insurance compensation for assets for rent	50,060	924,891	-	-
Gains from disposals of equipment	631,128	591,785	-	-
Gains on exchange rate	142,600	45,455	-	-
Net income from test run of studio	1,567,649	-	-	-
Penalty from construction	774,299	-	-	-
Others	2,344,389	2,281,213	12,418	105,301
	7,836,720	6,246,714	26,171,562	10,542,964

26 Finance costs

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Interest:				
Subsidiary borrowings (Note 32.5)	-	-	15,438	-
Bank borrowings	12,052,431	5,005,684	-	-
Finance lease	824,158	1,081,497	91,133	146,972
	12,876,589	6,087,181	106,571	146,972

27 Expenses by nature

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Depreciation - building and equipment (Note15)	33,670,249	16,980,150	8,377,154	9,265,659
Depreciation - assets for rent (Note 16)	62,261,335	58,782,745	-	-
Amortisation - intangible assets (Note 17)	1,308,230	1,269,747	88,496	99,771
Staff costs	221,076,569	228,026,170	35,077,097	36,035,201
Employee benefit expense (Note 22)	2,515,366	4,233,366	1,331,420	2,029,116
Director and executive remuneration	46,707,811	47,010,072	33,590,491	33,826,752
Outsourcing service fee	15,660,446	15,693,625	4,344,500	5,757,000
Operating leases	38,588,574	44,859,200	19,586,507	20,857,189
Commission	2,583,768	3,286,462	165,000	400,000

28 Other expenses

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Net loss from disposal and write off of property and equipment	387	2,441,503	387	1,794,702
Loss from impairment on investment (Note 12)	-	-	4,974,174	45,029,301
Net loss from exchange rate	2,277	14,498	-	-
Doubtful accounts loans to subsidiaries	-	-	-	6,250,000
	2,664	2,456,001	4,974,561	53,074,003

29 Income tax

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Current income tax	-	2,596,483	-	-
Deferred income tax (Note 18)	1,669,685	(1,451,251)	(179,989)	(572,883)
Income tax	1,669,685	1,145,232	(179,989)	(572,883)

29 Income tax (Cont'd)

Tax on the Group's profit before tax differs from the theoretical amount that would arise using the tax rate of 20% (2016: 20%) as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Loss before income tax	(75,411,356)	(61,815,311)	(49,999,827)	(98,077,113)
Tax calculated at a tax rate of 20% (2016: 20%)	(15,082,271)	(12,363,062)	(9,999,965)	(19,615,423)
The effect of:				
Joint ventures' results net of tax	65,475	644,167	-	-
Revenue not subject to tax	(346,055)	(197,677)	(1,250,000)	-
Expenses not deductible for tax purposes	556,888	1,438,125	1,177,881	10,922,356
Expenses that can be double deductible	(63,828)	(56,796)	(17,335)	(14,923)
Tax losses for which no deferred income tax asset was recognised	16,539,476	11,680,475	9,909,430	8,135,107
Income tax	1,669,685	1,145,232	(179,989)	(572,883)

30 Loss per share

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

The basic loss per share are as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Net loss for the year attributable to ordinary shareholders of the Company (Baht)	(77,134,344)	(62,386,224)	(49,819,838)	(97,504,230)
Net loss from discontinued operations attributable to shareholders of the Company (Baht)	-	(3,442,279)	-	-
	(77,134,344)	(65,828,501)	(49,819,838)	(97,504,230)
Weighted average number of shares (Shares)	729,604,706	556,812,613	729,604,706	556,812,163
Basic loss per share (Baht)				
From continued operations	(0.11)	(0.11)	(0.07)	(0.18)
From discontinued operations	-	(0.01)	-	-

31 Commitments and contingencies

31.1 Letter of guarantee

As at 31 December 2017, there are letters of guarantee issued by a commercial bank in respect of television air time contracts, performance, and electricity usage, on behalf of the Company and subsidiaries totalling Baht 2.38 million (2016: Baht 1.73 million).

