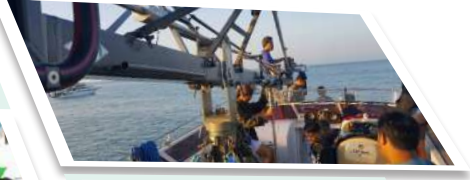




บริษัท แม็กซิ่ง แม็กซิมายซ์ โซลูชั่น จำกัด (มหาชน)
Matching Maximize Solution Public Company Limited





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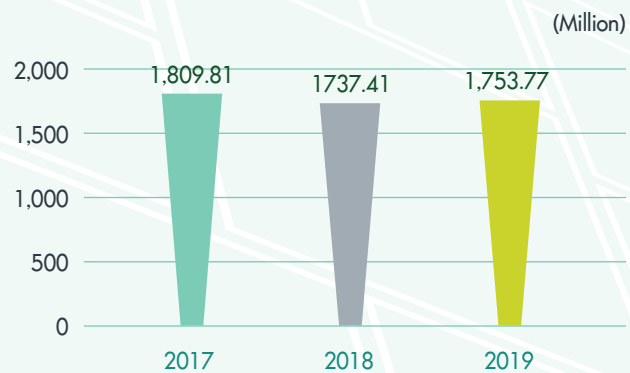


Summary of Financial Highlights for 2017-2019

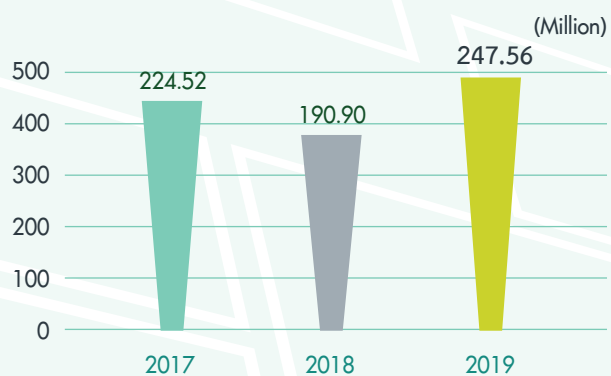
Description		2017	2018	2019
Earnings Performance		(Adjust)	(Adjust)	
Revenue From Sales And Service	(Million)	425.98	467.44	479.24
Income (Loss) attributable to Owners of the parent		(77.13)	(38.74)	(38.39)
Balance Sheet				
Total Assets	(Million)	1,809.81	1,737.41	1,753.77
Total Liabilities		224.52	190.90	247.56
Equity attributable to owners of the parent		0.07	0.03	(0.30)
Shareholders' Equity		1,585.22	1,546.48	1,506.51
Shares or details about ordinary shares				
Issued and paid-up ordinary shares	(Million Shares)	781.63	781.63	781.63
Book Value Per Share	(Baht)	2.03	1.98	1.93
Earnings Per Shares	(Baht)	(0.11)	(0.05)	(0.05)
Financial Ratios				
Net Profit Margin	(%)	(17.77)	(7.91)	(8.06)
Return on Equity	(%)	(5.19)	(2.48)	(2.54)
Return on Assets	(%)	(4.23)	(2.19)	(2.22)
Debt to Equity Ratio	(time)	0.14	0.12	0.16

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

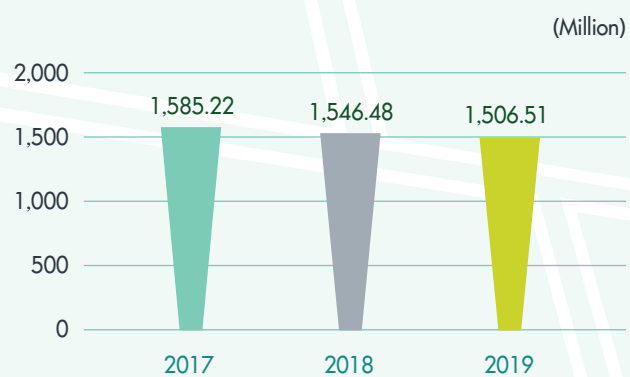
Total Assets



Total Liabilities



Shareholders' Equity





Message from the Board of Director

Dear Shareholders of Matching Maximize Solution Plc.

According to Nielsen Media Research, the advertising spending in the Thai advertising industry in 2019 amounted to 105,673 million baht, representing growth of merely 0.11% from 105,557 million baht reported for 2018. The major conventional media channels, such as TV, were impacted by the rapid changes in technologies, which prompted consumers to access information and media more through online platforms and social media. This factor partially forced seven digital TV operators to cease their operation and returned the licenses to the government agency in charge.

At present, streaming TV, i.e. TV programs broadcast on the Internet, is becoming more popular and a trendy content platform. Some examples of streaming TV include Netflix, Amazon Prime, Disney, Apple TV and Hulu. Given the increasing popularity of streaming TV, streaming TV operators have to own or produce some content to serve their own clients (i.e., viewers) across the globe. Therefore, the content production business, in forms of films and series, has been growing very fast in a number of regions worldwide.

Matching Maximize Solution Plc. provides advanced filming equipment along with technician personnel with high standard and expertise. In addition, we also offer international standard rental studio under the “The Studio Park” project to efficiently serve international film production crew. In 2019, we had opportunities to provide shooting equipment and studio rental services to the world’s leaders in streaming TV, who produced a number of films and series. This highlights that our services are widely accepted in the international standard level.

In 2019, the Group earned total revenue of 479.24 million baht, up by 11.80 million baht or 2.52 % on a year-on-year basis. The increase was made possible by the increases in revenue from our equipment rental business and TV program business thanks to good responses from the clients both locally and internationally.

While the Bank of Thailand cut its economic growth target for 2020 to around 2.8%, our company will enhance our profitability and ensure effective cost and expense management to boost the earnings performance and thus offers better returns to the shareholders

On behalf of the directors of Matching Maximize Solution Plc, I would like to express my deep gratitude to all shareholders, investors, clients, state organizations, financial institutions, suppliers and all supporters for their endless trust and support. My sincere gratitude also goes to all employees for their continued devotion, capability and cooperation.



(Mr. Sansrit Yenbamrung)

Chairman of the Board Director

Vision

To become a leader in the entertainment-related business at an international level

Mission

To maintain the standard and enhance the potential as a professional provider of equipment rental services for shooting of featured films and commercials ; to develop an international standard studio (NC25) in order to serve full demand of both local and international clients

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

The Company's Vision and Mission:

Business Overview

The Company's core businesses consist of TV content production business and other related businesses operated by the subsidiaries, e.g., equipment rental business, studio rental business, and post production business. Subsequently, the Company has invested in a joint venture producing featured films. The Company's current businesses are summarized follows

- **TV content production business**

The Company produces TV content 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 content production service for the TV channel. In 2019, the Company produced the TV program namely "Plod Nee Plick Chee Vit".

- **Equipment rental service business**

The Company provides rental equipment for filming and shooting of featured films, commercials and dramas as well as provides skillful technicians to provide technical support and instruction on the use of such rental equipment, which is delivered to filming sites.

- **Studio rental service business**

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

- **Post Production business**

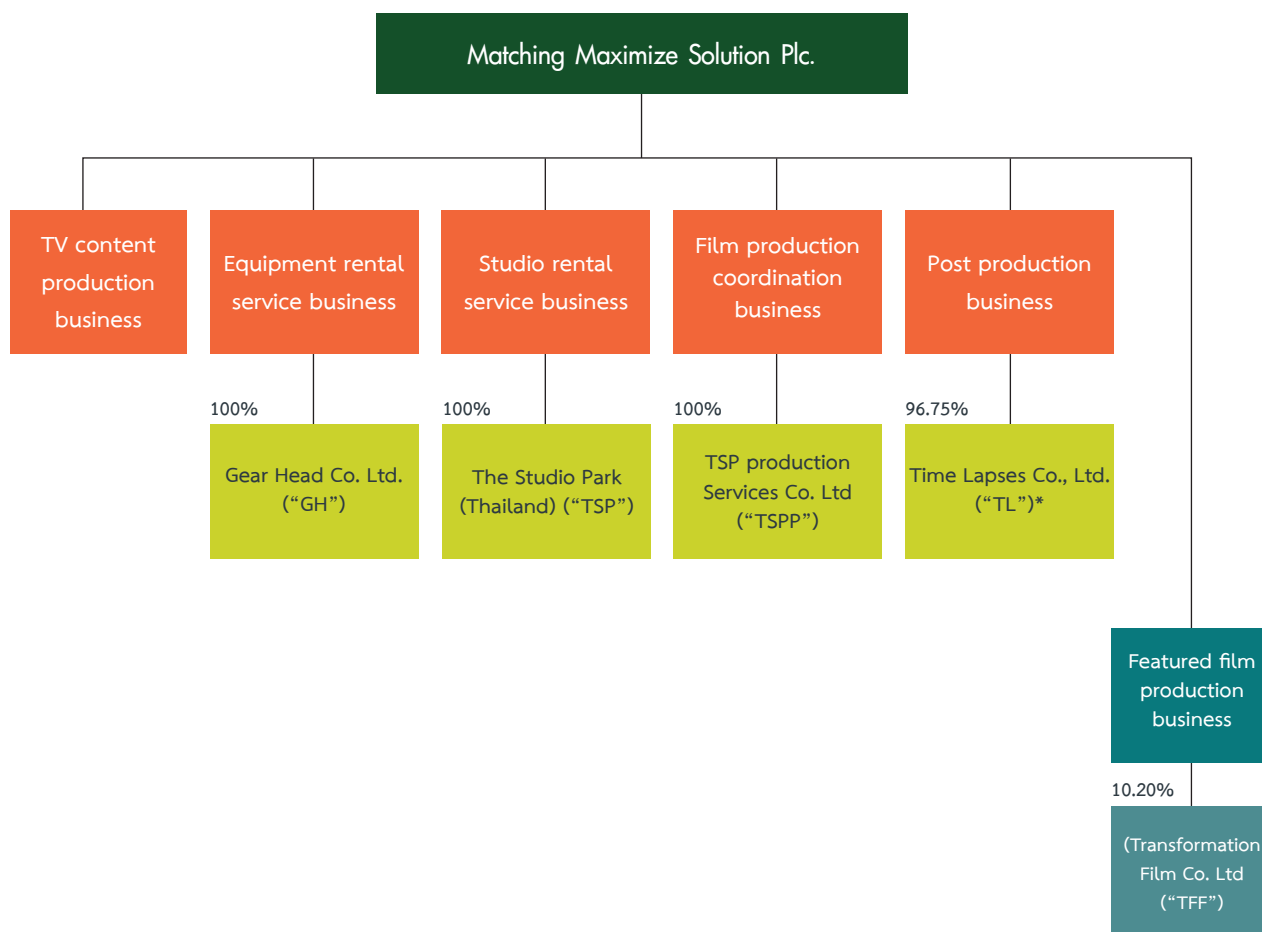
The Company provides post production services for various kinds of films, all kinds of media as well as relevant businesses.

- **Featured film production business**

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

The Company's group structure

As of December 31, 2019, the Company's structure breakdown by types of business type was as follows



Note : The sold ordinary shares in TL on December 27, 2019; it is under the share transfer transaction

Revenue Structure

Company and its subsidiaries' revenue structure, classified by businesses in the consolidated financial statements of 2017-19, is as follows:

Consolidated financial statement	2017		2018		2019	
	Mn Bt	%	Mn Bt	%	Mn Bt	%
Core businesses:-						
1. Revenue from equipment rental service business	351.00	82.40	366.52	78.41	380.72	79.44
2. Revenue from TV content production	58.45	13.72	44.13	9.44	47.18	9.85
3. Revenue from studio rental service business*	12.17	2.86	51.69	11.06	46.17	9.63
4. Sale revenue	4.36	1.02	5.10	1.09	5.17	1.08
Revenue from core businesses	425.98	100.00	488.00	100.00	479.24	100.00

Note * Revenue from studio rental service business began realizing revenue in 2H17

Revenue from core businesses does not include revenue from the post production services.

In 2019, the Company operated equipment rental service business, studio rental service business, TV content production business and post production service.

1. Equipment rental service business

Service Details

Managed by Gear Head Co. Ltd. (GH), the Company offers filming equipment rental services, serving all groups of clients who require high quality equipment as well as high potential crew. The client groups include feature film producers, commercials producers, documentary producers, and music video producers both domestically and internationally. These customer groups are served under the brand



“Gear Head”. In addition, the Company also serves clients, who are drama producers and content producers; under the brand “Handy Gear”. Finally, the client group, i.e., commercial producers with low budget, was served under the brand “Foot Gear”.

GH’s major rental assets

Rental assets	Examples
Digital cameras	Cameras: Arri, Red, Sony, Canon, Go Pro; Anamorphic Hawk lens, Master Prime, Leica, Cooke, Housing for cameras for underwater uses and drones for air shooting
Lighting	New LEDs, Tungsten, Daylight, Super Silent Generator
Sound equipment	Sound recorders, Mixing consoles, Microphones
Grips equipment	Cranes, Telescopic Crane, Dolly, Stabilizer and Non Stabilizer Remote Head
Rig equipment	Equipment specially designed for filming on clients’ demand
Service vehicles	Vans, Beverage vehicles, Mobile toilets and Motor homes

The rental equipment services 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 facilitate the delivery and ensure timely delivery.

Market and Competition

1. Industry

- **Film Industry**

In the past year, the Thai and global economies were apparently on the downtrend. In 2019, the Thai economy expanded by 2.6 percent due mainly to the fast decline in the exports sector, which saw a contraction of 2.65 percent. The slowdown was due to the appreciation of the baht, the US-China trade war and the Brexit. This economic sluggish condition also had an impact on the number of films shot in Thailand. For example, the appreciation of the baht led to higher-than-anticipated budget for foreign film producers.

Supporting factors attracting more foreign film production crews to Thailand

1. As the government realized the problems, it imposed a number of policies to stimulate foreign filming activities in Thailand, such as:
 - 15-20% rebate for foreign film crew for the spending amount of not less than 50 million baht;
 - Inbound road show: Leading film producers were invited to shooting sites in Thailand and meet Thai operators;
 - Thailand International Film Destination Festival to promote Thailand as a hub for filming locations through new generation of both foreign and local producers;

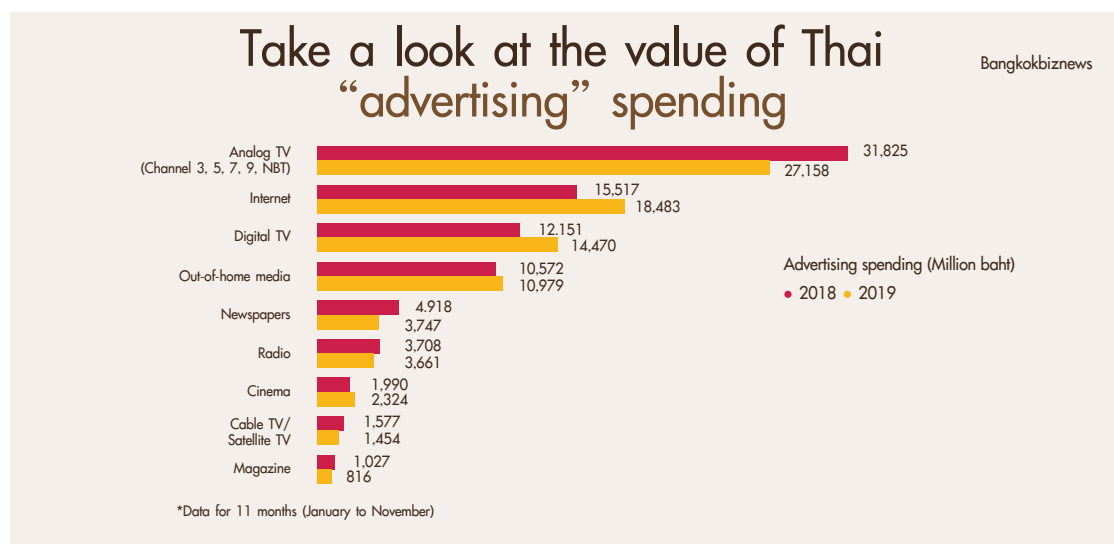
2. Picturesque scenery in Thailand, worthiness, availability of equipment as well as infrastructure related to film production in Thailand make it easier for potential foreign producers to choose Thailand as their filming locations.

As a result of government's support and readiness in a number of aspects, the number of foreign production crews and their spending in Thailand continued to increase annually. In particular, after the rebate measure was implemented in 2017, 810 films were shot in Thailand, generating the revenue of 3,074.1 million baht. While the number of films shot in Thailand in 2018, declined to 714, the revenue increased to 3,139.3 million baht. In 2019, 740 films were shot in Thailand, bring the country revenue of 4,863.7 million baht. The figures suggest that while the number of films short did not show any significant year-on-year increase, the spending from these shooting activities increased. In 2020, the number of foreign films shot in Thailand is projected to rise due in part to the market expansion of Netflix to penetrate this region and target some particular groups in order to increase the number of Thai subscribers. Therefore, over 90 films are planned to be shot in Thailand.

Netflix's premium content is becoming more and more popular, with 4K resolution via Microsoft EDGE. Filming equipment must meet Netflix's standard. Therefore, any rental houses should prepare equipment to support growth in the "streaming" market. In 2019, Gear Head had a good chance to work with Netflix and it is expected to continue providing services for Netflix again in the future.

- **Advertising Industry**

According to date from Bangkok during January to November 2019, the advertising industry in 2019 was almost flat from 2018, with slight growth of merely 0.13%. The growth was 15% lower than the projection made at the beginning of the year. Similarly, 2020 is likely to repeat the same pattern as the economy has remained sluggish with the advertising value having been almost flat. However, the apparent change is that the ad budget allocation has been shifted more to digital media. With an aim to make their ad budget as worthwhile as possible, operators opt for digital media as they view that this platform can cover broad-base consumers and the outcome can be assessed.



TV media, consisting of main channels and digital channels, still held the biggest share¹. However, looking at the main channels alone, we have found that the ad spending tends to flow more towards internet channels and digital channels. Therefore, ad spending has been distributed to other different channels. Production budget was also cut, leading to price negotiations with supplier. Another reason for smaller ad budget is that the major clients for ad media include operators of home shopping who focus on product sale rather than product quality. This is similar to the production of digital media as it can be produced with limited budget, which accordingly yield just modest product quality. This is a way for producers to save cost. Meanwhile, the number of major film producers with huge budget seems to have declined as the trend has shifted to production of large volume of smaller sized videos.

In 2020, the advertising industry is expected to see ad spending growth of just 0.15 percent and the internet media is expected to show the biggest growth of 20 percent. . Meanwhile, the printing matter is expected to show negative growth at 25 percent.

2. Competition Environment

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

- 2.1 Prices: The key factor clients take into account is about prices. With the current economic circumstances and intense competition among clients over new projects, budget production is thus cut accordingly. Price competition will worsen the Company's operating environment.
- 2.2 Staff teams: Efficient staff teams, both supportive and operating ones, will help smoothen clients' operation to be completed speedily and neatly. This also helps improve image of the overall production team.
- 2.3 Equipment: Each service provider offers similar basic equipment, so those who can offer new equipment with very good conditions, more varieties and special specification will enjoy advantages over peers. Clients often ask for new equipment and if we do not have some items but our competitors do, then the clients may opt for those who can offer their preferred equipment.
- 2.4 Reputation: Reputation helps create trust among clients. In particular, foreign crews who never come to film in Thailand often seek comments or feedback from past clients.





2. Studio rental services business

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

Product and service details

Five rental studios are available as follows:

Two small studios with the size of 20x30x12 meters

Two medium studios with the size of 30x40x12 meters

One large studio with the size of 40x60x14 meters

The project features the following functions and design:

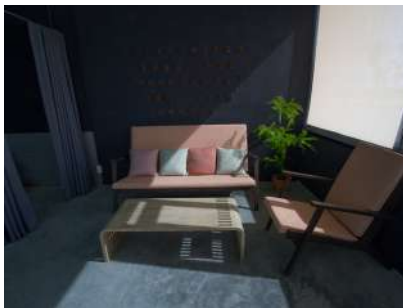
- Acoustic Design for international standard sound proof system (“NC 25”)
- Practical Design Practical Design for the structural system that can support heavy weight
- Spacious areas to serve shooting activities for production teams both from Thailand and overseas
- Production Convenience: Various functional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

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

- 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
- Lake: Natural lake within the project, which can be used for shooting the river-bank scenes
- Natural Canal
- The Scene: Vacant warehouse with beautiful structure suitable for shooting films, making commercials, taking pictures, using as game show setting, or even using as resting area

In 2019, the Company tried to make the Studio Park project one of the most integrated shooting studios in South East Asia. Therefore, the Studio Park launched a sub-business and new products as bellows:

- TSP Production Services
“Production Services” serve foreign production crews. The services include a number of services to facilitation filming activities of foreign crews, such as production management, locations scouting and etc.
- Water Tank: two pools for shooting as follows
 - Glowworm : A 13 x 20 x 3 meter indoor pool suitable for required scenes, such as sea scenes;
 - Sunseeker: 12 x 22 x 4.5 meter outdoor pool for huge scenes with no height limits, supporting scenes with the maximum height of six meters
- Two subway carriages: Currently, renting subway carriages or using a location of production crew entails a number of limitations. Especially the production of films, production teams have to take time to prepare the area before shooting and demolish the used scenes. Therefore, TSP decided to build two subway carriages and platforms to serve clients and in 2019 the products already served some clients.



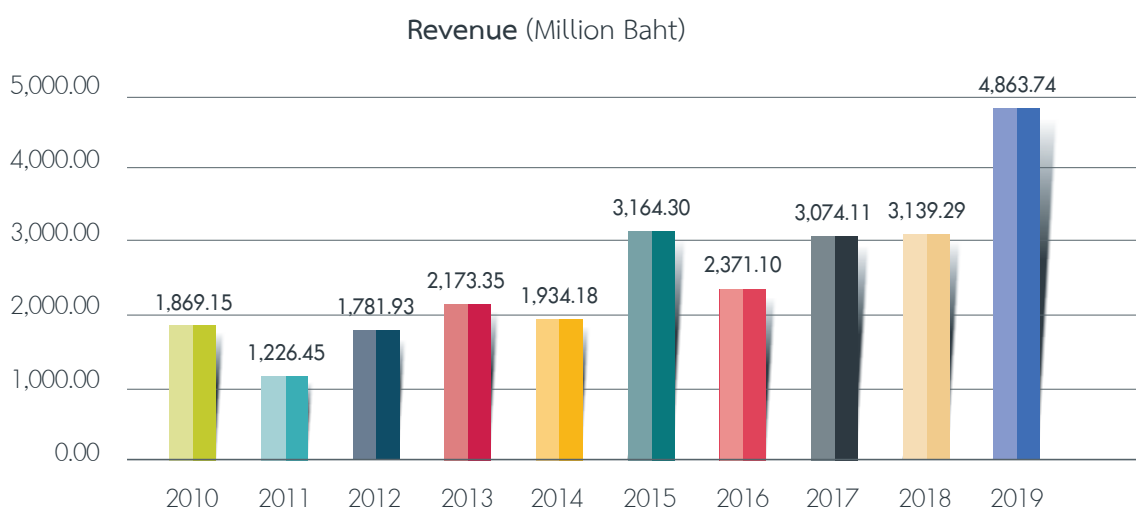
- Production Offices: The offices are located at Studios 3, 4, 5, 6 and B6 Building to serve production crews who want offices. This is to help facilitate and make it more convenient for the clients as the offices are adjacent to rental studios for film shooting. The details of productions offices are as follows:
 - Production Office - B3 and B4 with the size of 196.5 centimeters
 - Production Office - B5 with the size of 320 centimeters
 - Production Office - B6 with the size of 432 centimeters

Market and Competition

1. Industry Overview

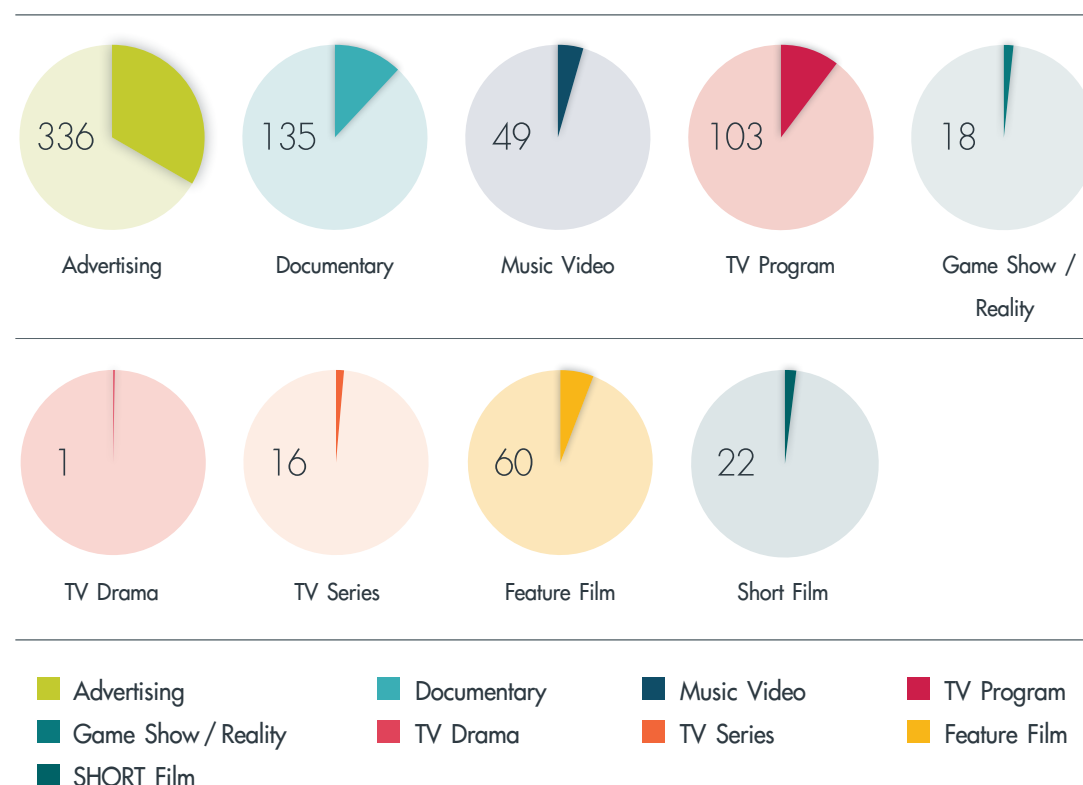
According to Thailand Film Office, Tourism Department, there were 740 foreign movies filmed in Thailand during January to December 2019, up from 714 films in 2018 or an increase of 3.64 percent year-one-year. The revenue in 2019 stood at 4,863.74 million baht, increasing by 1,724.45 million baht or 54.93 percent from 3,139.29 million baht reported in 2018

Revenue from foreign movies filmed in Thailand during 2010 - 2019



Commercials/ public relation videos showed the biggest amount of 336 units. As a way to promote the film production industry, the government imposed supporting measures, such as offering a 15- percent rebate for spending expenses used during production in Thailand. In addition an additional 3- percent rebate is also offered to any teams who choose Thai actors or equipments. Moreover, a production crew who produce content that can promote good Thai image is also offered an additional rebate of two percent. In total, the government offers 20- percent rebates.