31.2 Capital commitments

Commitment as at the statement of financial position date related to capital expenditure but not recognised in the financial statements is as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Property, plant and equipment	854,070	181,995,272	-	-

31.3 Operating leases - where the Group is the lessee

As at 31 December 2017, the Group has commitment obligations in respect of long-term lease of land and building contracts. The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Not later than 1 year	7,074,211	7,736,355	1,730,526	1,720,000
Later than 1 year but not later than 5 years	8,374,737	7,600,000	3,974,737	4,985,263
Later than 5 years	10,260,000	10,980,000	10,260,000	10,980,000
	25,708,948	26,316,355	15,965,263	17,685,263

31.4 Guarantees

The Company has provided guarantees for long-term bank borrowing in Gear Head Co., Ltd. for a total of Baht 90 million (2016: Baht 90 million) (Note 21).

The Studio Park (Thailand) Co., Ltd. pledged its land as a security for long-term bank borrowing of Baht 500 million (2016: Baht 500 million).

32 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 62.07% of the Company's shares. The remaining 37.93% of the shares are widely held. The significant investments in subsidiaries and joint venture are set out in Note 12 and Note 13.

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

Relationships with related parties were as follow:

Name of entities	Country of incorporation	Nature of relationships
The BBTV Productions Co., Ltd.	Thailand	Parent company
Gear Head Co., Ltd.	Thailand	Subsidiary
Matching Studio Plus Co., Ltd.	Thailand	Subsidiary
The Studio Park (Thailand) Co., Ltd.	Thailand	Subsidiary
Book Maker Co., Ltd.	Thailand	Subsidiary
Time Lapse Co., Ltd.	Thailand	Subsidiary
Bangkok Broadcasting & TV. Co., Ltd.	Thailand	Related company
HR Pro Security and Service Co., Ltd.	Thailand	Related company
BBTV New Media Co., Ltd.	Thailand	Related company
Media Studio Co., Ltd.	Thailand	Related company
Media Scene Co., Ltd.	Thailand	Related company
Grand Larn Lung Co., Ltd.	Thailand	Related company

32 Related party transactions (Cont'd)

32.1 Revenue from sales and services

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
For the years ended 31 December	Baht	Baht	Baht	Baht
Revenues from show/events organising				
Related company	-	1,845,723	-	-
Revenues from rental and service				
Related company	1,371,687	-	-	-
Revenues from rental of props				
Related company	2,890	-	2,890	-
Interest income				
Subsidiaries (Note 32.4)	-	-	17,913,221	8,597,121
Others				
Subsidiaries	-	-	-	360,000

32.2 Cost and service

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
For the years ended 31 December	Baht	Baht	Baht	Baht
Cost of services				
Subsidiaries	-	-	3,391,644	3,687,656
Related companies	15,110,405	15,421,239	15,021,341	15,421,239
	15,110,405	15,421,239	18,412,985	19,108,895
Operating expenses				
Subsidiaries	-	-	-	15,872
Related companies	3,170,993	2,912,593	1,687,491	1,662,950
	3,170,993	2,912,593	1,687,491	1,678,822
Building rental				
Director	1,081,493	1,122,395	-	-
Interest expenses				
Subsidiaries (Note 32.5)	-	-	15,438	-

32 Related party transactions (Cont'd)

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

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
As at 31 December	Baht	Baht	Baht	Baht
Trade accounts receivable				
(included in Note 9 "Trade and other receivables, net")				
Related companies	123,029	-	-	-
Trade accounts payable				
(included in Note 19 "Trade and other payables")				
Subsidiaries	-	-	536,099	667,232
Related companies	27,446	899,984	27,446	899,984
	27,446	899,984	563,545	1,567,216
Accrued expense				
Related companies	432,693	179,377	260,693	110,693

32.4 Short-term loans to subsidiaries, net

	Separate financial statements	
	2017	2016
For the years ended 31 December	Baht	Baht
Subsidiaries		
Beginning balance	138,250,000	146,950,000
Less Allowance for doubtful	(6,250,000)	-
Beginning balance, net	132,000,000	146,950,000
Loans granted during the year	421,000,000	8,450,000
Interest income (Note 32.1)	17,913,221	8,597,121
Reversal of allowance for doubtful (Note 25)	6,250,000	-
Repayments received during the year	(13,250,000)	(17,150,000)
Interest received during the year	(17,913,221)	(8,597,121)
Less Allowance for doubtful	-	(6,250,000)
Ending balance, net	546,000,000	132,000,000

Loans to subsidiaries represent promissory notes, carry interest at the rates of 5.25% and 6.00% per annum (2016: 6.00% per annum) and are due at call. Loans are unsecured.