- **Number of foreign films shot in Thailand in 2019 (by types)**



Source: <http://www.thailandfilmooffice.org>

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 goes well with the equipment rental services, for which the Company has had expertise for 20 years, available in the same area; therefore, the Company is very well prepared to offer integrated services to the clients.

In 2019, not only did the Company provide equipment rental services to Netflix producers but our studio facility unit also served big foreign production teams. With international standard and new products, the Studio Park has offered more integrated studio services, providing production convenience with one- stop- services offered to the clients. The project helps our clients save production time and costs, such as transportation cost, fuel cost, and official rental cost. The Studio Park also appears in global production map to attract more foreign production crews and will make Thailand should become among top attractive destinations for foreign filming crews.

Competition Strategies

The Company focuses on both local and international clients and promotes our products to reach direct targets both locally and internationally. The Company has been well prepared for serving clients, strengthening our strong points and potential

3. TV content production

Service details

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

- “Plod Nee Plick Chee Vit” is a game show participated by two guests (i.e. actors/actresses) and the two are supposed to play the game and win the prizes as much as possible. Then, two competing players, who are not TV stars, compete to get those prizes. The winner will have a chance to play at the final round, with the biggest prize doubling the amount gained by the TV-star guesses. The winners can use the prizes they gain to settle their debts, while the losers will receive smaller prizes from the producer. The program presents both knowledge and entertainment. The program focuses on offering assistance to those in financial trouble. Through guests' special abilities, the program presents useful content and knowledge, as well as interesting ideas.



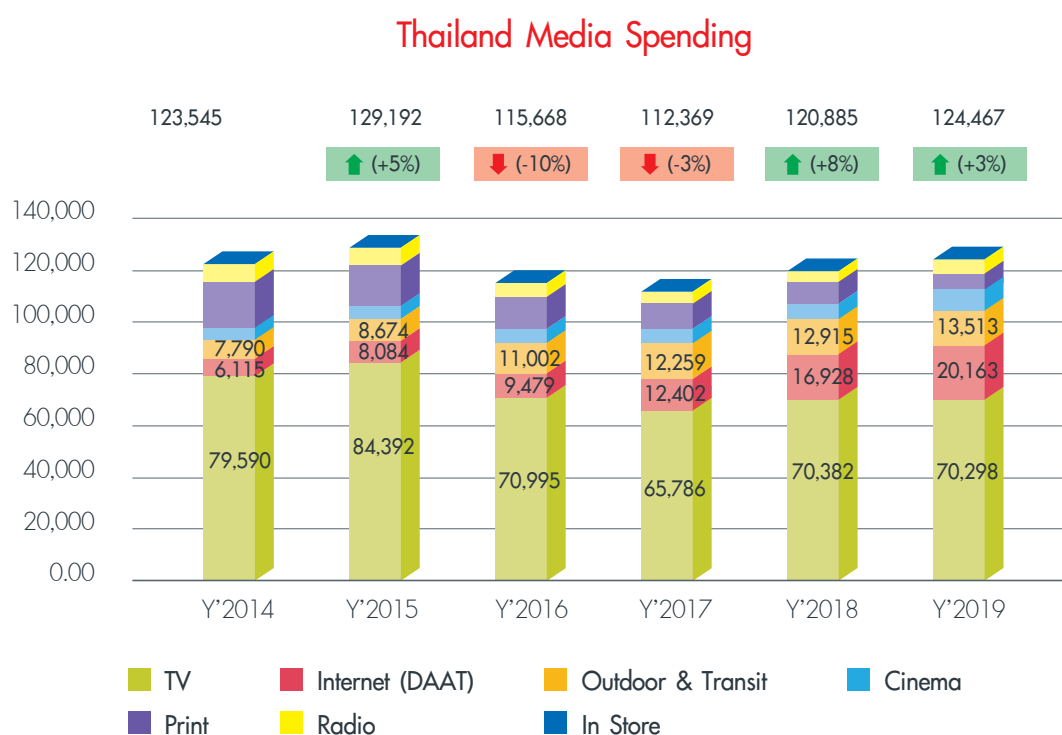
Market and Competition

1. Industry Overview

According to Nielsen Thailand and the forecast by Digital Advertising Association of Thailand (DAAT), the media spending in 2019 increased by 3 percent on a year-on-year basis to 124,627 million baht. The ad spending through TV media still represented the biggest portion at 57 percent. Meanwhile, digital and out-of-home media demonstrated good growth figures.

Media Spending (Million THB)	Y'2014	Y'2015	Y'2016	Y'2017	Y'2018	Y'2019		% Growth YA
TV	79,590	84,392	70,995	65,786	70,382	70,298	57%	0%
Internet (DAAT)	6,115	8,084	9,479	12,402	16,928	20,163	16%	↑ 19%
Outdoor & Transit	7,790	8,674	11,002	12,259	12,915	13,513	11%	↑ 5%
Cinema	4,349	5,133	5,445	6,816	7,383	8,838	7%	↑ 20%
Print	18,127	16,590	12,782	9,684	7,416	5,680	5%	↓ -23%
Radio	5,609	5,675	5,263	4,476	4,802	4,735	4%	↓ -1%
In Store	1,965	645	703	946	1,060	1,040	1%	↓ -2%
	123,545	129,192	115,668	112,369	120,885	124,267	100%	↑ 3%

Nielsen Advertising Information Service & DAAT



Source: Thansethakij as of January 15, 2020



In 2019, the media spending on the major TV media stood at 70.2 billion baht, flat from last year. The media spending through the internet media (DAAT) amounted to 20.1 billion baht, growing by 19 percent. The outdoor and transit media expanded by 5 percent to 13.5 billion baht. The on-screen media amounted to 8.83 billion baht, up by 20 percent. Meanwhile, the print media showed negative growth of 23 percent at 5.68 billion baht. The radio media showed negative growth of one percent at 4.73 billion baht. Finally, the in-store media showed negative growth of two percent at 1.04 billion baht.

2. Competition

2019 was a seventh year anniversary of Thailand's digital TV industry. However, in 2019, seven operators decided to return the licenses (channels) to the NBTC, i.e., 3 Family, MCOT Family, Spring News, Bright TV, Voice TV, NOW and 3SD, in addition to the other two channels, which already ceased operation. Therefore, there were a total of nine channels ceasing operation, leaving the remaining active 15 channels. However, this development did not have much impact on the industry's overview because most digital TV operators have adjusted their strategies, such as buying new content from both domestic and international producers to compete for ratings. The ad spending increased by around 30 percent, equivalent to the investment of over 8,000 million in 2019. The bought content replaced the self-produced content, which contain higher cost. In addition, operators also opted to increase exposure to the business structure with greater online media in accordance with consumers' changing behaviors. This is a way to generate revenue and pave the way to potential businesses in the future.

The Company continue to create different content or import content from overseas in order to attract more viewers. Meanwhile, the Company has to manage production cost as well as produces the programs that can bring maximum satisfaction



4. Post production

Service details

The Company also engaged in post production services for feature films and commercials. In general, the production is divided into the following three steps:

1. Preproduction
2. Production
3. Post production

Post production is the final step before project completion, both for feature films and 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. Some big houses had to cease operation. Some remaining big houses had to dump prices to complete with smaller operators. Hence, medium to small postproduction houses, which have lost some market shares, have to make some business adjustment.

2. Competition

In the past year, the competition intensified as a number of small players entered the market. With lower equipment cost, operators could serve low-value projects. Hence, existing operators had to reduce expenses and cut costs in order to compete with new comers. Under these circumstances, post productions cost their revenue.

Business Operation Risks

The Company's core businesses are equipment rental services, studio rental services, TV content production, and postproduction services. Each business entails different risk factors as discussed below.

Equipment Rental Services

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

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

Risk in regard to investment in equipment and unpopular equipment

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

Studio Rental Services

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

Possible risks may cause the Studio Park to fail to yield profits or good returns to the Company. However, the Company has tried to control and keep risks under an acceptable level. With extensive experience in the film and broadcast industry, the Company foresees growing demand for rental studios. Furthermore, Company is the first provider of rental studio under the NC 25 International Standard. Moreover, the Company also provides state-of-the art equipment. This is one of our strengths,

coupled with several functions, such as water tank, indoor and outdoor pools for shooting / two subway and platforms etc. which can service and meet the clients' demand. In addition, the project also helps support the government's policy to attract more foreign film production crew into the country and it should also well respond to the growing competition in the digital TV industry. The first year of operation served huge foreign film production teams. The Company is confident that its Studio Park project will serve large clients' demand very well and that it will demonstrate a potential to attract a number of international clients.

TV Content Production

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

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

Risk in regard to greater share of ad spending to new media channels away from TV media

The ad spending trend is under the ongoing transition period; the ad spending through analog TV (free TV) has become lesser, while more spending is distributed to other media channels, especially digital media, online advertising media, Internet media, outdoor media and transit media. New media channels tend to become more influencing in consumers' decision making to buy products and services. However, data suggest that analog TV media and digital media remain the major media for ad spenders as the two media types still gain the biggest market shares given that they can reach customers in mass markets.



The competition in ad spending results in high competition in TV content production business as operators try to compete in improving quality and content of their programs. Realizing this factor, the Company has continued to develop its content and present content varieties to suit consumers' behaviors both for the existing programs and potential programs.

Risk in regard to operators' limited ad budget

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

Post production services

Risk in regard to 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 at present as prices of equipment and software used in the post production industry have declined, resulting in higher competition. Nonetheless, despite a larger number of post production houses, some houses are unable to serve clients' entire 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, from whom the clients can receive convenient and integrated services, which can shorten working length and lower transportation cost.

Risk 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 trust from clients. Hence, the Company has skillful personnel with 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 key man overseeing this business is a shareholder in a post production firm and this person is ready to push forward the business and continue to produce high quality works.

Management Risks

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

As of March 12, 2020, the major shareholder, BBTV Production, held 74.50% of the total paid-up capital. With this percentage of shareholding, BBTV Production has power to make decisions and determine management policies to a certain degree. With BBTV Production as the only major shareholder, it is very unlikely that the Company will be taken over by other companies, without the approval from BBTV, even though other shareholders may see opportunities to raise the corporate value. Being well aware of this issue, the Company takes good corporate governance principles seriously and also 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 bring transparency and balance the power of directors. The independent directors also act as representatives of retail shareholders to examine the performance of the management. Moreover, should there be any significant legal issues, approval from shareholder meetings is required before further procedure. The aforementioned factors help to control management and execution risks quite well.

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

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

The Company's securities

Ordinary Shares

As of December 31, 2019, 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 registered capital and the paid-up capital as of the latest book closing date on March 02, 2020 were as follows:

Major Shareholders	Share holding	% of paid-up capital
1. BBTV Production Co. Ltd ^{/1}	582,313,316	74.50%
2. Klongprakit Group	13,950,400	1.78%
Miss Rarisa Klongprakit	4,435,800	0.57%
Mrs. Vipa Klongprakit	3,590,000	0.46%
Mr.Vinai Klongprakit	3,009,500	0.39%
Mr.Virat Klongprakit	1,623,400	0.21%
Miss Risara Klongprakit	1,024,300	0.13%
Miss Rattana Klongprakit	203,400	0.03%
Mrs. Punnee Klongprakit	64,000	0.01%
3. Mongkholsapaya Group	12,066,728	1.54%
Mr.Panumas Mongkholsapaya	12,000,060	1.54%
Mr.Kitchai Mongkholsapaya	65,468	0.01%
Mr.Pinyo Mongkholsapaya	1,200	0.00%
4. Mr.Vera Supattaratid	10,910,000	1.40%





Major Shareholders	Share holding	% of paid-up capital
5. Mr.Chatchavan Piyapraphanphong	10,444,137	1.34%
6. Tantimate Group	7,163,700	0.92%
Mr.Thawat Tantimate	6,813,700	0.87%
Mr.Thanitlek Tantimate	350,000	0.04%
7. Dr.Prasarn Kaemakongkanon	6,429,200	0.82%
8. Mr.Pornchai Ariyaratopas	5,775,500	0.74%
9. Rukkulchon Group	5,247,000	0.67%
Mr.Kriengkrai Rukkulchon	5,215,000	0.67%
Mr.Chanon Rukkulchon	32,000	0.00%
10. UBS AG HONG KONG BRANCH	5,000,000	0.64%
Total	659,299,981	84.35%

Note : ^{/1} BBTV Production is a group of companies managing Channel 7, consisting the following shareholders:

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

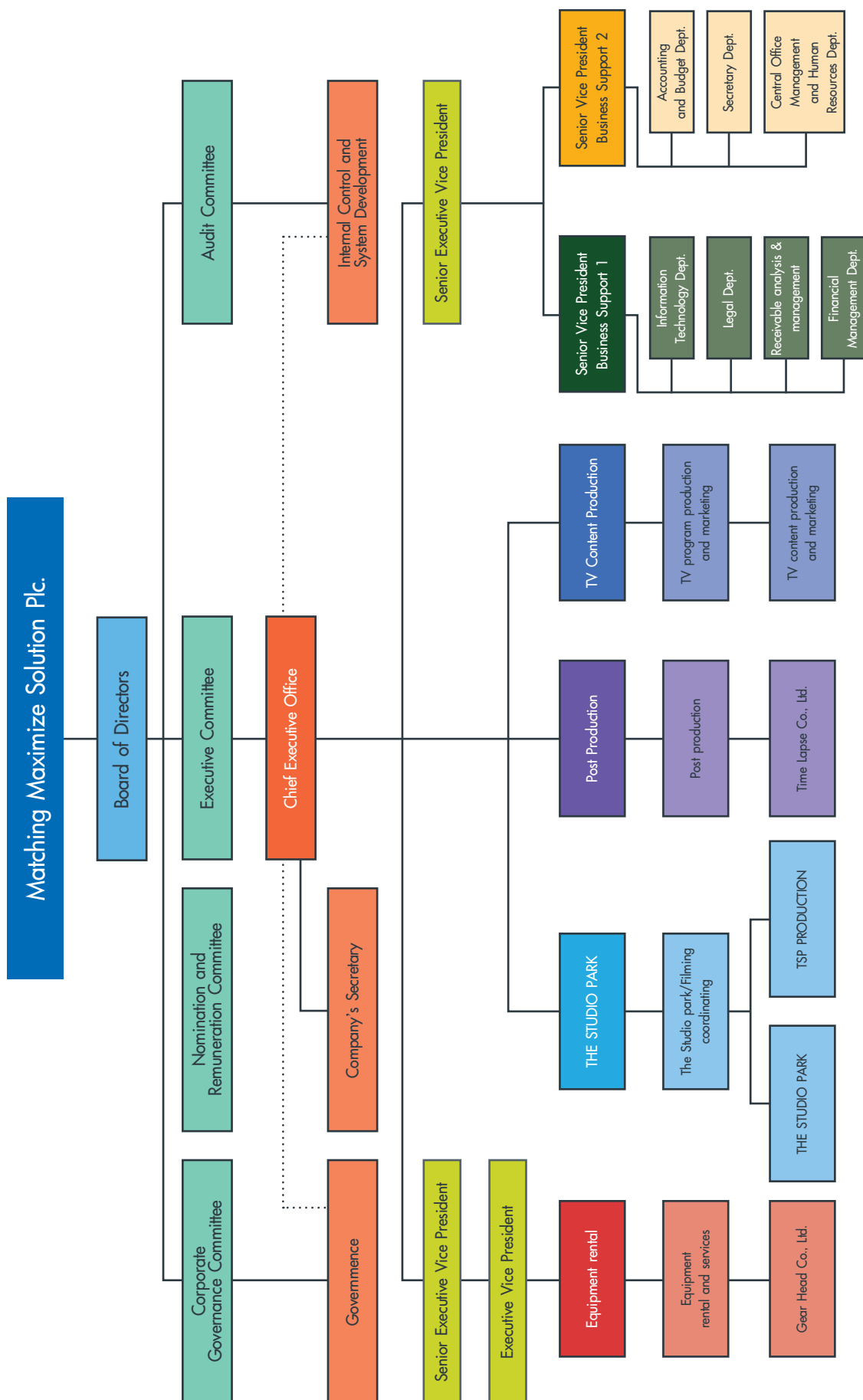
Issuance of other securities

- None-

Dividend Payout 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 and that the amount of dividend paid must not significantly affect the Company's core business operation. Meanwhile, its subsidiaries do not have a minimum dividend payout policy but the dividend policy at each subsidiary depends on its performance and their needs for capital.

Management Structure



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

Board of Directors

As of December 31, 2019, the Board of Directors consisted of the following nine members:

Name	Position	Meetings in 2019		
		No. of attendance	Total meetings	%
1. Mr. Sansrit Yenbamrung	Chairman	12	12	100
2. Mr. Akarat Na Ranong	Independent Director and Chairman to Audit Committee	12	12	100
3. Mr. Chatrapee Tantixalerm	Independent Director and Member Audit Committee	11	12	91.67
4. Mr. Kamol Ratanachai	Independent Director and Member Audit Committee	11	12	91.67
5. Mr. Poomchai Wacharapong	Director	12	12	100
6. Dr. Yaowalak Poolthong	Director	12	12	100
7. Mr. Pattanapong Nuphan	Director	12	12	100
8. Mr. Somkiat Charoenpinyoying	Director	12	12	100
9. Mr. Wiroj ^{/1} Bunsirirungruang	Director	1	1	100
10. Mr. Nuttawit ^{/1} Boonyawat (Resigned on November 1, 2019)	Director	9	9	100

Note : ^{/1} Mr. Nuttawit Boonyawat resigned from the director position, effective on November 1, 2019. The Company's Board of Directors meeting No. 12/2019 on December 23, 2019 resolved to appoint Mr. Wiroj Bunsirirungruang as a director to replace the vacant position, effective on December 23, 2019. He would remain in the position for the remaining term of Mr. Nuttawit Boonyawat.

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 to 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 Company's businesses of affairs under the Board of Directors' supervision; 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. Perform duties by applying knowledge, skills, and experiences to bring utmost benefits to the business operation of the Company, with honesty, morality and responsibility to shareholders; and disclose 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 matter that a director or an authorized individual may involve in a conflict of interests with the Company and its subsidiaries, such director or authorized individual shall not have a voting right to cast votes for that particular matter.

The Management

As of February 11, 2020, the Company's management (according to the definition of "Management" as in the announcement of by the Capital Market Advisory Board Tor Jor 23/2551), consisted of the following members:

Name	Position
1. Mr. Wiroj ^{/1} Bunsirungruang	Chief Executive Officer
2. Mr. Chatchai Thaowongsa	Senior Vice President, Marketing Department
3. Mrs. Ladawan Khumsap	Senior Vice President, Budgeting and Account Department
4. Mr. Nanat Sorsa-ad	Vice President, Legal Department
5. Mr. Vorrathun Hinthong	Vice President, Information Technology Department
6. Miss Slisa Pinsuwan	Vice President, Secretary Department
7. Mr. Adtachai Kittiwattananukroh	Vice President, Accounting and Budgeting Department

Note : ^{/1} The Board of Directors meeting No. 12/2019 approved the retirement of Mr. Poomchai Wacharapong, Chief Executive Officer. The Board dissolved to appoint Mr. Wiroj Bunsirungruang as the Chief Executive Officer, effective January 2020.

^{/2} Mr. Montri Yoosomboon resigned from the position of Executive Vice President, effective on February 1, 2020.

Scope of duties and responsibility of the Chief Executive Officer

1. Manage the Company's normal business operation.
2. Carry on operation according to the Company's business policies, business plans, and business strategies already approved by the Board of Directors.
3. Authorize or assign any individuals under an approval of the Chief Executive Officer to perform duties on behalf of the Chief Executive Officer in some necessary and appropriate matters under the Chief Executive 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 or a connected person may enter into counter-parties benefits or may involve conflict of interests (according to the Notifications of the Securities Exchange Commissions and/or the Capital Market Supervisory Board and/or the Stock Exchange of Thailand), the Chief Executive Officer shall have no authorities to approve such case. The Chief Executive Officer must propose this matter to the Executive Committee and/or the Board of Directors for further review or approval.

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

Company's Secretary, the head person overseeing accounting and finance operation

- Mr. Wiroj Bunsirungruang, the Chief Executive Officer, was the head, who oversees accounting and finance operation. He possessed qualifications according to the criteria of the SEC and the SET, i.e., passing the at least six hours of trainings, per a calendar year, on principles and impact of existing accounting standard or new accounting standards, which relate to the Company's nature of business or which is expected to impact the Company's budgeting.

- Mr.Adtachai Kittiwattananukroh was appointed as a Vice President for accounting and budgeting department, who controls budgeting and ensure that the budgeting. He possessed qualifications required by the SEC and SET and he also posseted the qualifications of an accountant under the principles announced by the Department of Business Development. He attended accounting trainings at least six hours per a calendar year as required by the announcement of the Department of Business Development
- The Board of Directors also appointed Mr. Nanat Sonsa-ad, the vice president for the legal department as the Company's secretary, effective on February 1, 2020.

Remuneration for Directors and Management

Cash remuneration

In 2019, the remuneration for directors was carefully determined by the meetings of the Nomination and Remuneration Committee. The determination of remuneration was based on the Company's business operation, earnings growth as well as the scopes of directors' responsibilities and the amount is subject to the approval of the annual general meeting. The remuneration consists of i) monthly fixed fee; ii) attendance fee calculated in accordance with the number of meeting attendances and iii) special gratuity depending on the Company's earnings performance each year.

As or the directors' remuneration in 2019, the following amounts of remuneration for directors were unanimously approved by 2019 Annual General Meeting of Shareholders held on April 26, 2019.

Monthly fixed fee (per director)

Board of Directors

Chairman	60,000	baht
Director	30,000	baht

Sub-committees

Chairman	30,000	baht
Directors	20,000	baht

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

Attendance fee (per meeting)

Nomination and Remuneration Committee

Chairman	30,000	baht
Directors	20,000	baht

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

The members of Executive Committees waived the right to receive the monthly remuneration of the sub-committees in 2019 (except the remuneration as the Company's management).

In 2019, the Company's sub-committees consisted of i) Executive Committee; ii) Audit Committee, and iii) Nomination and Remuneration Committee. In addition, in September 2019, the Board of Directors appointed Corporate Governance Committee. Any members of sub-committees, who are also members of the Company's Board of Directors, also receive remuneration for the position of director.

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

1) Directors' remuneration

In 2019, the remuneration of directors consisted of monthly fixed fee and attendance fee as followed.

Name	Position	Remuneration (baht)					
		Directors	Executive Committee	Corporate governance Committee	Audit Committee	Nomination and Remuneration Committee	Total
Mr. Sansrit Yenbamrung ^{/2}	- Chairman of Board of Directors - Chairman of Executive Committee - Chairman of Nomination and Remuneration Committee	720,000	-	-	-	60,000	780,000
Mr. Akarat Na Ranong	- Independent director - Member of Corporate Governance Committee - Chairman of Audit Committee	360,000	-	-	360,000	-	720,000
Mr. Chatrapee Tantixalerm	- Independent director - Member of Audit Committee - Member of Nomination and Remuneration Committee	360,000	-	-	240,000	40,000	640,000
Mr. Kamol Ratanachai	- Independent director - Member of Corporate Governance Committee - Member of Audit Committee - Member of Nomination and Remuneration Committee	360,000	-	-	240,000	20,000	620,000
Mr. Poomchai Wacharapong ^{/2}	- Director - Member of Executive Committee	360,000	-	-	-	-	360,000
Dr. Yaowalak Poolthong ^{/2}	- Director - Member of Executive Committee	360,000	-	-	-	-	360,000
Mr. Pattanapong Nuphan ^{/2}	- Director - Member of Executive Committee - Chairman of Corporate Governance Committee	360,000	-	-	-	-	360,000

Name	Position	Remuneration (baht)					
		Directors	Executive Committee	Corporate governance Committee	Audit Committee	Nomination and Remuneration Committee	Total
Mr.Somkiat Charoenpinyoying	- Director	360,000	-	-	-	-	360,000
Mr. Wiroj Bunsirungruang ^{/1}	- Director	-	-	-	-	-	-
Mr. Nuttawit Boonyawat ^{/1 /2}	- Director - Member of Executive Committee	300,000	-	-	-	-	300,000
Total		3,540,000	-	-	840,000	120,000	4,500,000

Note : ^{/1} Mr. Nuttawit Boonyawat resigned from the position of director and member of executive Committee, effective on November 1, 2019, Mr. Wiroj Bunsirungruang was appointed to replace the vacant director position, effective on December 23, 2019.

^{/2} Members of Executive Committee refrained from receiving the meeting attendance fee in 2019.

2) Remuneration for Management

As for the cash remuneration of the Company's management (based on the definition given by the SEC and the SET, management includes Chief Executive Office, Managing Director, top-four management members and management equivalent to the fourth rank management), in 2019, the Company and its subsidiaries paid remuneration in a form of salaries at the total amount of 27.31 million baht.

Other benefits

i) Other benefits for the directors

The Company does not have a policy to offer other benefits to the directors, apart from monthly fixed fee and the meeting attendant fee as mentioned above (excluding benefits to general employees). However, the Company is responsible for expenses related to relevant trainings or similar programs organized by the Thai Institute of Directors and other relevant institutions, which are beneficial to directors' performance. The Company provides insurance policies for directors and management for a coverage of 100 million baht, covering the responsibilities of the Company and the subsidiaries for the policy coverage of one year. The Company extends such insurance policy yearly. In 2019, no claim was done for such insurance.

ii) Other benefits for management

The Company established a provident fund and offered other benefits, such as contributions to the social security fund, the health insurance allowance and life insurance premium and etc. for management. In 2019, the Company's contributions to the provident fund and other benefits for the management totaled 2.34 million baht.

Personnel

In 2019, the Company and its subsidiaries had a total of 602 personnel, with the total paid benefit packages amounting to 27.15 million baht, including salaries, overtime payment, bonuses, medical allowance, contributions to the provident fund, life insurance premium and health insurance premium. In addition, the subsidiaries paid the similar benefit packages for the personnel at the amount of 110.06 million baht and paid the compensation for employees at 4.24 million baht.

As of December 31, 2019	Headcounts (person)
Studio Rental Service Business – The Studio Park	37
Equipment Rental Service Business	493
Post Production Service Business	12
TV Content Production Business and Central Office	60

Significant labour disputes over the past three years

During 2017-2019, the Company did not encounter any labor disputes and there was no significant change in number of employees.

Relation between management and labor union (if any)

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

Detail of the Board of Directors

Detail of the Board of Directors, the executive and the Authorized Persons and Secretary the company as of 11 February 2020

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. Sansrit Yenbarnung - Chairman of the Board * - Chairman of the Executive Committee - Chairman of Nomination and Remuneration Committee (* Director who are authorized to sign in binding the Company)	61	• Master of Business Administration in International Trade Sul Ross State University, Alpine Texas, U.S.A.	- None -	- None -	Apr 2018-Present	- Chairman of the Board of Director	Matching Maximize Solution PCL.
					May 2018-Present	- Chairman of the Executive Committee	
						- Chairman of Nomination and Remuneration Committee	
					Apr 2014-Mar 2018	- Director	
					Apr 2014-Apr 2018	- Member of Executive Committee	
					<u>Other Listed Companies</u>		
					Dec 2004-Dec 2018	- First Executive Vice President	Bank of Ayudhya PCL.
					Sep 2002-Nov 2004	- Executive Vice President	
					<u>Other Companies / Organizations</u>		
					Jan 2020-Present	- Director	Gearhead Co., Ltd.
					May 2019-Present	- Director	BBTV Equity Co., Ltd.
					Apr 2019-Present	- Director	Great Forture Equity Co., Ltd.
					Apr 2019-Present	- Director	Sunrise Equity 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
1. Mr. Sansrit Yenbamrung (Cont.)					Apr 2019-Present	- Director	Khao Kheow Country Clue Co., Ltd.
					Nov 2018-Present	- Director	TSP Production Service Co., Ltd.
					Oct 2018-Present	- Chairman of the Board - Chief Executive Officer	Grand Huay Kaew Co., Ltd.
					Apr 2018-Present	- Director and Vice Chairman of the Executive Committee	Bangkok Broadcasting & TV Co., Ltd.
					Apr 2018-Present Apr 2014-Mar 2018	- Chairman of the board - Director	Media Studio Co., Ltd.
					Aug 2017-Present	- Director - Chief Executive Officer	Grand Prime Asset Co., Ltd.
					Jul 2017-Present	- Director - Chief Executive Officer	Khao Yai Land Co., Ltd.
					Feb 2015-Present	- Chief Executive Officer	Home Sukhumvit Co., Ltd.
					Mar 2019-Present Feb 2014-Mar 2019	- Chairman of the Board - Advisor	HR Pro Security and Services Co., Ltd.
					Aug 2013-Sep 2019	- Chairman of the board - Chief Executive Officer	TV Digital HR Co., Ltd.
					Oct 2010-Present	- Chairman of the board - Chief Executive Officer	Grand Larn Luang Co., Ltd.
					Sep 2002-Dec 2018	- Director - Chairman of the Executive Committee	Krungsi Ayudhya AMC 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. Wiroj Bunsirungruang - Director * - Chief Executive Officer - Executive Director (The head accounting and Finance Department) (* Director who are authorized to sign in binding the Company)	53	<ul style="list-style-type: none"> • Master of Accounting Thammasat University • Corporate Governance for Executive (CGE 15/2019) (2019) • Certificate, Company Secretary Program (2011) : IOD • Certificate, Director Certification Program (2005) : IOD • Certificate, Director Accreditation Program (2005) : IOD • Training for continuous knowledge development in accounting, 6 hours 	0.0138%	- None -	Feb 2020-Present	- Executive Director	Matching Maximize Solution PCL.
					Jan 2020-Present	- Chief Executive Officer	
					Dec 2019-Present	- Director	
					Mar 2014-Dec 2019	- Senior Executive Vice President	
					Apr 2014-Dec 2018 2002-Feb 2014	(Organization Management and Business Support)	
						- Executive Director	
						- Executive Vice President	
					2002-Mar 2010	(Organization Management and Business Support)	
						- 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
3. Mr. Akarat Na Ranong - Independent Director - Chairman of the Audit Committee - Corporate Governance Committee	66	<ul style="list-style-type: none"> Master's Degree ,Business Administration (Management), Marshall University, USA. Ethical Leadership Program (ELP 17/2019) (2019) :IOD Certificate, Role of the Chairman Program (2017) : IOD Certificate, Director Certification Program (2013) : IOD Certificate, Role of the Compensation Committee (2007) : IOD Certificate, Director Accreditation Program (2007) : IOD Certificate, Audit Committee Program (2004) : IOD Certificate, Leader Program, Capital Market Academy (Class 6) (2008) 	- None -	- None -	Sep 2019-Present	- Corporate Governance Committee	Matching Maximize Solution PCL.
					May 2010-Present	- Independent Director - Chairman of the Audit Committee	
					<u>Other Listed Companies</u> Nov 2017-Present	- Independent Director - Chairman of 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-Apr 2018	- Chairman	Food Capitals PCL.
					2011-Present	- Independent Director - Audit Committee - Chairman of Nomination and Remuneration Committee	FINANSA 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
3. Mr. Akarat Na Ranong (Cont.)					2001- Jul 2017	<ul style="list-style-type: none"> - Independent Director - Chairman of Audit Committee - Nomination and Remuneration Committee - Corporate Governance Committee 	Krunghai Card PCL.
					<u>Other Companies/ Organizations</u> May 2018-Present	<ul style="list-style-type: none"> - Director - Executive Director 	Wind Energy Holding Co., Ltd.
					2014-Present	<ul style="list-style-type: none"> - Independent Director - Chairman of the Board of Director - Chairman of Audit Committee 	KPN Academy Co., Ltd.
					2011-Present	<ul style="list-style-type: none"> - Independent Director - Audit Committee 	FINANSA Securities Limited

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. Chatrapee Tantixalerm - Independent Director - Audit Committee - Nomination and Remuneration Committee	55	<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 	- None -	- None -	Sep 2017-Present	- Independent Director - Audit Committee - Nomination and Remuneration Committee	Matching Maximize Solution PCL.
					<u>Other Listed Companies</u> Dec 2015-Present	- Independent Director - Chairman of Audit Committee	SISB PCL.
					Sep 2009-Present	- Independent Director - Chairman of Audit Committee	TSFC Securities PCL.
					<u>Other Companies/ Organizations</u> Aug 2018-Present	- Independent Director and Audit Committee	Beryl 8 plus Co., Ltd.
					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.

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. Kamol Ratanachai - Independent Director - Audit Committee - Nomination and Remuneration Committee - Corporate Governance Committee	53	<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. CAC SME IA Certification : Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) Ethical Leadership Program (ELP) (2019) :IOD Corporate Governance for Executives (CGE) (2019) :IOD Certificate, How to Develop a Risk Management Plan (HRP) (2018) : IOD Certificate, Risk Management Program for Corporate Leaders (2017) : IOD Certificate, Director Certification Program (2016) : IOD Certificate, Anti-Corruption : The Practical Guide (2015) : IOD Certificate, How to Measure the Success of Corporate Strategy (2013) : IOD 	- None -	- None -	Sep 2019-Present	- Corporate Governance Committee	Matching Maximize Solution PCL.
					Jan 2013-Present	- Nomination and Remuneration Committee	
					Nov 2010-Present	- Independent Director - Audit Committee	
					Other Listed Companies		
					May 2014-Present	- Independent Director - Audit Committee	Eastern Power Group PCL.
					2011-Present	- Independent Director	Sriacha Construction PCL.
					2011-Apr 2014	- Independent Director - Audit Committee	Eastern Printing PCL.
					Other Companies/ Organizations		
					May 2018-Present	- Chairman of Audit Committee	Superrich Currency Exchange (1965) Co., Ltd.
					Jun 2015-2018	- 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

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. Kamol Ratanachai (Cont.)		<ul style="list-style-type: none"> • Certificate, Successful Formulation & Execution of Strategy (2012) : IOD • Certificate, Audit Committee Program (2009) : IOD • Certificate, Director Accreditation Program (2008) : IOD 			Jul 2012-Sep 2014	- Independent Director	Matching Movie Town Co., Ltd.
					Jul 2012-Jan 2014	- Independent Director	Goody Film BKK Co., Ltd.
6. Mr. Poomchai Wacharapong - Director * - Executive Director (* Director who are authorized to sign in binding the Company)	61	<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 	0.0001 %	- None -	May 2018-Present	- Executive Director	Matching Maximize Solution PCL.
					Jan 2014-Present	- Director	
					Jan 2014-Dec 2019	- Chief Executive Officer	
					Jan 2014-May 2018	- Chairman of the Executive Committee	
					Other Companies/ Organizations		
					Nov 2018-Present	- Director	TSP Production Service Co., Ltd.
					May 2018-Present	- Director	Media Studio Co., Ltd.
					Mar 2015-Present	- Director	Baansuay Group Co., Ltd. (Suratthani)
					Jul 2014-Present	- Director	Time Lapse Co., Ltd.
					Nov 2018-Present	- Chairman of the Board of director	Transformation Film Co., Ltd.
					Jul 2014-Oct 2018	- Director	
					Feb 2014-Present	- Director	The Studio Park (Thailand) 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. Poomchai Wacharapong (Cont.)					Feb 2014-Present	- Director	Gear Head Co., Ltd.
					Nov 2017-Dec 2019	- Chief Executive Officer	
					Feb 2014-Jan 2018	- Director	Book Maker Co., Ltd.
					Feb 2014-Dec 2016	- Director	Matching Studio Plus Co., Ltd.
					Feb 2014-Dec 2016	- Director	Matching Entertainment Co., Ltd.
7. Yaowalak Poolthong, PhD - Director * - Executive Director (* Director who are authorized to sign in binding the Company)	59	<ul style="list-style-type: none"> PhD in Marketing, Thammasat University (International Program) Master of International Business Administration, The University of Sydney, Australia Master of International Business Administration - Exchange Program, Waseda University, Japan Director Certification Program (DCP) - Thai Institute of Directors (IOD) Capital Market Academy (CMA) 	- None -	- None -	Jun 2016-Present	- Advisor	HR Pro Security and Services Co., Ltd.
					Jan 2014-Jun 2016	- Director	
					Aug 2013-Present	- Director	TV Digital HR Co., Ltd.
					Oct 2010-Present	- Director	Grand Lam Luang Co., Ltd.
					Apr 2018-Present	- Director	Matching Maximize Solution PCL.
					Jul 2018-Present	- Executive Director	
					Other Companies / Organizations		Bangkok Broadcasting & TV Co., Ltd.
					2019-Present	- Chief Executive Officer	
					May 2017-Present	- Director	Media Now Co., Ltd.
					Apr 2017-Present	- Director	Media Scene Co., Ltd.
					May 2015-Present	- Chief Executive Officer	Media Studio Co., Ltd.
					Apr 2014-Present	- Director	
					Jan 2014-Present	- Director	HR Pro Security and Services 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
8. Mr. Pattanapong Nuphan - Director * - Executive Director - Chairman of the Corporate Governance Committee (* Director who are authorized to sign in binding the Company)	54	<ul style="list-style-type: none"> MA in Sociology Thammasat University Ethical Leadership Program (ELP 17/2019) (2019) : IOD Certificate, Director Certification Program : IOD Certificate, Director Accreditation Program : IOD 	- None -		Sep 2019-Present	- Chairman of the Corporate Governance Committee	Matching Maximize Solution PCL.
					2008-Present	- Director - Executive Director	
					Other Companies/ Organizations		
					Jan 2020-Present	- Director	Gear Head Co., Ltd.
					Jan 2018-Present	- Executive Director and Deputy Managing Director - Executive Director and Assistant Managing Director	Bangkok Broadcasting & TV Co., Ltd.
9. Mr. Somkiat Charoenpinyoying - Director - Executive Director	57	<ul style="list-style-type: none"> Bachelor of Communication Arts, Bangkok University Certificate, Director Accreditation Program (2019) : IOD 	- None -		Jun 2016-Dec 2017		
					May 2009-Present	- Director	BBTV New Media Co., Ltd.
					Feb 2020-Present	- Executive Director	Matching Maximize
					Apr 2018-Present	- Director	Solution PCL.
					Other Companies/ Organizations		
					Apr 2013-Present	- Executive Committee - Executive Director and Deputy Managing Director	Bangkok Broadcasting & TV Co., Ltd.
					Dec 2012-July 2019	- Director	Media Now Co., Ltd.
					Dec 2008-Present	- Director	BBTV 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
10. Mr. Chatchai Thaowongsa - Senior Vice President	51	<ul style="list-style-type: none"> Bachelor of Business Administration Ramkhamhaeng University 	- None -	- None -	June 2015-Present	- Senior Vice President of Marketing Dep.	Matching Maximize Solution PCL.
11. Mrs. Ladawan Khumsap - Senior Vice President	53	<ul style="list-style-type: none"> Master of Accounting Thammasat University 	0.0128%	- None -	Nov 2003-May 2015 2013-Present 2005-2012	- Manager of Marketing Dep. - Senior Vice President - Vice President Accounting and Budgeting Dep.	Matching Maximize Solution PCL.
12. Mr. Nanat Sorsa-ad - Vice President - Company Secretary	37	<ul style="list-style-type: none"> Bachelor of Laws Thammasat University 	- None -	- None -	Feb 2020-Present May 2013-Present	- Company Secretary - Vice President Legal Dep.	Matching Maximize Solution PCL.
13. Mr. Vorrathun Hinthong - Vice President	51	<ul style="list-style-type: none"> Master of Communication Arts Bangkok University 	- None -	- None -	Nov 2001-Present	- Vice President Information technology Dep.	Matching Maximize Solution PCL.
14. Miss Slisa Pitsuwan - Vice President	57	<ul style="list-style-type: none"> Master of Business Administration Ramkhamhaeng University 	- None -	- None -	May 2014-Present	- Vice President Secretary Dep.	Matching Maximize Solution PCL.
15. Mr. Adtachai Kittiwattananukroh - Vice President (The head accountant)	45	<ul style="list-style-type: none"> Master of Business Administration Ramkhamhaeng University 	- None -	- None -	2007-Present	- Vice President Accounting and Budgeting Dep.	Matching Maximize Solution PCL.

Company's management structure consists of four sub-committees: i) Executive Committee, ii) Audit Committee, iii) Nomination and Remuneration Committee; and iv) Corporate Governance Committee

Executive Committee

As of February 1, 2020, the Executive Committee was comprised of the following members.

Name	Position
1. Mr. Sansrit Yenbamrung	Chairman of the Executive Committee
2. Mr. Poomchai Wacharapong	Member of Executive Committee
3. Dr. Yaowalak Poolthong	Member of Executive Committee
4. Mr. Pattanapong Nuphan	Member of Executive Committee
5. Mr. Somkiat ^{/2} Charoenpinyoying	Member of Executive Committee
6. Mr. Wiroj ^{/1} Bunsirirungruang	Member of Executive Committee

Notes : ^{/1} Mr. Nuttawit Boonyawat resigned from the director and Member of Executive Committee position, effective on November 1, 2019. The Company's Board of Directors meeting No. 12/2019 on December 23, 2019 resolved to appoint Mr. Wiroj Bunsirirungruang as a director to replace the vacant position, effective on December 23, 2019. He would remain in the position for the remaining term of Mr. Nuttawit Boonyawat and he was appointed as a member of the Executive Committee of February 1, 2020.

^{/2} Mr. Somkiat Charoenpinyoying was appointed as a member of the Executive Committee, effective on February 1, 2020.

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.

3. Control and oversee the Company's business policies, business plans, and business strategies as well as earnings performance of the subsidiaries.
4. Be authorized to approve the borrowing or loan applications to finance the Company's normal business operation and also to act as a guarantor 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 20,000,000 baht 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 2019, the Audit Committee comprised the following three independent members.

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

Terms and Appointment of members of Audit Committee

The Board of Directors appoints three independent directors to be the members of the Audit Committee. At least one of the three independent directors is required to possess knowledge and experience in accounting and finance. The members of 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 July 1, 2008 onwards. The duties and responsibilities are as follows:

1. Review the financial statements, ensuring that they are accurate and adequate.
2. Review the Company's internal control system and internal audit system and make sure that they are appropriate and effective; review and approve the charters of the internal organization, business plans and budget; ensure the independence of the internal audit department; provide opinions concerning appointments, transfers, and employment termination of the 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 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, department heads, 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 comply 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 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 January 25, 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 December 31, 2019, the Nomination and Remuneration Committee consisted of three members.

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

Scope of duties and responsibilities of the 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 percentการพิจารณากำหนดค่าตอบแทน
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.).

Corporate Governance Committee

The Board of Directors meeting No. 8/2019 on September 25, 2019 resolved to establish the Corporate Governance Committee, which consist of the following three members.

Name	Position
1. Mr. Pattanapong Nuphan	Chairman of the Corporate Governance Committee
2. Mr. Akarat Na Ranong	Member of Corporate Governance Committee
3. Mr. Kamol Ratanachai	Member of Corporate Governance Committee

Appointment of members of Corporate Governance Committee

The Company's Board of Directors appointed the Corporate Governance Committee, consisting of at least three directors, two of whom are independent directors.

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

Scope of duties and responsibilities of the Corporate Governance Committee

The Corporate Governance Committee holds the following duties and responsibilities

1. Determine corporate governance policies and business ethical principles and propose them to the Board of Directors for further approval.
2. Ensure that the Company's operation and the performance of directors, management and employees comply with the Company's corporate governance and business ethical principles.
3. Evaluate and review policies, ethics and corporate governance guidelines of the Company in order to ensure they comply with relevant laws and practical guidelines of international firms and leading firms as well as suggestions from various institutions; consider suggestions related to corporate governance provided by shareholders and pass on those suggestions to the directors as well as reply to shareholders.

4. Evaluation the operation to ensure that it complies with corporate governance and business ethical principles.
5. Disclose the performance report of Corporate Governance Committee and make a report about corporate governance to stakeholders in the annual report.
6. Oversee and provide suggestion regarding the corporate social responsibility (CSR).
7. Monitor the operation of the Company's directors and management to ensure that it is conducted in accordance with the Company's corporate governance principle.
8. Ensure that the Company has sufficient anticorruption policies and guideline for business operation.
9. Suggest corporate governance principles to the directors and offer any suggestions related to corporate governance matters to the directors.
10. Determine principles and operational guideline and consider complaints; compile complaints and make summaries to be submitted to the Company's directors for further approval.
11. Consider rewarding for governance-related work.
12. Review and update corporate governance principles.
13. Perform any other corporate governance –related duties as assigned by the directors

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

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

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) Devoting 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 the 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 that the appointment of that person will not have an 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.

Control of operation 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. Send a circular notice to order the management who is aware of significant internal information (that may result in the change of the share price) to 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 in 2019 amounting 2,303,500 baht.

2. Non-Audit Fee

- None -

Corporate Governance

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

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

The good corporate governance principle for the Company's Board of Directors, management and employees for use 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 rules. They also manage risks, ensuring that the risks are at the acceptable level under the laws, objectives and shareholders' meeting resolutions. They shall perform duties with honesty and caution, taking account of the biggest benefits to the Company. They should also be responsible for shareholders and all stakeholders. They should also work effectively, transparently and their performance can be securitized.

In addition to the operating performance, the directors should emphasize social issues as well as environmental and ethical issues. Morals and ethical should be promoted. The Company should strictly firmly to transparency, honesty, and fairness; it thus announced The Code of Ethical Business as 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 aspects 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;
 - Concentrate on equitable treatment for both shareholders and stakeholders
 - Prevent conflicts of interests
 - Manage with carefulness, caution and responsibility
 - Ensure transparent operation that can be scrutinized
 - Ensure that the Company's internal control and internal audit systems are up to standard, reliable and efficient
 - Set the Code of ethical Business for directors and employees to follow

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

The Company's business plans and strategies have been regularly reviewed to be prepared for potential changes. The Company has completed long-term business plans to ensure that we operate business in the right direction based on the long-term business plan and strategies and that we can anticipate what might happen in the future to a certain degree.

To disclose the Company's vision, mission or major business goal to employees and external parties, we publish our vision, mission, business overview, and business goal in our Company's website.

3 Strengthen Board Effectiveness

The Company's Board of Directors consists of nine directors, who serve a service term of three years. One of them is a management member, while eight do not involve in movement. Out of the total directors, three of them are qualified as independent directors, according to the Securities Exchange Commission's requirement that a SET-listed company have independent directors at the number equivalent to 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 targets, directions, policies, work plans and budget. The Board of Directors should honestly make sure that the Company's business is operated in accordance with the laws, Company's objectives and regulation as well as the resolutions of the shareholder meetings in order to maintain the benefits of the shareholders. They board should also take into account of all other stakeholders. In addition, the Board of Directors also has to monitor the management's performance to ensure that the established policy is achieved efficiently and effectively. This would not only increase the maximum economic values to the Company but also lead to the highest stability for the shareholders. The Board of Directors set up the internal control system and closely followed the implementation of such on a regular basis. The members of Executive Committee are authorized to approve the investment worth not more than 20 million baht while the Chief Executive Officer is authorized to approve the investment worth no more than 15 million baht. Finally, the Company's Board of Directors appoints the Audit Committee to strengthen the Company's internal control system and ensure sufficient and appropriate good corporate governance practices.

The Chairman of the Company's Board of Directors shall not be the same person as Chief Executive Officer and Managing Director, so that the responsibilities in regard to corporate governance and general management are separated. This will allow the Company to operate business with transparency and minimize the chances of conflicts of interests or controlling power of Chief Executive Officer and Managing Director because the power of both positions shall be balanced in order to better maximize benefits for the Company and the shareholders.

Sub-Committees

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

- **Executive Committee**

Company's Board of Directors selects five qualified directors and management to be members of Executive Committee in order to manage and control the Company's operations as assigned by the Board of Directors.

- Audit Committee

The Board of Directors appoints three independent directors to be the members of the Audit Committee. At least one of the three independent directors must 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 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.

- Nomination and Remuneration Committee

In 2013, the Board of Directors established the Nomination and Remuneration Committee, consisting of three non-management members and most of them were independent directors. This Committee is responsible for setting policies, principles and guidelines for nomination and selection of the Company's directors, sub-committees and top-management members. The Committee also determines the amounts of remuneration and other benefits for directors and sub-committee members as well as top-management members. The Nomination and Remuneration Committee reports performance and proposes opinions or suggestions to the Board of Directors.

- Corporate Governance Committee

The Board of Directors Meeting No. 8/2019 on September 25, 2019 appointed the Corporate Governance Committee, consisting of three members, with two being independent directors. The committee will oversee and determine corporate governance operation and guideline for the organization in order to promote the organization to be efficient in business operation, corporate governance and excellent management, with the focus on maximizing benefits for shareholders and overall stakeholders as well as the employees of the Company and affiliates.