32 Related party transactions (Cont'd)

32.5 Short-term borrowing from subsidiary

For the years ended 31 December	Separate financial statements	
	2017	2016
	Baht	Baht
Subsidiary		
Beginning balance	-	-
Borrowings granted during the year	7,000,000	-
Interest expense (Note 32.2)	15,438	-
Interest paid during the year	(15,438)	-
Ending balance	7,000,000	-

Borrowing from subsidiary represents promissory notes, carry interest at the rate of 5.75% per annum and are due at call. Borrowing is unsecured.

32.6 Directors and executive remuneration

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Salaries and other short-term employee benefits	46,707,811	47,010,072	33,590,491	33,826,752
Post-employee benefits	1,405,930	1,789,836	1,345,218	1,308,017
	48,113,741	48,799,908	34,935,709	35,134,769

33 Event occurs after the reporting date

Book Maker Co., Ltd.

On 17 January 2018, the Extraordinary Shareholders' Meeting No. 1/2561 approved the liquidation of the company. The liquidation was registered with the Ministry of Commerce on 19 January 2018. As at the reporting date, the Company is currently being processed of liquidation.



General Information

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

General Information of Subsidiaries

Company Name	:	Gear Head Co., Ltd.
Type of Business	:	Filming equipment rental services
Head Office	:	No. 173/13-14 Soi Pahonyothin 44, Pahonyothin Road, Senanikom, Chatuchak, Bangkok
Telephone	:	0-2940-0787-90
Fax	:	0-2940-0318
Company Branch	:	999 Moo 2, Bang Bo Sub-district, Bang Bo District, Samutprakarn 10560
Homepage	:	www.gearheadthailand.com
Registered Capital	:	175,500,000 baht
Paid-up Capital	:	175,500,000 baht, consisting of 1,755,000 ordinary shares at 100 baht per share

Company Name	:	The Studio Park (Thailand) Co., Ltd.
Type of Business	:	Studio rental services
Head Office	:	No. 305/12 Soi Sukhothai 6, Sukhothai Road, Dusit Sub-district, Dusit District, Bangkok 10300
Telephone	:	0-2669-4200-9
Fax	:	0-2243-4124 , 0-2243-1494
Company Branch	:	999 Moo 2, Bang Bo Sub-district, Bang Bo District, Samutprakarn 10560
Homepage	:	www.thestudioparkthailand.com
Registered Capital	:	780,000,000 baht
Paid-up Capital	:	780,000,000 baht consisting of 7,800,000 ordinary shares at 100 baht

Company Name	:	Time Lapse Co., Ltd.
Type of Business	:	Post production services
Head Office	:	No. 305/12 Soi Sukhothai 6, Sukhothai Road, Dusit Sub-district, Dusit District, Bangkok 10300
Telephone	:	0-2669-4200-9
Fax	:	0-2243-4124, 0-2243-1494
Company Branch	:	1679/8 Soi Lad Phrao 94 (Panchamit), Plub Pla, Wang Thong Lang, Bangkok.
Homepage	:	www.matchinggroup.com
Registered Capital	:	40,000,000 baht
Paid-up Capital	:	40,000,000 baht consisting of 400,000 ordinary shares at 100 baht

Information of Registrar

Registrar	:	Thailand Securities Depository Co., Ltd.
Type of Business	:	Securities Depository
Office	:	93 Rachadapisek Road, Dindaeng Sub-district, Bangkok, 10400
Telephone	:	0-2009-9000
Fax	:	0-2009-9991
Homepage	:	www.set.or.th/tsd

Information of Auditor

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

Information of Legal Advisor

Company Name	:	Siam Premier International Co., Ltd.
Office	:	26 th Floor, Central World, No. 999/9 Rama I Rd, Pathumwan, Bangkok 10330
Telephone	:	02-646-1888
Fax	:	02-646-1919
Homepage	:	www.siampremier.co.th



MMS MATCHING
MAXIMIZE
SOLUTION PLC.



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

305/12 ซอยสุโขทัย 6 ถนนสุโขทัย แขวงดุสิต เขตดุสิต
กรุงเทพฯ 10300
305/12 Soi Sukhothai 6, Sukhothai Road, Dusit
Sub-district, Dusit District, Bangkok 10300
Tel. 0-2669-4200-9
Fax : 0-2243-4124, 0-2243-1494

<http://www.matchinggroup.com>