In 2019, directors and audit committee members passed the following trainings:

- Ethical Leadership Program (ELP) (2562): IOD	3 persons
- Corporate Governance for Executive (CGE) (2562): IOD	2 persons
- Director Accreditation Program (DAP) (2562):IOD	1 person

Board of Directors Meetings

The Board of Directors meets monthly and some special meetings are called for as 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 ahead of their meeting attendance. Each meeting normally takes not less than two hours. In each meeting, the Chairman of the meeting allows each director to express his/her opinions freely. In 2018, there were 11 Board of Directors meetings, 10 Executive Committee meetings, five Audit Committee meetings, three Nomination and Remuneration Committee meetings. In 2019, there were 12 Board of Directors' meetings, 13 Executive Committee meetings, nine Corporate Governance Committee meetings, five Audit Committee meeting and two Nomination and Remuneration Committee meetings. The details of each director's attendance are shown in the following table:

Name	Position	No. of attendance / Total meetings									
		Directors		Executive Committee		Corporate Governance Committee		Audit Committee		Nomination and Remuneration Committee	
		2018	2019	2018	2019	2018	2019	2018	2019	2018	2019
1. Mr. Sansrit Yenbamrung ^{/1/3}	- Chairman of Board of Directors - Chairman of Executive Committee - Chairman of Nomination and Remuneration Committee	11/11	12/12	10/10	13/13	-	-	-	-	2/2	2/2
2. Mr. Akarat Na Ranong	- Independent Director - Member of Corporate Governance Committee - Chairman of Audit Committee	10/11	12/12	-	-	-	7/9	5/5	5/5	-	-
3. Mr. Chatrapee Tantixalerm	- Independent Director - Member of Audit Committee - Member of Nomination and Remuneration Committee	10/11	11/12	-	-	-	-	5/5	4/5	3/3	2/2
4. Mr. Kamol Ratanachai	- Independent Director - Member of Corporate Governance Committee - Member of Audit Committee - Member of Nomination and Remuneration Committee	11/11	11/12	-	-	-	9/9	5/5	5/5	3/3	1/2
5. Mr. Poomchai Wacharapong ^{/3/5}	- Director - Member of Executive Committee	11/11	12/12	10/10	12/13	-	-	-	-	-	-
6. Dr. Yaowalak Poolthong ^{/2/3}	- Director - Member of Executive Committee	8/8	12/12	6/6	11/13	-	-	-	-	-	-
7. Mr. Pattanapong Nuphan ^{/3}	- Director - Member of Executive Committee - Chairman of the Corporate Governance Committee	11/11	12/12	10/10	13/13	-	9/9	-	-	-	-
8. Mr. Somkiat Tantixalerm ^{/1}	- Director	8/8	12/12	-	-	-	-	-	-	-	-

Name	Position	No. of attendance / Total meetings									
		Directors		Executive Committee		Corporate Governance Committee		Audit Committee		Nomination and Remuneration Committee	
		2018	2019	2018	2019	2018	2019	2018	2019	2018	2019
9. Mr. Nuttawit Boonyawat ^{/3 /4}	- Director - Member of Executive Committee	11/11	9/9	10/10	10/10	-	-	-	-	-	-
10. Mr. Wiroj Bunsirungruang ^{/4 /5}	- Director - Chief Executive Office	-	1/1	10/10	-	-	-	-	-	-	-
11. Mr. Somrit Srithongdee ^{/1}	- Chairman of Board of Directors - Chairman of Nomination and Remuneration Committee	3/3	-	-	-	-	-	-	-	1/1	-
12. Mr. Somboon Cheewasutthanon	- Director - Member of Executive Committee	3/3	-	3/4	-	-	-	-	-	-	-
13. Mrs. Siripen Sasinmanop ^{/3}	- Member of Executive Committee	-	-	10/10	-	-	-	-	-	-	-
14. Mr. Montri Yoosomboon ^{/3}	- Member of Executive Committee	-	-	10/10	-	-	-	-	-	-	-

Note

In 2018 ^{/1} Mr.Somrit Srithongdee resigned from the position of Chairman of the Board of Directors, effective on April 24, 2018 and from the position of director, effective on April 25, 2018. Mr. Sansrit Yenbamrung was appointed as the Chairman of the Board of Directors, effective on April 24, 2018. Mr. Somkiat Charoenpinyoying was appointed to replace him as a director, effective on April 25, 2018.

^{/2} Mr.Somboon Cheewasutthanon resigned from the position of director, effective on March 31, 2018 and from the position of the member of Executive Committee and Managing Director on June 30, 2018. Then, Dr. Yaowaluk Poolthong as a director, effective on April 25 , 2018 onwards and as a member of Executive Committee, effective on July 5, 2018.

^{/3} The Board of Directors meeting No. 11/2561 resolved to change the Executive Committee, effective on December 21, 2018. The committee consisted of five members: Mr. Sansrit Yenbamrung, Mr. Poomchai Wacharapong, Mr. Pattanapong Nuphan, Mr. Nuttawit Boonyawat and Dr. Yaowalak Poolthong.

In 2019

^{/4} Mr. Nuttawit Boonyawat resigned from the director position, effective on November 1, 2019. Mr. Wiroj Bunsirungruang was appointed as a director to replace Mr. Nuttawit Boonyawat, effective on December 23, 2019. He would remain in the position for the remaining term of Mr. Mr. Nuttawit Boonyawat.

^{/5} Mr. Poomchai Wacharapong, Chief Executive Officer, retired on December 31, 2019 but he remained in the position of director.

Mr. Wiroj Bunsirungruan was appointed as the Chief Executive Office to replace Mr. Poomchai Wacharapong, who retired, effective from January 1, 2020.

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

Board of Directors' Reports

The Board of Directors holds responsibility for the Company and 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 important matters under the good practice 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 and the internal audit system. Comments from the Audit Committee are reported in the 56-1 Form. All members of the Audit Committee and the management attend meetings in order to review the adequacy of the Company's internal audit system in various areas set by the Company's management. The minutes of every Board of Directors' meeting are recorded and contain proper details, e.g. questions and opinions of each director for each agenda and opposite opinion along with the rationales, so that the shareholders can examine the appropriateness of the directors in performing their duties. Meanwhile, the Board of Directors continuously and firmly focuses on applying the good corporate governance policies to the management and operation to 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 other parties.

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

Remuneration for Directors and Management

In 2013, the Board of Directors established the Nomination and Remuneration Committee who determined the amount of remuneration and benefits for directors and management members for the fiscal year 2019 based on the Company's business scale, responsibilities of each director and management member in comparison to Company's business expansion and growth. The Nomination and Remuneration Committee proposed the amount 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 on a regular basis. Finally, the Company also has a policy to educate and provide trainings for all staff and management constantly to ensure their understanding and knowledge and publish information for all employees on a regular basis.

4 Ensure Effective CEO and People 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 majority voting in the Annual General Meeting of Shareholders as the following details:

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

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

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 content designs, and services. The directors make sure that the business management and operation is conducted 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 paths of employees.
- 1.3 The Company has a policy to have directors, management and employees protected by laws.

2. Responsibility to clients

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

3. Responsibility to trade 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 stated in the contracts are strictly followed in order to prevent corruption in the procurement process.

The Company has a policy to keep clients' and partners' information confidential 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 Company 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 to communities and society.
- 4.5 Respect virtuous national culture when doing business.

5. Anticorruption

To demonstrate a 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 complies 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 and regular manner.

7 Ensure Disclosure and Financial Integrity

The Board of Directors supports the personnel in charge of management and disclosure of financial information, such as, the 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 accesses 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 rational solutions in a prompt manner.

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

8 Ensure Engagement and Communication with Shareholders

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

In every shareholder 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 2019, the Company held the Annual General Meeting of Shareholders on April 26, 2019 at Ratchadamnuen Hall, Royal Princess Lanluang, No. 269, Lanluang Road, Pomprab, Bangkok. The Company disclosed the meeting agenda within the day it was approved by the Board of Director. 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 submit 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 14 days prior to the meeting or any other duration specified by relevant laws and regulation 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 as their wishes.

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

- 1) Consider the Board of Directors' report regarding the Company's performance for the previous 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 meeting on a case - by - case basis.

The Company's business operation complies with the relevant laws as well as the code of ethical business. The Company emphasizes the significance of the corporate government principles, which relate to the rights of all groups of stakeholders as well as corporate social responsibility.

The Company and subsidiaries' 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.

Operation guideline

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

2. Anti-corruption

The Company has a policy against corruptions by setting the code of ethical business to highlight our intention against corruptions. In light of this, the Company became a member of Collective Action Coalition.

Operation guideline

- Complete a written code of ethical business and anti-corruption policy, which helps strengthen the Company's internal control and better prevent corruptions. These code of ethical business and anti-corruption policy are published on various channels, e.g., the Company's website;
- There is a process to assess risks linked to internal corruptions and the operation result is accessed through COSO-based internal control.
- The internal control unit inspects the operation procedure of work system, the risk management system and the compliance with the set code of ethical business.
- Conduct the whistle blowing as well as determine operation procedure to protect employees/ informants who report clues of corruptions, based on the set principles and relevant laws. All groups of stakeholders may give clues through letters, the phone at 02-669-4200-9 or e-mail: info@matchingstudio.com. The Company discloses the channels for giving clues on the Company's website.

(See details in Section : Good Corporate Governance, Part 5: Nurture Innovation and Responsible Business)

3. Respect human rights

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

Operation guideline

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

4. Treat employees with fairness

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

- **Recruitment policies and operation guideline**
 - Be against any practices of labor forcing; not collect money or keep employees' identification documents unless required by law;
 - Make payment of wages and remuneration in the Thai baht currency at the rates not less than what specified by law; not withhold employees' remuneration for any cases, except for the case specified by law;
 - Ensure working hours not exceeding the hour maximum specified by law and calculate overtime hours in accordance with relevant laws;
 - Provide safe workplace for pregnant employees; neither terminate their employment contracts nor reduce their benefits due to their pregnancy;
 - Support employees' efficiency enhancement by allowing them to participate in public trainings and in-house trainings at all levels; organize field trips for employees to see business operation of other organizations in the same industries in order to broaden visions as well as learn new technologies, which can be used to develop the organization;
 - Provides safe and hygienic workplace as well as necessary healthcare facilities.
- **Personnel policies and operation guideline**
 - Employees are the Company's most valuable resources and they are key success factors for the Company. The Company creates favorable values, culture and working environment and also treats employees with politeness, also with respects of their rights and freedom. The Company also tries to tighten relationship and bond among employees under the same Company's group.
 - Employment, appointments, transfer, remuneration and benefits of employees are based on fairness and facets as well as the Company's actual operation performance.

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

5. Responsibility to consumers

The Company is committed to development of goods/services that bring benefits to both the organization and society. The Company is also determined to produce high quality goods/services, which are safe for consumers and environment.

Operation guideline

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

6. Preserve environment

Operation guideline

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

7. Help develop communities and society

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



Internal control and risk Management

Board of Directors' opinions about the internal control

According to the Board of Directors' meeting No 2/2020 held on February 21, 2020, in the presence of all three members of the Audit Committee, the Board of Directors assessed the Company's internal control system by inquiring the management as well as other related staff and completing the assessment form to measure the adequacy of the internal control system, which is based on the assessment form of the Securities and Exchange Commission under the concept of The Committee of Sponsoring Organization of the Tradeway Commission (COSO), which determines five key elements of the internal control system: 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 unlawfully used for seeking personal benefits by particular individuals.

The head of Internal Audit Department and the head of Corporate Governance

The Audit Committee Meeting on December 14, 2012 No. 5/2012 appointed Mr. Chinawat Masrangsan as an acting director of the internal audit and system development department and a secretary to the Audit Committee, effective from December 14, 2012 onwards. Mr. Chinawat Masrangsan possessed seven-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. He had good understanding about the Company's activities and operation. Hence, he was deemed 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 (or acknowledgment) of the Audit Committee.

Connected Transactions

Details of connected transactions during 2016-2019

Persons with possible conflicts of interests/ Nature of Business/ Relationship	Transactions	Transaction Value (Baht: Million)					Necessity and Justification
		2016	2017	2018	2019	4Q19	
Bangkok Broadcasting & TV. Co. Ltd. (BBTV") <u>Nature of Business</u> Manage Channel 7 <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). - The Company's directors, i.e., Mr. Sansrit Yenbamrung, Mr. Pattanapong Nuphan, Dr. Yaowalak Poolthong and Mr. Somkiat Charoenpinoying were directors of BBTV.	Event Organizing Matching Entertainment Co., Ltd. (ME), a subsidiary, provided event organizing service for BBTV for LPGA Charity Night 2015, Young Model 2015, 7 Seansan Khon Kan Eng 2015, Mega Bangna Absolute Denim and etc. - Service	1.85	-	-	-	-	Matching Entertainment Co., Ltd. (ME), a subsidiary, provided event organizing service for BBTV. This was regarded as the Company's core business and service fee rate was calculated, based on cost plus profit, similar to the rate charged to external clients. In addition, the payment conditions were based on a standard rate for normal business operation. <u>Comments of the Audit Committee</u> The service was the Company's core business. The service fee rate was calculated, based on cost plus profit, similar to the rate charged to external clients. In addition, the payment conditions were based on a standard rate for normal business operation. Hence, the transaction was found necessary and justified.

Persons with possible conflicts of interests/ Nature of Business/ Relationship	Transactions	Transaction Value (Baht: Million)					Necessity and Justification
		2016	2017	2018	2019	4Q19	
BBTV News Media Co., td. ("BBTVNM") (continued)	<u>Website design and development fee</u> The Company hired BBTVNM to develop and upgrade the website. - Administrative expenses - Trade payable	0.09 0.90	0.10 0.03	0.11 0.009	0.11 0.009	0.027 0.009	BBTVNM developed and maintained websites, with the service fee rate and payment conditions based on normal business practice. <u>Comments of the Audit Committee</u> Website development and maintenance service was another channel to communicate with the targeted clients. The service fee rate and payment conditions were based on normal business practice. Thus, the transaction was necessary and justified.
	<u>Website design and development fee and website maintenance fee</u> The Studio Park (Thailand) Co. Ltd (TSP) (a subsidiary) hired BBTVNM to design and develop TSP's website. - Administrative expenses	0.31	-	-	-	-	BBTVNM developed and maintained the website, with the service fee rate and payment conditions based on normal business practice. <u>Comments of the Audit Committee</u> Website development and maintenance service was another channel to communicate with the targeted clients. The service fee rate and payment conditions were based on normal business practice. Thus, the transaction was necessary and justified.

Persons with possible conflicts of interests/ Nature of Business/ Relationship	Transactions	Transaction Value (Baht: Million)				Necessity and Justification
		2016	2017	2018	2019	
Media Studio Co., Ltd. <u>Nature of Business</u> Production of news, entertainment programs, knowledge and entertainment programs and dramas broadcast on Channel 7. <u>Relation with the Company</u> The Company’s directors, i.e., Mr. Sansrit Yenbamrung, Mr. Poomchai Wacharapong and Dr. Yaowalak Poolthong were also directors of Media Studio Co., Ltd.	<u>Co-production</u> MATCH - Administrative expenses - Accrued expenses (Advisor fee)	- - -	0.15 0.15 -	- - -	- - -	This was advisor fee between the Company and Media Studio Co., Ltd. This was the Company’s core operation with the service rate being calculated from cost plus profit and service fee rates and payments being set in accordance with normal business operation. <u>Comments of the Audit Committee</u> The coproduction was a core business transaction of the Company. The service fee rate was calculated based on cost plus profit. The payment conditions were based on normal business practice. Thus, the transaction was necessary and justified.
	<u>Rented filming equipment</u> The Company’s subsidiary Gear Head Co., Ltd (GH) provided rental filming equipment for the production of program “Kom Dhamma with Wor. Woramethee” and ‘Scoop’ and ‘The Cover’. - Rental and service revenue - Account Receivables	- - -	0.03 - -	0.06 - -	0.15 0.03 -	

Persons with possible conflicts of interests/ Nature of Business/ Relationship	Transactions	Transaction Value (Baht: Million)					Necessity and Justification
		2016	2017	2018	2019	4Q19	
Media Studio Co., Ltd. (continued)	<u>Filming site for TV program production</u> The Studio Park (Thailand), the Company's subsidiary, provided studio or filming site services for TV program production. - Rental and service revenue	-	-	0.64	-	-	Media Studio Co., Ltd. used the Studio Park (Thailand)'s studio as a site for filming its TV programs. This was the Company's core operation with the service rate being calculated from cost plus profit and service rates and payments conditions being set in accordance with normal business operation practice. <u>Comments of the Audit Committee</u> This transaction was the Company's core operation and the service rate was calculated from cost plus profit and service fee rates and payments conditions were set in accordance with normal business operation practice. Thus, the transaction was necessary and justified.
	<u>Produced CHANNEL 7 Magazine</u> Book Maker Co. Ltd. (BM) (a subsidiary), produced CHANNEL 7 Magazine for Media Studio Co. Ltd. - Revenue from sales and advertising media management	0.73	-	-	-	-	Media Studio Co. Ltd. hired BM to produce CHANNEL 7 Magazine, which was the Company's core business. The service fee rate was calculated, based on cost plus profit and the payment conditions were in accordance with normal business operation practice. <u>Comments of the Audit Committee</u> This transaction was the Company's core operation and the service rate was calculated from cost plus profit and service fee rates and payments conditions were set in accordance with normal business operation practice. Thus, the transaction was necessary and justified.

Persons with possible conflicts of interests/ Nature of Business/ Relationship	Transactions	Transaction Value (Baht: Million)				Necessity and Justification		
		2016	2017	2018	2019		4Q19	
HRR Pro and Service Security Co., Ltd. (“HRP”) <u>Nature of Business</u> Human Resource Consultancy and Services <u>Relation with the Company</u> The Company’s directors, Mr. Sansrit Yenbamrung, Dr. Yaowalak Poolthong were also directors of HRP and Mr. Poomchai Wacharapong was an advisor to HRP.	<u>Security service fee</u> The Company received the service from HRP who supplied security officers for the Company. - Administrative expenses - Accrued expense (security service fee)	1.57 0.11	1.33 0.11	1.33 0.11	1.32 0.11	0.33 0.11	HRP supplied security officers for the Company, with the service fee rate and payment conditions being set, based on the market rates for normal business practice. Thus, the transaction was necessary and justified. <u>Comments of the Audit Committee</u> The Company used outsourced security officers provided by the professional service provider instead of engaging in recruitment procedure by itself. This helped to facilitate the Company’s internal management. The service fee rate and payment conditions were set based on normal business practices. Hence, the transaction was necessary and justified.	
	<u>Security service fee</u> Gear Head Co., Ltd (GH) received the service from HRP who supplied security officers for the firm. - Administrative expenses - Account payables	- -	- -	- -	0.26 0.02	0.06 0.02	<u>Comments of the Audit Committee</u> The Company used outsourced security officers provided by the professional service provider instead of engaging in recruitment procedure by itself. This helped to facilitate the Company’s internal management. The service fee rate and payment conditions were set based on normal business practices. Hence, the transaction was necessary and justified.	

Persons with possible conflicts of interests/ Nature of Business/ Relationship	Transactions	Transaction Value (Baht: Million)					Necessity and Justification
		2016	2017	2018	2019	4Q19	
HR Pro and Service Security Co., Ltd. ("HRP") (Continued)	<u>Security service fee</u> The Studio Park (Thailand) Co., Ltd. (TSP) received the service from HRP who supplied security officers for the firm. - Cost of service - Administrative expenses - Accrued expense (security service fee)	- 0.53 0.04	0.09 1.48 0.17	- 2.57 0.22	0.06 2.94 0.24	- 0.73 0.24	HRP supplied security officers for TSP, with the service fee rate and payment conditions being set based on the market rate for normal business practice. Thus, the transaction was necessary and justified. <u>Comments of the Audit Committee</u> TSP used outsourced security officers provided by the professional service provider instead of engaging in recruitment procedure by itself. This helped to facilitate the Company's internal management. The service fee rate and payment conditions were set based on normal business practices. Hence, the transaction was necessary and justified.
	<u>Cleaning service fee</u> Time lapse Co. Ltd (TL), a subsidiary, received the service from HRP who supplied cleaners for the firm. - Administrative expenses - Accrued expense (cleaning service fee)	0.41 0.02	- -	- -	- -	- -	HRP supplied cleaners for TL, with the service fee rate and payment conditions being set based on normal business practices. The transaction was found necessary and justified. <u>Comments of the Audit Committee</u> TL used outsourced cleaners provided by the professional service provider instead of engaging in recruitment procedure by itself. This helped to facilitate the Company's internal management. The service fee rate and payment conditions were set based on normal business practices. Hence, the transaction was necessary and justified.

Persons with possible conflicts of interests/ Nature of Business/ Relationship	Transactions	Transaction Value (Baht: Million)					Necessity and Justification
		2016	2017	2018	2019	4Q19	
<p>Media Scene Co., Ltd. <u>Nature of Business</u> TV content production and sale of advertising timeslots</p> <p><u>Relation with the Company</u> Media Studio Co., Ltd. held 100% share in Media Scene.</p> <p>The Company's director, i.e., Dr. Yaowalak Poolthong was also a director in Media Scene Co., Ltd.</p>	<p><u>Revenue from scene props</u> MATCH - Rental revenue for props</p>	-	0.003	-	-	-	<p>Media Scene Co. Ltd. used the Company's prop provision services.</p> <p><u>Comments of the Audit Committee</u> This transaction was the Company's core operation and the service fee rate was calculated, based on cost plus profit and payments conditions were set in accordance with normal business operation practice. Thus, the transaction was necessary and justified.</p>
	<p><u>Rented filming equipment for production of featured films and commercials</u> The Company's subsidiary GH rented out filming equipment for production of TV dramas, such as Hua Jai Look Phoo Chai, Set Thee Tine Plao, Sakowduen, Nang Thip and Hi So Sa On. - Rental and service revenue - Account Receivables</p>	- -	1.30 1.12	1.63 0.06	1.63 0.03	0.25 0.03	<p>Media Scene Co. Ltd. used GH's equipment rental services for its drama production.</p> <p><u>Comments of the Audit Committee</u> This transaction was the Company's core operation and the service fee rate was calculated, based on cost plus profit and payments conditions were set in accordance with normal business operation practice. Thus, the transaction was necessary and justified.</p>

Persons with possible conflicts of interests/ Nature of Business/ Relationship	Transactions	Transaction Value (Baht: Million)					Necessity and Justification
		2016	2017	2018	2019	4Q19	
Media Scene Co., Ltd. (Continued)	<u>Provided studio rental service</u> The Studio Park (Thailand) Co. Ltd (TSP), which is the Company's subsidiary, provided studio rental services for drama production. - Rental and service revenue	-	0.06	0.20	-	-	Media Scene Co. Ltd. used the Studio Park (Thailand)'s studio rental services for its drama production. <u>Comments of the Audit Committee</u> This transaction was the Company's core operation and the service fee rate was calculated from cost plus profit and service rates and payments conditions were set in accordance with normal business operation practice. Thus, the transaction was necessary and justified.
	<u>Conference and catering service fee</u> MATCH - Administrative expenses	0.19	0.11	0.09	0.09	-	The Company used conference facility including catering service for the AGM. <u>Comments of the Audit Committee</u> This transaction supported the Company's core operation. The service fee rate was calculated, based on cost plus profit and payments conditions were set in accordance with normal business operation practice. Thus, the transaction was necessary and justified.
Grand Larn Luang Co., Ltd. <u>Nature of Business</u> Hotel, Resort and Condominium Business <u>Relation with the Company</u> The Company's directors, i.e., Mr. Sansrit Yenbamrung, and Mr. Poomchai Wacharapong were also directors of Grand Larn Luang Co., Ltd.	<u>Office Space</u> TSP Production Service Co., Ltd. (TSPP), a subsidiary, used space for its office. - Administrative expenses	-	-	-	0.61	0.12	TSP Production Service Co. Ltd (TSPP), a subsidiary, used space for its office. <u>Comments of the Audit Committee</u> This transaction supported the Company's core operation. The service fee rate was calculated, based on cost plus profit and payments conditions were set in accordance with normal business operation practice. Thus, the transaction was necessary and justified.

Persons with possible conflicts of interests/ Nature of Business/ Relationship	Transactions	Transaction Value (Baht: Million)					Necessity and Justification
		2016	2017	2018	2019	4Q19	
Mrs. Siripen Sasinmanop Relationship with the Company - The sister of Mr. Montri Yoosomboon, Executive Vice President	<u>Leased a building</u> GH (a subsidiary) leased a three-storey town house No. 173/13-14 Soi Paholyothin 44, to use as its office. The renewable lease contract lasted one year. - Administrative Expenses (Building lease expense)	0.72	0.70	0.43	0.48	0.18	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 external parties. Hence, the transaction was necessary and justified. <u>Comments of the Audit Committee</u> The transaction supported the Company's operation. The lease rate and the payment conditions were similar to what made with third parties. Hence, the transaction was necessary and justified.
	<u>Leased land</u> GH (subsidiary) leased the 405 square wah land, deed title No. 39485 and 39488 to use as a car park and an equipment warehouse. The renewable lease contract lasted one year. - Administrative Expenses (Land lease expenses)	0.40	0.38	0.23	0.42	0.10	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.

1. Necessity and justification of connected transactions

Reviewing the connected transactions done during 2016 to 2019, the Audit Committee opined that the connected transactions were necessary, justified and beneficial to the Company.

2. Measure or procedures to approve the connected transactions

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

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

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

3. Future Policy or Trend of Connected Transactions

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



Corporate Governance Committee Report

Matching Maximize Solution Plc (the Company) emphasizes the significance of corporate governance affairs, realizing that good corporate governance principles will lead to sustainable growth of the Company and also increase values to the Company as well as shareholders in the long term. In order to enhance the guidance of operation procedure for corporate governance affairs as well as pave firm foundation to anti-corruption operation in the Company, the Company's Board of Directors Meeting on September 25, 2019 resolved to appoint the Corporate Governance Committee. The committee consists of three members, most of whom are independent directors. The committee outlines, determines, reviews and amends corporate governance policies and guidance as well as anti-corruption operation guideline, which will subsequently be submitted to the Board of Directors for further approval. In addition, the Corporate Governance Committee also follows up and ensures that all set policies, guideline and operation guidance are properly implemented and followed.

In 2019, nine Corporate Governance Committee meetings were convened. The meetings provided beneficial suggestions for the management to improve operation and corporate governance affairs. The key performance in 2019 included the following:

- 1) Established the "charter" of corporate governance committee to indicate the committee's structure, the agendas of the committee meeting as well as the duties and responsibilities of the corporate governance committee. These will allow the committee to perform their duties and achieve the objectives of the committee.
- 2) Provided channels to receive complaints from all stakeholders, including employees and etc. All parties are free to express their opinions or make complaints when there are treated unfairly or when they see any misbehaviors that will damage the impact of the Company. These opinions and complaints will be taken into account for further improvement and development in order to life the Company's corporate governance standard to support the Company's sustainable growth.
- 3) Ensured that the Company's overall operation and the performance of directors, management and employees comply with the Company's good corporate governance principles.
- 4) Supervised the Company's operation to lift anti-corruption operation standard and efficiency and ensured appropriate policies, guideline and internal control systems to be implanted into the organizational culture.

The Corporate Governance Committee reported its meeting makes regular results to the Company's Board of Directors. In 2019, the Corporate Governance Committee performed duties with caution and with full potential. Finally, all members expressed their opinions independently to bring maximum benefits to the Company, all shareholders, and all stakeholder as appropriate.



(Mr. Pattanapong Nuphan)

Chairman of Corporate Governance Committee

Significant Financial Information Y'2017-2019

Statements of Financial Position	Audited Statement					
	31 Dec 2017		31 Dec 2018		31 Dec 2019	
	Million Baht	%	Million Baht	%	Million Baht	%
Assets						
- Cash and cash equivalents	22.75	1.26%	21.20	1.22%	67.01	3.82%
- Short-term investments	0.05	-	-	-	-	-
- Trade and other receivables, net	116.63	6.44%	131.44	7.57%	103.96	5.93%
- Inventories	10.83	0.60%	12.59	0.72%	13.85	0.79%
- VAT refund	22.22	1.23%	8.05	0.46%	1.75	0.10%
- Withholding tax deducted at sources, net	22.63	1.25%	19.55	1.13%	22.80	1.30%
- Other current assets	0.79	0.04%	0.52	0.03%	0.78	0.04%
- Non-current assets held for sale	-	-	-	-	6.78	0.39%
Total current assets	195.90	10.82%	193.35	11.13%	216.93	12.37%
- Investment in joint venture, net	4.87	0.27%	1.89	0.11%	-	-
- Investment property, net	10.25	0.57%	-	-	-	-
- Property, plant and equipment, net	1,282.14	70.84%	1,251.45	72.03%	1,249.97	71.27%
- Assets for rent, net	307.42	16.99%	281.63	16.21%	270.91	15.45%
- Intangible assets, net	4.00	0.22%	3.65	0.21%	3.08	0.18%
- Deferred tax assets, net	3.53	0.20%	3.83	0.22%	11.77	0.67%
- Other non-current assets	1.70	0.09%	1.61	0.09%	1.11	0.06%
Total non-current assets	1,613.91	89.18%	1,544.06	88.87%	1,536.84	87.63%
Total assets	1,809.81	100.00%	1,737.41	100.00%	1,753.77	100.00%

Statements of Financial Position	Audited Statement					
	31 Dec 2017		31 Dec 2018		31 Dec 2019	
	Million Baht	%	Million Baht	%	Million Baht	%
Liabilities						
- Short-term borrowing from bank	1.96	0.11%	-	-	40.00	2.28%
- Trade and other payables	35.98	1.99%	40.15	2.31%	41.09	2.34%
- Current portion of long-term borrowing from bank, net	28.79	1.59%	23.45	1.35%	14.56	0.83%
- Current portion of liability under finance lease, net	4.23	0.23%	3.83	0.22%	3.26	0.19%
- Other current liabilities	11.90	0.66%	13.76	0.79%	12.57	0.72%
- Liabilities directly associated with non-current assets held for sale	-	-	-	-	1.57	0.09%
Total current liabilities	82.86	4.58%	81.19	4.67%	113.05	6.45%
- Long-term borrowing from bank, net	101.14	5.59%	77.69	4.47%	98.05	5.59%
- Liability under finance lease, net	6.71	0.37%	2.87	0.17%	1.18	0.07%
- Deferred tax liabilities, net	0.69	0.04%	2.54	0.15%	-	-
- Employee benefit obligations	32.68	1.81%	26.46	1.52%	35.28	2.01%
- Deferred income from sales and leaseback, net	0.44	0.02%	0.15	0.01%	-	-
Total non-current liabilities	141.66	7.83%	109.71	6.31%	134.51	7.67%
Total liabilities	224.52	12.41%	190.90	10.99%	247.56	14.12%
Equity						
- Share capital	781.63		781.63		781.63	
- Issued and paid-up share capital	781.63	43.19%	781.63	44.99%	781.63	44.57%
- Share premium	906.21	50.07%	906.21	52.16%	906.21	51.67%
- Deficits:-						
Appropriated - legal reserve	10.66	0.59%	10.66	0.61%	10.66	0.61%
Unappropriated	(113.28)	-6.26%	(152.02)	-8.75%	(191.99)	-10.95%
- Equity attributable to owners of the parent	1,585.22	87.59%	1,546.48	89.01%	1,506.51	85.90%
- Non-controlling interests	0.07	0.00%	0.03	0.00%	(0.30)	-0.02%
- Total equity	1,585.29	87.59%	1,546.51	89.01%	1,506.21	85.88%
- Total liabilities and equity	1,809.81	100.00%	1,737.41	100.00%	1,753.77	100.00%

Statements of Comprehensive Income	Audited Statement					
	31 Dec 2017 (Adjust)		31 Dec 2018 (Adjust)		31 Dec 2019	
	Million Baht	%	Million Baht	%	Million Baht	%
Services income	421.62	98.98%	462.34	98.91%	474.07	98.92%
Sales	4.36	1.02%	5.10	1.09%	5.17	1.08%
Total revenue	425.98	100.00%	467.44	100.00%	479.24	100.00%
Cost of services	(328.85)	-77.20%	(338.79)	-72.48%	(335.87)	-70.08%
Cost of sales	(2.44)	-0.57%	(2.52)	-0.54%	(2.19)	-0.46%
Total cost	(331.29)	-77.77%	(341.31)	-73.02%	(338.06)	-70.54%
Gross profit	94.69	22.23%	126.13	26.98%	141.18	29.46%
Other incomes	7.80	1.83%	22.55	4.82%	0.82	0.17%
Profit before expense	102.49	24.06%	148.68	31.81%	142.00	29.63%
Selling and administrative expenses	(165.95)	-38.96%	(171.45)	-36.68%	(169.36)	-35.34%
Other expenses	-	-	-	-	(2.53)	-0.53%
Finance costs	(12.87)	-3.02%	(7.42)	-1.59%	(6.97)	-1.45%
Share of loss on investment in joint venture	(0.33)	-0.08%	(2.99)	-0.64%	(0.82)	-0.17%
Total expenses	(179.15)	-42.06%	(181.86)	-38.91%	(179.68)	-37.49%
Profit (loss) before income tax	(76.66)	-18.00%	(33.18)	-7.10%	(37.68)	-7.86%
Income tax expense (income)	(2.02)	-0.47%	(4.13)	-0.88%	7.98	1.67%
Profit (loss) from continuing operations	(78.68)	-18.47%	(37.31)	-7.98%	(29.70)	-6.20%
Loss from discontinued operations	1.60	0.38%	(1.47)	-0.31%	(9.02)	-1.88%
Profit (loss) for the year	(77.08)	-18.09%	(38.78)	-8.30%	(38.72)	-8.08%
Other comprehensive income (expense) :-						
Item that will not subsequently be reclassified to profit or loss						
Remeasurements of post-employment benefit obligations	0.61	0.14%	-	-	(1.79)	-0.37%
Income tax on items that will not subsequently be reclassified to profit or loss	(0.12)	-0.03%	-	-	0.22	0.05%
Total comprehensive income (expense) for the year	(76.59)	-17.98%	(38.78)	-8.30%	(40.29)	-8.41%
Profit (loss) attributable to:						
Owners of the parent	(77.13)	-18.11%	(38.74)	-8.29%	(38.39)	-8.01%
Non-controlling interest	0.05	0.01%	(0.04)	-0.01%	(0.33)	-0.07%
	(77.08)	-18.09%	(38.78)	-8.30%	(38.72)	-8.08%
Total comprehensive income (expense) attributable to:						
Owners of the parent						
- From continuing operations	(78.29)	-18.38%	(37.28)	-7.98%	(30.85)	-6.44%
- From discontinued operations	1.61	0.38%	(1.47)	-0.31%	(9.11)	-1.90%
Non-controlling interest	0.09	0.02%	(0.03)	-0.01%	(0.33)	-0.07%
	(76.59)	-17.98%	(38.78)	-8.30%	(40.29)	-8.41%
Earnings (loss) per share						
Basic earnings (loss) per share (Baht)	(0.11)		(0.05)		(0.05)	

Statements of Cash Flows	Audited Statement		
	2017	2018	2019
Net cash generated from (used in) operating activities	(12.11)	48.55	95.35
Net cash generated from (used in) investing activities	(237.29)	(15.11)	(94.95)
Net cash generated from (used in) financing activities	114.67	(34.99)	47.48
Net increase (decrease) in cash and cash equivalents	(134.73)	(1.55)	47.88
Opening balance of cash and cash equivalents	157.48	22.75	21.20
Closing balance of cash and cash equivalents	22.75	21.20	69.08

Key financial ratios

Key financial ratios	Unit	Audited statement		
		2017	2018	2019
<u>Liquidity ratios</u>		(Adjust)	(Adjust)	
Liquidity ratio	Time	2.36	2.38	1.92
Quick ratio	Time	1.68	1.88	1.51
Cash ratio	Time	(0.10)	0.59	0.98
Account receivables turnover	Time	3.18	3.03	3.19
Average receivables day	Day	113.14	118.62	112.79
Inventory turnover	Time	30.53	29.15	25.57
Average day sale	Day	11.79	12.35	14.08
Account payable turnover	Time	4.81	8.97	8.32
Payment period	Day	74.83	40.15	43.26
Cash cycle	Day	50.10	90.82	83.60
<u>Profitability ratio</u>				
Gross Profit Margin	%	22.23	26.98	29.46
Operating Profit Margin	%	(16.81)	(10.33)	(6.55)
Net Profit Margin	%	(18.10)	(8.30)	(8.08)
Return on Equity	%	(5.19)	(2.48)	(2.54)
<u>Efficiency Ratio</u>				
Return on Assets	%	(4.23)	(2.19)	(2.22)
Return on Fixed Assets ^{/1}	%	(4.11)	0.08	0.09
Assets Turnover	Time	0.23	0.26	0.27
<u>Leverage Ratio or Financial Ratio</u>				
Debt/Equity Ratio	Time	0.14	0.12	0.16
Interest coverage ratio ^{/2}	Time	0.90	8.98	16.68
Cash basis ^{/3}	Time	(0.01)	0.58	0.77

Notes : ^{/1} Return on Fixed Assets does not include assets for leases

^{/2} Interest Coverage Ratio = Operating cash flow + interest expenses from operating+ tax/ interest expenses from operating and investing

^{/3} Cash basis = Operating cash flows / (loan repayment + capital expenditure+ asset acquisition + dividend payment)



Discussion and analysis of financial position and operation performance

Industry overview impacting the operational performance

The National Economics and Social Development Council (NESDC) reported that the Thai GDP growth in 2019 expanded at 2.4% due mainly to external factors, e.g., global economic slowdown, the trade war, the slowdown in the exports sector, and internal factors, e.g., the delay of the state budget bill, the droughts and the appreciation of the baht. All these factors drove the economic growth down significantly.

According to Nielsen (Thailand), the advertising spending through all media channels for the entire advertising industry in 2019 amounted to 105,673 million baht, increasing by 116 million baht or 0.11 percent from the figure reported for 2018. The advertising spending through TV media still made up the biggest portion at 68,032 million baht, account for 64.38 percent of the total spending and a gain of 84 million baht or a gain of 0.12 percent from the year before. The ongoing economic slowdown kept the advertising spending rather flat. However, the spending was allocated more to digital media because product owners wanted to make their spending the most worthwhile and this in turn impacted overall advertising media industry and TV programs.

According to Thailand Film Office, Department of Tourism, during January to December 2019, 740 foreign films were shot in Thailand. The figure increase by 3.64 percent from 714 films shot in 2018. These films generated revenue amounting to 4,863.74 million baht, a gain of 1,724.45 million baht or 54.93 percent from 3,139.29 million baht in 2018. The increases in these numbers were positive to the equipment rental service business.

Results of Operations

The Company's core businesses in 2019 consisted of the equipment rental service business, the studio rental service business, the TV content production business and the post production business. In late 2019, the Company's Board of Directors approved the plan to divest shares in the subsidiary called Time Lapse Co. Ltd., which operated the post production business. Hence, the Company's 2019 financial statement did not show the revenue from the post production business as core revenue but this revenue was shown in under the operation performance of the ceased business. Therefore, the Company booked 2019 revenue at 479.24 million baht, an increase of 11.80 million baht or 2.52 percent on a year-on-year basis. The parent Company reported a loss of Baht 38.39 million baht in 2019, representing a smaller loss of 0.35 million baht from the figure reported in 2018. The retails are as follows:

Revenue Breakdown by Business (excluding other revenue)

Business	2017		2018		2019	
	Mn bt	%	Mn bt	%	Mn bt	%
1. Revenue from equipment rental service business	351.00	82.40	366.52	78.41	380.72	79.44
2. Revenue from TV content production	58.45	13.72	44.13	9.44	47.18	9.85
3. Revenue from studio rental service business	12.17	2.86	51.69	11.06	46.17	9.63
4. Sale revenue	4.36	1.02	5.10	1.09	5.17	1.08
Total *	425.98	100.00	467.44	100.00	479.24	100.00

* Revenue in 2017-18 (adjusted) excluding the revenue from the post production business

Equipment rental service business

In 2019, the equipment rental services were provided for production crews of featured films, domestic and international commercials, TV programs, dramas and other projects. The Company booked total revenue from this business at 380.72 million baht, accounting for 79.44% of the total revenue, increasing by 14.20 million baht or 3.87 percent from the figure booked for 2018.

TV content production

The Company's revenue from TV content production in 2019 amounted to 47.18 million baht, accounting for 9.85 percent of the total revenue. The figure increased by 3.05 million baht, a gain of 6.91 percent on a year-on-year basis. The gain was attributable to the changes in the content and program presentation style of the existing TV program, whose title was later changed to "Plod Nee Plick Chee Vit", broadcast every Monday and Tuesday at 17.15 – 18.00 hrs.

Studio rental service business

This business was operated under the "The Studio Park" project. In 2019, the project served a number of foreign film production crews who used both indoor and outdoor areas, as well as local clients, e.g., commercial production crews and TV content production crews. Hence, in 2019, this business generated total revenue of 46.17 million bath, accounting for 9.63 of the total revenue, a decline of 5.52 million baht or a decline of 10.68 percent on a year-on-year basis,

Costs of sale and services

In 2019, the Company and subsidiaries' cost of sale and services stood at 338.06 million baht, decreasing by 3.25 million baht or 0.95 percent on a year-on-year basis. Hence, the gross profit margin for 2019 stood at 29.46 percent, widening from 26.98 percent in 2018.

Gross Profit Margin

Cost structure and gross profit margin	2017		2018		2019	
	Mn bt	%	Mn bt	%	Mn bt	%
Revenue from sale and services	425.98	100.00	467.44	100.00	479.24	100.00
Cost of sales and services	331.29	77.77	341.31	73.02	338.06	70.54
Gross Profit Margin	94.69	22.23	126.13	26.98	141.18	29.46

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

In 2019, the Company and its subsidiaries booked SG&A expenses amounting to 169.36 million baht, down by 2.09 million baht or 1.22 percent on a year-on-year basis. Other expenses amounted to 2.53 million baht, consisting of the loss of 1.36 million baht linked to the asset divestment and amortization and the impairment of 1.06 million baht from the investment in the joint venture.

SG&A and other expenses	2017		2018		2019	
	Mn bt	%	Mn bt	%	Mn bt	%
Selling expenses	12.90	7.77	18.19	10.61	17.84	10.38
Administration expenses	153.05	92.23	153.26	89.39	151.52	88.15
Other expenses	-	-	-	-	2.53	1.47
Total	165.95	100.00	171.45	100.00	171.89	100.00
Percentage of SG&A expenses to revenue		38.96		36.68		35.87

The Company booked financial cost amounting to 6.97, decreasing by 0.45 million baht or 6.06 percent when compared to the figure reported in 2018. The Company realized a loss contribution of 0.82 million baht from the joint venture.

Moreover, the Company realized losses from the ceased post production operation in 2019 at 9.02 million baht, a bigger loss of 7.55 million baht or a jump of 513.61 percent from the figure booked in 2018.

Net profit

In 2019, the parent company booked a net loss of 38.39 million baht, a smaller loss of 0.35 million baht or 0.90 percent from the loss booked in 2018.

Analysis of financial position in 2018 and 2019

Assets

As of December 31, 2019, the total assets amounted to 1,753.77 million baht, consisting of current assets of 216.93 million baht and non-current assets of 1,536.84 million baht. The total assets increased by 16.36 million baht or 0.94 percent from the assets amount in 2018. The key details are as follows:

- Cash and cash equivalent amounted to 67.01 million baht, up by 45.81 million baht.
- Net account receivables and other receivables amounted to 103.95 million baht, down by 27.48 million baht due to the receivable repayment.
- VAT refundable amounted to 1.75 million baht, decreasing by 6.30 million baht.
- Non-current assets held for sale increased by 6.78 million baht following the approval to the divestment of the entire shares in one subsidiary. Therefore, associated assets and liabilities were listed as non-current assets held for sale.

- Net deferred tax increased by 7.94 million baht, most of which came was linked to the unrealized tax losses due to the adjustment to the depreciation-related taxes and the provision for employee benefits.

Liabilities

As of December 31, 2019, the Company saw total liabilities of 247.56 million baht, consisting of current liabilities of 113.05 million baht and non-current liabilities amounting 134.51 million baht. The total liabilities in 2019 increased by 56.66 million baht or up by 29.68 percent from the total liabilities reported in 2018. The reasons are discussed below:

- The interest bearing debts increased by 49.21 million baht, most of which came from short-term and long-term loans from financial institutions
- The employee benefit obligation increased by 8.82 million baht due to the booking of a provision of 5.44 million baht for employee benefit, according to the Labour Protection Act (No.7) B.E. 2562, effective on May 5, 2019 (according to the amended law, an employee who has served 20 years or more will be compensated at a rate equivalent to 400 days of pay versus 300 days previously).
- The Company repaid long-term loans of 23.42 million baht to financial institutions and repaid loans under financial lease of 3.99 million baht.

Interest bearing debts

Details	2017		2018		2019	
	Mn bt	%	Mn bt	%	Mn bt	%
Interest bearing debt:-						
Overdrafts	1.96	1.37	-	-	-	-
Long-term loans from financial institutions	129.93	90.97	101.14	93.79	152.61	97.17
Loans under financial leases	10.94	7.66	6.70	6.21	4.44	2.83
Total interest bearing debts	142.83	100.00	107.84	100.00	157.05	100.00

Shareholders' equities

As of December 31, 2019, the shareholders' equities decreased by 40.30 million baht or 2.61 percent on a year-on-year basis to 1,506.21 million baht. The book value per share as of December 31, 2019 stood at 1.93 baht.

Liquidity and capital adequacy

In regard to the Company's liquidity as of the end of December 31, 2019, the Company's operating cash flow increased to 47.88 million baht, which came from cash flow from operating activities and financing activities. The Company's opening balance of cash and cash equivalent at the beginning of the period was at 21.20 million baht. Therefore, the cash and cash equivalent at the end of the period amounted to 69.08 million baht. Details are as follows:

Details	2019
Net cash received from operating activities	95.35
Net cash used in investing activities	(94.95)
Net cash received from financing activities	47.48
Net increase in cash and cash equivalents	47.88
Opening balance of cash and cash equivalents	21.20
Cash and cash equivalent at the end of the period	69.08

In 2019, the Company's liquidity ratio stood at 1.92 times and the quick ratio was at 1.51 times. The liquidity ratios remained sound as the current assets still exceeded the current liabilities.

Capital Structure

Items	Unit	2017	2018	2019
Total liabilities	Mn Bt	224.52	190.90	247.56
Interest bearing debts	Mn Bt	142.83	107.84	157.05
Shareholder's equity	Mn Bt	1,585.29	1,546.51	1,506.21
Interest bearing debt to equity ratio	time	0.09	0.07	0.10
Debt to equity (D/E) ratio	time	0.14	0.12	0.16

As of December 31, 2019, the Company's paid-up capital amounted to 781.63 million baht and the premium on shares were valued at 906.21 million baht. The liabilities totaled 247.56million baht, with interest bearing debts amounting to 157.05 million baht. Hence, the Company's interest bearing debt to equity ratio stood at 0.10 times and the D/E ratio was at 0.16 times.

Off- balance Sheet Obligations

As of December 31, 2019, the Company and its subsidiaries had off-balance sheet obligations mostly from core business operation, such as obligations from letters of guarantee, obligations for capital expenses, obligations from operational leases, and guarantee obligations. All aforementioned obligations were already disclosed in Item 29 of the note to financial statement for fiscal year 2019.

Factors impacting the Company's future performance

The NESDC projected Thai GDP growth in 2020 at a range of 1.5-2.5 percent or an average of 2 percent per year. The growth will depend on the extent of impact of the COVID-19 pandemic, which is an uncreditable factor. This projections is based on the assumptions of global economic growth of 3.2 percent, the Thai export growth of 2% percent, the droughts not persisting, and fast recovery of the tourism sector. The widespread of COVID-19 is expected to be contained by 2Q20.

The Company's 2020 outlook

The ongoing pandemic will lead to domino effects on all sectors. However, the Company is determined to withstand the headwinds and all uncontrollable hindrances. The Company also remains committed to boosting the organization's competency by enhancing personnel's knowledge, capability and expertise. Finally, the Company will open the vision and be prepared to drive the business right upon the business recovery.



Report of the responsibility of the Board of Directors for financial reports

The Board of Directors holds responsibility for the Company and its subsidiaries' financial reports (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 and best used. Moreover, the significant information shall be adequately disclosed in the notes to financial statement covering the guideline for 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 control system in various areas, set by the Company's management. Meanwhile, the Board of Directors support good corporate governance policies by establishing the Corporate Governance Committee to ensure that the Company's operation is efficient, transparent and reliable.

The Company's Board of directors opined that the Company's overall internal control system was sufficient and appropriate, enabling to create justified confidence in the Company and the subsidiaries' financial reports ending December 31, 2019.



(Mr.Sansrit Yenbamrung)

Chairman of The Board of Director



Audit Committee Report for 2019

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 2019, the Audit Committee convened a total of five meetings, attended by the authorized auditor, the Company's management and the internal auditor. One meeting was attended by only the members of the Audit Committee and the authorized auditor, without the presence of the Company's management. The following key issues were reviewed in the meetings:

1. Good Corporate Governance

The Audit Committee reviewed and examined whether Company's business operation was in compliance with good corporate governance principles by meeting with the Company's management and the internal auditor to acknowledge the guidelines of good corporate governance principles as well as create the same understanding among the directors, the management and the employees, ensuring they followed the set policies. The Company reviewed the good corporate governance principles and the code of conduct at least once annually. The Company had 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 2019, the Board of Directors meeting No. 8/2019 appointed the Corporate Governance Committee on September 25, 2019. The newly-appointed committee consisted for three non-management and independent directors. The committee was formed up to outline good corporate governance guidance in order to promote the Company to become an entity possessing operation efficiency, corporate governance efficiency and excellent operational management, with a major objective to bring maximum benefits to all stakeholders, employees and the subsidiaries under the umbrella.

2. Review of Financial Information

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

3. Internal control and internal audit

The Audit Committee reviewed the 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 internal 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 of 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 adequacy of the Company's internal control operation and the improvement based on the audit review. The Audit Committee made comments and provided additional suggestions for 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 the nature of business.

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

The Audit Committee examined whether the Company followed relevant laws and policies set forth by the Board of Directors through the internal audit process of the Company's internal 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 of corporate governance, which would lead to continued business development.

5. Review of connected transactions with possible 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. Selection and appointment of the authorized auditor and determination of annual audit fee

The Audit Committee considered selecting and appointing an authorized auditor and determining the amount of 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 year. 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 2020.

7. Report of the performance 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 its duties independently under the scope of its responsibilities and continued to emphasize the significance of the Company's internal control. For the year 2019, the Audit Committee opined the Company and its subsidiaries had effective internal control system, which was adequate and appropriate to the Company's business operation. The Committee did not find any 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 auditor were found to have worked independently. Finally, the Company's corporate governance and internal control system were found sufficient and appropriate under the current business circumstances.



(Mr. Akarat Na Ranong)

Chairman of Audit Committee

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 2019, and the consolidated and separate financial performance and the 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 2019;
- 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 11 Investments in subsidiaries and note 12 Investment in joint venture.</p> <p>The Company has invested in five subsidiaries with a total investment cost of Baht 1,001.20 million. It has also invested in one joint venture with a total investment cost of Baht 5.20 million. During 2019, the Company recognised loss from the impairment of investment in a subsidiary of Baht 7.47 million and recognised loss from investment in joint venture of Baht 1.88 million, which are included in the statement of comprehensive income. As at 31 December 2019, there was a provision for impairment of investments in subsidiaries of Baht 32.85 million and a provision for impairment of investment in joint venture of Baht 5.20 million.</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 2019, • 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 board of directors’ meetings regarding 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 assessment 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

21 February 2020

		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
	Notes	Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	7	67,014,105	21,204,295	27,243,014	11,054,175
Trade and other receivables, net	8	103,954,531	131,438,949	20,516,376	13,441,232
Short-term loans to subsidiaries	30.4	-	-	545,900,000	527,500,000
Inventories	9	13,846,698	12,591,219	1,771,507	1,190,444
VAT refund		1,746,183	8,045,424	-	-
Withholding tax deducted at sources, net		22,802,144	19,546,502	4,514,089	2,698,316
Other current assets		777,402	521,970	104,442	52,851
Non-current assets held for sale	10	6,784,693	-	-	-
Investments in subsidiaries, net	11	-	-	10,851,739	-
Total current assets		216,925,756	193,348,359	610,901,167	555,937,018
Non-current assets					
Investments in subsidiaries, net	11	-	-	957,500,000	974,825,042
Investment in joint venture, net	12	-	1,884,755	-	1,884,755
Investment property, net	13	-	-	-	-
Property, plant and equipment, net	14	1,249,973,282	1,251,453,281	28,572,602	33,599,805
Assets for rent, net	15	270,911,141	281,626,140	-	-
Intangible assets, net	16	3,082,187	3,652,089	212,456	318,324
Deferred tax assets, net	17	11,764,310	3,828,075	3,859,516	3,730,595
Other non-current assets		1,113,938	1,613,438	245,420	245,420
Total non-current assets		1,536,844,858	1,544,057,778	990,389,994	1,014,603,941
Total assets		1,753,770,614	1,737,406,137	1,601,291,161	1,570,540,959

Statements of Financial Position (Cont'd)

Matching Maximize Solution Public Company Limited
As at 31 December 2019

		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
	Notes	Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Short-term borrowing from bank		40,000,000	-	20,000,000	-
Trade and other payables	18	41,092,872	40,154,338	7,126,686	4,559,709
Short-term borrowing from a subsidiary	30.5	-	-	6,000,000	7,000,000
Current portion of long-term borrowing from bank, net	20 (a)	14,556,000	23,450,000	-	-
Current portion of liability under finance lease, net	20 (b)	3,257,939	3,830,268	-	-
Other current liabilities	19	12,570,531	13,755,960	1,895,064	1,497,497
Liabilities directly associated with non-current assets held for sale	10	1,568,425	-	-	-
Total current liabilities		113,045,767	81,190,566	35,021,750	13,057,206
Non-current liabilities					
Long-term borrowing from bank, net	20 (a)	98,050,932	77,690,000	-	-
Liability under finance lease, net	20 (b)	1,180,863	2,868,295	-	-
Deferred tax liabilities, net	17	-	2,542,146	-	-
Employee benefit obligations	21	35,280,819	26,459,737	16,714,900	16,022,811
Deferred income from sales and leaseback, net		-	148,672	-	-
Total non-current liabilities		134,512,614	109,708,850	16,714,900	16,022,811
Total liabilities		247,558,381	190,899,416	51,736,650	29,080,017

		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
	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	22	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	22	781,628,733	781,628,733	781,628,733	781,628,733
Share premium	22	906,214,683	906,214,683	906,214,683	906,214,683
Deficits					
Appropriated - legal reserve	23	10,658,657	10,658,657	10,658,657	10,658,657
Unappropriated		(191,991,335)	(152,023,243)	(148,947,562)	(157,041,131)
Equity attributable to owners of the parent		1,506,510,738	1,546,478,830	1,549,554,511	1,541,460,942
Non-controlling interests	11	(298,505)	27,891	-	-
Total equity		1,506,212,233	1,546,506,721	1,549,554,511	1,541,460,942
Total liabilities and equity		1,753,770,614	1,737,406,137	1,601,291,161	1,570,540,959

Statements of Comprehensive Income

Matching Maximize Solution Public Company Limited
For the year ended 31 December 2019

		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
	Notes	Baht	Baht	Baht	Baht
Revenue					
Services income		474,070,791	462,343,185	47,267,479	44,287,676
Sales		5,174,039	5,101,729	-	-
Total revenue		479,244,830	467,444,914	47,267,479	44,287,676
Cost of sales and services					
Cost of services		(335,870,436)	(338,786,631)	(37,479,583)	(36,057,446)
Cost of sales		(2,191,889)	(2,524,176)	-	-
Total cost of sales and services		(338,062,325)	(341,310,807)	(37,479,583)	(36,057,446)
Gross profit		141,182,505	126,134,107	9,787,896	8,230,230
Other incomes (other expenses)	24	(1,713,836)	22,546,061	53,070,392	32,649,444
Selling expenses		(17,838,782)	(18,194,781)	(1,762,013)	(2,049,612)
Administrative expenses		(151,517,683)	(153,261,572)	(53,223,985)	(70,880,411)
Finance costs	25	(6,967,978)	(7,419,639)	(1,430,993)	(478,781)
Share of loss on investment in joint venture	12	(825,464)	(2,987,434)	-	-
Profit (loss) before income tax		(37,681,238)	(33,183,258)	6,441,297	(32,529,130)
Income tax expense (income)	27	7,983,380	(4,130,084)	433,591	332,773
Profit (loss) from continuing operations		(29,697,858)	(37,313,342)	6,874,888	(32,196,357)
Loss from discontinued operations	10	(9,018,138)	(1,466,600)	-	-
Profit (loss) for the year		(38,715,996)	(38,779,942)	6,874,888	(32,196,357)

		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
	Notes	Baht	Baht	Baht	Baht
Other comprehensive income (expense) :					
Item that will not subsequently be reclassified to profit or loss					
Remeasurements of post-employment benefit obligations	21	(1,798,994)	-	1,523,351	-
Income tax on items that will not subsequently be reclassified to profit or loss	17	220,502	-	(304,670)	-
Other comprehensive income (expense) for the year, net of tax		(1,578,492)	-	1,218,681	-
Total comprehensive income (expense) for the year		(40,294,488)	(38,779,942)	8,093,569	(32,196,357)
Profit (loss) attributable to:					
Owners of the parent		(38,392,689)	(38,742,726)	6,874,888	(32,196,357)
Non-controlling interest		(323,307)	(37,216)	-	-
		(38,715,996)	(38,779,942)	6,874,888	(32,196,357)
Total comprehensive income (expense) attributable to:					
Owners of the parent					
- From continuing operations		(30,854,894)	(37,276,126)	8,093,569	(32,196,357)
- From discontinued operations		(9,113,198)	(1,466,600)	-	-
Non-controlling interest		(326,396)	(37,216)	-	-
		(40,294,488)	(38,779,942)	8,093,569	(32,196,357)
Earnings (loss) per share	28				
Basic earnings (loss) per share (Baht)					
- From continuing operations		(0.04)	(0.04)	0.01	(0.04)
- From discontinued operations		(0.01)	(0.01)	-	-

Statements of Changes in Equity

Matching Maximize Solution Public Company Limited
For the year ended 31 December 2019

	Consolidated financial statements					
	Attributable to owners of the parent					Non- controlling interests
	Issued and paid-up share capital	Share premium	Deficits		Total owners of the parent	
			Appropriated - legal reserve	Unappropriated		
	Baht	Baht	Baht	Baht	Baht	Baht
Balance as at 1 January 2018	781,628,733	906,214,683	10,658,657	(113,280,517)	1,585,221,556	1,585,286,663
Changes in equity for the year 2018	-	-	-	(38,742,726)	(38,742,726)	(38,779,942)
Total comprehensive expense for the year						
Balance as at 31 December 2018	781,628,733	906,214,683	10,658,657	(152,023,243)	1,546,478,830	1,546,506,721
Changes in equity for the year 2019						
Total comprehensive expense for the year						
Balance as at 31 December 2019	-	-	-	(39,968,092)	(39,968,092)	(40,294,488)
	781,628,733	906,214,683	10,658,657	(191,991,335)	1,506,510,738	1,506,212,233

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

Matching Maximize Solution Public Company Limited
For the year ended 31 December 2019

	Separate financial statements				
	Issued and paid-up share capital	Share premium	Deficits		Total equity
			Appropriated - legal reserve	Unappropriated	
	Baht	Baht	Baht	Baht	Baht
Balance as at 1 January 2018	781,628,733	906,214,683	10,658,657	(124,844,774)	1,573,657,299
Changes in equity for the year 2018	-	-	-	(32,196,357)	(32,196,357)
Total comprehensive expense for the year					
Balance as at 31 December 2018	781,628,733	906,214,683	10,658,657	(157,041,131)	1,541,460,942
Changes in equity for the year 2019	-	-	-	8,093,569	8,093,569
Total comprehensive income for the year					
Balance as at 31 December 2019	781,628,733	906,214,683	10,658,657	(148,947,562)	1,549,554,511

Statements of Cash Flows

Matching Maximize Solution Public Company Limited
For the year ended 31 December 2019

		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
	Notes	Baht	Baht	Baht	Baht
Cash flows from operating activities					
Continuing operations					
Profit (loss) before income tax		(37,681,238)	(33,183,258)	6,441,297	(32,529,130)
Adjustments for:					
(Reversal) bad debt expenses and allowance for doubtful debts		(1,106,740)	6,378,550	(47,480)	(157,223)
Depreciation and amortisation	26	96,730,934	97,756,660	5,388,186	6,645,447
Employee benefit obligations	21	8,797,489	3,978,457	2,384,240	2,055,438
Allowance for impairment of assets	14	1,780,774	-	-	-
(Reversal) allowance for impairment of investment in subsidiaries	24	-	-	7,473,303	(2,941,329)
Allowance for impairment of investment in joint venture	12	1,059,291	-	1,884,755	3,314,808
Write-off VAT		-	7,000	-	-
Write-off withholding tax deducted at source		10	285,510	-	3,870
(Reversal) provision for withholding tax deducted at sources		201,753	(166,721)	201,753	28,643
Share of loss from investments in joint venture	12	825,464	2,987,434	-	-
(Gain) Loss from disposal of equipment		(217,351)	(1,836,585)	20,611	(1,843,474)
Loss (Gain) from disposal of assets for rent		391,485	(1,476,039)	-	-
(Gain) from disposal of investment property		-	(17,800,436)	-	-
Realised deferred (income) from sale and lease back		(294,305)	(294,305)	-	-
Loss from write-off of equipment		1,119,918	111,454	-	26,943
Loss from write-off of assets for rent		355,898	402,963	-	-
Loss from write-off of intangible assets	16	1	10	-	10
Loss from insurance compensation for assets for rent	24	117,871	-	-	-
Interest income	24	(113,517)	(104,058)	(32,203,676)	(31,021,058)
Finance costs	25	6,967,978	7,419,639	1,430,993	478,781
Cash flow before change in operating assets and liabilities		78,935,715	64,466,275	(7,026,018)	(55,938,274)

	Notes	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Change in operating assets and liabilities :					
- Trade and other receivables		24,141,489	(20,277,528)	(7,628,342)	3,568,023
- Inventories		(1,265,872)	(1,803,821)	(581,063)	(24,543)
- VAT refund		6,299,241	14,169,487	-	-
- Other current assets		(258,643)	256,692	(51,591)	137,905
- Other non-current assets		(50,500)	81,800	-	-
- Trade and other payables		3,300,354	4,914,527	2,601,716	(2,584,189)
- Other current liabilities		(644,594)	1,796,131	397,567	(394,037)
- Employee benefit obligations	21	(1,219,200)	(10,312,700)	(168,800)	(209,000)
Cash flows from operating activities		109,237,990	53,290,863	(12,456,531)	(55,444,115)
Interest received		113,517	104,058	64,950	66,209
Interest paid		(6,988,500)	(7,471,507)	(1,430,993)	(478,781)
Received withholding tax refunded		8,351,182	11,508,731	-	2,707,826
Income tax paid		(14,208,446)	(11,089,023)	(2,017,526)	(1,392,859)
Discontinued operations	10	(1,152,935)	2,208,754	-	-
Net cash generated from (used in) operating activities		95,352,808	48,551,876	(15,840,100)	(54,541,720)
Cash flows from investing activities					
Continuing operations					
Cash received from short-term investments		-	47,252	-	-
Cash payment for short-term loans to subsidiaries	30.4	-	-	(86,900,000)	(24,500,000)
Cash received from short-term loans to subsidiaries	30.4	-	-	68,500,000	43,000,000
Cash payment for investment in subsidiaries	11	-	-	(1,000,000)	(1,000,000)
Cash received from capital return of subsidiaries	11	-	-	-	3,000,000
Cash received from dissolution of subsidiaries		-	-	-	418,849
Cash payment for purchases of assets		(48,267,774)	(14,047,104)	(321,212)	(201,506)
Cash payment for purchases of assets for rent		(46,808,752)	(35,599,406)	-	-
Cash payment for purchases of intangible assets		(1,522,519)	(1,073,716)	-	(86,350)
Proceeds from disposal of equipment		647,197	3,329,810	10,747	2,947,846
Proceeds from disposal of assets for rent		1,068,870	5,359,527	-	-
Cash received from insurance compensation for assets for rent		133,832	-	-	-
Proceeds from disposal of investment properties		-	28,050,000	-	-
Interest received from short-term loans to subsidiaries		-	-	32,739,404	30,354,171
Discontinued operations	10	(202,699)	(1,174,286)	-	-
Net cash generated from (used in) investing activities		(94,951,845)	(15,107,923)	13,028,939	53,933,010

Statements of Cash Flows (Cont'd)

Matching Maximize Solution Public Company Limited
For the year ended 31 December 2019

		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
	Notes	Baht	Baht	Baht	Baht
Cash flows from financing activities					
Continuing operations					
(Decrease in) bank overdrafts		-	(1,961,902)	-	-
Cash received from short-term borrowing from bank		40,000,000	-	20,000,000	-
Cash received from short-term borrowing from a subsidiary	30.5	-	-	2,300,000	-
Repayments to short-term borrowing from a subsidiary	30.5	-	-	(3,300,000)	-
Cash received from long-term borrowing from bank	20 (a)	34,890,000	-	-	-
Repayments to long-term borrowing from bank	20 (a)	(23,423,068)	(28,790,000)	-	-
Repayments to liabilities under finance lease		(3,992,471)	(4,240,144)	-	(626,860)
Discontinued operations	10	-	-	-	-
Net cash generated from (used in) financing activities		47,474,461	(34,992,046)	19,000,000	(626,860)
Net increase (decrease) in cash and cash equivalents		47,875,424	(1,548,093)	16,188,839	(1,235,570)
Opening balance of cash and cash equivalents		21,204,295	22,752,388	11,054,175	12,289,745
Closing balance of cash and cash equivalents		69,079,719	21,204,295	27,243,014	11,054,175
Non-cash transactions					
Outstanding payable arising from purchases of assets		557,148	1,392,341	-	34,739
Outstanding payable arising from purchases of assets for rent		484,601	813,023	-	-
Acquisition of assets for rent by means of finance lease		1,732,710	-	-	-

Notes to the Consolidated and Separate Financial Statement

Matching Maximize Solution Public Company Limited
For the year ended 31 December 2019

1 General information

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

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 production, providing post production and edition of visual and audio effect of film services, providing film production equipment for rent and related services, selling of goods, providing services and renting of studio and production service and co-operation of movie film.

The consolidated and separate financial statements were authorised for issue by the Board of Directors on 21 February 2020.

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 Financial Reporting Standards (“TFRS”) and the financial reporting requirements issued under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

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

2.2.1 The Group has applied the following standard and amendments for the first time for their annual reporting commencing 1 January 2019

a) Thai Financial Reporting Standard no.15 (TFRS 15), Revenue from contracts with customers

The standard provides principle and approach of revenue recognition under five-step process. The underlying principle is that the Group will recognise revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. It replaces the principles of transferring the significant risks and rewards of ownership of the goods or services to the buyer in accordance with TAS 11, Construction contracts, TAS 18, Revenue and related interpretations.

b) Thai Accounting Standard no.28 (revised 2018), Investments in associates and joint ventures

The amendment clarifies that the election by venture capital organisations, mutual funds, unit trusts and similar entities to measure investments in associates or joint ventures at fair value through profit or loss should be made separately for each associate or joint venture at initial recognition.

c) Thai Accounting Standard no.40 (revised 2018), Investment property

The amendments clarify that transfers to, or from, investment property can only be made if there has been a change in use that is supported by evidence. A change in use occurs when the property meets, or ceases to meet, the definition of investment property. A change in intention alone is not sufficient to support a transfer.

d) Thai Financial Reporting Interpretation no.22 (TFRIC 22), Foreign currency transactions and advance consideration

TFRIC 22 clarifies how to determine the date of transaction for the exchange rate to be used on initial recognition of a related asset, expense or income where an entity pays or receives consideration in advance for foreign currency-denominated contracts.

2 Accounting policies (Cont'd)

2.2 New and amended financial reporting standards that are relevant and have significant impacts to the Group (Cont'd)

2.2.2 New and amended financial reporting standards that are effective for accounting period beginning or after 1 January 2020

Certain new and amended financial reporting standards have been issued that are not mandatory for current period end 31 December 2019 reporting period and have not been early adopted by the Group.

a) Financial instruments

The new financial standards relate to financial instruments are:

TAS 32	Financial instruments: Presentation
TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments
TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These new standards address the classification, measurement, derecognition of financial assets and financial liabilities, impairment of financial assets, hedge accounting, and presentation and disclosure of financial instruments.

The Group's management is currently assessing the impact of initial adoption of these standards.

b) TFRS 16, Leases

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

The Group's management is currently assessing the impact of initial adoption of these standards.

c) Other new/amended standards

The new and amended financial reporting standards that will have significant impact on the Group are:

TAS 12	Income tax
TAS 19	Employee benefits
TAS 23	Borrowing cost
TAS 28	Investments in associates and joint ventures
TFRIC 23	Uncertainty over income tax treatments

2 Accounting policies (Cont'd)

2.2 New and amended financial reporting standards that are relevant and have significant impacts to the Group (Cont'd)

2.2.2 New and amended financial reporting standards that are effective for accounting period beginning or after 1 January 2020 (Cont'd)

c) Other new/amended standards (Cont'd)

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

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

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

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

TFRIC 23, Uncertainty over income tax treatments - explained how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. In particular, it discusses:

- that the Group should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, ie that detection risk should be ignored.
- that the Group should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment.
- that the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

2 Accounting policies (Cont'd)

2.3 Principles of consolidation and equity accounting

a) Subsidiaries

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

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

b) Joint ventures

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

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

c) Equity method

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

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

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

d) Changes in ownership interests

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

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

2 Accounting policies (Cont'd)

2.3 Principles of consolidation and equity accounting (Cont'd)

d) Changes in ownership interests (Cont'd)

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

e) Intercompany transactions on consolidation

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

2.4 Foreign currency translation

a) Functional and presentation currency

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

b) Transactions and balances

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

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

2.5 Cash and cash equivalents

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

2.6 Trade accounts receivable

Trade receivables are amounts due from customers for goods sold or service performed in the ordinary course of business.

Trade receivables are recognised initially at the amount of consideration that is unconditionally unless they contain significant financing components, when they are recognised at its present value. The Group presented trade receivables at cost less allowance for doubtful accounts.

2 Accounting policies (Cont'd)

2.7 Inventories

a) Equipment and accessories for film production

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

b) TV programs production in progress 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 Non-current assets (or disposal groups) held-for-sale

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

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

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

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

2.9 Investment property

Investment property is held for long-term rental yields or for capital appreciation or both - amend as appropriate and are not occupied by the Group.

Investment property is measured initially at cost, including directly attributable costs and borrowing costs.

Subsequently, they are carried at cost less accumulated depreciation and impairment.

Land is not depreciated.

2 Accounting policies (Cont'd)

2.10 Property, plant and equipment

All other property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group. The carrying amount of the replaced part is derecognised.

All other repairs and maintenance are charged to profit or loss when incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Building and equipment

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

Asset for rent

Production equipment	5, 10 years
Supply for film production	3 years
Motor vehicles	5, 10 years

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

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.11 Intangible assets

Computer software

Acquired computer software is measured at cost. These costs are amortised over their estimated useful lives not over than 3 years and 5 years.

Cost associated with maintaining computer software are recognised as an expense as incurred

2 Accounting policies (Cont'd)

2.12 Impairment of assets

Assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

2.13 Leases

Leases - where the Group is the lessee

Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

At the inception of finance lease, the lower of the fair value of the leased property and the present value of the minimum lease payments is capitalised. Each lease payment is allocated between the liability and finance charges to achieve a constant rate on the liabilities balance outstanding. The corresponding rental obligations is presented net of finance charges. Finance cost is charged to profit or loss over the lease period.

2.14 Borrowings

Borrowings are recognised initially at the fair value, net of directly attributable transaction costs incurred. Borrowings are subsequently stated at amortised cost.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it will be drawn down. The fee is deferred until the drawn down occurs and included in effective interest calculation. However, if it is probable that facility will not be drawn down, that portion of the fee paid is recognised as a prepayment and amortised over the period of related facility.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled, or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as finance costs.

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

2 Accounting policies (Cont'd)

2.15 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets less investment income earned from those specific borrowings. The capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Other borrowing costs are expensed in the period in which they are incurred.

2.16 Current and deferred income taxes

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

Current tax

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

Deferred income tax

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2 Accounting policies (Cont'd)

2.16 Current and deferred income taxes (Cont'd)

Deferred income tax (Cont'd)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.17 Employee benefits

a) Short-term employee benefits

Liabilities for short-term employee benefits such as wages, salaries, paid annual leave, bonuses and medical care that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

b) Defined contribution plan

The Group pays contributions to a separate fund on a mandatory basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

c) Defined benefit plans

Amount of retirement benefits is defined by the agreed benefits the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee's latest compensation at retirement.

The defined benefit obligation is calculated by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are recognised directly to other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in profit or loss.

d) Termination benefits

The Group recognises termination benefits at the earlier of (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for the related restructuring. Benefits due more than 12 months are discounted to their present value.

2 Accounting policies (Cont'd)

2.18 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.19 Revenue recognition

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

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

Revenue from post production and edition of visual and audio effect of film is recognised when control of ownership of the post production and edition are transferred, being when the production and edition are delivered, to the buyer. Revenue from altering and additional production are recognised when completed.

Revenue from 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 goods is recognised when control of goods is transferred to the buyer.

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

Other income

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

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

2.20 Dividend distribution

Dividend distributed to the Company's shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

2 Accounting policies (Cont'd)

2.21 Segment reporting

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

3 Financial risk management

3.1 Financial risk factors

The Group exposes to a variety of financial risks: market risk (currency risk, fair value risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The board of directors provides written principles for overall risk management which is carried out by a central treasury department (the Group treasury), including identification, evaluation and hedge of financial risks in close co-operation with operating units.

3.1.1 Interest rate risk

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 Group's income and operating cash flows are not substantially independent of changes in market interest rates. 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.

3.1.2 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.

3.1.3 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 Financial risk management (Cont'd)

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 13 and note 20 for disclosure of the investment properties and borrowings that are disclosed at fair value.

4 Critical estimates and judgements

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

Estimated impairment of investments in subsidiaries and investment in joint venture

The Group tests whether investments in subsidiaries and investment in joint venture have suffered any impairment. The recoverable amounts have been determined by management based on estimated cash flow of the subsidiaries and joint venture.

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.

Property and equipment, assets for rent and intangible assets

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

4 Critical estimates and judgements (Cont'd)

Defined retirement benefit obligations

The present value of the retirement benefit obligations depends on a number of assumptions. Key assumptions used and impacts from possible changes in key assumptions are disclosed in note 21.

Classification of joint arrangements

The Group holds 10.20% of the voting rights in Transformation Film Co., Ltd. The Group has joint control over this arrangement as under the contractual agreements, unanimous consent is Group required from all parties to the agreements for all relevant activities.

The Group's joint arrangement is structured as a limited company and provides the Group and the parties to the agreements with rights to the net assets of the limited company under the arrangements. Therefore, this arrangement is classified as a joint venture.

5 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that they can continue 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 amounts of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

6 Segment information

Financial statements by business segments are as follows:

	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 2019						
Revenues						
Gross segment revenues	47,183,829	384,341,657	69,502,241	5,200,670	14,470,697	520,699,094
Inter-segment revenues	-	(3,624,748)	(23,332,188)	(26,631)	-	(26,983,567)
Net revenues from third parties	47,183,829	380,716,909	46,170,053	5,174,039	14,470,697	493,715,527
Segment result	5,095,083	44,442,290	(33,518,072)	2,982,150	(8,656,756)	10,344,695
Other income						(1,630,666)
Interest paid						(6,967,978)
Unallocated cost/expenses						(47,175,411)
Share of loss of investment in joint ventures						(825,464)
Income tax						7,983,380
Loss attributable to owners of the parent						(38,392,689)
Loss attributable to non-controlling interests						(323,307)
Net loss for the year						(38,715,996)
Timing of revenue recognition:						
At a point in time	47,183,829	-	-	5,174,039	14,470,697	66,828,565
Over time	-	380,716,909	46,220,053	-	-	426,936,962
	47,183,829	380,716,909	46,220,053	5,174,039	14,470,697	493,715,527

6 Segment information (Cont'd)

Financial statements by business segments are as follows: (Cont'd)

	Television programs	Equipment rental and service	Studio rental and service	Sales of products	Post production	Total
	Baht	Baht	Baht	Baht	Baht	Baht
As at 31 December 2019						
Segment for assets						
Property, plant, and equipment, net	28,572,602	10,017,201	1,211,383,479	-	2,243,165	1,252,216,447
Assets for rent, net	-	270,911,141	-	-	-	270,911,141
Other assets	54,152,943	142,997,987	16,481,155	11,879,916	4,541,528	230,053,529
Unallocated assets						589,497
						<u>1,753,770,614</u>
Segment for liabilities						
Payable arising from purchases of fixed assets	-	506,108	535,641	-	-	1,041,749
Bank borrowings	20,000,000	20,000,000	112,606,932	-	-	152,606,932
Other liabilities	25,022,102	57,619,992	9,699,181	-	1,568,425	93,909,700
						<u>247,558,381</u>
Depreciation and amortisation	5,388,186	61,320,812	30,021,936	-	5,531,951	102,262,885
Capital expenditure	321,212	52,576,820	45,433,723	-	203,166	98,534,921

6 Segment information (Cont'd)

Financial statements by business segments are as follows: (Cont'd)

	Television programs	Equipment rental and service	Studio rental and service	Sales of products	Post production	Total
	Baht	Baht	Baht	Baht	Baht	Baht
For the year ended 31 December 2018						
Revenues						
Gross segment revenues	44,131,746	369,412,840	71,040,340	5,147,091	20,557,060	510,289,077
Inter-segment revenues	-	(2,890,763)	(19,350,978)	(45,362)	-	(22,287,103)
Net revenues from third parties						
Segment result	44,131,746	366,522,077	51,689,362	5,101,729	20,557,060	488,001,974
Other income	1,039,458	27,310,475	(12,710,786)	2,577,553	(1,479,365)	16,737,335
Interest paid						22,562,387
Unallocated cost/expenses						(7,419,638)
Share of loss of investment in joint ventures						(63,538,947)
Income tax						(2,987,434)
Loss attributable to owners of the parent						(4,096,429)
Loss attributable to non-controlling interests						(38,742,726)
Net loss for the year						(37,216)
						(38,779,942)

6 Segment information (Cont'd)

Financial statements by business segments are as follows: (Cont'd)

	Television programs	Equipment rental and service	Studio rental and service	Sales of products	Post production	Total
	Baht	Baht	Baht	Baht	Baht	Baht
As at 31 December 2018						
Segment for assets						
Property, plant, and equipment, net	33,599,805	13,671,579	1,197,698,430	-	6,483,467	1,251,453,281
Assets for rent, net	-	281,626,140	-	-	-	281,626,140
Other assets	33,951,234	123,055,560	25,554,027	11,390,382	9,786,016	203,737,219
Unallocated assets						589,497
						<u>1,737,406,137</u>
Segment for liabilities						
Payable arising from purchases of fixed assets	34,739	817,828	1,352,797	-	-	2,205,364
Bank borrowings	-	11,810,000	89,330,000	-	-	101,140,000
Other liabilities	21,443,413	47,485,119	16,624,259	-	2,001,261	87,554,052
						<u>190,899,416</u>
Depreciation and amortisation	6,645,448	62,447,579	28,663,634	-	5,433,412	103,190,073
Capital expenditure	287,856	37,891,066	12,541,304	-	1,174,286	51,894,512

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

Information of post production segment is reclassified as non-current assets held for sale and discontinued operation (Note 10).

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	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Cash on hand	545,000	525,000	125,000	135,000
Deposits held at call with banks	66,469,105	20,679,295	27,118,014	10,919,175
	67,014,105	21,204,295	27,243,014	11,054,175

As at 31 December 2019, deposits held at call with banks carry interest at the rate ranging from 0.10% to 0.37% per annum (2018: from 0.37% to 0.62% per annum).

8 Trade and other receivables, net

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Trade accounts receivable				
- Other companies	125,681,853	164,803,570	16,199,170	14,290,153
- Related company (Note 30.3)	63,451	58,326	-	-
Unearned income	1,154,874	417,442	450,000	-
<u>Less</u> Advances received	(4,098)	(8,607,826)	-	-
Allowance for doubtful accounts	(31,869,109)	(33,025,872)	(2,582,682)	(2,630,162)
Trade accounts receivable and accrued income, net	95,026,971	123,645,640	14,066,488	11,659,991
Prepaid expenses	4,856,728	4,340,367	1,127,915	786,384
Accrued interest income				
- Related company (Note 30.3)	-	-	-	600,678
Other receivables				
- Other companies	4,070,832	3,452,942	1,008,094	329,979
- Related company (Note 30.3)	-	-	4,313,879	64,200
	103,954,531	131,438,949	20,516,376	13,441,232

During 2018, fully provided trade accounts receivable were written off amounting to Baht 358,791 in the consolidated financial statements.

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

Outstanding trade accounts receivable and accrued income as at 31 December 2019 and 2018 can be analysed as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Trade accounts receivable and accrued income				
Current	66,056,453	69,753,187	10,369,304	8,549,300
Overdue less than 3 months	20,118,521	42,889,080	3,913,525	3,374,512
Overdue 3 to 6 months	6,600,196	6,205,376	-	-
Overdue 6 to 12 months	5,528,655	12,062,960	-	-
Overdue over 12 months	28,592,255	25,760,909	2,366,341	2,366,341
	126,896,080	156,671,512	16,649,170	14,290,153
<u>Less</u> Allowance for doubtful accounts	(31,869,109)	(33,025,872)	(2,582,682)	(2,630,162)
Trade accounts receivable and accrued income, net	95,026,971	123,645,640	14,066,488	11,659,991

9 Inventories

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Equipment and accessories for film production	11,879,916	11,390,382	-	-
TV programs production in progress	1,771,507	1,190,444	1,771,507	1,190,444
Movie from co-operation in progress	195,275	-	-	-
Post production in progress	-	10,393	-	-
	13,846,698	12,591,219	1,771,507	1,190,444

10 Non-current assets held-for-sale

On 23 December 2019, the Board of Director Meeting no. 12/2019 approved to sell investment in Time Lapse Co., Ltd. ("Subsidiary") to third parties and non-controlling interest. The sales transaction is expected to be finished in March 2020. The associated assets and liabilities were consequently presented as non-current assets held for sale in the consolidated financial statements.

10 Non-current assets held-for-sale (Cont'd)

The details of non-current assets held for sale are as follows:

10.1 The operating results and net cash flows

For the year ended 31 December	2019	2018
	Baht	Baht
Services income	14,470,697	20,557,060
Cost of services	(11,681,963)	(12,506,759)
Gross profit	2,788,734	8,050,301
Other incomes (other expenses)	83,170	16,326
Selling expenses	(1,355,758)	(2,456,216)
Administrative expenses	(10,413,039)	(7,110,666)
Loss before income tax	(8,896,893)	(1,500,255)
Income tax expense (income)	(121,245)	33,655
Loss from discontinued operations	(9,018,138)	(1,466,600)
Loss on re-measurement of post-employment benefit obligations after income tax	(95,060)	-
Total comprehensive expense for the year from discontinued operations	(9,113,198)	(1,466,600)
Net operating cash flows	(1,152,935)	2,208,754
Net investing cash flows	(202,699)	(1,174,286)
Net financing cash flows	-	-
Total cash flows	(1,355,634)	1,034,468

10.2 Detail of assets and liabilities

As at 31 December	2019
	Baht
Cash and cash equivalents	2,065,614
Trade and other receivables, net	1,698,095
Property, plant and equipment, net (Note 14)	2,243,165
Intangible assets, net (Note 16)	226,559
Other assets	551,260
Total assets	6,784,693
Trade and other payables	1,152,238
Other liabilities	416,187
Total liabilities	1,568,425

Investment classified as non-current assets held for sale during the reporting period was measured at the lower of its carrying amount and fair value less costs to sell at the time of the reclassification, resulting in the recognition of a write-down of Baht 7,473,303 as administrative expense in statement of comprehensive income in the separate financial statements. The non-recurring fair value was determined using the market approach and is a level 2 in the fair value hierarchy.

11 Investments in subsidiaries, net

	Separate financial statements	
	2019	2018
	Baht	Baht
Investments in subsidiaries	1,001,200,000	1,000,200,000
Less Allowance for impairment	(32,848,261)	(25,374,958)
Investments in subsidiaries, net	968,351,739	974,825,042

Investments in subsidiaries are comprised as follows:

	Separate financial statements	
	2019	2018
	Baht	Baht
- Current assets	10,851,739	-
- Non-current assets	957,500,000	974,825,042
	968,351,739	974,825,042

Movements of investments in subsidiaries are summarised as follows:

	Separate financial statements	
	2019	2018
	Baht	Baht
For the year ended 31 December		
Opening net book amount	974,825,042	974,302,562
Acquisition	1,000,000	1,000,000
Decrease in capital of subsidiaries	-	(3,000,000)
Dissolution of subsidiaries	-	(243,550,000)
Reversal of impairment on investment in subsidiaries	-	246,072,480
Impairment on investment (Note 24)	(7,473,303)	-
Reclassify to non-current assets	(10,851,739)	-
Closing net book amount	957,500,000	974,825,042

11 Investments in subsidiaries, net (Cont'd)

The details of investments in subsidiaries are as follows:

Subsidiaries company	Nature of business	Relationship	Paid up Share capital ('000)		% Ownership interest	2019			2018		
						31 December 2019	31 December 2019	Baht	Cost Method	Allowance for impairment	Net
			31 December 2019	31 December 2018							
Gear Head Co., Ltd.	Provide film production equipment for rent and related services	Direct shareholder	175,500	175,500	99.99				175,500,000	-	175,500,000
The Studio Park (Thailand) Co., Ltd.	Provide services and renting of studio	Direct shareholder	780,000	780,000	99.99				780,000,000	-	780,000,000
Book Maker Co., Ltd.	Production and distribution of magazines	Direct shareholder	5,000	5,000	99.99			(5,000,000)	5,000,000	(5,000,000)	-
Time Lapse Co., Ltd.	Post production and edition of visual and audio effect of film	Direct shareholder	40,000	40,000	96.75			(27,848,261)	38,700,000	(20,374,958)	18,325,042
TSP Production Services Co., Ltd.	Production service and Co-operation of movie film	Direct shareholder	2,000	1,000	99.97			-	2,000,000	-	1,000,000
									1,001,200,000	(32,848,261)	968,351,739
									1,000,200,000	(25,374,958)	974,825,042

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

11 Investments in subsidiaries, net (Cont'd)

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

The total non-controlling interest as at 31 December 2019 of Baht 298,505 is of an individual shareholder under Time Lapse Co., Ltd. which is not material.

2019

On 20 February 2019, the shareholders of TSP Production Services Co., Ltd. approved to increase the authorised share capital from 10,000 ordinary shares at value of Baht 100 each to 20,000 ordinary shares at par value of Baht 100 each. The Company has subscribed all the newly issued shares, totaling Baht 1 million.

On 23 December 2019, the Board of Director Meeting no. 12/2019 approved disposal of investment in Time Lapse Co., Ltd. to third parties and director. The sales transaction is expected to be finished in March 2020. The investment in Time Lapse Co., Ltd. was consequently presented as current assets.

2018

On 5 January 2018, the Company received a refund capital from Matching Entertainment Co., Ltd. for capital reduction of 10,000 shares at Baht 100 per value, totaling Baht 1 million.

On 13 June 2018, the Company received a refund capital from Book Maker Co., Ltd. for capital reduction of 20,000 shares at Baht 100 per value, totaling Baht 2 million. The related allowance for impairment of Baht 2 million has been reversed.

Matching Entertainment Co., Ltd. had registered for liquidation with Ministry of Commerce on 27 December 2016 and was dissolved on 3 April 2018. The Company received the capital return and retained earnings from Matching Entertainment Co., Ltd. amounting to Baht 147,444. The related allowance for impairment of Baht 110.52 million has been reversed.

Matching Studio Plus Co., Ltd. had registered for liquidation with Ministry of Commerce on 28 December 2016 and was dissolved on 18 June 2018. The Company received the capital return and retained earnings from Matching Studio Plus Co., Ltd. amounting to Baht 271,404. The related allowance for impairment of Baht 133.55 million has been reversed.

On 7 November 2018, the Board of Directors passed a resolution to approve the establishment of a new subsidiary “TSP Production Services Co., Ltd.” and approved an investment of 10,000 ordinary shares at the par value of Baht 100 per share, representing 99.97% of the registered share capital of the subsidiary.

12 Investment in joint venture, net

The Company invested in 125,000 shares, representing 10.20% 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 2019	31 December 2018
Transformation Film Co., Ltd.	Production of film, advertisement, television programmes, and providing entertainment services in all forms	Direct shareholder	10.20	10.20

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

Movements of investments in joint venture are as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Opening net book amount	1,884,755	4,872,189	1,884,755	5,199,563
Impairment on investment (Note 24)	(1,059,291)	-	(1,884,755)	(3,314,808)
Share of loss	(825,464)	(2,987,434)	-	-
Closing net book amount	-	1,884,755	-	1,884,755

During 2019, the Company recognised an impairment loss on investments in Transformation Film Co., Ltd. amounting to Baht 1.88 million (2018: Baht 3.31 million) as this joint venture has suffered a continued loss and the carrying amount of the investment exceeds its recoverable amount. The recoverable amount is determined based on a value in use approach by using the estimated discounted cash flows with a discount rate of 8.80% (2018: 9.10%).

On 23 July 2018, other parties of joint venture additionally invested in Transformation Films Co., Ltd. (“TFF”) amounting to Baht 70 million. The Group’s shareholding interest in TFF decreased from 14.29% to 10.20%. The proportion of the voting rights in joint venture has not been changed.

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

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.

Summarised statement of financial position	As at 31 December	
	2019	2018
	Baht	Baht
Assets		
Current assets	165,314,560	75,372,750
Non-current assets	16,840,241	14,868,427
Total assets	182,154,801	90,241,177
Liabilities		
Current liabilities	111,012,868	11,199,473
Non-current liabilities	872,654	633,823
Total liabilities	111,885,522	11,833,296
Net assets	70,269,279	78,407,881

Summarised statement of comprehensive income	For the year ended 31 December	
	2019	2018
	Baht	Baht
Revenue	79,901,462	12,318,786
Cost	(59,529,182)	(11,891,521)
Other income	(1,119,486)	502,454
Interest income	87,291	83,526
Selling and administrative expenses	(24,095,594)	(26,557,350)
Depreciation and amortisation	(86,946)	(145,754)
Interest expense	-	(117,184)
Share of loss on investment in joint venture	(3,247,095)	(47,185)
Loss from operations	(8,089,550)	(25,854,228)
Income tax expense	-	-
Post-tax loss from operations	(8,089,550)	(25,854,228)
Other comprehensive income	(49,052)	156,786
Total comprehensive loss	(8,138,602)	(25,697,442)

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).

12 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.

Summarised statement of comprehensive income	For the year ended 31 December	
	2019	2018
	Baht	Baht
Opening net assets 1 January	78,407,881	34,105,323
Shares issuance	-	70,000,000
Loss for the year	(8,089,550)	(25,854,228)
Other comprehensive income	(49,052)	156,786
Closing net assets	70,269,279	78,407,881
Interest in joint venture	-	1,884,755
Carrying value	-	1,884,755

13 Investment properties, net

Summarised statement of comprehensive income	Consolidated financial statements	
	2019	2018
	Baht	Baht
As at 1 January		
Cost	1,960,000	12,209,564
<u>Less</u> Provision for impairment	(1,960,000)	(1,960,000)
Net book amount	-	10,249,564
For the year ended 31 December		
Opening net book amount	-	10,249,564
Disposals, net	-	(10,249,564)
Closing net book amount	-	-
As at 31 December		
Cost	1,960,000	1,960,000
<u>Less</u> Provision for impairment	(1,960,000)	(1,960,000)
Net book amount	-	-

As at 31 December 2019, a subsidiary owns a piece of property that is not utilised, with total cost of Baht 1.96 million (2018: Baht 1.96 million), comprising land and building at Kanchanaburi Province of Baht 1.96 million (2018: comprising land and building at Kanchanaburi Province of Baht 1.96 million).

13 Investment properties, net (Cont'd)

On 30 June 2018, a subsidiary disposed land at Prachuap Khiri Khan Province of Baht 10.25 million, totalling Baht 28.05 million. A subsidiary has gain from disposal of Baht 17.80 million.

For the years ended 31 December 2019 and 2018, there is no income or expense that is related to investment properties recognised in profit and loss.

Fair value

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

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

Summarised statement of comprehensive income	Consolidated financial statements	
	2019	2018
	Baht	Baht
Fair value		
Land and building - Kanchanaburi Province (level 2)	-	-
Total fair value	-	-

Valuation techniques used to derive Level 2 fair value

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

14 Property, plant and equipment, net

	Consolidated financial statements									
	Land	Land improvement and leasehold studio building improvement	Office building and improvement	Studio building and improvement	Utility system	Production equipment	Furniture fixtures and office equipment	Motor vehicles	Construction in progress	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
At 1 January 2018										
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
For the year ended 31 December 2018										
Opening 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
Additions	-	166,083	1,202,693	-	1,687,858	880,821	2,558,426	-	7,912,481	14,408,362
Transfer in (out)	-	-	1,404,882	-	-	-	1,988,115	-	(3,392,997)	-
Disposals and write-off, net	-	-	-	-	-	(178)	(155,811)	(1,073,690)	-	(1,229,679)
Depreciation	-	(1,892,075)	(8,490,642)	(6,193,448)	(12,411,300)	(3,147,106)	(10,931,789)	(798,228)	-	(43,864,588)
Closing net book amount	491,650,815	16,411,003	166,890,869	305,170,373	227,427,341	4,334,069	32,261,896	946,065	6,360,850	1,251,453,281
At 31 December 2018										
Cost	491,650,815	20,942,683	220,429,439	329,277,224	249,730,713	17,087,715	90,457,076	6,076,870	6,360,850	1,432,013,385
Less Accumulated depreciation	-	(4,531,680)	(53,538,570)	(24,106,851)	(22,303,372)	(12,753,646)	(58,195,180)	(5,130,805)	-	(180,560,104)
Net book amount	491,650,815	16,411,003	166,890,869	305,170,373	227,427,341	4,334,069	32,261,896	946,065	6,360,850	1,251,453,281

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

	Consolidated financial statements									
	Land	Land improvement and leasehold studio building improvement	Office building and improvement	Studio building and improvement	Utility system	Production equipment	Furniture fixtures and office equipment	Motor vehicles	Construction in progress	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
For the year ended 31 December 2019										
Opening net book amount	491,650,815	16,411,003	166,890,869	305,170,373	227,427,341	4,334,069	32,261,896	946,065	6,360,850	1,251,453,281
Additions	8,761,611	-	620,034	-	-	234,166	8,823,137	103,090	29,093,709	47,635,747
Transfer in (out)	-	-	15,309,611	-	1,571,104	-	4,208,370	-	(21,089,085)	-
Disposals and write-off, net	-	(1)	(952,438)	-	(2)	(419)	(236,838)	(365,168)	-	(1,554,866)
Impairment	-	(1)	(1,780,752)	-	(21)	-	-	-	-	(1,780,774)
Transferred to non-current assets classified as held for sale (Note 10)	-	-	-	-	-	(1,565,420)	(677,745)	-	-	(2,243,165)
Depreciation	-	(1,895,351)	(8,573,039)	(6,193,448)	(12,465,726)	(2,916,962)	(11,161,256)	(331,159)	-	(43,536,941)
Closing net book amount	500,412,426	14,515,650	171,514,285	298,976,925	216,532,696	85,434	33,217,564	352,828	14,365,474	1,249,973,282
At 31 December 2019										
Cost	500,412,426	20,926,203	232,401,359	329,277,224	251,227,495	3,494,672	90,450,693	5,176,870	14,365,474	1,447,732,416
Less Accumulated depreciation	-	(6,410,552)	(59,106,322)	(30,300,299)	(34,694,778)	(3,409,238)	(57,233,129)	(4,824,042)	-	(195,978,360)
Less Provision for impairment	-	(1)	(1,780,752)	-	(21)	-	-	-	-	(1,780,774)
Net book amount	500,412,426	14,515,650	171,514,285	298,976,925	216,532,696	85,434	33,217,564	352,828	14,365,474	1,249,973,282

Depreciation of Baht 30,050,653 (2018: Baht 30,134,846) and Baht 13,486,288 (2018: Baht 13,729,742) 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 (2018: Baht 278.24 million) was pledged as a collateral for loan acquired by subsidiary.

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

	Separate financial statements						
	Land improvement and leasehold studio building improvement	Office building and improvement	Studio building and improvement	Production equipment	Furniture fixtures and office equipment	Motor vehicles	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht
At 1 January 2018							
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
For the year ended 31 December 2018							
Opening net book amount	590,183	28,409,622	6,810,581	1,032,928	2,263,218	1,933,032	41,039,564
Additions	-	-	-	-	232,928	-	232,928
Disposals and write-off, net	-	-	-	(178)	(67,726)	(1,063,411)	(1,131,315)
Depreciation (Note 26)	(46,560)	(3,004,357)	(1,042,821)	(654,965)	(1,161,979)	(630,690)	(6,541,372)
Closing net book amount	543,623	25,405,265	5,767,760	377,785	1,266,441	238,931	33,599,805
At 31 December 2018							
Cost	931,229	60,087,145	20,856,423	4,213,982	26,803,295	4,673,510	117,565,584
Less Accumulated depreciation	(387,606)	(34,681,880)	(15,088,663)	(3,836,197)	(25,536,854)	(4,434,579)	(83,965,779)
Net book amount	543,623	25,405,265	5,767,760	377,785	1,266,441	238,931	33,599,805

Depreciation of Baht 1,365,754 (2018: Baht 1,697,786) and Baht 3,916,564 (2018: Baht 4,843,586) are included in cost of providing services and administrative expenses, respectively, in the separate financial statements.

15 Assets for rent, net

	Consolidated financial statements			
	Production equipment	Motor vehicles	Construction in progress	Total
	Baht	Baht	Baht	Baht
At 1 January 2018				
Cost	774,767,118	170,121,324	252,881	945,141,323
<u>Less</u> 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
For the year ended 31 December 2018				
Opening net book amount	244,279,534	62,887,250	252,881	307,419,665
Additions	25,892,669	4,424,645	6,076,556	36,393,870
Transfer in (out)	223,920	-	(223,920)	-
Disposal and write-off, net	(4,227,920)	(29,571)	(28,960)	(4,286,451)
Depreciation (Note 26)	(48,344,733)	(9,556,211)	-	(57,900,944)
Closing net book amount	217,823,470	57,726,113	6,076,557	281,626,140
At 31 December 2018				
Cost	788,206,487	173,285,369	6,076,557	967,568,413
<u>Less</u> Accumulated depreciation	(570,383,017)	(115,559,256)	-	(685,942,273)
Net book amount	217,823,470	57,726,113	6,076,557	281,626,140
For the year ended 31 December 2019				
Opening net book amount	217,823,470	57,726,113	6,076,557	281,626,140
Additions	39,380,626	8,221,959	610,455	48,213,040
Transfer in (out)	5,390,178	-	(5,390,178)	-
Disposal and write-off, net	(1,427,173)	(640,783)	-	(2,067,956)
Depreciation (Note 26)	(47,504,207)	(9,355,876)	-	(56,860,083)
Closing net book amount	213,662,894	55,951,413	1,296,834	270,911,141
At 31 December 2019				
Cost	815,477,711	174,961,645	1,296,834	991,736,190
<u>Less</u> Accumulated depreciation	(601,814,817)	(119,010,232)	-	(720,825,049)
Net book amount	213,662,894	55,951,413	1,296,834	270,911,141

Depreciation of Baht 56,860,083 (2018: Baht 57,900,944) 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.

15 Assets for rent, net (Cont'd)

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

	Consolidated financial statements	
	2019	2018
	Baht	Baht
Cost of leased assets	22,041,036	19,730,755
<u>Less</u> Accumulated depreciation	(7,625,115)	(5,822,100)
Net book amount	14,415,921	13,908,655

16 Intangible assets, net

	Consolidated financial statements			
	Software	Construction in progress	Copyright	Total
	Baht	Baht	Baht	Baht
At 1 January 2018				
Cost	12,318,962	92,000	350,825	12,761,787
<u>Less</u> Accumulated amortisation	(8,758,863)	-	-	(8,758,863)
Net book amount	3,560,099	92,000	350,825	4,002,924
For the year ended 31 December 2018				
Opening net book amount	3,560,099	92,000	350,825	4,002,924
Additions	993,716	80,000	-	1,073,716
Transfer in (out)	172,000	(172,000)	-	-
Write-off, net	(10)	-	-	(10)
Amortisation	(1,424,541)	-	-	(1,424,541)
Closing net book amount	3,301,264	-	350,825	3,652,089
At 31 December 2018				
Cost	12,375,806	-	350,825	12,726,631
<u>Less</u> Accumulated amortisation	(9,074,542)	-	-	(9,074,542)
Net book amount	3,301,264	-	350,825	3,652,089

16 Intangible assets, net (Cont'd)

	Consolidated financial statements			
	Software	Construction in progress	Copyright	Total
	Baht	Baht	Baht	Baht
For the year ended 31 December 2019				
Opening net book amount	3,301,264	-	350,825	3,652,089
Additions	1,522,519	-	-	1,522,519
Write-off, net	(1)	-	-	(1)
Transferred to non-current assets classified as held for sale (Note 10)	(226,559)	-	-	(226,559)
Amortisation	(1,865,861)	-	-	(1,865,861)
Closing net book amount	2,731,362	-	350,825	3,082,187
At 31 December 2019				
Cost	8,400,999	-	350,825	8,751,824
<u>Less</u> Accumulated amortisation	(5,669,637)	-	-	(5,669,637)
Net book amount	2,731,362	-	350,825	3,082,187

Amortisation of Baht 1,093,585 (2018: Baht 1,093,585) and Baht 772,276 (2018: Baht 330,956) are included in cost of providing services and administrative expenses, respectively, in the consolidated financial statements.

	Separate financial statements			
	Software	Construction in progress	Copyright	Total
	Baht	Baht	Baht	Baht
At 1 January 2018				
Cost	3,551,522	92,000	45,500	3,689,022
<u>Less</u> Accumulated amortisation	(3,352,963)	-	-	(3,352,963)
Net book amount	198,559	92,000	45,500	336,059
For the year ended 31 December 2018				
Opening net book amount	198,559	92,000	45,500	336,059
Additions	6,350	80,000	-	86,350
Transfer in (out)	172,000	(172,000)	-	-
Write-off, net	(10)	-	-	(10)
Amortisation (Note 26)	(104,075)	-	-	(104,075)
Closing net book amount	272,824	-	45,500	318,324
At 31 December 2018				
Cost	2,575,500	-	45,500	2,621,000
<u>Less</u> Accumulated amortisation	(2,302,676)	-	-	(2,302,676)
Net book amount	272,824	-	45,500	318,324

16 Intangible assets, net (Cont'd)

	Separate financial statements			
	Software	Construction in progress	Copyright	Total
	Baht	Baht	Baht	Baht
For the year ended 31 December 2019				
Opening net book amount	272,824	-	45,500	318,324
Amortisation (Note 26)	(105,868)	-	-	(105,868)
Closing net book amount	166,956	-	45,500	212,456
At 31 December 2019				
Cost	2,575,500	-	45,500	2,621,000
Less Accumulated amortisation	(2,408,544)	-	-	(2,408,544)
Net book amount	166,956	-	45,500	212,456

Amortisation of Baht 105,868 (2018: Baht 104,075) is included in administrative expenses in the separate financial statements.

17 Deferred income taxes

Deferred income taxes are calculated in full on temporary differences, using the liability method and using a principal tax rate of 20% (2018: 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	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Deferred tax assets:				
Deferred tax asset to be recovered within 12 months	6,918,661	6,593,102	516,536	526,033
Deferred tax asset to be recovered more than 12 months	6,301,209	5,074,279	3,342,980	3,204,562
	13,219,870	11,667,381	3,859,516	3,730,595
Deferred tax liabilities:				
Deferred tax liabilities to be settled more than 12 months	(1,455,560)	(10,381,452)	-	-
	(1,455,560)	(10,381,452)	-	-
Deferred income tax, net	11,764,310	1,285,929	3,859,516	3,730,595

17 Deferred income taxes (Cont'd)

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

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
At 1 January	1,285,929	2,839,477	3,730,595	3,397,822
Charged/(credited) to profit or loss (Note 27)	10,257,879	(1,553,548)	433,591	332,773
Charged/(credited) to other comprehensive income	220,502	-	(304,670)	-
At 31 December	11,764,310	1,285,929	3,859,516	3,730,595

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.

	Consolidated financial statements			
	1 January 2019	Charged/ (credited) to profit or loss	Charged/ (credited) to other comprehensive income	31 December 2019
	Baht	Baht	Baht	Baht
Deferred tax assets				
Allowance for doubtful account	6,593,102	(219,281)	-	6,373,821
Employee benefit obligations	5,074,279	1,006,428	220,502	6,301,209
Provision for employee compensation	-	544,840	-	544,840
	11,667,381	1,331,987	220,502	13,219,870
Deferred tax liabilities				
Leased assets under finance lease	(958,808)	(496,752)	-	(1,455,560)
Depreciation	(9,422,644)	9,422,644	-	-
	(10,381,452)	8,925,892	-	(1,455,560)
Deferred income taxes, net	1,285,929	10,257,879	220,502	11,764,310

17 Deferred income taxes (Cont'd)

The movements in deferred tax assets and liabilities during the year are as follows: (Cont'd)

	Consolidated financial statements			
	1 January 2018	Charged/ (credited) to profit or loss	Charged/ (credited) to other comprehensive income	31 December 2018
	Baht	Baht	Baht	Baht
Deferred tax assets				
Allowance for doubtful account	5,391,218	1,201,884	-	6,593,102
Employee benefit obligations	6,345,345	(1,271,066)	-	5,074,279
Leased assets under finance lease	5,070	(5,070)	-	-
	11,741,633	(74,252)	-	11,667,381
Deferred tax liabilities				
Leased assets under finance lease	(522,614)	(436,194)	-	(958,808)
Depreciation	(8,379,542)	(1,043,102)	-	(9,422,644)
	(8,902,156)	(1,479,296)	-	(10,381,452)
Deferred income taxes, net	2,839,477	(1,553,548)	-	1,285,929

	Separate financial statements			
	1 January 2019	Charged/ (credited) to profit or loss	Charged/ (credited) to other comprehensive income	31 December 2019
	Baht	Baht	Baht	Baht
Deferred tax assets				
Allowance for doubtful account	526,033	(9,497)	-	516,536
Employee benefit obligations	3,204,562	443,088	(304,670)	3,342,980
	3,730,595	443,591	(304,670)	3,859,516
Deferred tax liabilities	-	-	-	-
Deferred income taxes, net	3,730,595	443,591	(304,670)	3,859,516

17 Deferred income taxes (Cont'd)

The movements in deferred tax assets and liabilities during the year are as follows: (Cont'd)

	Separate financial statements			
	1 January 2018	Charged/ (credited) to profit or loss	Charged/ (credited) to other comprehensive income	31 December 2018
	Baht	Baht	Baht	Baht
Deferred tax assets				
Allowance for doubtful account	557,477	(31,444)	-	526,033
Employee benefit obligations	2,835,275	369,287	-	3,204,562
Leased assets under finance lease	5,070	(5,070)	-	-
	3,397,822	332,773	-	3,730,595
Deferred tax liabilities	-	-	-	-
Deferred income taxes, net	3,397,822	332,773	-	3,730,595

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 78,947,537 and Baht 51,814,800 (2018: Baht 74,188,775 and Baht 55,217,073), respectively, in respect of losses amounting to Baht 394,737,684 and Baht 259,074,000 (2018: Baht 370,943,877 and Baht 276,085,365), respectively, that can be carried forward against future taxable income.

18 Trade and other payables

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Trade payable				
- Other companies	10,115,772	8,763,983	87,165	284,217
- Related companies (Note 30.3)	32,635	9,630	724,178	611,496
Advance received	360,879	6,339,292	-	934,579
Fixed assets payables	1,041,749	2,205,364	-	34,739
Deposit	1,381,648	766,123	-	-
Other payables - Other companies	4,016,424	6,171,609	2,043,178	43,178
Accrued expenses	24,143,765	15,898,337	4,272,165	2,651,500
	41,092,872	40,154,338	7,126,686	4,559,709

19 Other current liabilities

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Withholding tax payable	1,655,379	1,574,811	279,215	418,350
Value added tax payable	10,766,480	11,886,844	1,615,849	1,079,147
Deferred income from sales and leaseback	148,672	294,305	-	-
	12,570,531	13,755,960	1,895,064	1,497,497

20 Borrowings

a) Long-term bank borrowing, net

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Current portion of long-term borrowings	14,556,000	23,450,000	-	-
Long-term borrowings payable between 1 to 5 years	98,050,932	77,690,000	-	-
	112,606,932	101,140,000	-	-

Movements in long-term borrowings from bank for the years ended 31 December 2019 and 2018 are analysed as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Opening amount as at 1 January	101,140,000	129,930,000	-	-
Additional borrowings	34,890,000	-	-	-
Repayment of borrowings	(23,423,068)	(28,790,000)	-	-
Closing amount as at 31 December	112,606,932	101,140,000	-	-

As at 31 December 2019, long-term borrowings from bank amounting to Baht 112.61 million (2018: Baht 101.14 million) comprised of The Studio Park (Thailand) Co., Ltd. amounting to Baht 112.61 million (2018: comprise of Gear Head Co., Ltd. amounting to Baht 11.81 million and The Studio Park (Thailand) Co., Ltd. amounting to Baht 89.33 million.)

20 Borrowings (Cont'd)

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

The Studio Park (Thailand) Co., Ltd. (Subsidiary) entered into long-term loan agreements with a local commercial bank amounting to Baht 537 million for The Studio Park project. This long-term loan carried interest at Minimum Loan Rate minus a stipulated margin (MLR - margin) per annum as following :

- Loan facility amounting to Baht 500 million is repayable in monthly installments from February 2018 to August 2026, at the percentage specified in the loan agreement. The loan is secured by the mortgage of the Company's land.
- Loan facility amounting to Baht 25 million is repayable in monthly installments from January 2019 to December 2026, at the percentage specified in the loan agreement. The loan is secured by the mortgage of the Company's land.
- Loan facility amounting to Baht 12 million is repayable in monthly installments from January 2019 to December 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 don't have the undrawn committed borrowing facilities:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Floating interest rate due over 1 year	2,110,000	-	-	-

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

	Consolidated financial statements			
	Carrying amounts		Fair values	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Long-term bank borrowings	112,606,932	101,140,000	112,606,932	101,140,000

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

20 Borrowings (Cont'd)

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

Borrowing facilities (Cont'd)

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% per annum (2018: 5.75% to 6.25% per annum) and are within level 2 of the fair value hierarchy.

b) Finance lease liabilities, net

The present value of finance lease liabilities is as follow:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Not later than 1 year	3,257,939	3,830,268	-	-
Later than 1 year but not later than 5 years	1,180,863	2,868,295	-	-
	4,438,802	6,698,563	-	-

c) Interest rate

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

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Short-term borrowing	5.00% and 6.00%	-	5.00%	-
Long-term borrowing	5.70%, 5.73% and 5.89%	5.89% and 6.25%	-	-
Finance lease liabilities	6.00%, 6.25% and 7.02%	6.00% and 6.25%	-	-

21 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	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Statement of financial position:				
Retirement benefits	35,280,819	26,459,737	16,714,900	16,022,811
Profit or loss charge included in operating profit for:				
Retirement benefits	8,992,481	4,096,707	2,384,240	2,055,438
Remeasurement for:				
Retirement benefits	(1,798,994)	-	1,523,351	-

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

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
At 1 January	26,459,737	32,675,730	16,022,811	14,176,373
Current service cost	2,939,482	3,422,447	861,371	1,742,170
Past service cost	5,440,342	-	2,155,900	-
Interest expense	612,657	674,260	261,613	313,268
Transfer to subsidiary	-	-	(894,644)	-
	35,452,218	36,772,437	18,407,051	16,231,811
Remeasurements:				
Loss from change in demographic assumptions	1,142,156	-	402,304	-
Loss from change in financial assumptions	2,898,216	-	1,098,147	-
Experience (gain)	(2,241,378)	-	(3,023,802)	-
	1,798,994	-	(1,523,351)	-
Benefit payment	(1,970,393)	(10,312,700)	(168,800)	(209,000)
At 31 December	35,280,819	26,459,737	16,714,900	16,022,811

On 5 April 2019, an amendment bill to the Labour Protection Law was published in the Government Gazette. The amended law will become effective 30 days after its publication. The main amendment is that the compensation for employees who have retired and have more than or equal to 20 years of service has changed from 300 day's pay to 400 day's pay. The effects of the amendment were recognised as past service cost during the year.

21 Employee benefit obligations (Cont'd)

Retirement benefits plan (Cont'd)

The principal actuarial assumptions used were as follows:

	Consolidated and Separate financial statements	
	2019	2018
	%	%
Discount rate	1.61	2.67
Inflation rate	2.50	2.50
Salary growth rate		
- Aged below 40 years	5	6
- 40 - 55 years	4	4
- Above 55 year	3	3
Voluntary redundancy rate		
- Aged below 30 year	30	24
- 30 - 40 years	14	14
- 40 - 55 years	8	9
- Above 55 years	0	0

21 Employee benefit obligations (Cont'd)

Retirement benefits plan (Cont'd)

Sensitivity analysis for each significant assumption used is as follows:

	Consolidated financial statements					
	Change in assumption		Impact on defined benefit obligation			
			2019	2018	2019	2018
Discount rate	1%	1%	Decrease by 8.83%	Decrease by 8.65%	Increase by 10.13%	Increase by 9.89%
Salary growth rate	1%	1%	Increase by 9.93%	Increase by 10.76%	Decrease by 8.84%	Decrease by 9.55%
Turnover rate	20%	20%	Decrease by 9.87%	Decrease by 10.58%	Increase by 11.97%	Increase by 13.02%
Mortality change rate	1%	1%	Increase by 0.35%	Increase by 0.32%	Decrease by 0.39%	Decrease by 0.34%

	Separate financial statements					
	Change in assumption		Impact on defined benefit obligation			
			2019	2018	2019	2018
Discount rate	1%	1%	Decrease by 8.05%	Decrease by 7.92%	Increase by 9.07%	Increase by 8.88%
Salary growth rate	1%	1%	Increase by 8.89%	Increase by 9.77%	Decrease by 8.06%	Decrease by 8.82%
Turnover rate	20%	20%	Decrease by 8.32%	Decrease by 8.99%	Increase by 9.66%	Increase by 10.45%
Mortality change rate	1%	1%	Increase by 0.30%	Increase by 0.25%	Decrease by 0.33%	Decrease by 0.30%

21 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 in the statement of financial position.

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

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

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

The weighted average duration of retirement benefit plan is 12.1 years (2018: 9.6 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 2019					
Retirement benefits	7,875,875	265,231	6,312,118	64,037,940	78,491,164
Total	7,875,875	265,231	6,312,118	64,037,940	78,491,164

	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 2018					
Retirement benefits	6,434,583	1,450,917	4,754,482	50,888,255	63,528,237
Total	6,434,583	1,450,917	4,754,482	50,888,255	63,528,237

21 Employee benefit obligations (Cont'd)

Retirement benefits plan (Cont'd)

Expected maturity analysis of undiscounted retirement benefits: (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 2019					
Retirement benefits	5,136,866	265,231	2,381,542	21,034,741	28,818,380
Total	5,136,866	265,231	2,381,542	21,034,741	28,818,380

	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 2018					
Retirement benefits	4,602,741	1,140,356	2,448,186	20,965,280	29,156,563
Total	4,602,741	1,140,356	2,448,186	20,965,280	29,156,563

22 Share capital and premium on share capital

	Authorised number of shares	Issued and fully paid-up			
		Number of shares	Ordinary shares	Share premium	Total
	Baht	Baht	Baht	Baht	Baht
At 1 January 2018	781,629,851	781,628,733	781,628,733	906,214,683	1,687,843,416
Shares issuance	-	-	-	-	-
At 31 December 2018	781,629,851	781,628,733	781,628,733	906,214,683	1,687,843,416
Shares issuance	-	-	-	-	-
At 31 December 2019	781,629,851	781,628,733	781,628,733	906,214,683	1,687,843,416

As at 31 December 2019, the number of authorised ordinary shares is 781,629,851 shares (2018: 781,629,851 shares) with a par value of Baht 1 each (2018: Baht 1 each). The number of issued and fully paid-up ordinary share is 781,628,733 shares (2018: 781,628,733 shares).

23 Legal reserve

	Consolidated and Separate financial statements	
	2019	2018
	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. This reserve is not available for dividend distribution.

24 Other incomes (Other expenses)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Interest income from short-term loans to subsidiaries (Note 30.1)	-	-	32,138,726	30,954,849
Interest income	113,517	104,058	64,950	66,209
Management fee income to subsidiary (Note 30.1)	-	-	30,228,012	60,000
Gain from disposal of investment properties	-	17,800,436	-	-
(Loss) gain from disposal and write-off of assets	(1,355,646)	3,092,502	(20,611)	1,816,521
Net gains on exchange rate	40,017	12,249	-	-
Reversal of (loss from) allowance for impairment of investment in subsidiaries	-	-	(7,473,303)	2,941,329
Loss from impairment on investment in joint venture (Note 12)	(1,059,291)	-	(1,884,755)	(3,314,808)
Loss from insurance compensation for assets for rent	(117,871)	-	-	-
Others	665,438	1,536,816	17,373	125,344
	(1,713,836)	22,546,061	53,070,392	32,649,444

25 Finance costs

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Interest:				
Subsidiary borrowings (Note 30.2)	-	-	506,416	402,500
Bank borrowings	6,620,775	6,878,727	924,577	54,190
Finance lease	347,203	540,912	-	22,091
	6,967,978	7,419,639	1,430,993	478,781

26 Expenses by nature

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Depreciation - building and equipment	39,098,575	39,524,761	5,282,318	6,541,372
Depreciation - assets for rent (Note 15)	56,860,083	57,900,944	-	-
Amortisation - intangible assets	772,276	330,956	105,868	104,075
Staff costs	234,180,866	223,853,555	29,601,349	36,145,159
Employee benefit expense	8,797,489	3,978,457	2,384,240	2,055,438
Director and executive remuneration	30,674,920	38,588,281	14,439,000	25,850,791
Outsourcing service fee	6,759,829	14,285,379	3,566,748	3,508,000
Operating leases	25,662,483	29,314,487	16,308,843	15,416,283
Commission	376,041	3,020,225	170,000	170,000

27 Income tax

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Current tax				
Current tax on profits for the year	49,647	2,542,881	-	-
Adjustment in respect of prior year	2,346,097	-	-	-
Total current tax	2,395,744	2,542,881	-	-
Deferred income tax (Note 17)	(10,257,879)	1,553,548	(433,591)	(332,773)
Income tax expense (income)	7,862,135	4,096,429	(433,591)	(332,773)
Income tax expense (income) attributable to:				
(Profit) loss from continuing operations	(7,983,380)	4,130,084	(433,591)	(332,773)
Loss (profit) from discontinued operations	121,245	(33,655)	-	-
	(7,862,135)	4,096,429	(433,591)	(332,773)

27 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% (2018: 20%) as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Profit (loss) before income tax	(46,578,131)	(34,683,513)	6,441,297	(32,529,130)
Tax calculated at a tax rate of 20% (2018: 20%)	(9,315,626)	(6,936,703)	1,288,259	(6,505,826)
The effect of:				
Joint ventures' results net of tax	285,501	597,487	-	-
Revenue not subject to tax	(9,422,644)	(105,815)	-	(400,000)
Expenses not deductible for tax purposes	3,020,601	369,625	1,915,002	704,965
Expenses that can be double deductible	(1,773,524)	(52,443)	(39,903)	(8,211)
Utilisation of previously unrecognised tax losses	(3,596,949)	-	-	-
Tax losses for which no deferred income tax asset was recognised	10,594,409	10,224,278	(3,596,949)	5,876,299
Adjustment in respect of prior year	2,346,097	-	-	-
Income tax	(7,862,135)	4,096,429	(433,591)	(332,773)

28 Earnings (loss) per share

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

The basic earnings (loss) per share are as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Profit (loss) attributable to ordinary shareholders of the Company				
From continuing operations (Baht)	(29,374,551)	(37,276,126)	6,874,888	(32,196,357)
From discontinued operations (Baht)	(9,018,138)	(1,466,600)	-	-
	(38,392,689)	(38,742,726)	6,874,888	(32,196,357)
Weighted average number of shares (Shares)	781,628,733	781,628,733	781,628,733	781,628,733
Basic earnings (loss) per share (Baht)				
From continuing operations	(0.04)	(0.04)	0.01	(0.04)
From discontinued operations	(0.01)	(0.01)	-	-

There are no potential dilutive ordinary shares in issue during 2019 and 2018.

29 Commitments and contingencies

29.1 Letter of guarantee

As at 31 December 2019 and 2018, 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 2.91 million (2018: Baht 1.28 million).

29.2 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	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Property, plant and equipment	3,517,502	14,326,822	-	-

29.3 Operating leases - where the Group is the lessee

As at 31 December 2019, 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	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Not later than 1 year	4,648,842	4,250,526	1,614,737	1,730,526
Later than 1 year but not later than 5 years	5,829,895	5,084,211	2,953,684	2,964,211
Later than 5 years	8,820,000	9,540,000	8,820,000	9,540,000
	19,298,737	18,874,737	13,388,421	14,234,737

29.4 Guarantees

The Studio Park (Thailand) Co., Ltd. pledged its land as a security for long-term bank borrowing of Baht 537 million (2018: Baht 500 million).

30 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 70.51% of the Company's shares. The remaining 24.49% of the shares are widely held. The significant investments in subsidiaries and joint venture are set out in Note 11 and Note 12.

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

Relationships with related parties were as follow:

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

The following material transactions were carried out with related parties:

30 Related party transactions (Cont'd)

30.1 Revenue from sales and services

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Revenues from rental and service				
Related companies	1,785,080	2,523,874	-	-
Interest income				
Subsidiaries (Note 24)	-	-	32,138,726	30,954,849
Other income				
Subsidiaries (Note 24)	-	-	30,228,012	60,000

30.2 Purchases of goods and services

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Cost of services				
Subsidiaries	-	-	3,201,424	2,613,139
Related companies	12,116,033	11,512,500	12,053,250	11,512,500
	12,116,033	11,512,500	15,254,674	14,125,639
Operating expenses				
Related companies	5,322,015	4,104,210	1,516,263	1,530,597
Building rental				
Director	908,566	663,158	-	-
Interest expenses				
Subsidiary (Note 25)	-	-	506,416	402,500

30 Related party transactions (Cont'd)

The following material transactions were carried out with related parties: (Cont'd)

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

As at 31 December	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Trade accounts receivable (included in Note 8 “Trade and other receivables, net”)				
Related companies	63,451	58,326	-	-
Accrued interest income (included in Note 8 “Trade and other receivables, net”)				
Subsidiaries	-	-	-	600,678
Other receivables (included in Note 8 “Trade and other receivables, net”)				
Subsidiaries	-	-	4,313,879	64,200
Trade accounts payable (included in Note 18 “Trade and other payables”)				
Subsidiaries	-	-	714,548	601,866
Related companies	32,635	9,630	9,630	9,630
	32,635	9,630	724,178	611,496
Accrued expense Related companies	355,595	364,518	110,693	110,693

30.4 Short-term loans to subsidiaries

For the years ended 31 December	Separate financial statements	
	2019	2018
	Baht	Baht
Subsidiaries		
Beginning balance	527,500,000	546,000,000
Loans granted during the year	86,900,000	24,500,000
Repayments received during the year	(68,500,000)	(43,000,000)
Ending balance	545,900,000	527,500,000

Loans to subsidiaries represent promissory notes, carry interest at the rates of 5.75% and 6.00% per annum (2018: 5.75% per annum) and are due at call. Loans are unsecured.

30 Related party transactions (Cont'd)

The following material transactions were carried out with related parties: (Cont'd)

30.5 Short-term borrowing from a subsidiary

For the years ended 31 December	Separate financial statements	
	2019	2018
	Baht	Baht
Subsidiary		
Beginning balance	7,000,000	7,000,000
Borrowings received during the period	2,300,000	-
Borrowings repaid during the period	(3,300,000)	-
Ending balance	6,000,000	7,000,000

Borrowing from a subsidiary represents promissory notes, carry interest at the rate of 5.75% and 6.00% per annum (2018: 5.75% per annum) and are due at call. Borrowing is unsecured.

30.6 Directors and executive remuneration

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Salaries and other short-term employee benefits	30,674,920	38,588,281	14,439,000	25,850,791
Post-employee benefits	2,820,247	1,866,420	1,711,336	1,308,465
	33,495,167	40,454,701	16,150,336	27,159,256

31 Events occurring after the reporting period

Time Lapse Co., Ltd.

On 23 December 2019, the Extraordinary Shareholders' Meeting No. 1/2019 of Time Lapse Co., Ltd. approved to decrease the authorised share capital from 400,000 ordinary shares with a par value of Baht 100 per share to 340,000 ordinary shares with a par value of Baht 100 per share, totalling Baht 6 million. Time Lapse Co., Ltd. registered for decreasing share capital with the Ministry of Commerce on 28 January 2020.

General Information of the Company

Company Name	:	Matching Maximize Solution Public Company Limited
Nature of Business	:	TV content production and the subsidiaries operating equipment rental services business, studio rental service business and postproduction 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.
Nature of Business	:	Equipment rental service business
Head Office	:	No.999 Moo 2, Bangbor Sub-district, Bangbor District, Samutprakan 10560
Telephone	:	0-2039-3999
Fax	:	0-2091-8258-9
Branch	:	No. 779/34 Prachauthit Road, Samsen Nok Sub-district, Huaykwang District, Bangkok
Telephone	:	0-2691-6395-8
Homepage	:	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.**
Nature of Business : Studio rental service business
Head Office : No. 305/12 Soi Sukhothai 6, Sukhothai Road, Dusit Sub-district, Dusit District, Bangkok 10300
Telephone : 0-2669-4200-9
Fax : 0-2243-4124 , 0-2243-1494
Branch : No. 999 Moo 2, Bangbor Sub-district, Bangbor District, Samutprakan 10560
Telephone : 0-2034-5999-9
Homepage : 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 : **TSP Production Service CO. Ltd.**
Nature of Business : Foreign film production coordinator in Thailand/ a joint venture to produce films or a coordinator film production personnel/ individuals/ or juristic persons/ international organizations involved in film production; and an organizer of related activities
Head Office : No. 999 Moo 2, Bangbor Sub-district, Bangbor District, Samutprakan 10560
Telephone : 0-2034-5999
Telephone : 0-2674-8090
Registered Capital : 2,000,000 baht
Paid-up Capital : 2,000,000 baht consisting of 200,000 ordinary shares at 100 baht per share

Information of Registrar

Registrar : **Thailand Securities Depository Co., Ltd**
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 : 15th 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 : 26th 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



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